

Interview with Yuri Felshtinsky

Miriam Lansky: In the introduction to the English-language edition of your book,¹ you draw a distinction between power and influence. You say that the oligarchs never had power. Can you elaborate on that thought?

Yuri Felshtinsky: This is a very important point. What do the oligarchs have? They have money. You hear everywhere, “The oligarchs stole.” From whom? Imagine [that] everything is nationalized and seventy-five years passes, and then privatization begins. Most people don’t believe in it. Most people expect everything to be nationalized again. People are conservative. They reason, “I don’t have very much. How can I risk my last crumb? The government will come and take it away.” For this reason everything is undervalued.

But there are others who take this chance and they reason differently. [They think], “There will be many of us and they can’t take it away. We will win and we won’t give it up.” This is [Boris] Berezovsky. (There are others, he just happens to be the one I am acquainted with.)

Because for seventy-five years there had been no market, all assets—let’s say a factory—were undervalued. Oligarchs, like Berezovsky, got their factories and other substantial assets cheap. On the other hand, they were operating in an environment where there was no law. There was no tax law. No one knows what’s legal. So you got your factory, now what? Now you have to invest in it. Renovate it, and manage it, and so on. You have to give bribes, all the time, for every piece of paper.

Imagine how difficult it is for the businessman to survive. Who succeeds? The one who is smart? Ambitious? Connected? It’s all of those. You have to have capital. You have to make the right decision about investing it. If you make a mistake, you’re finished. And then you need the connections to keep it running. Very few can do all this—there’s only a handful of them.

In a more or less democratic system, politicians need money to run campaigns to win votes. Bloomberg spent six dollars per voter and one says that Bloomberg bought votes! The oligarch helps the politician win elections through the normal legal machinery of the mass media. But this is not the same as canceling elections! There is a qualitative difference between appealing to the voter through a journalist who had been bought and a journalist who has been strangled! It’s one thing to use television to elect a politician; it’s another thing to start a war in Chechnya to win an election. That there’s a war going on [in] Chechnya, that does not bother anyone. But Berezovsky owns a television station—now there’s a scandal!

¹This interview was conducted by Miriam Lansky on March 15, 2002, in Boston.

At the same time, the [Federal Security Service] FSB uses the press, too. In 1988 you could see the ideological fight. For instance, in *Moskovski Komsomolts*, the head editor, [Sergey] Grachev, and [Alexander] Khinshtein published a story that Berezovsky is conducting surveillance of the Yeltsin family. But if you read the story, it's obvious that someone is listening to Berezovsky—that his conversations are being taped, not the Yeltsins'.

Here's the critical difference between power and influence. Berezovsky can't persuade the prosecutor's office to start an investigation in Ryazan. This is the difference between the oligarchs and the FSB—all Berezovsky has is money. He can't persuade the procuracy to open or close a case. He has no sway over police or prosecutors. He can't protect himself or his closest associates. Nikolai Glushkov, one of his closest associates, has been in jail for two years, and no amount of money can get him out. This is the real difference between power and influence in Russia, and it's very clear by looking at Berezovsky. He has lots of money and no power. This is the difference between the real oligarchs and the people we are used to calling "oligarchs"—Berezovsky can be arrested and thrown in jail.

ML: Why don't you cite the newspapers that you used in the book? You cite sources sometimes, but not every time you use them.

YF: I want the FSB to have to dispute the information presented. If I gave a source each time, they would say, this one is being paid off, that one has political bias. . . . I wanted them to deal with the information, not attack the source. I will give you a compact disc with all the sources I used on it. I didn't make up anything. Just run searches on the disc and you will find all the sources there.

ML: There are places in the book where it seems like there is eyewitness testimony or specialized information about a case—for instance, about the investigation of Lazovsky. Are those instances coming from Alexander Litvinenko?

YF: The Pogosov information, yes. That's Litvinenko. There are only a few places where Litvinenko is the main source. He provided a view into the world of the FSB, how they think, what their concerns are. The cases of information specifically from Litvinenko are few: Pogosov, the part about Buddenovsk, the death of [Dzhokhar] Dudaev, and parts about the FSB ties to organized crime—for instance, the part about Stelth.²

ML: After the FSB investigation into Lazovsky was halted, did Litvinenko start working for the [Ministry of Internal Affairs] MVD?

YF: No. Litvinenko never worked for the MVD. He was given an honorary medal from MUR.³ But I think that was for cooperation—he did not actually ever become an MVD agent.

ML: So how does he know so much about the Lazovsky investigation under MUR?

YF: Litvinenko is the kind of person who is very chatty. If ten MVD officers walk by, he will chat them up and get their whole life story. But these questions should be directed to him.

ML: The reason I'm pursuing this line is that what you have is more than September 1999. It's a longer chain, from December 1994 to August 2000—with eyewitnesses.

YF: December 1994, definitely—Vorobiev went to jail for two years for the 1994 terrorist acts. What's more, the FSB wrote him a letter of support. He appealed to the Supreme Court, which, in view of this letter, shortened the term from five to seven years to two years.

Compare that with another terrorism case. Someone blew up a statue of Nicholas II and set off a firecracker in the Lubyanka office of the FSB—it was at night and broke the windows. The perpetrators were found. They were members of some sort of “revolutionary committee”—that is, seventeen-year-olds. Kids. You can call them idiots or anarchists or whatever, but still they are seventeen years old and they did not kill anyone. You know what they got? Not one year or two years, but five to seven.

So why are at least some of the FSB caught in 1994 and 1996? Because the MVD is investigating. By 1999, the FSB is setting the bombs and investigating itself! This is an important point. Terrorism was part of the mandate of the MVD. I think in 1998 after Tskhai, it was transferred entirely to the FSB. Now all investigation into terrorism falls under the jurisdiction of the FSB. So it is investigating itself.

ML: What about Pushkin Square?

YF: With Pushkin Square in 2000 it becomes hazier—I have only one article. It's a well-developed piece of journalism, but still . . .

ML: It speaks of twelve eyewitnesses.

YF: Now ten of them are dead. What am I left with?

ML: There is no direct evidence about Moscow and Volgadonsk—so you are reasoning from Ryazan?

YF: There is evidence about Moscow, it's the Casio watch that was part of the detonator mechanism. And here in the picture of the detonator from Ryazan, that's also a Casio clock. I didn't realize it at first, it's not in the book. (It's not in the English version, I am putting it in the Russian text.) What does that look like to you? I thought it was a beeper. So I didn't connect it to the Moscow report. But then an expert was looking at this picture and he said, “And that's a Casio electronic clock.” I didn't imagine it that way, I was thinking a Casio wristwatch. But

here it is, the same type of clock was used in the detonator in Ryazan and in Moscow.

So, the detonator is real. The picture was taken by the local FSB when they opened the case on September 23. We have the local experts in Ryazan who found a detonator and hexogen. The pictures show that the clock works, the bullet is real, the batteries are real, and so forth. It's date stamped and on the Casio clock it's one minute different.

We took the picture taken by the Ryazan FSB on September 23 and showed it to four groups of experts in four countries. They all said the detonator is real. Then we asked, "Is it possible to confuse hexogen with sugar?" All four groups say "No." So what do we have? The detonator is real and the explosives are real. What else do we need to prove? All the rest is irrelevant.

ML: What is the significance of there being hexogen?

YF: Hexogen has no civilian uses. It's highly volatile and very difficult to transport safely. It's used in torpedoes and shells—in military uses only. It's a tightly controlled substance in the sense that to get a quantity of it from a military base, you have to have special permission. Except now we know that it was sold on the side.⁴

ML: How do you reason from Ryazan to the other bombings?

YF: The *modus operandi* is the same throughout. If you look at the official statements from September, including September 23, you can see that what they are describing is precisely the same as the Ryazan event. This is a purely logical argument.

Let's reason like a detective trying to solve a serial murder. Let's say the killer strangles young women and he always strangles them with white stockings. So one victim is found, then another one, and then a third victim. We find the killer in the third case. So would a detective conclude that the murderer killed only this one woman? Or that all the women who were strangled the same way were killed by the same person?

What are we being told? The first building it was the Chechens, the second building it was the Chechens, the third building it was the Chechens. But the fourth was the FSB. Except it wasn't an attempted bombing, but a training. But the FSB were caught in the act and no Chechens were ever implicated. And it's clear that the entire leadership of the country is lying.

ML: Why isn't there more of a political reaction?

YF: Because [Vladimir] Putin and the others who are sitting there have been pushed into a corner. They will have to answer for this. They know that we will put them in jail and they will lose their position, their freedom, and their money. So they will never relinquish power.

ML: There is hexogen still missing. That seems like a socially significant fact. Shouldn't they at least find the hexogen?

YF: We're not terribly optimistic about there being an investigation. We're not so naive to think that it will be created or would be impartial. Anyway, the Duma is full of FSB. [Anatoly] Kulikov and [Alexandr] Korzhakov are in the Duma, plus the ones we don't know are in the FSB. So it's easy to form a commission and pack it with FSB agents. But I doubt they will even do that. We're advocating such a commission to have a tangible demand, to say that we're fighting for something specific. We don't have any illusions about a commission being formed.

We can't get even much simpler things. All we are saying to them is, "Show us the case of the five defendants in Stavropol." We can't even get that. We are not talking about the bombings—let's just take Ryazan. No one died there. All we are saying is, "Show us the order authorizing this training." We can't attain even those much more modest goals.

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ML: What are your next moves?

YF: We're publishing the book in Russian. We approached every single publisher in Russia, and all of them were simply afraid to publish it. So, we will print it ourselves.

We found two women whose mother died in the Moscow explosion to sue the FSB, Tatyana Moroz and her sister. Both of them are in the United States. In formal terms, if you are abroad, you can only sue the Finance Ministry. So we filed the case against the Finance Ministry—but of course it is actually against the FSB. The main demand is that they allow the victims' families to have access to the materials of the cases. What happened with that trial in Stavropol? We don't know anything about it.

ML: If there was a trial for the Moscow and Volgadonsk bombings, would the materials from Ryazan be admissible for the defense? Could that be why there is no trial? I kept waiting for accusations to be made against [Salman] Raduev. Why didn't they pin the bombings on Raduev?

YF: I don't know if the evidence from Ryazan would be admissible. But no, the authorities can't just pin the blame on anybody. They can't invent a total fiction. This is where it helps to talk to Litvinenko. You have to think about it from their point of view, they must follow regulations. It's possible to stall or to bend things

a little. But to just invent a case out of thin air, that's impossible. First of all because each person involved will be afraid that his deputy will use it to get him fired. They will see many bureaucratic pitfalls, ways they become vulnerable by doing something like this. Faking a case is just too dangerous.

ML: Is it correct to see Putin as a kind of heir to Korzhakov?

YF: No, not really. In 1996, there was the threesome, Korzhakov, [Mikhail] Barsukov, and [Oleg] Soskovets. What was Korzhakov's main function? He had to drink with Yeltsin. It was his job to make sure that Yeltsin would be an alcoholic. My hypothesis, and I want to stress [that] this is a hypothesis, is that they wanted to elevate Soskovets to vice president or prime minister, so that he would become the heir. So the basic scheme existed in 1996, but it didn't succeed until 1999.

In 1996 the security services representatives were defeated by Berezovsky, [Valentin] Yumashev, and Anatoliy Chubais, who outmaneuvered them. And after the elections, Boris Yeltsin got rid of all three of them—Korzhakov, Barsukov, and Soskovets. They were defeated.

Now it's known that during the 1996 campaign Yeltsin had signed three decrees—calling off the elections, calling a state of emergency, and banning the Communist Party. Korzhakov would come to him and say, "You have 3 percent in the polls. The Communists will come back to power and when they do, they will hang you and your whole family for the coup of 1993. You and your family will hang." And Yeltsin signed the decrees. When he showed these decrees to Kulikov, he offered his resignation. That's what stopped Yeltsin. When Kulikov said, "I will have no part in this. This will mean civil war," that made something click in Yeltsin's head. So he went with Berezovsky and the other oligarchs who were saying, "We can manage to win the elections by aggressive campaigning."

ML: Is there a source for what Kulikov said?

YF: No. Berezovsky told me that.⁵

ML: Actually, what I had meant was that Putin acts like Yeltsin's personal enforcer in the second term.

YF: Wait, let's draw the general picture.

Now it's true that the 1996 campaign may have been somewhat unfair or corrupt—we know this story about staffers carrying Xerox boxes full of dollar bills. We know the media favored Yeltsin. There is qualitative difference between giving a bribe and beating up journalists or closing down television stations. There was no fear then. Two years ago, there was no fear. And now people are afraid again.

Now here's what's particularly interesting for me—how did it happen that in 1999 all three candidates were from the security services? Primakov—to me it is obvious that he is the enemy of reform. Then there was Stepashin, who is a man-

ageable figure. He was flirting with Luzhkov and, in general, he's not an independent political actor. And then there's Putin. Berezovsky thought that Putin would be okay. I warned him at the time that this was not so. But you see the larger problem: All the candidates were from the security services.

ML: In the last chapter of your book, you argue that the FSB should be dissolved into the MVD. Is the MVD better than the FSB? Isn't this just a competition among the various services?

YF: No, I would not say that it's a competition. Let's take each service in turn. The military does not solve political questions. They can steal. They get a big budget and a good place to steal, but they don't make policy. Neither does the MVD, but they have lots of real work to do. Look again at Stepashin, he was not seen as a real politician. Then there is the [Federal Investigations Service] FIS or [Federal Agency for Government Communications and Information] FAPSI—these agencies have specific tasks.

The FSB should be merged into the MVD because there are several legitimate tasks for which a security service is needed. The problem is that the FSB has political tasks. These internal tasks are incompatible with the rudiments of democracy. Why should the FSB exist? What tasks does it have that the MVD or the military cannot manage? Besides, of course, the political tasks, which it should not be performing to begin with. It's a joke, the FSB division fighting terrorism sets bombs, the division fighting drug trafficking sells drugs and so forth—everything is upside down. Like the KGB, the FSB has the function of fighting internal dissent. For this reason, the FSB should be disbanded.

NOTES

1. Yuri Felshtinsky, *Blowing Up Russia: Terror from Within* (New York: SPI Books, 2002).

2. The exploits of "Stelth" the Buddenovsk raid, and the death of Dudaev are recounted on pages 34–39. The part concerning Pogosov is on page 56.

3. Moscow Felony Investigation department (MUR) is the division in the MVD that investigates terrorism cases, including the Lazovsky criminal network.

4. See letters in annex 1.

5. Actually, there is a source. Boris Yeltsin, *Midnight Diaries* (New York: Public Affairs, 2000), 24–25. Yeltsin recounts having signed the decrees and says, "Anatoly Kulikov, the interior minister, spoke out unexpectedly sharply against the plan." Among others who counseled against it were Anatoly Chubais, Viktor Chernomyrdin and Yeltsin's daughter, Tatyana.