



## The Russian Money Pipeline

BY RICHARD W. RAHN

PUTIN FUNDS ENVIRONMENTAL GROUPS TO BLOCK U.S. OIL AND GAS PRODUCTION

Which country has the biggest interest in stopping the expansion of the oil and gas industry in Europe and North America? Answer: the Russian Federation is highly dependent — to the tune of several hundred billion dollars — on the export of these commodities, particularly to Europe.

It is rational for the Russians to spend upward of a few hundred million dollars to influence politicians to stop gas and oil projects in those countries, with the goal of limiting supply, and thus protecting the Russian revenue stream. It has been well documented and well reported over the past year (The New York Times has published in-depth articles) that Russian interests have used bribes, coercion and disinformation to get European politicians to prohibit or severely restrict gas and oil fracking in Europe.

There have been allegations and suspicions that the Russians were also putting major money into American environmental organizations to assist them in their efforts to stop the expansion of U.S. gas and oil production, but not much hard evidence — until now. Researchers at the Environmental Policy Alliance, however, have just produced a very solid, well-documented report, which shows how tens of millions of dollars from Russian interests apparently flowed from a dark company in Bermuda through opaque environmental bundlers, including the Sea

Change Foundation, into major environmental lobbying organizations, including the Sierra Club, the Natural Resources Defense Council and the League of Conservation Voters. There have been a number of press stories during the past week on Russian support of American environmental groups, including a very detailed description of the money flows, by Lachlan Markay of the Washington Free Beacon.

Both the House and Senate have now passed a bill to allow the building of the Keystone XL pipeline, which is largely designed to transport heavy crude from the Canadian oil sands to U.S. refineries (specifically designed to process heavy crude) along the Gulf coast — in part to substitute for the Venezuelan heavy crude they now refine. The White House said it will veto the pipeline bill, even though its construction can only have a positive jobs, safety and environmental impact (even according to the administration's own studies). Pipeline or no pipeline, the heavy crude will still be produced by the Canadians and shipped by rail or truck to the United States, China or both — albeit at higher cost. So the real question is who benefits from a veto of the pipeline? Answer: the Marxist government of Venezuela and its Cuban, Iranian and Russian allies.

Recall in March 2012, President Obama was overheard promising the Russian president that he would be "more flexible" after his re-election. That could be viewed as a request for help getting re-elected, which the Russians apparently did by facilitating the flow of money to Mr. Obama's environmental allies, who apparently used it, in part, to attack Republicans.

Don't expect investigators to find a check written on a Kremlin bank account to the Sierra Club — that is not how it is done. Before Russian FSB (formerly the KGB) defector Alexander Litvinenko was murdered, he testified that "the FSB is being used by certain officials solely for their private purposes. It's being used for settling scores and carrying out private and criminal orders for payment."

John Podesta, who just left the Obama White House as counselor to the president to go to work for Hillary Clinton, had headed the Center for American Progress when it

took millions from the Sea Change Foundation (apparently receiving Russian directed monies). Mr. Podesta has a close and lucrative financial relationship with a foreign billionaire, Hansjorg Wyss, who has a fetish for locking up U.S. lands, including Alaskan, to prevent oil and gas development on them. Russian President Vladimir Putin has a fixation with Alaska, perhaps because it used to be part of the Russian Empire, which he would like to recreate.

The Russians have been making many claims to the Arctic oil and gas reserves, including putting markers close to the Alaskan shore. Locking up Alaskan oil and gas reserves until they can gain control of some of them has been one of Russia's goals — no matter how implausible that it may seem to most Americans. President Obama again last week played to Russian aspirations by announcing he wants to permanently stop oil and gas development on much of Alaska's North Slope, even though the development over the last few decades has proved to be economically beneficial, environmentally safe and animal friendly.

The above merely scratches the surface of what is now known about how the Russians help environmental groups and officials of the Obama administration undermine oil and gas exploration and development, economic growth and job creation in the United States. There are many apparent violations of U.S. laws by the direct and indirect recipients of the Russian-guided monies. Several U.S. government agencies have the information but — surprise, surprise — the Holder Justice Department has failed to act and reportedly impeded investigations into the matter. It is now time for the appropriate committees of Congress to exercise oversight and hold hearings.

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