

Goby takes the fifth. (Mikhail Gorbachev fails to reveal information on his activities)

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Recently Mikhail Gorbachev has been complaining bitterly to Western correspondents that the Russian militia, acting on orders from the Russian government, seized not only the building housing his Gorbachev Foundation but his limousine as well. Poor Gorby. Is this any way to treat the man who brought about the end of Soviet tyranny?

The story, however, is not quite so simple as the Western media has made it out. The huge building has an interesting history. A showcase property built of marble and situated in central Moscow, it was built by the Communist Party with public money. It housed the institute where leaders of foreign communist parties studied how to topple their governments.

When Russia's president, Boris Yeltsin, abolished the Communist Party after the August 1991 coup, who became the true owner of the property? The Russian Parliament gave Yeltsin the power to allocate former Party property. But by this time, Gorbachev had already taken up residence in the building, and had also taken over a luxurious villa once reserved for Politburo members. Gorbachev declared all this the property of the Gorbachev Foundation.

Poor Gorby indeed.

On several occasions, the Russian government told Gorbachev that he could use the building but would have to pay rent. Gorbachev not only ignored the government but rented out one-third of the space for a huge new restaurant and for various foreign joint venture tenants. For this he has received at least \$120,000 in hard currency during the past few months. The foundation also didn't pay taxes due on the property.

Obviously miffed, in early October Yeltsin declared the building the property of the Russian Finance Academy, and the militia took over the building. That's when Gorbachev began complaining resentfully to Western correspondents.

That's not Gorbachev's only woe. He has been summoned to appear as a witness - not as a defendant - before the

new Constitutional Court, Russia's highest court, in a case involving the abolition of the Communist Party. Gorbachev has refused to appear. Why? Could it be because he is afraid of two questions: How much money did he send abroad as General Secretary of the U.S.S.R.-Communist Party; and to what accounts did he send it? Educated as a lawyer, Gorbachev knows that if he makes a false statement under oath, he could be arrested.

He clearly does not want to explain to the Russian people why, at a time when they were suffering privations, Gorbachev sent money to foreign communist parties as well as to their leaders. In 1990, for example, \$2 million went to the General Secretary of the U.S. Communist Party, Comrade Gus Hall. Receipts signed by Hall are on the desk of the General Prosecutor of Russia. When money is sent abroad, it leaves a paper trail. This trail haunts Gorbachev.

During Gorbachev's time, the gold in Russia's reserves fell from 983.5 tons in 1985 to 450 tons in December 1991 - at \$350 an ounce, the difference amounts to almost \$6 billion. And because additional gold was produced during that period, the amount shipped abroad was probably much higher. Much of this gold was used to buy food and other supplies from the West, but did some of it find its way into the Party higher-ups' numbered accounts in Switzerland, Liechtenstein, Panama, Hungary and elsewhere? Most Russians think it did.

If he wanted to, Gorbachev could provide some answers. Only Gorbachev had the power to decide how much gold, platinum, palladium, diamonds and other precious stones and metals should be sent abroad, especially those not officially for sale. A Politburo member who helped him with the Party's foreign financial dealings, Oleg Shenin (*Forbes*, Oct. 28, 1991), is now in prison, charged with organizing the August coup.

Expect more bitter complaints about political persecution from the deposed Soviet leader. Gorbachev must find it most unfamiliar living under a system where even the highest of the high are subject to the rule of law.