

the right method, but that Gamsakhurdia's regime is also [using such methods]. We must help the new government, and defend society, to make a stabilization, as much as possible, in the shortest possible time. Then to organize a campaign to make a new parliament, with all parties and societies in Georgia.

EIR: What would you like the West to do vis-à-vis Georgia?

Kilasoniya: You can see that now I am in Germany. I had many meetings here with, for example, members of the Schiller Institute. I think that the Schiller Institute is the highest institute, to create a human society all over the world, because this is an international institute. But it is one. I also had many discussions with officials in Germany, for example with the Foreign Ministry. I hope that the West, not only the West, but taking the West as an example, can take part, to build my country, like another country in the Third World, to make a more humanist, more independent, and stronger country.

EIR: What positive European and global role could you foresee Georgia playing, were there to be adequate political resolution there, given its history, culture, agro-industrial capabilities, infrastructure, etc.?

Kilasoniya: Of course, I could answer you that we can take part, because we have many raw materials, and our geopolitical place in the world is very interesting, most important for relations between West and East. And of course, I could answer you that Georgia, if it were a real democratic society, can take part in a movement that continues this process. But first of all, I want to see my country as a sovereign country, which is strong, because we have high potential. Georgia has only 5 million people, but we can take part, because we have professionals, so I wish that the West can understand our role in this moment of history—Georgian raw materials, or for example, the Black Sea, or the idea of building a canal between the Black Sea and the Caspian Sea. It is really the case that Georgia can take part in the world like a real member of world society.

EIR: You have had a chance to review the LaRouche "Productive Triangle" proposal for European infrastructural development. What role could you foresee Georgia playing in the context defined by the LaRouche concept?

Kilasoniya: I understand that Mr. LaRouche is aware of my idea to build a canal between the seas, and something about the idea to build from North Caucasus to Turkey, a South Caucasus railway, and so on. First of all, I want to say that the idea of Mr. LaRouche for a productive triangle, and then continued by [spiral] arms, using high-technology, from West to East—I hope maybe through Georgia also—is a very important thing for us, for me, as an economist, a scientist, and I intend to elaborate further the relation of my ideas to his Productive Triangle concept.

Gaidar says reforms will topple Yeltsin

by Denise Henderson

The widely acknowledged author of the "shock therapy" plan for the Russian Federation, Deputy Prime Minister Yegor Gaidar, in an interview on Russian television Jan. 1, was asked, "What would you like to wish yourself in the new year?" Gaidar, the patsy for Harvard Prof. Jeffrey Sachs, made the startling reply that he should like to see his own government, headed by President Boris Yeltsin, ousted: "I should like to wish that our government quietly resigns some time by the end of the next year, after financial stabilization has been achieved, to the deafening and angry shouts of indignation from the people and Parliament and amid the general lack of confidence in the government. . . . Resignation in Parliament, resignation after a vote of no confidence. This is how I would put it: No confidence in the budget for 1993 in parliament. This is my dream."

Gaidar's "reform" was implemented with a vengeance on Jan. 2, when price controls were lifted, sending the prices of all consumer goods up through the stratosphere. His cynical view of the democracy in whose name he is now supposedly governing, is apparently much like that of the Trilateral Commission: namely, that it does not work. "It is well known," he shrugged, "that the first government that starts a price liberalization almost always has to resign. There is nothing terrible in this fact by itself, because it is quite obvious that something has to be done and somebody has to pay a political price for this. Somebody has to begin. . . . But I am not concerned about this, nor are my friends. A price will have to be paid anyway, but we need support in our efforts."

Gaidar is thus stating that the first democratically elected government in 74 years is to be sacrificed to free market economics, to implement the shock therapy program being recommended by 13 foreign economists of the same stripe as Harvard's Sachs. Gaidar went one step further, anticipating that his reforms could bring in an "undemocratic government" which would complete phase two of the shock therapy plan.

Price reform called 'suicide'

It is unclear whether Gaidar's willingness to sacrifice himself on the altar of free trade reforms is shared by Yeltsin

and others in his cabinet. Although Yeltsin's recent interviews indicate his commitment at this time to the Gaidar-Sachs plan, the question is whether Yeltsin himself will have enough common sense to bail out before it's too late, or whether he intends to go all the way with reforms, which are opposed by public figures such as Vice President Aleksander Rutskoy, and by seven prominent Russians who issued a "*Cri de Coeur*" through the newspaper *Pravda*.

The "*Cri de Coeur*," titled "Free Prices in Our Conditions Is Suicide," stated: "The liberalization of prices in conditions where there is a state monopoly, unprecedented corruption, crippling shortages, monstrous lawlessness, virtual anarchy, and the absence of guarantees of social protection . . . a fall in production, and reluctance on the part of private business to invest capital in productive spheres, will be counterproductive . . . and will lead to real famine and to social explosions which will sweep away everything and cause total destabilization, with the potential loss of control of globally lethal structures."

The seven also referenced the Polish economy:

"In Poland the population's economic situation deteriorated after prices were liberalized. And this is evidently precisely why in the recent parliamentary elections representatives of left-wing forces came in second. . . . Rejection of free prices and a catastrophic crash inevitably lie in store for us too."

Gaidar did not basically disagree with this analysis, in an interview on Jan. 5 with Russian television and radio. He admitted that the situation will get worse before it gets better. "This will be a period when prices will be growing still very fast," he said, "while no goods will be yet readily available. This stage of price liberalization is always the most politically painful and hard to endure." He forecast a drop in real incomes, but said that in three or four weeks, things should start to improve.

Market? What market?

Asked who is exercising control over prices now, Gaidar retorted, "Price control? Prices are largely uncontrolled because it is the market which is to set prices now."

Interviewer: "But there is no market yet."

Gaidar: "The market is emerging. It will inevitably come to be in the nearest weeks and months. There is, however, no special instrument or body which would control market prices. There is no need to invent such a mechanism. There is the Price Committee with the Ministry of Economics and Finances. The committee is in charge of controlling prices. There is the State Statistics Committee engaged in recording prices and informing the government and the parliament on their dynamics. There are local administrative structures which also regulate prices for particular products."

In other words, there are the pre-existing structures of the socialist command economy—and a growing "market" of organized crime and speculation. Not much else.

Bush seeks apparatus to control East Asia

by Lydia Cherry

George Bush's waning prestige did not stop the U.S. President from attempting to use his four-nation Asian tour to shore up Washington's imperial rule, both by insisting that U.S. allies bail out the U.S. economy and attempting to stifle all regional initiatives that the U.S. does not control. That Bush is convinced that it is the United States that must set the agenda, rather than the Association of Southeast Asian Nations (ASEAN) as a group or Malaysia's Dr. Mahathir Mohamad in particular, became especially evident in Bush's initiative-packed stopover in the island nation of Singapore Jan. 4-5.

In Singapore, Bush made three announcements: 1) that an agreement had been reached to shift the command of the U.S. Seventh Fleet from the Philippines to this island nation that sits on the tip of the Malay Peninsula; 2) that the United States is strongly opposed to Dr. Mahathir's proposal for an "Asian only" trade group, the East Asian Economic Caucus (EAEC); and 3) that U.S. government and non-governmental agencies have drafted a many faceted environmental policy plan for Asia.

From the time Bush arrived in Canberra, Australia, his first stop, on Jan. 2, he was hit with demonstrations. He was greeted by a 16-foot by three-foot sign, "LaRouche for President, Bush for Jail," at the front of a demonstration of 1,500 angry farmers. Other signs said: "Bush Is a Thug!" "New Wheat Orders, Not New World Order!" Bush's response was vulgar, making an obscene hand gesture at the crowd.

While demanding that other countries engage in the "free-trade" dogmas of Adam Smith (which, unfortunately for that nation, Australia is following to a tee), the U.S. now collaborates with cartels such as Cargill, Con-Agra, and Louis-Dreyfus to dominate the world grain markets, and in recent months has taken over what were previously Australian markets in the Middle East. Australian farmers attempted to nail Bush on the contradiction involved in his blathering about how Asian countries must open their markets to the United States, while he takes no heed of the impact of U.S. and grain cartel actions on Australian farmers. Bush smirked: "We've never said we're totally pure," and blamed the problem on Europe's refusal to give up the protection of its agricultural production.

In Melbourne, demonstrators carried banners reading: "Stuff Bush's New World Order!" Here, with only about 500 demonstrators in the streets, fights broke out and Australian