Russia’s Biggest ‘Mafia’ Is the KGB

By J. Michael Waller

The Wall Street Journal Europe Wednesday, June 22, 1994

When Mikhail Gorbachev abolished the Communist Party’s monopoly of power, the KGB rushed in to fill the political void as well. Prior to the 1990 elections for the Congresses of People’s Deputies in Russia and the other Soviet republics, the KGB was the subject of some serious internal review. The task force to organize and manipulate the electoral processes. It held political organization training courses for favored candidates, and it distributed brochures in the Chekist style. It also collected reports about their constituencies’ problems, needs and desires. Admitted KGB officers, some 2,758 in all, ran in races for local, regional and federal legislatures across the U.S.S.R.; 86% won in the end, according to a KGB internal newsletter.

The trends are similar in Russia’s booming business community. Radio Liberty’s Moscow correspondent, Victor Koltunov, in his book “Gold for Nothing,” says that the KGB is the key to the economy. The KGB has established a variety of economic organizations, such as “private” banks and trade houses, which has helped to drive the currency market. The West could not control the KGB’s influence in the economy, and the KGB made it difficult for the West to predict the next move.

The Ultimate Mafia

The KGB had vast bank accounts and a monopoly on assets, including oil, gas, and other resources. By the late 1980s, the KGB had established a monopoly on most of the country’s resources, and it controlled a large portion of the economy. The KGB used its power to control the economy and to influence the political process.

In recent years, the KGB procured contraband for the ruling elites, laundered Communist Party funds, smuggled narcotics, trafficked in weapons, robbed out opponents around the world, and engaged in bribery, blackmail, and extortion at home and abroad.

Mr. Waller, a senior fellow at the American Foreign Policy Council in Washington, D.C., is author of the forthcoming book, “Secret Empire: The KGB in Russia Today” (Westview Press).