

# **The Donbass Rebellion and the Political Idea of Novorossiya**

Matthew Raphael Johnson  
Johnstown, PA

Ukrainian nationalism has been one of the most heartbreaking failures of recent decades. Twice, Ukrainian nationalist have been fooled into believing the west was their champion. In 2004 and again in 2014, western financed violence and riots brought in governments that were nothing more than collection agencies for western capital. Ukraine has now fallen to the level of Gambia or The Ivory Coast in economic terms. Her potential has been destroyed and her public morale is disturbingly low.

Today, the Ukrainian government, the result of violent protests organized from the American embassy, has neither legitimacy nor money. Her economy is entirely based on foreign aid and this is guaranteed to the extent Kiev postures as the main force against Russia in the east. The moment the west seems to tire of writing checks, another mythic story of a “Russian invasion” appears in the western press.

## **The Riots of 2014 and their Aftermath**

As is well-known, the violence of the protesters overwhelmed the police forces. The US embassy was giving away Captigon, a strong amphetamine and painkiller that permitted protesters to withstand tear gas and truncheons. The violence of the Kiev riots surpasses anything this author has seen in riots from South Korea to Northern Ireland. Police were strangely loathe to defend themselves, even when their lives were in danger. The army was never called in.

The EU Energy Commissioner Guenther Oettinger raised the issue of the need for Europe to pay for the debts of Ukraine for Russian gas. The US State Department continues the policy of insanity, A spokesman said:

We absolutely deny the comments Donetsk separatists, who put their own use of force conditional on the completion of their respective Maidan activists and peaceful protesters. We recognize the legitimacy of the government of Ukraine. We completely disagree with the fact that there was a coup. There are no parallels between the armed and the unlawful seizure of government buildings, streets and public places, which covered the eastern Ukraine, and legal and peaceful protests.<sup>1</sup>

Shockingly, the US was claiming the Maidan protests were peaceful and only the separatists were violent. The American press and government were merely making up facts to suit their agenda, knowing that there were very few that could dispute them. This application of “Johnson's Law” was obnoxious since Ukraine is largely unknown territory for even well educated Americans. The Press could say whatever it wanted and make up whatever pleased it.

April 5 and May 1, 2014 was the heart of the Ukrainian “Maidan” debacle. Elements of the junta, governors appointed from Kiev, moved southeast to the Donbass to take the profitable

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<sup>1</sup> State Department Briefing, Jen Psaki Spokesperson. Washington, DC. April 18, 2014  
<http://www.state.gov/r/pa/prs/dpb/2014/04/224989.htm>

firms there to sell them off to the west to pay debts. A quickly organized revolt was labor's answer and an armed uprising was the result. Russian volunteers, especially Cossacks, quickly came to the aid of the Donbass and reinforced their armed forces. On March 16, a referendum in Crimea overwhelmingly joined with Russia, as the population there had always been pro-Russian.

Early May was the first failed Kievan attempt to retake the area. In response, a group of thugs burned alive more than 40 sympathizers in Odessa on the same day as the invasion failed. While referendums were the norm in the Donbass and Crimea, in Kiev, no elections were ever held. The billionaire oligarch Poroshenko was appointed president by western bankers who held Ukraine's debt. Russian gas chief Alexei Miller said little had been paid on the Ukraine's gas debt. Russia offered a loan to Ukraine to assist them since, by early April, Ukrainian economic production had come to a halt. Foreign aid was her only means of staying afloat.

As with the protests of 2004, all promises made by the leaders of the coup were immediately discarded and broken. In Kiev, the new government decreed 20-40% cost increases on public transportation. Prices went up by about 30% the first week. Most hospitals operated at 20-30% capacity. Volunteers were needed to staff what remained. Hot water and heat went up by 65%. Ministry of Finance of Ukraine admitted that drug prices increased by 60-70% in the country in the first week of the Junta. Over the past two months, Ukraine has not officially admitted 13.5 thousand Russian citizens, 98 of them are denied entry into the country for long periods. The pharmacy chains in Kiev more than three-fold increased sales of antidepressants. Drug prices in Kiev have increased by 1.5 - 2 times, there is a shortage of essential drugs, including insulin. To cover for this, Ukrainian media continue fanning hysteria and intimidation. One headline from the online news agency "UNIAN" (owned by the Jewish oligarch Kolomoisky): "Russia instructed the separatists to kill 100-200 people" and that "Kievans should construct bomb shelters" due to the alleged invasion of Ukraine.<sup>2</sup>

The governor of Dnepropetrovsk region, the oligarch Igor Kolomoisky, promised \$10,000 for each DNI soldier or sympathizer killed. Oleg Tsarev was the coordinator of the Southeast resistance in the Ukraine. The Coordination Center will be located in Donetsk. The oligarch Kolomoisky was paying mercenaries to attack the DNI, since most of the Ukrainian army fled or went over to the rebels. Kiev was promising Berkut members \$100,000 and up to attack DNI positions. The general Staff in Kiev wrote themselves bonuses amounting to almost 10 million hryvna.

About 5000 Ukrainians a day were applying for visas to move to Russia. Putin and Medvedev sought cooperation to rebuild the moribund Ukrainian economy. In Donetsk to help the defenders of the Donetsk region miners organized themselves into three battalions of 200 people each. Leadership of the Donetsk People's Republic announced the creation of a "people's army" and the beginning of the preparation of the referendum to be held on 11 May. Under Donetsk activists with St. George ribbons blocked, and deployed artillery brigade of the Ukrainian army. The authorities began the "anti-terrorist operation" in Slavyansk. The operation began after a confidential visit to Kiev by CIA Director John Brennan. He confirmed that 20 US citizens were lost in the attacks on the DNI from the Blackwater group.

To cover for Ukrainian defeats, the story of a "Russian invasion" was invented from whole cloth. It was covered and repeated without evidence and without question. Ukraine began plans to nationalize Russian assets. Public debt was now 60% of GDP, though the real figure is much higher. Much of Kiev saw regular power outages continually. The Rovno and other nuclear plants

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2 US Coup Failed in Ukraine: Kiev Junta's Days are Numbered. Sputnik News, 16 May 2014  
[https://sputniknews.com/voiceofrussia/2014\\_05\\_16/US-coup-failed-in-Ukraine-Kiev-juntas-days-are-numbered-0847/](https://sputniknews.com/voiceofrussia/2014_05_16/US-coup-failed-in-Ukraine-Kiev-juntas-days-are-numbered-0847/)

sere shut down for lack of personnel and money to operate. In the mining industry and metallurgy the decline in production was about 10.7%; the chemical industry, by 5.3%, in engineering, almost 20%. Gas prices went up 20% further in march.

The Kiev government began a round up and execution of its enemies. From January to February 2014, 5172 were executed in Kiev prisons. 10,000 were killed immediately after the coup and another 5,000 in March. Kiev cut off the canal supplying fresh water to Crimea's farmers, ruining the harvest. Strikes in industry and mines in western Ukraine turned pro-Russian.

The Kiev state began asking for donations to finance the army. Food products rose by an average of 25%, in Kiev, closed about 50 restaurants and cafes. Retailers recognized that food consumption decreased by about 20%, manufactured goods by 40-50% . Business is trying to reduce prices, but it does not help. The economy is gone. The US financed bills and TV propaganda to legalize same sex marriage. The Red Cross was not permitted to inspect Kiev's prisons.

In 2009, the electricity produced in Ukraine was about 40% of the last year of the empire, 1989. Agricultural produces such as meat and dairy were 56% less than that level and 53% respectively. Steel production collapsed entirely. Basic household appliances did too. Since independence Ukraine lost 40% of its equity capital and 60% of its fixed asset investment disappeared. Ukraine's industry, chemical, mechanical engineering and light industry largely disappeared, except in the Donbass. Oil transit was reduced to 25% of its 1989 level. About half of the industry in the DNI has been damaged in the war, though steel in particular has been damaged in the area of 25%. Five major Kiev banks went bankrupt. In May, gas went up another 75%. Major protests in the west erupt over unpaid wages and high fuel costs.<sup>3</sup>

Pavel Gubarev, the first president of the Federated Republic, states that the main reason for the development of the “Donbass Idea” was the nature of the second Orange Revolution: its purpose was to sell Ukraine off to pay debts and to pocket the cash for themselves. European goods flooded the market thanks to liberalization and local businesses were destroyed. Yushchenko joined the WTO, meaning that deindustrialization was long a matter of policy.

### **The Economy of Donetsk and the Donbass**

Ukraine, unlike the Russian Federation, has always been and will remain a regional power. The Donbass and the so-called “southern Russian regions of Ukraine” are directly interested in the development of economic and cultural. relations with the Russian Federation. This is due primarily to the fact that in these areas holds much Ukrainian industry and production which necessitate the search for new markets and new sources of raw materials, which the Eurasian alliance is certainly the most important. Ukraine, as a market and resource base is too small for Donbass.

On the other hand, Western Ukraine is an extremely favorable transit position. Western Ukrainian regions do not require close relations with Russia. On the contrary: Russia seeks to establish contacts with the business world in Lviv and Uzhgorod in order to secure favorable conditions for transit of raw materials elsewhere. This means that the disintegration processes, the processes of regionalization and isolation of the individual industrial regions occurring since 1990 directly contradict the fundamental economic interests of Donbass.

The Ukrainian political elite, from Communists to Nationalists, have used and continues to use the idea of national, state independence for the purposes of the uncontrolled plunder of their own people. Therefore, the problem of the reconstruction of the Russian union state in the

3 Flores, J. The Ukrainian Failed State: Pravy Sektor vs. The Kiev Junta. Greenville Post, 2015  
<http://www.greenvillepost.com/2015/07/13/the-ukrainian-failed-state-pravy-sektor-vs-the-kiev-junta/>

minds of Kiev's political leadership is directly related to the question of their own responsibility for crimes committed. The structure of the Ukrainian political elite is based on a uniform education. From the regional leaders to the national elite, the system is riddled with numerous family, kinship, economic and criminal bonds. Any alliance with Russia means that the party is over for Ukrainian politicians. The fact is, however, the party is over regardless.

Since the middle of the 1990s, this author has stated that Russia and Russia alone possesses the people, tradition, size and self reliance to be the brake on the New World Order, or the plans of capital to destroy all national and regional borders. Ukrainian independence, while justifiable on theoretical grounds, fails on economic grounds. It is distorted by the desire of the US and UK to maintain Ukraine as a force against Russia and hence, to maintain globalization at its present pace. This means that Ukrainian nationalists are forced to either support the cosmopolitan and anti-national demands of capital or support the Russian counter-revolution. This explains how the globe's banks, though their instruments such as the IMF, are willing to lose billions to maintain Ukrainian independence without a functional economy or bring Bulgaria into the Eu without the slightest adherence to EU standards.

In this context, the aggression against Yugoslavia in the 1990s is a carefully prepared geopolitical re-division of the world stage. Yugoslavia, and Serbia in particular, is geographically located on the geopolitical axis of Europe and Asia Minor. Unless this is in western hands, it would be impossible to connect the military power of Western Europe with the geopolitical position of Turkey and the Black Sea straits. Therefore, like in 1914, Serbia was the key. Once Yugoslavia was destroyed, then Romania, Hungary and Bulgaria would be placed under intense pressure to join NATO. At the same time, if these countries, in one form or another (even if, at least as associate members) will be involved in opposing the Russian military bloc, despite concessions on the terms of the Danube Convention, the Russian Federation will inevitably lose the status of the Danube power and Anglo-Saxons will be able to form a sufficiently homogeneous geopolitical bloc in the near approaches to the Ukraine.

The ultimate goal of all this is to oust Russia from the Black Sea basin and to eliminate its influence (as the largest of the Slavic states) on the developments in the Mediterranean and therefore, in Central Europe. Meanwhile, the change in the balance of forces in the immediate vicinity of the Russian state initiates the bloody conflicts within it. So, for instance, the actual loss of Sevastopol, ultimately, led to the tragedy in Chechnya. Dudayev's movement would not have been possible if Russia tightly controlled areas adjacent to the Black Sea basin. Russia also had to be removed from the Caucasus, which explains the western backing of separatist tendencies in the Muslim autonomous regions.

The US needs a strong hand in Eastern Europe, the Black Sea, the Mediterranean, at the mouth of the Danube and the Balkans, as well as transit routes of raw materials (including energy) from the Caspian basin and Central Asia to Europe. Strengthening the US position in these areas is due to the weakening of control over the Russian Federation and the loss of their last world power status. The Anglo-Saxons traditionally seek to isolate Russia from the countries of Western Europe. As a sovereign state, Ukraine, in essence, is the guarantor of the impossibility of returning existing order of things for Russia. Therefore, conservation of Ukraine as economically insolvent, culturally backward, but legally independent state is meeting the "vital interests" of the United States of America.<sup>4</sup>

Therefore, the Russian state has been focused on the development of relations with the near abroad. Since the debacle of privatization in the 1990s, this is locally considered an excellent

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4 Europe Fed Up With The Kiev Junta Regime. Novorossiya Today, November 17 2015  
<http://novorossia.today/europe-fed-up-with-the-kiev-junta-regime/>

thing. The policy pursued by the current Kiev leadership directly and immediately contradicts the interests and aspirations of both the Ukrainian and Great-Russian peoples.

The Donetsk Economic Region is a powerful inter-regional territorial and productive complex which includes Donetsk and Luhansk both as cities and broader areas. It is an integral part of the economic potential of Ukraine. The favorable geographical location, proximity to raw materials and markets, diversified industry, well-developed transportation network and a high population density area distinguish it from other economic regions of the country.

Occupying 8% of the territory of Ukraine, the Donetsk region produces 25% of the volume of industrial and 8% of the country's agriculture. Through Donetsk cross important transnational railway lines: Moscow – Donetsk; Kiev - North Caucasus; roads of international importance: Kiev – Baku; and Chisinau - Odessa - Rostov – Baku lines. The region has one of the most modern road and rail routes. Due to its favorable economic and geographical position, the Donetsk Economic Region is actively involved in the development of inter-regional relations, as well as commercial, industrial and scientific-technical relations of Ukraine with other countries, primarily with the CIS countries.

Since January of 2008, before the war broke out, the regions fixed assets were valued at almost a billion dollars. The main problem was loss due to depreciation. Industry was the main sector, making up over half the economic life of the area. It was far more than 20% of all Ukrainian economic value.

Prior to the outbreak of the civil war, the main problem in this region is the high concentration of industrial production and its uneven social and economic development. Despite its strong economic performance the Donetsk region maintains high debt. Before the war, the debt just of the city was about \$763 million, but the average salary was about \$1500 a month. The amount of debt among households increased 11.4% from 2004 to 2010 and poverty remained a problem.<sup>5</sup>

In 2007, the region's exports came close to \$3 billion with imports hovering around \$1 billion. Her trade surplus was a positive light and, had investment continued, her debt problem could have been solved. The US is an important trade partner with the region, but not with Ukraine as a whole. Roughly 30% of the turnover is from Russia.<sup>6</sup>

Shockingly enough, the Soros-owned, anti-Russian outlet “Radio Liberty” let this one slip in June of 2016:

The economic situation on the occupied territories is not as catastrophic as the Ukrainian media often presents. Residents of the "DPR-LPR", actual left to themselves, have to survive somehow. So, they do business, organize trade, provide services. If we compare the current situation with that of 2014, we can say that the economic life in the self-proclaimed republics is gradually coming back to life.<sup>7</sup>

Basic utilities in Donetsk are far below Kiev's inflated rates and New Russia lives far better than the unfortunates under the Junta. The basic “consumer basket” is about 50% less expensive in New Russian than in Ukraine. This is reflected by the fact that this Federation has

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5 Alexandrova, L. Donetsk and Luhansk Economies Start Healing War Scars. TASS, April 2 2015  
<http://tass.ru/en/opinions/786916>

6 The above figures in part derive from Kirchner, R. and R. Giucci (2014) The Economy of the Donbas in Figures. German Advisory Group. Berlin/Kyiv, Institute for Economic Research and Policy Consulting

7 Quoted from DNI News: <https://dninews.com/article/kiev-regretfully-acknowledged-dpr-growing-economics>

signed trade deals with over 53 countries, though about 83% of all turnover is with Russia.

By contrast, in 2015, the Ukrainian Rada passed a bill on the “Investigation and Management of Criminal Assets” and couched it in the language of anti-corruption. In the USA, the legal term is “civil forfeiture” and is the practice of the state being able to take everything used in the commission of a crime and all profits from crime for itself. In Ukraine, it is now an important way for the “state” to finance itself. Kiev's executive reported that “the law provides a mechanism for searching the assets of those subjected to arrest, and to aid in the recovery and management of the assets obtained through corruption and other crimes.”

In reality, Poroshenko now has the power to legally withdraw the assets of his opponents with no state oversight. Given that there is no independent Kievan government, this is just another means for the creditors of the country to seize more and more property. Making matters worse, Poroshenko has now ordered the creation of a Unified National Register of Assets as a part of this law, which means that anyone wealthy in the country must register all wealth and make it subject to seizure if it was “deemed” to have been earned by corrupt means. Regardless of one's view on the Ukrainian problem, few would deny this is merely a way to steal money. Technically, this will be under the “direction” of the Rada.

Since about 50% of all spending in Ukraine comes from the state and the state owns about 40% of all real estate, there is no question as to the law's purpose. The IMF's March 2015 study on the management of state assets advocates the mass sale of the state economy (which would be to foreign firms), making up about 40-50% of GDP. Sanctions exist to ensure Russia is kept out and hence, only western firms would be permitted.<sup>8</sup> Selling these off would mean the finishing of all independent economic life and total, mass unemployment,.

Since there are few reliable records of the events of the 1990s (and still are a rarity today), no one can prove their innocence. Few can “trace” the origin of their wealth. This is primarily a means to permit the west to liquidate the assets of those opposing its direct rule over Ukraine. The IMF states that there is no foundation for reform. There is no legal culture to undergird any sort of reform program and no interest in the state for any reform. Most of all, there is no “consolidated ownership,” that is, there is no clear center of control. Rather, there are networks of shell companies covering for other shell companies laundering money for legitimate firms. Therefore, there is no functional government. Throwing up their hands, the IMF says that there is an

absence of a communications strategy to cultivate broader support for the reform strategy. Previous reform efforts took place in an environment of secrecy and lack of transparency and failed to win the support of the public and other stakeholders, resulting in immediate suspicion (often justifiably so) as to the motives for any moves to reform the sector. As a large employer and significant contributor to the overall economy it is understandable that the public was resistant to any changes that they saw as unlikely to result in improvements or, in some cases, could result in severe worsening of their economic situation. Government communication did little to allay these fears.<sup>9</sup>

This is right after they said there is a clear “absence of necessary pre-conditions to

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8 Olden, B, E Baldacci, D. Detter and Amal Larhlid (2015) Reforming Management and Oversight of State Assets. International Monetary Fund.

9 Olden, Brian, Emanuele Baldacci, Dag Detter, and Amal Larhlid. Reforming Management and Oversight of State Assets: Technical Assistance Report on Ukraine. IMF Country Report No. 16/31, pg 41

facilitate successful reform.” It is an admission that Ukraine has failed as a state. This entire report says that there can be no reform of the state because there is nothing to reform: there is no inventory of state property, tax records, consistent judicial code of conduct or even basic communication among elites both in and out of government. There is also no interest in reform, no unified structure to actually carry out the reform or even be the subject of reform and no money to see it through. In peacetime, this is an unprecedented phenomenon.<sup>10</sup> It is most similar to Germany in 1946.

Ukraine is a failed state. That was evident in 1993. Her system collapsed before the first Orange Revolution financed by the US in 2004 and has been sustained solely with aid from the west ever since. No one denies that it is intensely corrupt and has a non-functioning economy. The IMF, of course, is working with the US to sell off what's left of Ukraine to the banking cartel. The Kievan “state” exists only with foreign money and is thus under foreign control. Most wages now outside of state workers are just not paid. The present pension average is twice below the basic sustenance standard. Crime has taken over (Kievan police authorities say a 50% increase just in 2015) and smaller revolts – such as the uprising in Bessarabia – are breaking out everywhere with no media coverage.<sup>11</sup>

The IMF will not release any more aid money – these are not loans in any meaningful sense – unless the already intolerable austerity is deepened. The two major demands are the raising of the retirement age to 70 and up and the open sale of Ukrainian sovereignty to western banks. State property is already being sold off to foreigners to the point where the state will soon – quite literally – be the boardroom of JP Morgan and Citibank. Presently, Ukrainians do not live long enough to retire under the new law. It is not importance since there is no money in the pension fund and if there were, the hryvnia is not worth much.<sup>12</sup>

In the 2015 IMF report cited above, the debt Ukraine owes is with Deutsche Bank AG London, Citibank – London, Credit Suisse, Morgan Stanley, UniCredit Bank Austria AG, Exim Bank of China, VTB Capital PLC and the Canadian export agency. These are the banks that control Kiev and make policy. Ukraine is today an experiment in the privatization not just of assets, but of state sovereignty itself.

### **Western Demands for World War and Its Economic Foundation**

One of the most bizarre developments in foreign policy in recent memory is the constant demand for war with China and Russia. No one is entirely sure what either nation has done. Generally, the press states that “aggression” from Russia is causing NATO to seek war. German Foreign Minister Frank-Walter Steinmeier rejected some of the more recent military exercises near Warsaw and the Baltic destructive. As is well-known, the same view is held by Turkey and Greece, the former yet another change in Ankara's policy.

Donald Trump seems to think that NATO is not needed and the US become friendlier to

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10 Ukraine economy: How bad is the mess and can it be fixed? BBC 1 May 2014 <http://www.bbc.com/news/world-europe-26767864>

11 A more recent article showing this is The Quiet Summer 2016: Problems in Ukraine's Economy About which Official Statistics Remains Silent. Vox Ukraine, August 2015  
<http://voxukraine.org/2016/08/03/the-quiet-summer-2016-problems-in-ukraines-economy-official-statistics-remains-silent-about/>

12 The Collapse Of The Hryvnia: Five Reasons Why Ukraine Is Becoming Europe's Zimbabwe. Emerging Equity. Sputnik, 2015  
<https://emergingequity.org/2015/03/04/the-collapse-of-the-hryvnia-five-reasons-why-ukraine-is-becoming-europes-zimbabwe/>

Moscow. That such a view is “controversial” continues to baffle many. NATO, among a few potter things, exists so as to ensure European countries need not spend very much on defense. The invention of a “Russian threat” out of whole cloth, however, suggests desperation and panic. On the other hand, the US, while footing the bill, gets to control a great degree of foreign policy decisions from DC.

Sanctions on Russia – sanctions that have no real cause – have cost the EU roughly 100 billion Euros. Rumors that Russia had “invaded” a country on its borders caused this uproar, though the actual evidence for this is scanty. Russia certainly has a far greater claim to be involved with Ukraine than the US that has virtually no economic relations with this dying state. Great Britain and the Visegrad group seem to be headed out of European institutions and the French tradition in this respect is well known.

The cause of this bizarre hysteria is not difficult to grasp. In liberal democracy, “politics” is a form of entertainment. Real power lies with banks, energy firms, finance and entertainment giants. In fact, American politics ceases to make any sense at all unless one look at both the global and the domestic economic situation.

Russia is a “threat” worthy of a major war because major oil and gas companies are now in a major investment war. There is a very innocent and naive belief that soon, oil prices will rise as the global economy “recovers” from its present, seemingly endless Depression. Chevron, for example, plans a long term, \$37 billion project at Tengiz field in Kazakhstan. In 2016, energy titans have already invested in eight major projects, compared with four in 2015 and have sunk billions of investor dollars in them.

The massive Tengiz project is under the control of an international consortium of Chevron, Exxon, Lukoil and KazMunaiGaz. The impact of the project, economically speaking, will only show itself in 2022. The price tag is high, but the long term projections are strange in this era.

In 2015, Chevron abandoned new projects worth \$ 380 billion over time and slashed production to 27 million barrels. However, after reaching Depression-era statistics, strange and unfounded claims to a “future recovery” mysteriously appeared in the American press. This forced oil up to \$50 a barrel. Since the beginning of this year, the market capitalization of the 20 largest banks in the world fell by \$ 465 billion. Several major European banks led by Deutsche Bank are very close to total collapse. A new financial crisis is already staring the Regime in the face. There is no recovery and none is predicted. Hence, Chevron's decisions must be understood from a different angle.<sup>13</sup>

The aggressive diminution of basic operating costs permits the world's energy conglomerates to make giant profits on the backs of the millions of laid off workers and abandoned projects globally. The nature of this future “recovery” has no basis in fact, since the private sector in the USA is in debt roughly at \$20 trillion, with interest growing by the hour that renders it unpayable.

The shale industry is predicted to be a part of this, since it generally requires less investment up front. This is the short-term style of investment Americans are famed for, and is the only one, from their point of view, that makes any sense. Chevron however, might know something its competitors do not. That Lukoil is on board is part of the reason why other firms are refusing to be a part of this development.

The most difficult situation can be found at the Deutsche Bank. They have assets of 1.7 trillion Euros, but lost almost 7 billion plus had to pay a fine for violating “sanctions on Iran.”

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13 Chevron Corporation: The Tengiz Field. <https://www.chevron.com/projects/tengiz-expansion>

The IMF's assessment says that Deutsche Bank is at a huge risk for utter catastrophe. The British HSBC and the Swiss Credit Suisse are very close behind. It almost is redundant to report that these banks are demanding a massive bailout from the EU taxpayer. David Folkerts-Landau, the “chief economist” at Deutsche Bank, in an interview with the *Welt am Sonntag* said as much, throwing out an absurdly low figure of 150 billion Euros.<sup>14</sup>

The regime is demanding the state ram through the TTIP. Few Congressmen have the ability to grasp the nuances of this agreement. In a condition of almost permanent Depression and unemployment in the 20% range (its true rate), the System has created a “debate” over this Treaty between conglomerates and their media.

Globalization is instantiated in this agreement. As always, it will be rammed through as NAFTA was. Primarily, it renders the taxpayers of member states liable for any alteration in local regulations that might affect their investments negatively. This is termed “indirect expropriation.” It is explicitly designed to permit MNCs the ability to simply ignore the states that, presently, they control regardless. It is a “legal” means to ensure taxpayer liability for “investor expectations.” Any domestic court case, a risky gambit at the best of times, can easily be overturned in a tribunal erected and controlled by the firms themselves.

Under NAFTA, for example, regulations for health and safety that frustrate “investor expectations” are simply taken to another tribunal, one totally unknown to the average Congressman, and dispensed with there, as was the case in Mexico when the state sought to force the American Metaclad company to clean toxic waste they created, they simply went to the NAFTA tribunal and even forced the Mexican government to pay them almost \$20 million in “damages.”

This is the normal run of things in these “free trade deals” that have little to do with trade and nothing to do with freedom. Governments, already broke, will have to take on massive corporations in these tribunals for any serious regulation, forcing Congressmen and bureaucrats to simply refuse to pass or enforce legislation. Even if the US would win a case, the taxpayer would still have financed the entire legal process regardless. Worse, since there is very little precedent and absolutely no public or journalistic knowledge of the subject, anything goes. Legal definitions are made on the grounds of profit. Capital alone provides the funds to control this tribunal and its various offshoots.

The TTP will permit firms to “collect” from the US taxpayer whenever investors are “frustrated” and profits lost due to regulations that irritate them. “Expected future profits” are what a firm would have made had the state not interfered in some area. Once the tribunal, created by the conglomerates, rules in their favor, they are then awarded taxpayer dollars in the amount of what they think they would have made in the meantime. This is the essence of this trade deal and all others – it is the extraction of a rent deriving from the fact that capital controls the whole process, including the illiterate public “debate” on the subject.

So what, in essence, is the TTP? It is no different than CAFTA or NAFTA: the total domination of capital. Constitutions only apply to governments. Corporations, far more powerful than states, are not subject to anything but their own secretive internal processes. As governments become more privatized (and are encouraged to so so under these agreements), the distinction becomes meaningless and the “state” becomes – institutionally – a collection agency for capital.<sup>15</sup>

Ukrainian foreign policy has only one area where an actual Ukrainian might have any say: to blackmail the west. In inventing a “Russian threat,” Kiev can both justify its laughable military

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14 Phippin, J. Weston. Could Deutche Bank Collapse? The Atlantic. September 30 2015

15 Stiglitz, J and A. Hersh (October 2015) The Trans-Pacific Free-Trade Charade. Social Europe.  
<https://www.socialeurope.eu/2015/10/the-trans-pacific-free-trade-charade/>

performance as well as keep the unearned aid money flowing in. This is the extent of the Ukrainian economy today, pathetic as that sounds. In late July, the Ukrainian authorities again tried to blackmail Brussels, complaining about the machinations of “Gazprom” as a threat to European capital. This was done just before winter so as to ensure loans to buy more Russian gas. Regardless, Ukrtransgaz reported a 30% drop in volumes, though they blamed Gazprom for their problems. The “Gazprom” threat was totally invented as Ukrainian infrastructure was barely functional for supplying even a fraction of Europe's needs.<sup>16</sup> The claim was that gas moving to Europe was “in danger” due to Russian “hatred” for Europe and their “aggression.” The truth was that the Ukrainian system could not handle much higher volumes and they were seeking European investment to fix it.<sup>17</sup>

### **The Ideology of Novorossiya**

The Political Theory of Novorossiya is worth noting at some length. Its Constitution states:

The Republic of New Russia is a social state and has under its jurisdiction national land, nationalized property, as well as all mineral resources, production facilities, farmland – possibly leased to entrepreneurs for a limited time. . . . but never to create the possibility of large monopoly conglomerates (Article VIII, section 3, translations mine).

This means that strategic resources cannot be privatized. They are the property of the state and, ideally, the whole people. To sell these resources would be to sell the sovereignty of the state. To this end,

In New Russia, there will be no monopoly on social institutions such as a party monopoly or presidential autocracy that would control and destroy all other administrative institutions, leading to dictatorship, as it did in Nazi Germany or the Soviet Union under Stalin. This leads to a change of constitutional power and the loss of the legal authority of all state bodies. The oligarchy in Ukraine, from the clans created during privatization, is also forbidden (Article XV).

The free market ideology is mythical. It assumes social conditions that can never be replicated. It, like so many of the scientific theories of the Enlightenment, assumes a vacuum. The reality is that the market was forced on Russia and Ukraine that already had people in power. Therefore, they were the ones who had the resources to dominate it. Market thinking implies that all are equal at the time the system is imposed. Without this assumption, it fails.

Article XXI is even harsher:

Priority is given to international laws and regulations if they do not contradict the development of public, social, cultural, ideological, economic, and other moral relations of the Republic of Novorossiya, as international laws have morally

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16 The «Naftogaz» may be unable to get a \$500 million loan of the World Bank for gas in time. DNI News, November 9 2015 <https://dninews.com/article/%C2%ABnaftogaz%C2%BB-may-be-unable-get-500-million-loan-world-bank-gas-time>

17 Ukrtransgaz Found in Violation for \$23 Million. X-Info, October 2016 <http://x-info.xyz/2016/08/10/gosudarstva-found-in-the-ukrtransgaz-violations-for-23-million/>

declined in their economic, political, ideological preferences and programs in advocating a brutal, vicious, oligarchic system of competition and profit. Promoting a rigid system, an evil oligarchical, competitive idea of self-interest and gain encourage all of society towards competitive relations for survival. However, the Republic of New Russia will not survive if competition within and among countries is the goal. Regardless of existing provisions of international legal instruments and agreements, they are given sanction only when they harmonize their economic with other public policies with existing international standards, but also with our own state interest.

This “moral decline” means that international agreements really do nothing but serve western corporations. Using the government of the United States or the European Union, banks and other irresponsible entities impose their will on the world. These conglomerates have no interest in free markets, as they seek total monopoly. Private property is held in contempt as wealth and power are the domain of a tiny handful, almost totally alienated from the population at large.

Social life should mirror this communitarian idea. Article XIV reads:

Without fatherhood, a paternal, military awareness, one can not be a citizen or statesman. In the kitchen, in domain of a women's life, a busy landscape exists. In a self-reliant and responsible society, a working identity is one not self-created. And because preferential treatment in the upbringing of children should be paternal, it is necessary in the education of the new generation that they not fall into the primitive narrow-minded, consumer, egoistic attitude towards social life.

The scientific literature showing the destructive effects of broken homes is so overwhelming that only a handful of academic feminists choose to ignore it. Families with two parents are rarely poor and rarely produce misfit children. Divorce and family breakdown lead to social destruction and the very competitiveness and ego that is decried elsewhere. The family, not the person, is the foundation of the state.

### **Conclusions**

As Novorossiia begins to rebuild and sees its pensions and salaries rise, Ukraine is now at fourth world status. All her profitable enterprises have been sold off. The government is merely a puppet of the US and the IMF. Her army has failed to dislodge the rebels in the east. China is investing in the eastern republics and the Crimea. The much-touted Chinese projects in Ukraine have been put on hold since Kiev stupidly outlawed the communist party for being too “pro-Russian.” Any Chinese investment would come with pro-Russian riders regardless. For Ukraine to have any future in the west is absurd. The west itself has no future.

Over the last two years, western press agencies have been running headlines such as “By Ditching Novorossiia, Moscow Admits Defeat” (western owned Moscow Times, 2015) or “Why the Kremlin is Shutting Down the Novorossiia Project.” This is a common tactic in that, by running these articles with no basis in fact, they can actually will the destruction of new Russia. Each time there is a problem in the Chinese economy, it is “on the verge of collapse.” This is how the western press seeks to destabilize the east. It is a means to artificially build confidence in the dying west by trying to convince others their competitors are dying too. It is a pathetic attempt at

wishful thinking from a dying empire that has no other weapons at its disposal.

The Donbass is an ideological revolution. It is an essential signal showing the destruction of the western imperium. It shows that national socialists can win victories against larger armies fighting for nothing. Numbers do not mean anything, only cohesiveness. The Novorossiya project has won in all senses of that term. The only sad consequence is the continued sinking of Ukraine into a sickening, nauseating poverty.