

Serdyukov Refuses to Testify in Ongoing Probe

By Natalya Krainova

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Former Defense Minister Anatoly Serdyukov has refused to testify as a witness in the ongoing criminal probe into fraudulent land sales at the Defense Ministry that cost the state budget billions of rubles.

His refusal was announced Wednesday, the same day a court sentenced another mid-ranking official to prison as part of the same probe and the Audit Chamber uncovered new violations at the ministry during Serdyukov's tenure.

Although many have questioned why Serdyukov is being treated only as a witness since the probe was opened last October, political analysts say he is unlikely to be prosecuted because he can provide testimony against other senior officials.

Putin fired Serdyukov in November, a month after the first searches were conducted at Oboronservis — a company affiliated with the Defense Ministry — as part of the

investigation into the sale of state land at below-market prices that cost the state budget 7.5 billion rubles (\$237 million).

Many saw his dismissal as the Kremlin attempting to improve public opinion as part of a larger anti-corruption campaign that sought to crack down on corrupt officials. Although Serdyukov was questioned a handful of times, and investigators at one point spoke of elevating his status to something more serious than "witness" in the case, he was never charged with anything.

On Tuesday, he refused to give testimony to investigators who were questioning him about another development in the case — the sale of a historic building located on the grounds of the Tauride Palace in St. Petersburg to a relative at a below-market price, his lawyer, Genrikh Padva, told Interfax on Wednesday.

Padva said it would be "absurd to testify that there was any criminal intent in deals that were concluded five years ago," adding that the deals were all conducted with full transparency, Rossiiskaya Gazeta reported.

Meanwhile, Moscow's Tverskoi District Court sentenced Dmitry Mityayev, former head of the legal department at the Mira company, to two years and eight months in prison for attempting to defraud the Defense Ministry out of property by selling it at a below-market price.

Also Wednesday, Kommersant published the results of an audit that revealed violations at the ministry related to the implementation of a federal target program for the disposal of arms and military hardware between 2011 and 2020.

Between 2011 and 2012, the Audit Chamber said, the Defense Ministry signed contracts to dispose of arms, but the process was behind schedule and done with violations. In addition, 878 million rubles that was meant to be returned to the government to be redistributed to the maintenance of the army's infrastructure was not returned.

The financial watchdog ordered the Defense Ministry to resolve the violations and <u>reported</u> the situation to the Kremlin.

Since the opening of the investigation, new revelations of fraudulent land sales are seemingly discovered every month, but only mid-tier officials, such as heads of departments at companies that worked with Oboronservis, have been convicted.

One high-profile suspect, Yevgenia Vasilyeva, a former head of the Defense Ministry property relations department, is under house arrest in connection with the probe. Several other suspects, including Alexander Yelkin, former general director of Slavyanka, another company affiliated with the ministry, are in pretrial detention.

According to political analyst Stanislav Belkovsky, the lack of any high-profile convictions comes as no surprise.

"Serdyukov and Vasilyeva will not be jailed because Serdyukov is still a member of Putin's team," Belkovsky said by telephone. "Only scapegoats will be jailed," he said.

Alexei Makarkin, deputy head of the Center for Political Technologies, told The Moscow Times there was another reason Serdyukov would not be prosecuted: because he might end up testifying that he sold his ministry's assets on the orders of the country's leadership.

"Serdyukov was appointed by the president [Putin], and he received certain orders concerning the military reform that were part of the general political course," Makarkin said.

"If he starts talking, it might deal a blow to authorities," he said.

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