

# Take Your Money and Shove it: The Second Long Telegram, US Aid, and Russia's Economic Trauma

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Region: [Russia and FSU](#), [USA](#)

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*“It was as if the West’s central philosophical commitment to limited government was extirpated by a crude economic determinism that insisted on no government in Russia.”*  
—Peter J. Stavrakis, [Kennan Institute Occasional Papers](#), 1993

Diplomatic advisors and analysts are a funny breed. They can be lauded as sages, called upon to clarify the complex and offer the odd lapidary statement. Such advice is often ignored and, if implemented, done selectively. The politicians back home are bound to foul things up.

The National Security Archive of George Washington University, as it so often does, performed a fabulous service for historians of diplomatic history prior to Christmas by [publishing an insightful cable](#) on US-Russian relations. The 70-paragraph telegram from the US Embassy in Moscow, which has assumed the status of legend, came from analyst E. Wayne Merry in March 1994.

## **The Long Telegram of the 1990s: “Whose Russia Is It Anyway? Toward a Policy of Benign Respect”**



U.S. Embassy DCM James Collins and head of the political-internal section E. Wayne Merry in Moscow.  
Courtesy of Wayne Merry.

## [Source](#)

Critical of Washington's obsession with shock economic reform for a post-Communist Russia, the cable is now publicly available because of the Archive's successful lawsuit under the Freedom of Information Act (FOIA). When authored, its content was deemed so hot it had to be sent via the Dissent Channel, limiting circulation within government circles.

One historical parallel regarding Merry's cable stands out, up to a point. As the [Briefing Book](#) put together by Svetlana Savranskaya and Tom Blanton suggests, George F. Kennan's [Long Telegram](#) authored in April 1946 is an obvious contender. Then the chief of mission to the Secretary of State in Moscow, Kennan's assessment ("without yielding to what I feel would be dangerous degree of oversimplification") came to shape Cold War policy. From his suggestions spawned a costly, expansive global machinery based as much on astrological whim as on ideological delusion. While some of this can be laid at the feet, and mind of Kennan, it would be churlish to avoid the more tempered assessments he offered to superiors who simply picked what was expedient and useful at the time.

In terms of "practical deductions" for US policy, Kennan underlined the perceived threat: Washington faced "a political force committed fanatically to the belief that with the US there can be no permanent modus vivendi". Soviet power, to be secure, would disrupt, destroy "our traditional way of life" and break "the international authority of our state". To combat this, Kennan offered a menu list. Soviet power would, for instance, retreat when faced with "the logic of force". The Soviets remained, vis-à-vis the West, "by far the weaker force." The durability of the Soviet system had yet to prove itself. Soviet propaganda would be "relatively easy to combat" by means of "any intelligent and really constructive program."

In full swing as lecturing sage, Kennan urged understanding with "courage, detachment, objectivity" of what the US was facing; educate the public about Russia while placing US dealings "entirely on realistic and matter-of-fact basis"; ensure societal health and vigour on the home front, seeing as communism fed, "like a malignant parasite [...] on diseased tissue"; guide other nations rather than impose responsibilities; and avoid allowing "ourselves to become like those whom we are coping."

The end of the Soviet Union, which did show parts of the Kennan assessment to have been accurate, presented an opportunity for addressing the new post-Cold War realities. The Soviet Union had ceased to exist as a political entity, with communism in harried retreat.

Merry's [long telegram](#) of March 28, 1994 echoes Kennan's guiding tone, though it has a rather gamey taste and would never receive the tutored readership it deserved. The title is instructive: "Whose Russia is it Anyway? Toward a Policy of Benign Respect." It enabled Merry to furnish own warnings about US policy till that point, which had failed to consider the effects economic shock therapy was having, fed and encouraged by the swarm of US aid specialists indifferent to necessary, accompanying political reforms. Terms such as "democracy" and "the market", treated as synonymous, if not "mutually dependent" terms in American rhetoric, resisted replication in the Russian context. "Russians (and most non-Americans) are simply baffled by this vision of a societal double helix of political and economic decisions leading to a higher moral and material state of being."

It was a central contention of Merry that what was contributing to an increasingly cooling

relationship between Moscow and Washington at that point was the role of foreign aid and an increasing suspicion in the country of the radical “marketeters”. Russia had been turned into a gargantuan charity case, flooded by ignorant charity workers – of the highly specialised sort – described by local officials as “assistance tourists”. This also meant an utter neglect in terms of reforming the civil institutions necessary for stability, including training a new civil service to supplant the command economy bureaucrats. Unlike the post-Second World War Marshall Plan that directed aid into clearly stipulated channels to stimulate growth in a devastated Western Europe, these “assistance tourists” rarely thought of asking “their hosts for an appraisal of Russian needs”.

US assistance, he warned, had become “a net detriment to the bilateral relationship”. Three reasons were offered: the overselling of assistance comprised primarily of “financial intangibles and technical assistance”; the failure of much of the assistance to ever leave US shores or enter Russian hands; and the “friction” caused by the intrusiveness of the programs and “linking assistance with Russian actions in other spheres.” On a tart note, Merry suggests that the point had been reached “where it is arguable that the best service our aid program could now serve could be to permit [Russian President] Boris Yeltsin publicly to tell America to take its money and shove it.”

US policy towards an ailing, then moribund, and eventually extinct Soviet Union, is not a glorious tale. Promises, to be frequently broken, were made to placate and sooth the Russian psyche that eastward expansion on the spear of NATO, incorporating former Warsaw Pact states, would not take place. Russia, as vulnerable economic patient, was assured that capitalist fed prosperity was just around the corner, even as communism’s hammer and sickle, with its proletarian promise, repaired to the historical museum.

While historical forces, local conditions and cultural idiosyncrasies will always guide the development of any state and community, there is something to be said that post-Cold War Russia might have taken something of a different path had Merry’s sharp words found their mark. But a hubristic atmosphere had infected Washington, heated by such neoliberal dogmatists as Larry Summers, Undersecretary of the Treasury for International Affairs between 1993 and 1995. Officials in his department went so far as to shield him from Merry’s observations, [claiming](#) they would give him “a heart attack.” Far better to let the Russian economy suffer a cardiac arrest instead and wait for the consequences we see today.

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Featured image: U.S. Embassy DCM James Collins and head of the political-internal section E. Wayne Merry in Moscow.

Courtesy of Wayne Merry. ([Source](#))

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