

Dope trade in Russia: 'a real gold mine'

Narcotics production and trafficking in Russia have become "a real gold mine for the criminal world," according to the cover story of the Russian weekly *New Times*, #14 for 1993 (April). There is a 1,000% return on rubles invested in the dope business. In a "chain reaction of evil," narcotics addiction is multiplying rapidly throughout Russia.

EIR warned in 1991 that under International Monetary Fund shock therapy, Dope, Inc. was moving into the former Soviet republics (*EIR*, Nov. 22, 1991, "Mafia Millionaires Emerge as Spoilers in the New Russia.")

New Times profiled the indigenous dope plantations in the former Soviet Union: the opium poppy fields of Central Asia, and the hemp valleys of the Russian Far East. There, "hundreds of illegal pickers" risk their health and their lives in the fields of Manchurian hemp. "The best and most expensive [hashish] is obtained in a rather exotic way. Having completely undressed, a picker runs through hemp thickets, shaking the pollen off on his sweating body. Then the pollen is removed from the skin, and the drug is ready for use. Running through hemp thickets, inhaling poisonous hemp vapors is a risky affair—many . . . lose consciousness and even die." *New Times* displays a photograph of a female hemp picker in action, on the front cover. Russian anti-dope operations

are hampered by the lack of fuel for police helicopters. The entire anti-hemp effort in the Russian Far East has four people on staff.

Estimates of the size of the narcotics trade in Russia range from the Russian Ministry of the Interior's 60 billion rubles, to the 1 trillion ruble figure given by "independent experts."

"Increasingly more information is obtained, that the western narco-mafia is currently taking a special interest in winning the Russian market," wrote *New Times* economic analyst Nikolai Garkusha. "According to the data by the Ministry of the Interior, late last year Russia was visited by emissaries of the Medellín Cartel," the Colombia-centered cocaine magnates.

Garkusha outlined a hypothesis about Russia's transformation into "a grand international laundry for dirty money," in which the dope trade would intersect privatization in Russia and the dumping of cheap Russian raw materials on international markets. "What can Colombian mafiosi do with devalued rubles? There's no paradox in it. Dollars and deutschemarks have actually become a kind of official alternative currency. Rubles easily exchange for 'greenbacks' in Russia. But there's also another way to launder drug money used by those new mediatory structures which, thanks to corruption reigning supreme in Russia, buy, illegally, oil and nonferrous metals for prices lower than international ones, to export to the West. Independent analyst A. Volobuyev believes that in conditions of chaotic privatization, narco-dollars and narco-rubles can be used for buying real estate."

—Rachel Douglas

wronski is the preferred local representative of several of the Seven Sisters oil cartel companies.

Early in 1992, another bank scandal hit Poland. One David Bogatin, a Russian émigré and fugitive from a 1987 conviction for fraud in New York City, had set up in 1990 the First Commercial Bank in Lublin. The bank, with \$100 million in deposits, had been offering depositors above market interest rates and was dealing in hard currencies. It was one of the first banks to offer shares on the Warsaw Stock Exchange. Bogatin had been convicted in 1987 in federal court in New York City for his involvement in a gasoline excise tax fraud run by Russian émigrés in the "Little Odessa" section of Brighton Beach, in cooperation with the Gambino and Colombo mafia families.

Here the story of Bogatin becomes very suspicious. While out on bail, by agreement with the U.S. Attorney's Office and court, awaiting his sentencing to a five-year prison term, Bogatin fled the United States for Vienna. His whereabouts was no secret, as he was arrested in Vienna several

times by Interpol, but released. The British also had an extradition request against him which was not acted upon. According to Vienna police sources, Bogatin was offering himself as an informant to the British. The same sources also emphasized that there was no great interest from the United States about Bogatin. From Vienna, Bogatin, virtually an asset of U.S. and British services, organized the 1990 founding of the Lublin bank with \$6 million. Polish bank supervisory officials, still largely the old *nomenklatura*, strangely never bothered to check with Vienna on his background when they granted him his bank license, perhaps because the Brighton Beach "Russian mafia" is often considered a joint asset of the KGB and U.S. crime circles.

The "Little Odessa" mafias of Berlin and Brighton Beach have a stranglehold on the smuggling of icons out of the CIS states. The Polish mafia is known for its role in exchanging domestically produced illegal amphetamines for luxury cars stolen in Germany. The Russian mafia procures many of these cars for sale in the CIS, often paying with icons.