

## Northern Flank by Lotta-Stina Thronell

### Åslund's shock therapy under attack

*Experts are blasting the Swedish cohorts of Jeffrey Sachs as "quack doctors" who could cause war.*

When Swedish Prime Minister Carl Bildt stated at the World Economic Forum in Davos, Switzerland in January that Russia had been given "too much therapy" and "too little shock," he was siding with the infamous shock therapist Anders Åslund. Åslund for years worked as an economic adviser to the Russian government, helping to push through the monetarist policies which have turned Russia into a powder-keg. Åslund, the director of the Stockholm Institute of East European Economics, recently resigned from his Russian post, leaving some 30 protégés behind in Moscow who now intend to build an "independent" think-tank.

Jeffrey Sachs, the Harvard flea market economist with whom Åslund works, also resigned from his advisory post. Sachs would not have had much of a chance to recruit Russians to his theories without Åslund, who speaks fluent Russian.

Åslund claims that the reason for his resignation is that the two Russians who brought him into the game, Yegor Gaidar and Boris Fyodorov, are no longer in the government, and that he therefore has no further influence. The present economic advisers to the Russian government, he says—they are mostly natives—have neither enough theoretical knowledge of economics nor enough knowledge about other countries to do their jobs right. What Russia needs, he keeps saying, is more shock therapy. But neither his policy, nor that of Bildt's government, is unopposed in the domestic Swedish debate.

For years, Åslund has been at-

tacked by two experts on eastern European countries, Stefan Hedlund and Kristian Gerner. In 1992, Hedlund, who is a professor in Research on Eastern European States at Uppsala University, wrote many articles opposing the shock therapy policies of the West, culminating in a remark at the end of the year: "The curse of Russia is that Reagan's advisers are using its people like guinea pigs for painful experiments." After Bildt's pronouncements at Davos, Hedlund didn't miss the chance to make the point again. In an article in the daily *Dagens Nyheter* on Feb. 6, Hedlund posed the question, "Can Anders Åslund abdicate his responsibility for the bloodbath in Russia?" Hedlund reported how Åslund had praised Boris Yeltsin when he dissolved the Russian Parliament on Sept. 21, 1993, underlining that this measure had long been demanded by Yeltsin's "advisers."

Hedlund emphasized the catastrophic incompetence of Åslund, as shown in the adviser's forecast on the eve of the Dec. 12 elections in Russia: "The evening before the elections, the most important of these sources [on what is really going on in the Kremlin], Anders Åslund, was shown on Swedish television, declaring that there is no other possibility than that the Russian election result will be a big victory for the pro-reform parties."

Hedlund knew that Åslund's forecast was built on a Disneyland-type of projection and not on reality. As Third Rome ideologue Vladimir Zhirinovskiy's election victory shocked the

world, most Swedes also had to face the fact of what was going on in Moscow; but this doesn't seem to have helped Prime Minister Bildt a bit, judging from his Davos statements.

Kristian Gerner, the other main opponent of Åslund in the Swedish debate, is an associate professor specializing in the Culture and Society of Eastern Europe, formerly at the University of Lund, now also at the University of Uppsala. He has been warning that the West must hold back Russian imperialism "while there still is time." His most recent contribution was published in the daily *Svenska Dagbladet* on Jan. 7, with the main aim of attacking the proponents of "shock therapy" as "quack doctors" who "lack the education which is needed for an analysis and critical evaluation of the results of the treatment."

"The quack doctors," he wrote, "believe in universal medicines which will help the patient no matter what his illness might be. Sometimes quack doctors are lucky—and the quack doctor draws the conclusion that this is thanks to him. If the patient dies, it is, according to the same logic, the fault of the patient, not because of wrong treatment."

Gerner stated that the shock therapists are using the same dangerous logic and that the Swedish government's appeasement of Moscow is very dangerous. Not saying much about what a better economic policy would be, Gerner concluded: "It seems to be necessary that the central European and Baltic nations be integrated into NATO. An active European security policy may prevent the Baltic nations from having to share the fate of Bosnia. If the Russian leaders came to the conclusion that the West were ready to give up the Baltic states as easily as Bosnia, catastrophe would be close at hand."