

Why Kremlin Kleptocracy Affects U.S. Interests

By Alexei Bayer

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Over the past year, Washington readily threw its support behind opposition movements in Libya and Syria. That was an easy decision since neither Libya nor Syria was a U.S. ally. When it came to Egypt's Hosni Mubarak, who was a U.S. ally, the administration of U.S. President Barack Obama eventually did withdraw its support from him, but only when his position turned uncertain.

President-elect Vladimir Putin is not "our son of a bitch," to use President Franklin D. Roosevelt's expression. He is no friend of the West, and few people around the world admire his authoritarian kleptocracy. Yet Obama and Secretary of State Hillary Clinton are committed to a "reset" in U.S.-Russian relations. Moreover, despite mass protests of the past few months demanding systemic change, Putin is not wobbling. Moreover, the protests might even make Putin more accommodating on Syria, Iran, supply routes to U.S. troops in Afghanistan and other issues where Washington seeks Russia's cooperation.

Leading Republican presidential contender Mitt Romney was recently critical of Obama's reset policy toward Russia. But aside from resuscitating outdated, Reaganite Cold War rhetoric, Romney had nothing to offer on U.S.-Russian relations. It's a pity because unlike during the Cold War era, the United States — and Romney, the business executive, in particular — could put effective pressure on Russian officials to help combat the country's largest kleptocrats.

To begin with, the United States could take the lead in imposing worldwide sanctions on the so-called Magnitsky list, a gang of Russian government officials who have been implicated in the wrongful imprisonment and death of Sergei Magnitsky, a lawyer for Hermitage Capital.

This list should be broadened to include judges and officials who, according to Russia Behind Bars, a respected nongovernmental organization, routinely jail entrepreneurs and business owners on trumped-up charges. Thousands of the country's most talented and innovative businesspeople are given lengthy sentences when they refuse to give bribes or sell their businesses for pennies on the dollar to criminal raiders and law enforcement officials. Often they are targeted because they compete against companies whose owners have government connections or are even controlled by officials through relatives or friends.

Currently, opposition activists Natalya Pelevina and Alexei Navalny are leading a campaign to make prosecutors investigate First Deputy Prime Minister Igor Shuvalov, who, according to allegations published in Barron's Dec. 3 issue and reasserted by The Wall Street Journal and the Financial Times, received huge bribes from well-known Russian oligarchs. Some of the bribes were allegedly paid by U.S. citizens and companies, which violates U.S. laws and should therefore be investigated by the Justice Department.

Aside from the fact that allegations of wrongdoing widely publicized in the leading media get a reaction from U.S. government officials, Washington should get involved out of sheer self-interest. True, mafia states have existed over the years in the developing world, and kleptocracies habitually despoil and destroy many a nation in Africa and Latin America. Even military juntas are basically mafia states run by men in uniform.

Typically, the world's kleptocracies are also too concerned with stuffing their pockets to pose a threat to the United States or its allies. But Russia is different. It is a mafia state that is armed with nuclear weapons and as such it is capable of ending life on Earth in about 15 minutes. If Washington ignores the ongoing criminalization of the Russian regime, it will do so at its own great risk and peril.

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