INDEX

Accounting, creative, 17–18
Alfa Bank, 75, 103
Alfa Group, 75
Almazy Rossii-Sakha, 103
Asian contagion (1997 financial crisis), 64, 66–67, 81, 85, 93, 103, 105
Assets, comprehensive, 47

Bank for Foreign Economic Relations (Vneshekonombank), 36
Bank for Foreign Trade (Vneshtorgbank), 36
Bank of America, 90
Bankruptcy, 41, 91, 93
Banking-system relationships: budget, 52–53; real sector, 52; tax policy, 52–53
Banks, importance of, 2–3, 34–36
Bulletin Bankovskoi Statistiki, 43

Central planning, 8, 23, 24–25
Chaebols (Korea), 76
Coase, Ronald H., 15
Collateral auctions, 60–61
Coming Russian Boom, The, 1, 98
Commerzbank, 90
Common budget, 13, 14, 32, 33, 76, 93, 94
Consumer Price Index (CPI, Russia), 22
Creative accounting, 17–18
Credit: central bank, 50; collapse (1991–1995), 38–40; compared to U.S., 38–39; household, 41. See also Loans
Credit-Monetary Commission, 9
CS First Boston, 59
Current Trends in the Monetary and Credit Sphere, 44
Czech Republic, 56, 76

Deadweight (deadwood) assets, 47
Debanking, 28
Debt/equity swap proposal, 93–95
Deficits, budget, 57–58, 66–67, 72, 88–89, 105
Deutsche Bank, 90
Deutsche Morgan Grenfell, 68
Dialog Bank, 36
Direct foreign investment (DFI), 68–69
Distrust of banks, 96, 97
Dollarization, 28, 67–68, 96
Dollar savings, 27–28, 96–97, 101
dual currencies, 96–97
Enterprise Law (1988), 11, 24
Equity investment: foreign, 61–62; lack of, 42; performance in 1997, 73
European Bank for Reconstruction and Development (EBRD), 16–17
European Commission, technical assistance program (TACIS), 16
Eurobonds, 61–62, 104, 105
Federal loan bonds (OFZs), 65–66, 68, 73
Federal Reserve Board, U.S., 9, 104
Financial-industrial groups (FIGs): defined, 15; new model, 75–76; original concept, 74; risks, 75–76
Fiscal system, policy, 14, 24, 26, 29, 32, 58, 59, 76, 84–85, 88, 89–90, 92, 93, 96, 101
Foreign aid (to Russia), 55, 57–58
Foreign currency: private holdings, 67–68; tax on conversion, 68. See also Dollarization, Dollar savings
Foreign managers, 96
Gazprom, 67, 69, 75
German model, for commercial banks, 37–38, 42
Gold reserves, 101
Gorbachev, Mikhail, 10
Gosbank, 8–10, 36
Goskomstat (State Statistical Committee), 15–16
Greenspan, Alan, 9
Growth potential: educated workforce, 7; and GDP, 6, 21–22; inefficiency, 66–67; natural resources, 99, 102, 106; negative value added, 7–8, 13–14; outlook in 1991, 21; productive capacity, 5–6
Household borrowing, 41, 94, 96–97
Household saving, 27–28, 34, 38, 39, 40, 57, 67, 96–97
Income, per capita, 5, 7
Indonesia, 64, 103
Inefficiency, 6–7
Inkombank, 17, 36
Insolvency, 43–52, 60–61, 91, 92, 93
Institute of Economic Analysis, 43
Interenterprise arrears. See Enterprise arrears
Interenterprise credit: defined, 28–29; enterprise arrears, 29–30, 69–71; policy determinant, 31
Interros, 75
Investment privatization funds (IPFs), 12
Israel, 56

Joint-venture banks, 36
Jordan, Boris, 64, 88
Junk-monies, 48

Keiretsu (Japan), 76
Korea, 64, 76

Liabilities, comprehensive, 48–49, 52
Libor, 101
Literature, academic, on reform, 18–19
Loans: banking system, 52; household, 41; interest rates, 42; performing/nonperforming, 41–42; writing off, 93. See also Credit
Loans-for-shares, 60–61, 64, 75
London School of Economics, 16
Lukoil, 67, 69, 75
Luzhkov, Yuri, 106

MaCurdy, Thomas E., 1
Malaysia, 64
Market economy, defined, 24–26
Menatep, 36, 75
Menatep Bank, 75, 81
Ministry of Finance, 17, 40, 52
Ministry of Privatization, 81
Monetary survey, 79–82
Monetary system/nonsystem:
Morgan, J. P. (bank), 90
Moscow City Telephone Network (MGTS), 103, 106

National Credit (bank), 36
Negative value added, 7–8, 13–14
Net domestic assets (NDA), 56
Net international reserves (NIR), 56, 63, 101
Nonbanks. See Ersatz banks
Norilsk Nickel, 13, 75

Options auction, 60–61
Organization for Economic Cooperation and Development (OECD), 16–17
Paris club, 55
Payroll arrears, 69–71
Index

Per capita income, 5, 7
Perestroika, 9
Philippines, 64
Plessner, Yakir, 1
Poland, 56
Privately issued money, 83
Privatization: antithesis of real, 14–15; of banking industry, 93; beginnings, 10–11; ersatz, 11–15, 40; literature on, 18–19; Ministry of, 81; Savings Bank, 92; voucher, 11–15
Promissory notes. See Veksels
Property rights, 14, 15
Pseudobanks. See Ersatz banks
Public finance, 71, 89
Quasi-fiscal deficit, 31, 57, 58, 60
Redistribution vehicles, banks as, 40
Reform, banking: ersatz privatization, 11–15; future, 89; under Gorbachev, 10; literature, 18–19; privatization beginnings, 10–11; proposals, 90–98
Renaissance Capital, 64, 88
Reserves, nonborrowed, 49–51
Rosneft, 69
Royal Dutch Shell, 69
Russian Economic Trends, 16
Russian Federation (Russia), 2, 21, 40, 52
S–Accounts, 66
Savings Bank: CBR and (1991–1995), 27; deposits, 34–35; future role proposed, 92; loans, 41–42
Sidanco/Uneximbank, 68–69, 75
Sitnikov, Andrew I., 1
Slovakia, 56
Socialism: CBR under, 9–10; and ersatz privatization, 15; GDP/GNP concepts, 16; Gosbank’s role, 8–9; inefficiency in production, 6–7; legacies, 8–10; public/private unity, 3
Soros, George, 68
Soviet Bank for Foreign Trade, 59
Stalin, Joseph, 58
State Statistical Committee, 15–16, 43
Statistical data (Russia): from international bodies, 16–17; problems of, 17–18, 44–46; Socialist concepts, 15–16; sources, 43–44; State Statistical Committee, 15–16
Subsidiary banks, foreign, 90
Subsidies, 14–15, 40, 52–53, 84, 89: and subsidization, 2, 6, 9, 12, 14, 15, 34, 37–38, 40, 41, 43, 49, 60, 69, 73–74, 84, 91, 93, 96
Svyazinvest, 13, 68
Tax arrears, 69–71, 89
Tax system: banks and policy, 52–53; currency conversion, 68; deficit reduction, 89; introduction of, explicit, 16
Thailand, 64
Trade surplus, 68
Transition economies, 10, 25
Treasury bills (GKOs), 53, 65–66, 68, 73, 102
Tyumen Oil Company, 13
Uneximbank, 36, 49, 59, 68, 75, 103
United Energy Systems, 13
Veksels, 70, 82–83, 92
Voucher privatization, 11–15, 40
Wage arrears, 69–71
Wildcat banks, 36
World Bank, 16–17, 88, 101
Yeltsin, Boris, 69, 73
Yukos, 75