

## **CHAPTER 5**

### **THE UNDERGROUND KINGDOM**

The orange boots surfaced in Moscow toward the end of 1922. Above the boots, a thick greenish leather coat lined with golden fox fur reigned supreme. A raised sheepskin collar with a quilted lining protected a cocky-looking mug, with short Sebastopol-style sideburns, from the elements. A lovely Caucasian hat made of curly fleece adorned the head of Alexander Ivanovich.

Meanwhile, Moscow was already beginning to fill with brand new automobiles that sported crystal headlights, and the nouveau riche, in tony sealskin skull caps and coats lined with patterned Lyre fur, paraded in the streets. Pointy gothic shoes and briefcases with luggage-style belts and handles were coming into vogue. The word “citizen” started to replace the familiar “comrade,” and some young people, who were quick to appreciate the real joys of life, were already dancing the Dixie One-step and even the Sunflower Foxtrot in the restaurants. The city echoed with the shouts of smart coachmen in expensive carriages, while inside the grand building of the Foreign Ministry the tailor Zhurkevich sewed tailcoats, day and night, for Soviet diplomats who were preparing to go abroad.

To his surprise, Alexander Ivanovich realized that his outfit, which projected valor and wealth in the provinces, was seen as a curious anachronism in Moscow and cast an unfavorable light on its owner.

Two months later, a new company called Revenge, the Industrial Chemicals Cooperative, opened on Sretensky Boulevard. The Cooperative occupied two rooms. The first room was decorated with a portrait

of Friedrich Engels, one of the founders of socialism. Beneath it sat Alexander Ivanovich himself, with an innocent smile on his face. He wore a gray English suit with red silk stripes. The orange pirate boots and the crude sideburns were gone. Koreiko's cheeks were clean shaven. The manufacturing plant was located in the back room. It consisted of two oak barrels with pressure gauges and water-level indicators, one on the floor, the other in the loft. The barrels were connected by a thin enema hose through which some liquid babbled busily. When all the liquid ran from the upper barrel into the lower one, a boy in felt boots would appear on the shop floor. Sighing like an adult, the boy scooped the liquid from the lower barrel with a bucket, dragged the bucket to the loft, and emptied it into the upper barrel. After completing this complex manufacturing process, the boy would go to the office to warm up, while the enema hose would start sobbing again. The liquid continued on its usual path from the upper reservoir to the lower.

Alexander Ivanovich himself wasn't quite sure which chemicals were being produced by the Revenge Cooperative. He had more important things to do. Even without the chemicals his days were already full. He moved from bank to bank, applying for loans to expand the operation. He signed agreements with state trusts to supply the chemicals and obtained raw materials at wholesale prices. Loans were also coming in. Reselling the raw materials to state factories at ten times wholesale was very time-consuming, and the black-market currency operations he conducted at the foot of the monument to the heroes of the battle of Plevna were also extremely labor-intensive.

After a year, the banks and the trusts developed a desire to find out how much the Revenge Industrial Cooperative benefited from all the financial and material aid it received, and they wanted to know whether the healthy private establishment needed any further assistance. The commission, decked out in scholarly beards, arrived at the Revenge in three coaches. The chairman stared into Engels's dispassionate face for a long time and kept banging on the fir counter with a cane, in an attempt to summon the administrators and members of the cooperative. Finally the door of the manufacturing plant opened, and a teary-eyed boy with a bucket in his hand appeared in front of the commission.

An interview with the young representative of the Revenge revealed that the manufacturing process was going full-throttle, and that the owner had been gone for a week. The commission didn't spend much time at the production plant. In its taste, color, and chemical composition, the

liquid that babbled so busily in the enema hose resembled ordinary water, and that's exactly what it was. Having established this incredible fact, the chairman said "Hmm" and looked at the other members, who also said "Hmm." Then the chairman looked at the boy with a terrible smile and asked:

"And how old are you?"

"Twelve," answered the boy.

And then he burst out crying so inconsolably that the members ran outside, pushing each other on the way, climbed into their coaches, and left in total confusion. As for the Revenge Cooperative, all of its operations were duly recorded in the profit and loss balance sheets of bank and trust ledgers, specifically in the sections that say nothing about profits and deal exclusively with losses.

On the same day that the commission had such a meaningful exchange with the boy at the Revenge, Alexander Ivanovich Koreiko got off the sleeper car of an express train two thousand miles from Moscow, in a small grape-growing republic.

He opened his hotel room window and saw a small oasis town, complete with bamboo water lines and a shoddy mud-brick fortress. The town was separated from the sands by poplars and was filled with Asiatic hubbub.

The next day he learned that the republic had started building a new electric power plant. He also learned that money was short, and that the construction, which was crucial to the future of the republic, might have to be halted.

And so the successful entrepreneur decided to help out. He got into a pair of orange boots again, put on an embroidered Central Asian cap, and headed to the construction office with a fat briefcase in his hand.

They didn't receive him very warmly, but he carried himself with dignity, didn't ask anything for himself, and insisted that the idea of bringing electricity to backward hinterlands was especially dear to his heart.

"Your project is short of money," he said. "I'll get it for you."

He proposed to create a profitable subsidiary within the construction enterprise.

"What could be easier! We will sell postcards with views of the construction site, and that will bring the funds that the project needs so badly. Remember, you won't be giving anything, you will only be collecting."

Alexander Ivanovich cut the air with his hand for emphasis. He sounded convincing, and the project seemed sure-fire and lucrative. Koreiko

secured the agreement—giving him a quarter of all profits from the postcard enterprise—and got down to work.

First, he needed working capital. It had to come from the money allocated for construction. That was the only money the republic had.

“Don’t worry,” he reassured the builders, “and remember that starting right now, you will only be collecting.”

Alexander Ivanovich inspected the gorge on horseback. The concrete blocks of the future power plant were already in place, and Koreiko sized up the beauty of the granite cliffs with a glance. Photographers followed him in a coach. They surrounded the site with tripods on long jointed legs, hid under black shawls, and clicked their shutters for a while. When all of the shots were taken, one of the photographers lowered his shawl and said thoughtfully:

“Of course, it would’ve been better if the plant was farther to the left, in front of the monastery ruins. It’s a lot more scenic over there.”

It was decided that they would build their own print shop to produce the postcards as soon as possible. The money, as before, came from the construction funds. As a result, certain operations at the power plant had to be curtailed. But everybody took solace in the thought that the profits from the new enterprise would allow them to make up for lost time.

The print shop was built in the same gorge, across from the power plant. Soon the concrete blocks of the print shop appeared right beside those of the plant. Little by little, the drums with concrete mix, the iron bars, the bricks, and the gravel all migrated from one side of the gorge to the other. The workers soon followed—the pay at the new site was better.

Six months later, train stations across the country were inundated with salesmen in striped pants. They were selling postcards that showed the cliffs of the grape-growing republic, where construction proceeded on a grand scale. Curly-haired girls spun the glass drums of the charitable lottery in amusement parks, theaters, cinemas, on ships, and at resorts, and everyone won a prize—a postcard of the electric gorge.

Koreiko’s promise came true: revenues were pouring in from all sides. But Alexander Ivanovich was not letting the money slip through his hands. One quarter was already his under the agreement. He apprehended another quarter by claiming that some of the sales squads hadn’t submitted their reports yet. He used the rest to expand the charitable enterprise.

“One has to be a good manager,” he would say quietly, “first we’ll set up the business properly, then the real profits will start pouring in.”

By then the Marion excavator taken from the power plant site was already digging a large pit for a new printing press building. The work at the power plant had come to a complete halt. The site was abandoned. The only ones still working there were the photographers with their black shawls.

Business was booming, and Alexander Ivanovich, always with an honest Soviet smile on his face, began printing postcards with portraits of movie stars.

As was to be expected, a high-level commission arrived one evening in a jolting car. Alexander Ivanovich didn't linger. He threw a farewell glance at the cracked foundation of the power plant, at the imposing, brightly lit building of the subsidiary, and skipped town in a jiffy.

"Hmm," said the chairman, picking at the cracks in the foundation with a cane. "Where's the power plant?"

He looked at the commission members, who in turn said "Hmm." The power plant was nowhere to be found.

In the print shop, however, the commission saw the work going full-speed ahead. Purple lights shone; flat printing presses busily flapped their wings. Three of them produced the gorge in black-and-white, while the fourth, a multi-color machine, spewed out postcards: portraits of Douglas Fairbanks with a black half-mask on his fat teapot face, the charming Lya de Putti, and a nice bulgy-eyed guy named Monty Banks. Portraits flew out of the machine like cards from a sharper's sleeve.

That memorable evening was followed by a long series of public trials that were held in the open air of the gorge, while Alexander Ivanovich added a half-million rubles to his assets.

His shallow, angry pulse was as impatient as ever. He felt that at that moment, when the old economic system had vanished and the new system was just beginning to take hold, one could amass great wealth. But he already knew that striving openly to get rich was unthinkable in the land of the Soviets. And so he looked with a condescending smile at the lonely entrepreneurs rotting away under signs like: **GOODS FROM THE WORSTED TRUST B. A. LEYBEDEV, BROCADE AND SUPPLIES FOR CHURCHES AND CLUBS, OF GROCERIES, X. ROBINSON AND M. FRYDAY.**

The pressure from the state is crushing the financial base under Leybedev, under Fryday, and under the owners of the musical pseudo co-op "The Bell's A-Jingling."

Koreiko realized that in these times, the only option was to conduct underground commerce in total secrecy. Every crisis that shook the young

economy worked in his favor; every loss of the state was his gain. He would break into every gap in the supply chain and extract his one hundred thousand from it. He traded in baked goods, fabrics, sugar, textiles—everything. And he was alone, completely alone, with his millions. Both big- and small-time crooks toiled for him all across the country, but they had no idea who they were working for. Koreiko operated strictly through frontmen. He alone knew the entire length of the channels that ultimately brought money to him.

At twelve o'clock sharp, Alexander Ivanovich set the ledger aside and prepared for lunch. He took an already peeled raw turnip out of the drawer and ate it, looking straight ahead with dignity. Then he swallowed a cold soft-boiled egg. Cold soft-boiled eggs are quite revolting; a nice, good-natured man would never eat them. But Alexander Ivanovich wasn't really eating, he was nourishing himself. He wasn't having lunch; he was performing the physiological process of delivering the right amounts of protein, carbohydrates, and vitamins to his body.

Herculeans usually capped their lunch with tea, but Alexander Ivanovich drank a cup of boiled water with sugar cubes on the side. Tea makes the heart beat harder, and Koreiko took good care of his health.

The owner of ten million was like a boxer who is painstakingly preparing for his triumph. The fighter follows a strict regimen: he doesn't drink or smoke, he tries to avoid any worries, he practices and goes to bed early—all with the aim of one day jumping into the glittering ring and leaving a jubilant winner. Alexander Ivanovich wanted to be young and fresh on the day when everything came back to normal, when he could emerge from the underground and open his plain-looking suitcase without fear. Koreiko never doubted that the old days would return. He was saving himself for capitalism.

And in order to keep his second, true life hidden from the world, he lived like a pauper, trying not to exceed the forty-six rubles a month he was paid for the miserable and tedious work he did beside the nymph- and dryad-covered walls of the Finance and Accounting Department.