

# “Is Russia’s Central Bank Chief a “Hostile Foreign Agent” Deliberately Sabotaging the Russian Economy?”

Interview with economist Paul Craig Roberts

By [Dr. Paul Craig Roberts](#) and [Mike Whitney](#)

Global Research, March 16, 2022

Region: [Russia and FSU](#)

Theme: [Global Economy](#)

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*“We could completely offset the negative consequences of financial sanctions if the Bank of Russia fulfilled its constitutional duty to ensure a stable ruble exchange rate, and not the recommendations of Washington financial organizations.... It was the connivance of the Central Bank which led to the fact that Russia and its industry were drained of blood and unable to develop.” [Sergey Glazyev](#), Russian economist and author*

*“A person has to wonder why Russia has taken none of these steps that would bring instant agonizing cries from the stupid West and an immediate end to all sanctions and Russophobic propaganda. Russia can dictate the terms. Why does she forgo this power?”  
Paul Craig Roberts*

**Mike Whitney:** Do you agree that the motive behind Washington’s sanctions on Russia is to bring the country to its knees, remove it as a competitive rival to the US in Central Asia, and force Putin from office?

**Paul Craig Roberts:** Possibly. Washington is sufficiently stupid to think this. **For the sanctions to have deleterious effects on Russia requires bad decisions by Russia, such as the Russian central bank is making.** The West has nothing that Russia needs, but Western countries are extremely dependent on Russian energy and minerals. **Russia could reply to sanctions with counter-sanctions, such as turning off the oil, natural gas, and minerals. The West would soon be begging for mercy** and agree to whatever Russia specified.

Russia is unable to use the vast power she has over the West, because Russian economists and the central bank have been brainwashed by American neoliberal economists that Russia needs foreign exchange to develop. This is amazing rubbish, as I demonstrated in my recent [column](#)—

Indeed, Michael Hudson and I have explained it to the Russians a number of times. **If you think your fate depends on foreign exchange, you continue keeping your enemy alive by selling your strategic assets to him.**

What I think Washington is actually doing is taking advantage of the Kremlin's go-slow war so as to minimize civilian casualties. This gives Washington time to conduct a psyops campaign that hardens hatred of Russia throughout the Western world and any other part of the world susceptible to Western media. Basically, it is an effort to protect Washington's control over Europe from European negotiation with Russia. Washington with the aid of the prostitutes is putting Russia beyond the pale, making Russia off limit for European interaction.

This is actually in Russia's interest as it defeats the internal Russian Fifth Column, the Atlanticist Integrationists who are willing to sacrifice Russian sovereignty to globalism and being a part of the West.

Once Russia is banned from foreign capital, the Russian central bank will have to do its job and finance Russia's internal development. **Foreign investment in Russia only serves to impoverish the country as the earnings are repatriated abroad and taken out of the country. Indeed, the sanctions and seizures of deposits of Russian banks is a great reason for Russia to regain ownership of its own resources by nationalizing all foreign investment in Russia.** It is unclear whether the Kremlin is sufficiently sophisticated to understand this.

**MW:** Do you agree that the Russian Central Bank is doing precisely the wrong thing at the wrong time by raising rates (20%), allowing the ruble to be traded on the foreign exchange and by failing to fund domestic businesses through the printing of money?

**PCR:** Yes, I agree. **The brainwashed Russian central bank is serving, without understanding it, the West and the success of the West's sanctions. Russia should be billing for its energy and minerals in rubles, thus supporting its own currency instead of the currencies of its enemies, and should establish exchange controls to prevent currency speculators from short-selling the ruble.**

More on the Russian Central Bank from an earlier article by Paul Craig Roberts:

"The Russian central bank even thinks that it cannot create rubles to finance investment projects unless the rubles are backed up by foreign exchange. This has caused the central bank to borrow money it doesn't need on which it pays interest. In other words, the Russian central bank's policy is nonsensical and serves Western interests at Russia's expense.

**The Russians could close down Western industry if Russia ceased exporting energy and minerals, but is afraid to do so because of the foreign exchange loss....**

**Russia has no need for foreign exchange. She does not need to import energy and minerals. Russia is full of engineering and science and can make whatever she needs. The central bank can finance all internal projects.** But as the Americans succeeded in brainwashing Russian economists, the Russians can't use the powerful weapon they have at hand to bring the West to its knees begging for

mercy. Moreover, **the Russian economists don't have enough sense to demand payment in rubles for their energy and minerals. This would strengthen their own currency rather than the currencies of their enemies.** Why does the Russian central bank forgo the opportunity to use Russia's exports to stabilize the Russian currency?

The conclusion is that in the sanctions game the Russians hold all the cards but do not know how to play them.

The West has nothing that Russia needs, but the West cannot survive without Russian energy and minerals." (["Washington and Moscow vie for the Stupid Prize"](#), Paul Craig Roberts Web Site)

**MW:** From your perspective, is the Central Bank chief, Elvira Nabiullina, acting as a hostile foreign agent by implementing policies that clearly undermine Russia's financial position and greatly intensify the impact of the sanctions?

**PCR:** I don't think she understands that she is doing that, but, **yes, that is what she is doing.** Russia is still selling strategic resources to the West and accepting payment in dollars and euros, which strengthens the currencies of Russia's enemies and weakens the ruble. **To be precise, the Russian central bank is subsidizing the success of the Western sanctions. It is mindless.**

More on the Russian Central Bank from an earlier article by Paul Craig Roberts:

"Russia has the opportunity created for her by the sanctions to correct her tragic strategic blunder of allowing foreigners to buy up her productive assets. **Russia can nationalize the assets owned by companies of the sanctioning countries. The sanctioning countries are stealing Russian bank deposits so Russia should retaliate by stealing their real assets.**

A person has to wonder why Russia has taken none of these steps that would bring instant agonizing cries from the stupid West and an immediate end to all sanctions and Russophobic propaganda. Russia can dictate the terms. Why does she forgo this power?.....

If Russia disempowers herself by refusing to play her winning hand, she will be brought down by her own stupidity, not by Western sanctions." (["Washington and Moscow vie for the Stupid Prize"](#), Paul Craig Roberts Web Site)

**MW:** Russia is now the most sanctioned country in the world. These sanctions have been imposed arbitrarily and without review by the WTO, without approval by the United Nations Security Council, and without any regard for due process. Russia has had no opportunity to defend itself in a court of law or make its case before an internationally-approved tribunal. **How do explain the fact that the majority Americans enthusiastically applaud this anti-democratic abuse of power that is clearly designed to inflict maximum pain on the Russian people?**

**PCR:** Americans, like Canadians and Europeans, lack an independent media that reports honestly. Instead, the West gets a narrative handed down from the ruling elite and delivered into people's heads by the prostitutes who through repetition turn lies into truth, fiction into fact.

There are no tribunals or international laws that can be enforced against the West. Russia's mistake is that she responds to the accusations. She should ignore them and go about her business. What she should make clear is not the facts, as facts do not matter in the Western world. **She should make clear her red lines and make clear that she means them by instantly destroying whoever crosses them. That is the only way Russia will have an end to Western provocations and the world will have peace.**

**MW:** The death of George Floyd touched off a wave of anti-racism protests across the country. The Democrat party embraced these demonstrations and disparaged anyone who hesitated to offer their unquestioning support. Now these same faux liberals are openly expressing their unbridled hatred for all-things Russian. **How do you explain this wave of ethnic hatred that has overtaken the American people particularly those people who never fail to remind us how anti-racist and virtuous they are?**

**PCR:** Liberals or conservatives, they are the same. The average person hasn't the time, energy, interest, or know-how to find out what is happening. They are programmed by the prostitutes who repeat with one voice the elite's narrative, whether it is Covid, Saddam Hussein, Russia, 9/11, it doesn't matter. There is only the official narrative.

**It is easy to make Americans hate Russia because they are accustomed to it by the 20th century Cold War. Americans are accustomed to Russians being the enemy. The Russian side of the story is blocked from being presented in the West. So, the only information people in the West have is the official narrative.**

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*This article was originally published on [The Unz Review](#).*

**Dr. Paul Craig Roberts** writes on his blog site, PCR Institute for Political Economy. He is a regular contributor to Global Research.

**Mike Whitney**, renowned geopolitical and social analyst based in Washington State. He initiated his career as an independent citizen-journalist in 2002 with a commitment to honest journalism, social justice and World peace.

*He is Research Associate of the Centre for Research on Globalization.*

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### **About the author:**

Paul Craig Roberts, former Assistant Secretary of the US Treasury and Associate Editor of the Wall Street Journal, has held numerous university appointments. He is a frequent contributor to Global Research. Dr. Roberts can be reached at <http://paulcraigroberts.org>

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