EIRFeature

LaRouche holds dialogue with eastern Europeans

Lyndon H. LaRouche, Jr. met with leading representatives of the intelligentsia of Russia and eastern Europe, for an all-day seminar on Dec. 4, 1995, in Eltville, Germany. The meeting was held in conjunction with the Dec. 2-3 conference of the Schiller Institute. The following is an edited transcript of the event.

Jonathan Tennenbaum (Schiller Institute, Germany): Welcome to our seminar. We from the Schiller Institute are very happy to have you here, and I think that we should take advantage of the intensive and deep discussions that we've had over the last two days, and the fact that we're here, to do some work; to discuss, together, in depth, the problems that we have to work on.

So, I propose the following order. We have prepared presentations by Mr. LaRouche to open the discussion, and by Gennadi Sklyar, and by Natalya Vitrenko. And, we should have free discussion. In the course of the discussion today, others have statements they want to add.

I wish us all a fruitful working day. With that, I'd like to give the floor to Mr. LaRouche.

Lyndon H. LaRouche, Jr.: For this occasion, I have prepared a packet of materials, which, regrettably, is all in English, of which I would hope that each of you receive a copy.

Most of this is my own work, or, in a couple of cases, the work of some of my collaborators; but, the purpose is to provide you with source material which is relevant background, to, for example, the presentation I made the day before yesterday. [See "We Have Reached the End of an Epoch," Mr. LaRouche's speech at the Eltville conference of the Schiller Institute, Dec. 2, 1995, in EIR, Jan. 1, 1996.] I shall identify each of the contents by title, and by its significance for this purpose, and then I shall summarize the significance of such material as a whole from a strategic-political intelligence standpoint.

The first one is dated July 28. It's from *EIR*, it's a feature article entitled "Why Most Nobel Prize Economists Are Quacks" [*EIR*, July 28, 1995], which identifies some of the conceptual problems people have in dealing with facts

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sometimes, which are not facts, but artifacts of incompetence.

The second one, is dated from Aug. 11 of this year, also an *EIR* feature, a successor to the previous article, on the subject of "Non-Newtonian Mathematics for Economists." The function of this is to indicate that economics is a matter of the relationship of man to nature, society to nature. It is not something which one can contemplate, it is something into which one must introduce change constantly, change especially in the exemplary form of scientific and technological progress in the mode of production.

The point is, that the emphasis upon cultural discoveries, discoveries in natural science, defines the creative capacity of man as the relationship of man to economy. Thus, since a creative discovery, that is, a discovery of principle, in mathematical terms, is a *discontinuity*, therefore, all mathematics, as generally taught in universities today, is, by its nature, especially statistical mathematics, incompetent to deal with the most fundamental question of economy. And, this is the weapon which is used to intimidate people into believing that IMF [International Monetary Fund] and similar kinds of programs are scientific.

A mathematics which is based on density of discontinuities, or cardinality, is, admittedly, the most sophisticated arm of mathematics, and little known, except by a few. Nonetheless, the principles of that kind of mathematics can be readily understood by people who are not professional mathematicians, by explaining the function of axiomatics. And that's what I identify: I identify how we can analyze and describe

real processes in physical economy, and how we can put these into intelligible forms, as policy guidelines.

I have included, also, as a third item, a shorter feature from *EIR*, Sept. 1 [1995], entitled, "That Which Underlies Motivic Thorough-Composition." There are two reasons for including that here. First of all, as the title suggests, or is intended to suggest, I'm looking at the principle of musical composition, or Classical musical composition, from the standpoint of Riemannian topology. This addresses, in part, a great fraud, a crippling fraud, which was introduced into culture through the influence of Immanuel Kant in his work, especially his 1790 work on the *Critique of Judgment*, and institutionalized in Germany, in the middle of the Nineteenth Century, by the Romantic school of law, in which the decree was made, along the lines of Hegel, that there is no commonality between *Naturwissenschaft* and *Kulturwissenschaft*, or *Geisteswissenschaft*.

The role of the nation-state

For example, the modern nation-state is a work of art, not of so-called formal mathematical science. The most important works founding the modern nation-state, were, first of all, the work of Dante Alighieri, on language and statecraft; and, secondly, the work of Nicolaus of Cusa, especially his *Concordantia Catholica;* both sets of works reflected the Classical Greek, especially the influence of Solon's model, and the work of Plato on the subject of the State.

For example, today, we have people who are called

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"privatizers," who I would prefer to describe as *privateers*. This is an English word for pirate.

So, from the standpoint of physical economy, the function of the State is, first of all, that it provides regulation of trade, and regulation of other things which protect and nourish the development of necessary economic activities. For example, large canal systems, railway systems, public sanitation systems, national power grids, and so forth, could not exist, except as acts of the State. The apparatus of modern warfare could not be produced, except by the State. The exploration of space could not be done by private firms; impossible. The scale of research required, the lack of any immediate profit return on this kind of venture, and so forth—it could only be done by the State.

Thus, the State enters into the calculations of physical economy; yet, the State cannot be derived mathematically. And, thus, you have an example of the great lie of Savigny, the Friedrich Savigny who laid down the separation of Naturwissenschaft and Kulturwissenschaft, or Geisteswissenschaft, which is a key to the incompetence of most modern taught economics.

It's twofold. First of all, the separation of art from science presumes that the State has functions which cannot be assessed from a scientific standpoint. In point of fact, this creation of art called the State, is the most essential factor, apart from individual human creativity, in all science. If we understand the essential identity of the faculty of mind which generates Classical art and which generates Classical science, then we understand *how* to make a scientific criticism of the State, a work of art.

The principle of memory

It happens, that the specific development in music, which is premised on the work of Johann Sebastian Bach, but was actually developed by Mozart and Beethoven specifically, is the key to the most sophisticated aspect of scientific thinking, which Jonathan [Tennenbaum] referred to yesterday.

When you're confronted with a manifold, an array of many particular things; for example, take the case of living beings, living entities. As a scientist, you're presented the case. Someone says, "What are living creatures?" How can you define the word "living creatures?" Aristotle couldn't do it. No follower of Aristotle could do it. Aristotle's attempts are a bad joke.

You have to say, "What is the difference between living and non-living creatures?" You have to answer the question, "What is the difference between an organic chemical process, which, in one moment, is a process existing in a living person, and, in the next instant, the same process is winding down, in a person who's just died?"

One can see the relationship between the work of Academician [V.I.] Vernadsky in biogeochemistry, and his work in the area of nuclear physics. The same mind is doing the same thing, because he has attacked the problem of how to general-

ize life, and what is the difference between living and nonliving creatures, and what is the organization of the universe, such that it has both living and non-living creatures, interacting in the same universe, but, apparently, with different laws.

To do this, you have to take all of the manifold of living creatures, not necessarily all of the objects and processes, but at least a great number of them, and a great number of exemplary processes of non-living processes. Then, one must work exactly as a Classical music composer such as Beethoven worked, with that material. Once you understand the collection as a collection, you now have to think back, in your memory, as you look at each part of that collection, about the collection as a whole.

What has happened as a result of the Enlightenment, is that this principle of memory in respect to discovery and the higher functions of the mind, which was well known to Plato, and which was well known by all scientific minds which followed Plato through the Renaissance, until the beginning of the Enlightenment, has been lost. This is the principle which is featured in all of the great thinkers: This was a feature of Kepler; this was Leibniz, also; this was Nicolaus of Cusa, this was Leonardo da Vinci. This, for example, was the famous Raymond Lull of Catalonia, who was famous in music and other things, who was cited in the Renaissance.

Without understanding the *principle of memory*, as you meet it in thorough-composition in music, or in great Classical poetry, it is impossible to recognize the scientific powers of mind, for making fundamental discoveries of this type.

In economics, mathematical analysis is useful, but, you cannot rely upon mathematical analysis to make decisions in economics. You must look at the collection of events which are being analyzed, to find out what lies *outside* the things that you're analyzing, which is determining the things you're analyzing.

For example, in my former career as a consultant in the field of business, the secret to the problems, to the solution of virtually every problem I faced, was to recognize something that the management was ignoring. You would look at all the records, all the facts. You would get people, very sober, with no sense of humor, at tables talking about "the facts, the facts, the facts"; and they were all absurd, even though they had the facts. Because they didn't have something which they didn't have down as a fact.

It's the same principle as in scientific discovery, if on a cruder and simpler level. In science, you find you're faced with a paradoxical problem of fact. These paradoxes, of which I think the case of the Eratosthenes estimate of the curvature of the Earth is a good example, because it's easily taught, which is one of its importances—to recognize there's a paradox that the data does not match, which is what Eratosthenes showed. The data does not match. If the Earth is flat, the data doesn't match. So, this simple proof of the curvature of the Earth before anyone had seen it, is significant in the history of physics, because it is the first in a long chain of developments



Lyndon LaRouche (center, in front of screen) conducts a seminar at the Economics Academy of the Russian Ministry of Economics, during a visit to Moscow in April 1994. LaRouche told the Eltville group, "We must work as an intelligentsia, as did Plato's Academy, to smoke out, in every area of the world, the false assumptions which are guiding people to destroy themselves."

which led to the Riemannian conception of the curvature of physical space-time.

In that case, as in every other fundamental discovery in science, what we do, is we discover a *principle* which solves a paradox. Prior to that time, that discovery, that principle *had no name*. It was not considered a fact. As an existence, it's an existence *of the mind*, not of the senses. And, without such conceptions, we would never be able to have any ideas about anything, beyond the scope of the senses. We would not know anything about astrophysics, and we would know absolutely nothing about microphysics. They would not exist as branches of science, without this principle.

Thus, each time we make such a discovery, we are able to confirm this discovery, by measurement, not by the senses. We are able to show that the error in our opinion has a consistent character which corresponds to this idea. In military science, this is known as "exploiting flanks." The character of *Entschlossenheit*, which was referred to by Clausewitz, is precisely this quality: the commander who is not a formalist, who can, under the heat of battle, recognize a principle of the battlefield which has not been recognized before, and act upon it.

In economics, in serious economic work, in statecraft, this is the nature of the problem which confronts us at every turn. The mind that is not trained to make and to recognize the validity of creative scientific discoveries, or artistic dis-

coveries, cannot cope with the most crucial problems of statecraft.

Everybody is capable of some degree of creativity. The important thing, is to make people aware of those powers of their own mind which can, efficiently, enable them to understand creative projects. And, this principle of memory, as it applies to Classical music, is one of the best examples of exactly how the mind works, when it's creative.

Now, all except the last of the following included documents, pertain to the practical side of the present problem. The first, as a matter of reference, is this, which is the paper I did last year on the forecast of the collapse of the system, and just explaining that I'd done a number of forecasts, and how they work [EIR, June 24, 1994, "The Coming Disintegration of Financial Markets," also published as a *New Federalist* pamphlet, "LaRouche's Ninth Forecast"].

Actually, the term "forecast" is not a good one. I don't believe in predictions. My greatest pleasure in life is to always frustrate the astrologers. One should not use the word prediction; one should borrow a term from medical practice, called "diagnosis."

So, a physician will say, as I will say of an economy, "It is sick." And the patient will say, "How sick am I, doctor?" And I will say, "You are dying." Now, the patient will ask the doctor for a prediction. He will say, "When will I die, doctor?" And the physician, if he's competent, will say, "I don't know;

but you are very near to dying, unless a miracle intervenes."

That's a diagnosis. I don't make predictions, I make diagnoses, which are much better than predictions.

The next paper is by an associate of mine, known to some of you, Dennis Small, who in *EIR* on March 10, 1995 did an analysis of how we knew the Mexico debt bomb was going to explode, which is relevant to these discussions. And then, Christopher White published, on July 7, an article in *EIR* analyzing the results a year after my ninth forecast; which is, again, relevant.

Relevant to all of you in this, is that Chris White, earlier that year, criticized a book which was published by the National Association of Manufacturers in the United States [EIR, April 14, 1995]. This book restated a thesis which, at that time, was widely circulating in the U.S. government and its intelligence community. And, I delight in destroying the bubbles of the U.S. intelligence community. I suggest they drop the name of "intelligence" from their profession. The best people in the U.S. intelligence community, are not in this world, literally; the worst ones are not in this universe.

It's a case of virtual reality. It's a bureaucracy which believes in certain policy: "This is our policy." The tendency, of course, comes out of radical positivism, where you get these idiots, and professorial idiots go to a blackboard and write out a mathematical formula and say, "that is reality." And, they're very upset when someone says "Professor, you're wrong, the Moon did crash into the Earth yesterday."

As some of you may know, most people in the intelligence profession write things which they know will be approved of by their superiors, not the things which they believe to be true. Most of the things I say, the intelligence community would say to me, "You can't say that!"

I'll give you an example of it, because it's relevant to the problems we have to discuss today. A friend of mine asked me to give a strategic briefing to a group of dignitaries of a nation. And, in the general meeting where I was giving this briefing, which went on for some hours, there were a number of representatives from the intelligence community. And, one of these guys said, "I can't put that down! That's policy!"

So, this is a case where the United States, the intelligence community, and everybody was infected with this complete fairy tale about how, in the past 25 years, there had been a "remarkable recovery" of U.S. industry, when there's actually been, factually, a tremendous collapse, a catastrophic collapse. It is the same thing as saying, not long after the disappearance of the giant firm AEG, that there is a great success in the German economy.

So, Chris White documents the evidence on that particular myth; which, of course, is the point you face when you hear from the IMF people, or similar people. They all tell you about the great success stories which their policies have had in various countries. But in each case, you've got the same kind of situation: the truth is directly opposite to what they assert. One of the most important things, is to know how to

deal with the arguments of these fakers, to refute them, and say, "You are either an idiot or a liar." In the past 25 years, there is not a single instance in any country, of IMF success.

The next one is an article of mine which was done last spring and published last June, on "The Dynamics of the Global Economic Breakdown," which is relevant to what we've been discussing [EIR, June 2, 1995]. I think it may be useful to you for reference back home, as we say, when you need a resource for people you want to read this sort of thing, to understand what this is about.

In the Sept. 15, 1995 *EIR*, Chris White produced a report, a summation of some of the developments to date, marking the end of an era economically.

Now, the last thing, is actually something which was produced as the primary document of my Presidential Democratic campaign, ongoing in the United States now, which contains a great number of things, which addressed themes I dealt with the day before yesterday, which you may have good fun with, because you have to imagine that a lot of people around the world are reading this, and you can imagine their consternation, rage, confusion, and whatnot, as a result of reading this kind of thing being said. ["The Blunder in U.S. National Security Policy," Committee to Reverse the Accelerating Global Economic and Strategic Crisis pamphlet, October 1995.]

It was written as an attack on a piece of stupidity of national policy of the U.S. military. They sadly needed a spanking. I use an example of stupidity on the Russia question, as an example of what their generic stupidity has been.

False axiomatic assumptions

Just in general, after identifying those, just a general comment I would make on today's discussion, on the crucial problem we face right now: We are at the greatest crisis in modern history, right now. The crisis is potentially terminal, to use the proper diagnostic term. The greatest problem we have, is people trying to find solutions, in terms of their own assumptions.

My observation, in Russia, Ukraine, Poland, Hungary, and so forth, throughout the former area of the Comecon, is that the prevailing assumptions about the United States and Britain, and the relative significance of the two, are totally incompetent. I happen to know, that virtually all Soviet intelligence on the question of the United States and Britain, was incompetent. That mistake was the main reason for the collapse of the Soviet Union. The Soviet Union had an opportunity *not* to collapse, in 1982-83, but, rather, to undergo a positive evolution, and to eliminate the division of Europe which Churchill had imposed.

If what became known as the SDI [Strategic Defense Initiative] had been adopted in the form I originally presented it, we would not have had many of the bad events which have occurred in the world since. If the Soviet government, Andropov personally, had communicated, through his representa-

tive, to me, in February of 1983, a positive response, the entire British Anglo-American faction in world politics would have been destroyed. There would have been changes throughout the world, there would have been freedom throughout the world, without the catastrophe we've had. We would have eliminated the two-thermonuclear-power problem. We would have liberated the bloc system.

It all would have occurred. Because the difference in philosophy of that policy, once accepted by two superpowers, would have determined the defeat of the contrary policy around the world.

Now, in all of Europe, outside of Italy, to this day, there is stupidity in prevailing assumptions on the same question. There are, in each country, a number of people, you can almost count them on one or two hands' fingers, who have a better understanding of this. For very special reasons, in Italy, there are a larger number of people who understand the problem.

But, the typical assumptions about the history of the United States, about the power of Britain, about British policy and British influence; the failure to recognize that the British orchestrated World War I, that they are completely responsible, morally, for World War I, and no one else. Other people played the parts of fools; the British were the criminals in World War I.

The British were the criminals in World War II, because they created Hitler for the purpose for which he was deployed. And, they imposed him on Germany, with the support of their friends in the United States. It was the British government, the British monarchy, which imposed the reform on eastern Europe.

It happens, that [H.A.R. "Kim"] Philby was a triple agent, which is a very significant fact in all of this. It's easy to understand, when you understand how things work. And, it happens that there are British agents throughout the former East bloc today.

The problem is, if there is going to be an explosion of some kind in Russia, immediately—I don't know what date; it's a diagnosis, not a prediction—I see three tendencies:

In the center, there is a nationalist tendency based on a national intelligentsia, particularly its representatives in the military-industrial sector and the military sector as such, who are seeking to avert a disaster by bringing in a new policy. They are concerned with nation-state building.

There's another tendency, which reacted, as many people do, to the occupation of their country: they became traitors. They became looters, carpetbaggers for foreign powers, taking a little thievery for themselves in the process.

There's also a tendency to build a Third Rome, or a Dostoevskyian response to the crisis. The symptom of the third tendency, is "it's the United States that's the problem, not Britain." If the third tendency comes to power in Moscow, there will be Hell throughout all Eurasia.

Now, this tendency doesn't exist only there; we also have it in the West, which is the British, and people like Bush and his supporters in the United States. The characteristic which leads to this false conception of history, is deeply taught theories of history, based on false facts and false analysis, which some people believe because they were taught them, over and over and over again.

It is false axiomatic assumptions, blind faith in taught or generally accepted ideas, which causes people to make the decisions which lead to disaster. Thus, a sharing of opinion will not lead to anything but confusion. What is needed, is a Socratic examination of the underlying, deeply believed errors, axiomatic errors, which have guided people to make mistakes, again and again and again.

What is needed now, as I referred to the Africa problem yesterday, on the question of the creation of an African intelligentsia, what is needed, is the establishment of partnership, in terms of an international intelligentsia, as well as in practical governmental forms, and related forms.

We must work as an intelligentsia, as did Plato's Academy, to smoke out, in every area of the world, the false assumptions which are guiding people to destroy themselves. This has an academic character, but it's not strictly academic: Its function is strategic political intelligence, in order to advise governments and tendencies in various countries of what the strategic problem is, and how to address it.

Now, some among you have been in government at a



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TO REACH the LaRouche page on the Internet:

http://www.clark.net/larouche/welcome.html

TO REACH the campaign by electronic mail:

larouche@clark.net

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fairly high level, or have been associated with high levels of government; and you know that governments, most of the time, are stumbling, trying to find their way out of darkness. Most of the time, they don't know what they're doing; and the more intelligent ones, know they don't know what they're doing. But, the best of them are proceeding in good faith, and willingness to correct their errors. And, they're acting as patriots. Many of their mistakes, are honest mistakes of patriots; even some of their impassioned errors.

What governments need, especially in the time of the greatest crisis of the past 500 years on this planet, are those ideas and other related works, which indicate what errors of assumption must be eradicated.

Some people, perhaps, do not realize how close to war we came, up into the years 1988-89. When the vaults were opened in the former East Germany, you saw the most naked expression of the handiwork of Marshal Ogarkov. And, with an idiot like Bush as President of the United States, we could have had a real problem. So, we have to recognize, that this problem of false assumptions, particularly of an axiomatic quality, forced the mind to adopt the wrong theorems of policy and action. That's the point: We must have an extremely Socratically critical view of the factors which we tend to overlook.

One of my immediate concerns, is to cause the government of the United States to take certain actions which will signal certain things to people in eastern Europe and elsewhere, and which will tend to strengthen the position of valuable forces in these countries, in order to create the environment of partnership, so that the countries can be brought together in partnership, to solve these problems. I have a fairly refined sense of what is required to influence the United States in that way.

From late July and August of this past year, I saw the United States government mishandle the Russia situation. It was well meaning, but it was the action of idiots; and, instead of improving the Russia situation, it made it worse. A continuation of that idiocy could be disaster for our Russian friends; though the way the President dealt with President Yeltsin, I thought, was very positive, very useful, even if Yeltsin's illness made the thing somewhat abortive.

Patriotic forces in every country need certain signals which they can use in their country, as well as facts; and, in order to influence the policy of the United States, they have to generate certain signals which will produce a positive, desired result. And that can be done. That can be done.

Some of you who represent, in particular, Russia, Ukraine, are very valuable people, and represent very valuable processes in your own countries. It is my deep concern that you succeed. If you don't succeed, we're all in trouble. And, for the relatively smaller countries of eastern Europe, unless we succeed, there'll be a disaster. Without a success, the situation of Poland, of Slovakia, of Hungary, and so forth, is hopeless.

So, we must succeed. And, to succeed, sometimes one has to be as ruthless with oneself and one's own presuppositions, as with the opposition. The first step toward conquering an enemy, is to conquer the weaknesses in one's self. As an old man, I'm privileged to say that.

I've talked enough, but I think my point is clear.

Tennenbaum: I think perhaps that, as it was intended, we shall take Mr. LaRouche's remarks as an introduction and proceed with the program. But I hope that all of you, in the discussion, will speak openly about your own thinking, relative to what Mr. LaRouche said. I only want to remark on one point; at least some of the material in the packet, we do have in translation, or at least there's material relevant to it. I want to just make one remark about that, which many of you may have begun to realize: People in eastern Europe, Russia, and so forth, sometimes misinterpret, or have the wrong impression, in a superficial way, at first glance, and think that this is somehow the presentation of some kind of doctrine. There are historical reasons, also, of experience, why this tendency for a superficial reaction of this type. But, in studying more deeply what is really said and who Mr. LaRouche really is, one realizes how false that kind of initial reaction is. We're dealing with a scientist, and we're dealing with a Socratic method. There are certain points, which must be thought through.

So, with that one remark, I think we should proceed. I would like to invite Gennadi Sklyar to make his presentation.

'Sorry picture' of life in Russia

Gennadi Sklyar: Dear friends, I am very glad of our meeting today. I am glad to greet all of you. I thank Lyn, Helga, Michael, and many others, for the pleasure of our coming together in this way, for productive interchange. Today, I am representing here a new political group in Russia [Congress of Russian Communities—KRO], headed by Yuri Skokov, head of the Federation of Goods Producers, Gen. Aleksandr Lebed, and the head of the Economic Policy Committee of the State Duma, Sergei Glazyev.

I will present our evaluation of the situation in Russia. I must say that we have quite a sorry picture of life in our country. One year ago, in this room, we discussed the various possible courses of developments in Russia. The war in Chechnya had just begun, and we were not optimistic. Unfortunately, despite our efforts, the situation in Russia is indeed becoming worse and worse. We do also have, however, grounds for hope, namely that we possess an accurate diagnosis and analysis of the situation in our country. Lyndon LaRouche's visit to us in Moscow was extremely fruitful. He helped us better to formulate both the analysis and the steps to be taken.

Russia is a very big country. It is a nuclear power. It could become the source of a new threat to world stability, or a factor for our common development. Therefore, I believe your interest in the situation in Russia is vital and urgent. I will try not to let you down.

Russia today is experiencing probably one of the most dramatic periods in its history. This is a general crisis. The integrity of Russian society has been split, at the same time as private interests are counterposed to those of the nation. Permeated by contradictions, society is becoming incapable of solving its problems. This acute situation is lawful, on the basis of the government's blunders and betrayal of the national interest.



We are convinced that the tendency for third forces to come to power—neither communist nor liberal, but people

upholding the principle of the nationstate—is the one that will prevail. The question is only, at what price? —Gennadi Sklyar

The crisis of Russian society, however, did not arise solely as a result of these mistakes. The preconditions for this crisis emerged already in the 1970s, as a result of the flaws in our economic system and system of governance. The attempts begun in the mid-1980s, to reform society and the economy, while "flying blind," without taking into account the scope and depth of the crisis, ended in the disintegration of the country. There were also those reasons, which Mr. LaRouche discussed.

Under these conditions, the crisis went out of control. We have the criminalization of our economy. There is a growing threat of a criminal dictatorship. The government's behavior threatens to become a general defiance of law. It fails to finance State orders, or issue social payments. The remaining facilities of State property are being sold off arbitrarily. The criminalization of the economy suppresses competition and blocks the functioning of market economy mechanisms. Capital shifts out of the productive sphere into speculation and capital flight. There is no conceptualized policy for the social sphere, industry, or science and technology.

Only the large raw materials corporations, privatized by the *nomenklatura* of functionaries, enjoy a privileged position. These firms arbitrarily inflate prices, while reducing the deliveries of their products to the domestic market, thus paralyzing all the other branches of industry.

We speak in terms of a degradation of our skilled and professional personnel. The most highly skilled layers have plunged into poverty: scientists, engineers, teachers, doctors, workers in culture. The level of education of youth, and of the Russian population as a whole, is falling rapidly.

The government's foreign policy is losing Russia both its friends, and its influence on the world scene.

I would like to cite some of those contradictions, which have torn our society, because without the solution of these contradictions, we will have no future. First and foremost, is the contradiction between the corporate interests of the ruling political machine, and those of the population as a whole. The State in Russia today is a State of functionaries, with its own corporate interests; they have turned in on themselves, pursuing their own interests, with nobody to check them.

The second contradiction is between the federal center and the regions. As the mechanism of the State degenerates, there is a concentration of capital in the center and in the hands of speculative structures, close to government circles. Over 87% of the finance capital in Russia, is located in Moscow.

We also identify a contradiction between the need to preserve the country's scientific capabilities, its manufacturing industry, science, and agriculture, and the tasks of integration into the world economy.

The most acute contradiction of which ordinary people are aware, is the contradiction between the impoverishment of the majority and the unprecedented wealth of a thin layer at the top. Around our small cities, mansions of the *nouveaux riches* are springing up.

I would like to cite two examples: I am currently campaigning for the elections, and have had dozens of meetings with voters. At numerous meetings, the first question has been: "What are you going to do about those palaces?" At another meeting, I was asked to help organize the purchase of bread and sugar on credit. People do not have money on hand, even to buy bread and sugar. And this was not in the far hinterland of Russia, but in the center, not far from Moscow.

Tension in society is growing. If I were to summarize the Russian people's demands to the government, I would say that the following is the most important. Looking a few years back, people say: "The country has been destroyed. Our savings have been wiped out. The destruction of industry and agriculture has begun. We have been deprived of work. Then, the Supreme Soviet was shot up. The war in Chechnya was launched, where tens of thousands of people perished." People are not receiving their pensions, and the explanation is that the pension money was spent on the war in Chechnya. Therefore, the attitude of most voters towards the current authorities is extremely negative, as the elections will show very clearly.

Today Russia is again on the verge of major changes.

There are several alternatives. Mr. LaRouche quite precisely identified the three tendencies. I agree with him.

People ask: "Who will lead the country? Will those people have political will? Will they address questions of national security and the national interest?" Society will only trust people like that. But for those who are in power today, the loss of that power would threaten their personal security.



We will be doing everything possible to bring the ideas of Lyndon LaRouche and of the Schiller Institute, as ideas

that generalize the prospects for world development, deeper into the awareness of our people, and to supplement those ideas with our own.—Dr. Natalya Vitrenko

Thus, we face the danger of how these people will battle to preserve their power, despite their having lost all their credit with the population. We are prepared for any possible turn of events.

You should know that during the next six months, Russia will be electing a new President, as well as the administrative branch officials in all the regions, and the heads of local self-governance bodies. There is, therefore, an opportunity for a peaceful replacement of the entire Executive branch.

We are asked, what might happen after the elections. In our view, President Yeltsin has two options. The first would be to execute a political maneuver, dismiss the Chernomyrdin government, and appoint a head of government from the opposition. This would be a peaceful option, insofar as the Presidential election, and the replacement of the President, would then follow. Many people in Russia believe that General Lebed is the most likely winner of the Presidential election. This evaluation should be taken seriously. It is important already now to analyze the positive and negative aspects of such an option.

The second option for Yeltsin would be to reject the results of the elections, and usurp power. The State Duma would be dissolved, and a pretext found to postpone the Presidential election. This option is fraught with the danger of an aggravated extra-parliamentary struggle. This would result in just

as sorry an outcome for the President, but unfortunately the price for the country will be rather higher.

We are convinced that the tendency for third forces to come to power—neither communist nor liberal, but people upholding the principle of the nation-state—is the one that will prevail. The question is only, at what price. What price will society pay, for their tendency to prevail?

We are more optimistic than we were one year ago. We have become smarter, and we know the enemy better. We have more public support, and we better understand what is happening in the world at large. Therefore, I have hopes for victory. Thank you.

Tennenbaum: I would like to thank Mr. Sklyar for his extremely precise and clear presentation. I think we will come back to many of these points.

I would like, before we proceed to the general discussion, to give the word to [Ukrainian Member of Parliament] Natalya Vitrenko for her presentation.

Dr. Vitrenko's presentation appeared in EIR, Jan. 5, 1996.

Discussion

Prof. Taras Muranivsky (Schiller Institute, Moscow): I consider what Mr. LaRouche said about the three discernible tendencies in Russia today, to be an essential observation. From the standpoint of understanding what he said, the first, the national tendency, and the second, the negative one, were clear. But when he described the third tendency as "Dostoevskyian," this requires some elaboration, because it seems almost identical to the second.

LaRouche: It should not be. There are probably a few tendencies which tend to overlap, so that you will have people who can swing one way or the other, depending on events.

What I am particularly concerned about: The gangster tendency, I think, is unsalvageable. I do not think we should try to save their souls. I think it is a waste of time: I think they already sold them.

What Mr. Sklyar laid out is representative of what I would call the national tendency, the national intelligentsia. I met a number of people in Moscow, typified, say, by Academician [Dmitri S.] Lvov of the Central Mathematical Economics Institute (CEMI), who epitomizes this rational intelligentsia, which is the Russian nationalist intelligentsia, concerned about Russia [see *EIR*, Aug. 25, 1995, for LaRouche's exchange with Professor Lvov]. If this tendency, this current, were to fail as a credible or plausible tendency in Russia, I would fear that the hatred, naturally, of the compradors would not lessen, but increase, and that in that case, you would have the Dostoevsky tendency of madness and rage picking up an

axe and striking out for pure power, without any understanding of what power was supposed to do. And, you would have an ethnic quality: You would have a movement of the type which Dostoevsky described as the Third Reich, or Third Rome.

I wanted to keep it short, but I think I should add something to that.

If you look back in Russian history, not only to tendencies such as Pushkin, which is extremely important. But then, you look later in the century to the process in the institutes, as typified by the case of Vernadsky, Vernadsky's development of education, the influence of this circle both in the Russian State bureaucracy, as typified by Witte, or people in the scientific intelligentsia of Russia as typified by Vernadsky, you see a very clear development within Russia, which at that point was largely serf, in which, still, the feudal forms still dominated, emerging as a national intelligentsia to rebuild the country.

Now, I think what has happened in the collapse, is that that tendency comes to the fore again. But, as we saw earlier in the history, and why I have been concerned about this since 1983, in particular, the continued degeneration of the Soviet Union would have the effect upon the Russian people, of bringing forth from the institutions, a Dostoevskyian quality of this Third Rome tendency: completely irrationalist, mad, capable of anything.

Therefore, it was important that the rational current, the national intelligentsia of Russia, as a patriotic movement, come to the fore, and assert itself in its legitimate position as leadership.

What is the nation-state?

Yuri Krupnov: I represent the Methodological University, in Moscow. It seems to me that these two days of work have brought forth a number of very interesting points, which deserve detailed discussion.

First and foremost, the problem of the national State, which Mr. LaRouche defines as so central. On the other hand, for Russia, for example, and for some other countries, I think, the national State cannot serve as a model for the development of statehood, because from both the ethnic and the national standpoint, Russia is too diverse.

Rachel Douglas (translator): I think there is a translation factor here. Mr. LaRouche uses the phrase "nation-state", which we translate as *natsiya-gosudarstvo*, which is not the same as "national State"—*natsionalnoye gosudarstvo*.

Krupnov: That I understand, but our group's main thought here, and the result of our work, is that there exist many different types of State, and it is very important, while emphasizing the role and significance of statehood, to distinguish these various types.

For example, judging even just by Mr. LaRouche's dis-

cussion of the problem in America, I think that if we address the question of statehood in America, the fundamental question will be, how to reproduce Roosevelt's New Deal and the moral uplifting of the American people during the Second World War.

For Germany, the key question is how to deal with the question at the beginning of the Nineteenth Century, how to return to those roots and build a national policy, but not a national socialist policy.

And for Russia, there is a completely different point, where the problem of statehood first arises. That is the cessation of the "peasant policy," in the strict sense of the word, after the overthrow of the monarchy, its liquidation in Russia. Of course, I don't mean that we should become monarchists, or restore the monarchy. I am not referring to the political sense of this. I am simply trying to illustrate that the problem of statehood, while it has certain universal features, in these three examples is of three absolutely different types. I would be interested to hear Mr. LaRouche's view of this question.



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defeated. But the main question is, how to bring about political development. The enemy should not be discussed, he should be annihilated. What needs to be discussed and deliberately organized, is the processes of social reproduction and development.—Yuri Krupnov

But I have two other observations. In the speeches at the conference yesterday and the day before, a very interesting idea was put forward, although not fully elaborated, about the use of musical compositional technique for the analysis of very diverse processes: political development, military art, and so forth. I think it is urgently necessary more actively to discuss positively strategic questions, such as how, for example, to organize political strategy, military strategy, the concrete development of specific countries, on the basis of

musical analysis—thereby to begin more thoroughly and deeply to study the development of a new paradigm.

This is not only a question of defending ourselves from certain international organizations, like the IMF. In Russian military-political thought, there is a strict distinction between, say, politics and military art. The enemy must be defeated. But the main question is, how to bring about the political development. The enemy should not be discussed, he should be annihilated. What needs to be discussed and deliberately organized, is the processes of social reproduction and development.

From this standpoint, I would like to make a perhaps surprising proposal. Two years ago, a book was published in America, under the title Russia 2010, written by consultants for the RAND Corporation. Since I am an editor of a journal, also called Russia 2010, there turned out to be a coincidence, that at literally the same time, some organizations in America and some organizations in Russia were thinking in terms of this same time frame, up to the year 2010. But since I am, naturally, not satisfied with the proposals of the American side, in their book, we are continuing to try to develop these ideas, with the help of interesting thinkers like your Schiller Institute. But it seems to me that they did make a very important approach, an attempt to determine what we should spend the bulk of our time on. For virtually every country, such five-, ten-, or fifteen-year programs need to be developed. Therefore, I think a group could be organized, which would develop not purely diagnostic, analytical works on the situation in various countries, although that is very important, and would not only outline major infrastructure and other international projects, but would also develop and submit literally the following drafts: "America 2010," "Germany 2010," etc.

LaRouche: The nation-state has only, really, one meaning, though it has been used in other ways. One must recognize that prior to France, 1461-1483, there were no nation-states anywhere in the world; none ever existed. The nearest approximation of a nation-state earlier, is that typified by the Ionian city-states, which had republics, and by Athens. Otherwise, there were no nation-states.

The case in Europe, in general, for both eastern Europe and western Europe, was defined by the Roman Emperor Diocletian from the Balkans, where he divided Europe between East and West, long before the first Serb or Croat ever appeared; as a matter of fact, about six centuries or five centuries before the first Croat or Serb ever appeared in the Balkans. The Balkan War had started, created by the Emperor; and the people who came in, simply followed the script given to them.

Prior to France, 1461—remember, the idea in France, you can find traces of it earlier, in many earlier writings, you find it in Greek writings, you find it most emphatically in the work of Dante Alighieri, which centers around the question of language.

Under the previous form, under the Code of Diocletian and its extension into the forms of institutions in both eastern Europe and Western Europe, you had only the form of empire. Now, empire does not mean one nation-state colonizing another, or one people colonizing another. That is a common view, but it is a false one, without historical basis. It is an idea that is based on the assumption that 95% of the population of any part of the planet is composed of human cattle, called slaves, serfs, or subject peoples. The idea in the Taoist doctrine of the difference between the ruling strata in China and the peasant strata, is an example of feudalism, or the same imperial idea. The Middle Kingdom idea, in this Taoist form, is an imperialist conception.

The difference is that the nation-state is premised on the idea that every adult member of society, is a citizen. In Russia, there was no possibility of creating a nation-state until the aborted effort after Peter the Great, and then, under Alexander II, for the emancipation of the serfs. It was not until near the beginning of this century, that Russia began to come out of a purely imperial social structure of society.

Now, Lenin's formulation of "a captive house of nations" is descriptively accurate, but analytically imperfect. But, it is very important to bear this in mind, because it bears on Bolshevik thinking afterward, the fact that Lenin said it. And, it is descriptively accurate, though not analytically accurate. This came up with Stalin, for example, in the question of the Georgia question, which is the famous breaking-point on the issue in Soviet history; and the shape of Soviet policy toward subject peoples within the Soviet Union and within eastern Europe later, is a reflection of this misunderstanding of something that was descriptively accurate. Even though the term was misused by Churchill and others, the Soviet system was an empire, in the strictest sense of the term, not in the term that people understand it in political science, but in an accurate sense of the term.

But, under Bolshevik rule, something happened which contradicted that form. Because the way you transform a serf, human cattle, into a citizen, is through the proper quality of education, and in providing opportunities consistent with that education. The creation of a national intelligentsia, which is the leading element of a body of citizens who are literate, educated, is the basis of the nation-state.

Once the nation-state is established on that principle, all the ethnic distinctions begin to fade into the background. The United States is the best example of this. The United States, for example, in 1790-1800, had a level of literacy of over 95%. The average American farmer was referred to as "the Latin farmer," because he had Classical education. The productive output of the American was twice that of Britain. The level of consumption of the American was twice that of Britain. And, the difference is the British had a very poor quality of literacy, which is about a 40% literacy rate for the entire population.

Germany is a melting-pot nation, too, ethnically. If you

look at the surnames of Germans, you will find a lot of Slavic surnames. The Germans are not an ethnic group; they are a multi-ethnic group, unified by a single literate form of language. The French are a nation of *Mischlings*. [The German word means "mixed-breed" or "mongrel," but also "bastard"—ed.]

The key issue, say, in Russia today, and its relation with the former States of the Soviet Union, particularly in the Caucasus: It is not difficult to explain what the differences are between Russia and Ukraine from a nation-state standpoint; they exist. But otherwise, *the common feature*, the common feature of people in Russia is the result of the education system, and the familiarity with language. The difference in Russia, or the former Soviet Union, the chief difference, was the Turkic-language speakers, wasn't it?

In the United States, presently, ethnic tendencies arise, only where people are not properly educated, or given opportunities for work consistent with advanced education.

For example, we have a rich tradition of people who have family connections to European countries in particular. The oldest European generation, apart from the British Isles, is the German, then the French, largely by way of Quebec; then you have Italians, Poles, Russians, and so forth. And, these connections have a more or less weak or stronger influence within the family and within communities. But, there is no difference, in the sense of a significant ethnic difference among Americans, except for those who lack education, are deprived of education, or deprived groups, and deprived of employment opportunities which are of an intellectual nature. And, I imagine you would find the same thing is true in the history of the Soviet Union and Russian even more, apart from the cultivation of minorities and nationalities, which was a policy of the Soviet State; and some chauvinism by the so-called "Great Russians," which also had a factor. Which was cultivated; it was cultivated. I saw reflections of this,

Now, the key thing that goes with education, first of all, is the use of language. There is a very peculiar aspect of language, which is, generally, not addressed by linguistics at all, which is the most important part of language.

The most all-important ideas come into existence as ideas which have no name, in any language. Now, how are these ideas expressed in language? And, you do not learn a language by swallowing a dictionary. The interesting part of language, its main function, is to negate itself, by expressing ideas that cannot be expressed in terms of language, ideas which we give a name to, only after they are discovered. These ideas are posed by *irony*, or what is called *metaphor*.

So, therefore, the function of a language is not to give a definition of a term; the function of a language is the ability to negate itself. So, it must be an instrument of precision, by means of which we can generate and understand metaphor. This is expressed in the most important form of language, or expression of language, from the most ancient times we know,

which is Classical strophic poetry. And, the most important expression of Classical poetry, is Classical musical composition, especially Classical polyphony, because the human species has six (mainly five, but actually six), specific qualities of singing voice, naturally.

Therefore, this quality of metaphor, which is directly related to human nature, is the essential function of language. But, it is independent of any language. Therefore, language heritage is not a definition of a people; but, language-function is a necessary function of citizenship. Because the citizens must understand one another, if you are going to have representative government. And, they must understand one another at high levels of practice.

That must be the principle of the nation-state; and, any other definition is a loose convention which has no scientific precision, because it can have no rigorous definition.

In relationship to musical composition, I will make the answer short and say that that implies it, but I have already identified this in the other writings which I have supplied.

Quickly, on the final point of the three points you asked, on political strategy and military strategy: In a proper order of things, there is no distinction. Today, in particular, we are dealing with so-called irregular warfare, which has no ordinary military definition. Every military officer must understand irregular warfare in all its manifestations today. The governing principle of irregular warfare is political strategy. The good principle of military conflict is the creative principle of the flank, as explained by von Schlieffen, in his famous book *Cannae*, or the theory of the flank.

On the other cases of this question of different countries like "Russia 2010": Forget it. That is important to know about, but these people are idiots; dangerous idiots, but idiots. The RAND Corporation is a collection of idiots. They should put bars around the place and put in psychiatrists. This developed for the U.S. Air Force. After the war, the U.S. Air Force refused to work with the experienced intelligence people, so it started with no intelligence whatsoever. So, [RAND] should be viewed as a disease, not as a think tank.

The cases of Hungary and Slovakia

For reasons of schedule, the following remarks by Prof. Gidai, and Mr. LaRouche's response, occurred during the first session of the seminar, before the general discussion began.

Prof. Erzebet Gidai (Hungary): Look at the history of the communist countries after World War II. Europe was artificially divided. In terms of Hungary and eastern Europe, generally, we basically became colonies of the Soviet Union. We were a militarily occupied zone, and an economic policy was imposed on us, which was not in harmony with our national interest.

These countries, essentially up to the '70s, were controlled from Moscow. After the 1970s, and especially after

the political change in 1990, these countries were essentially controlled from Washington. The IMF commissars, essentially, come into these countries, occupy them, and dictate policy. So, a comprador *nomenklatura* was found, which carried out this policy according to the same script in all these countries.

Hungary is a type of physician's guinea pig, so to speak, on which all sorts of medical experiments are being conducted. First sector: indebtedness. In international terms, Hungary has [one of] the highest per capita indebtednesses in the world. Between 1985 and 1995, Hungary's foreign debt tripled from \$10 billion to \$30 billion, without any corresponding physical-economic development. The representatives and the policies of monetarism effected this outcome.

After debt, there is the enforced privatization. In Hungary now, 70% of State property has been privatized so far. Sixty percent of the earnings out of this privatization were channelled into meeting Hungary's international obligations. These resources have left the country, and so are not available for its internal development. So a small country, Hungary, which lost two-thirds of its territory after World War I, is, presently, subsidizing international banks and great powers.

The situation is that key sectors of domestic production, vital for the domestic market, but also competitive on international markets, have, to a large extent, been destroyed. That applies for the food industry, but also pharmaceuticals, for example. This destruction of domestic production corresponds with the massive import of goods whose production base had been destroyed. Typical is the fact that milk production had been cut down; but now, Hungary is importing milk from France and Denmark, and, naturally, at much higher prices than domestic production would have cost.

To make the point once more: Hungary and other former communist, small countries, are, in effect, financially subsidizing the great and technologically advanced countries and economies of western Europe and the United States. It must be understood, that privatization *in no way* leads to any technological modernization of the industries privatized.

Now, Hungary has a crucial geostrategic position, because of its proximity to the large markets of the East. For that reason, Hungary is very much the focus of international economic mafias. Thus, Budapest has become a kind of base of operations for the World Bank and the IMF radiating into the surrounding countries.

Socially, this is accompanied by a declining standard of living, if not outright pauperization of the population. Fifty percent of the population lives below subsistence level; and that's characteristic of all countries dominated by IMF policies.

In March of this year, the shock therapy phase was introduced into the reform process in Hungary. This is the final stage in the IMF script. A key feature of that process, is the now-ongoing privatization of the energy sector, which is lead-

ing to a dramatic increase in the price of energy for consumption. Simultaneously, interest rates were pushed up, and, presently, the interest paid for an investment credit, is 35 to 45%, obviously an absurd level. Prices for basic foodstuffs are rising.

At the same time, the country's human infrastructure is being destroyed. That affects, first of all, the system of higher education, especially the universities. And the second key feature, naturally, is the destruction of the health system. So the system of education and health care is to be submitted to market principles, which, naturally, will mean that the affordability for the general population is becoming an impossibility.

Also, the sale of large areas of real estate to foreigners is now to be allowed, which, concretely, means that Hungarians can be driven off their land and homes by these foreign owners. So, who are these new foreign owners of Hungarian property? First comes the U.S., then Germany, then Italy, then France, and then Japan.

This is being followed up by a new military occupation as Americans and NATO forces are coming into the country. At the same time, there is increased pressure to force Hungary into the European Union, which, naturally, would mean it loses its national sovereignty.

Let me summarize what ought to be done about that.

First, we have to take note of the fact that there is a very intense debate on general political matters, and, in particular, economic-political matters going on right now, with conflicting, controversial positions. It is obvious that the neo-post-communists, who presently are running the government, can provide no solution, since they are one of the origins of the problem.

To summarize: First, we need a government in Hungary which represents the national interest, that realizes a national-economic policy. A key feature of that is that the IMF and World Bank policies end, and that their representatives be thrown out of the country. And that means that there will be a real transformation of the system, and a real economic reconstruction.

Thank you.

LaRouche: I wanted to say something quickly, in response. I think it's important to put this in, as it bears on Hungary, as well as Poland, and other countries. It involves certain events of the period 1949-1956, which are extremely important to both Hungary and Poland, among other countries.

There was a certain American intelligence officer with the State Department, who committed suicide after the climactic events in Hungary in 1956: Frank Wisner. Frank Wisner was the American intelligence officer responsible for the so-called "Anti-Bolshevik Bloc of Nations" in eastern Europe. During the entire period from 1949 through 1956, Frank Wisner was under the influence of a man called Kim Philby, a triple agent,

who was at that time supposedly a Soviet agent, also a British agent, of course, and also had other connections, in the Middle East.

The Soviet intelligence service had a total window, in advance, on the name and address of every agent in the Anti-Bolshevik Bloc of Nations, and that's how the history was run. But there's more to it.

The other character to look at in this, is [George] Soros. Soros is, nominally, a U.S. citizen, but he's actually a British agent. His financing is a front for the British monarchy. He is the key figure in Budapest for the operation described.

The ground was prepared during the 1970s and 1980s, through the Rockefellers and others, by way of Italy, in setting up, with the Bank of Hungary, the National Bank, this type of operation in place, the so-called "Goulash Model," so that when the change came, these characters, who were deep agents of various foreign governments or under their influence, took over and conducted this operation. And this is not only in Hungary, though Hungary is the key case. It also was the case, in a more complex way, in Poland; and it involved the same operations.

That's all I wanted to say.

Tennenbaum: Because Dr. Mikloško has to leave, I want to give him the floor for a statement.

Dr. Josef Mikloško (former deputy prime minister of Czecho-Slovakia): I am from Slovakia, where the situation is very bad, as it is for all the other countries. But there are also certain specific features, about which I have written in the most recent issue of *Ibykus*. You can read it there, or also in *Fidelio* [Winter 1995] in the United States.

We have western prices and eastern salaries, as in all the countries of eastern Europe. Under these conditions, the communists have been returning to State power and assuming the main positions, while the former dissidents have been being expelled from leading positions. We have three parties in our country. We have the Democratic Party of Slovakia, of which now three-term Prime Minister Meciar is the leader. This is a very populist party. Then there is the Labor Party, where the communists are very strong. Then we have the National Party, which is a government partner, and exhibits some fascist features.

There are 15 or 16 former communists in the government, but the Communist Party as such, which continued to function, is now in the opposition. The Parliament has repealed the Anti-Communist Law, which we Christian Democrats had drafted, but it passed the Law on Language, which we considered undemocratic and opposed.

Meciar's party wants to have all the power in the country and, lacking the correlation of forces for this, has been carrying out a large number of purges. They are also conducting what I would call "wild" privatization, but only for the benefit of their people. We can see liberalization in the economy, in culture and education.

Unfortunately, we are experiencing a major conflict between the prime minister and the President. The President is a good, democratic person, but two months ago his son was kidnapped by force in Austria. It was a big scandal, in which the hand of our secret services could be seen. My brother, a former dissident and former leader of the Slovak Parliament, was also attacked and badly beaten, as were several other people.



The Church is very strong in Slovakia; almost three-fourths of our population are believers. We can hope for not only a

moral, but an economic improvement in Slovakia through the influence of the Church. Therefore, we need to be able to enrich and help the Church with more effective ideas, such as the ones we've been discussing here.

—Dr. Josef Mikloško

These same liberal forces of the State are carrying out big attacks against the Church. Science, which was not bad in Slovakia, is in a state of collapse. The same applies to culture and education. There is no money.

On the other hand, we can say that Slovakia is not starving. We all live from paycheck to paycheck; we've gotten used to this. All these problems weigh on the shoulders of the citizens, who, so far, are modestly and patiently bearing it.

We have received some interventions from the United States and Europe, protesting against this type of action by the State, but the State has refused to pay attention and compared this with the interventions of Hitler, of Stalin, and the Russian invasion of 1968.

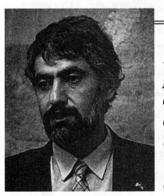
When the pope visited Slovakia several months ago, the whole country united for several days. Several times, the pope said, "Patriotism—yes! Nationalism—no!" The Church is very strong in Slovakia; almost three-fourths of our population are believers. We can hope for not only a moral, but an

economic improvement in Slovakia through the influence of the Church. Therefore, we need to be able to enrich and help the Church with more effective ideas, such as the ones we've been discussing here. I think the most promising plan for Slovakia, is for the Church to promote an economic policy on the basis of Christian principles and the ideas of Lyndon LaRouche.

Nations of Transcaucus need LaRouche's ideas

After discussion of contributions from participants from Poland and Germany, not included here, the seminar resumed with remarks from representatives of two countries in the Transcaucasus: Armenia and Georgia.

Hrant Khachatrian (Union for Constitutional Rights, former Member of Parliament, Armenia): Ladies and Gentlemen, I have been thinking about how to design my contribution to the discussion. As I was discussing with some of my French friends, we can both say: "We have lost everything, and we're happy."



Inter-ethnic political conflicts are older than we are. If we dig too deeply in this area, we may have a quarrel here, too. I

think that what unites us is our shared sense that humanity faces enormous moral problems. We are the people who hope that, such problems having been discerned, they may be solved in a normal, human, moral and ethical way.—Hrant Khachatrian

A few days ago, we marked the sixth anniversary of the historic decision on the reunification of Karabakh with the rest of Armenia. We have not yet lost that, and if there is something that concerns us, it is that the advent of liberalism in Armenia, destroying everything in its path, will lead to our losing everything that we gained.

There is no reason to mourn the passing of our illusions, to the effect that Western democracy would be better than what we had under the Soviet system. While we have lost our seats in Parliament, we can see that the advocates of such radical ideas as the nation-state do not have the majority in the parliaments of other countries, either. Evidently, the former republics of the Soviet Union are being integrated into the Western world, as it now is.

As for inter-ethnic political conflicts, they are older than we are. If we dig too deeply in this area, we may have a quarrel here, too. I think that what unites us is our shared sense that humanity faces enormous moral problems. We are the people who hope that, such problems having been discerned, they may be solved in a normal, human, moral and ethical way. We would like to multiply our influence.

In this connection, I would like very briefly to sketch the situation in Armenia.

The liberal forces have achieved final victory. But even with all the blackmail and bribery at their disposal, they could only turn out 20% of the population to vote for them. Another 20%, despite everything, supported us. The remaining 60% adopted a "wait and see" position. They are waiting for some kind of radical policy changes in the world; they do not believe that problems can be solved in Armenia alone. They don't agree with current policy in Armenia.

We were unable to muster our 20% behind a single candidate, who might have won in a given district. Our votes were spread among several candidates from the same tendency. You know how the liberal forces organize in such cases: They have a strict vertical organization, with everybody subordinated to the single virus—the dollar.

Why do we not lose hope? In my race, for example, \$150,000 was spent to defeat me, which is big money in Armenia. But the candidate who defeated me, has promised that at the next election, four years from now, he will put his financing behind my campaign, because there will have been big changes in the world by then, and the time will have come for Armenia to have laws established, which can only be done by people of my quality. This is, of course, an expression of cynicism on his part, but he did say this quite openly.

As for our conference, I hope that we can continue to work in the direction that Mr. LaRouche has defined, without fearing any blackmail, arrest, or other actions. But we should not merely hope that somebody, from somewhere, will provide a future for civilization; we have to fight for this.

I forgot to mention, that we did succeed in organizing the population sufficiently, to defeat the draft Constitution put forward by the liberals. And although this Constitution is being implemented anyway, even the international observers who came to rubber-stamp the government's version of things, under public pressure had to issue the following absurd conclusion about our constitutional referendum: "The voting on the constitutional referendum was clean, but unfair."

Tennenbaum: We are thinking of closing our deliberations in about one hour. Many of the people here won't be here tomorrow, so this hour we have—we could extend it, possibly, if there are important points—is the time that we have now, to add crucial elements of our discussion. I would like to ask Dr. Kilosoniya, from Georgia, to make some remarks.

Dr. Vladimir Kilasoniya (National Democratic Party, Georgia): I would like to draw your attention to the following aspect—the language of facts. You may know that, by training, I am not a physicist or a mathematician, but an economist. I speak several languages, but for me, the most important is the language of facts—especially in so sensitive a matter, as politics in today's world.

I would not have spoken today, if one element had not prompted me to do so. As you recall, Mr. Krupnov, in his remarks, listed a number of programs his organization is going to draft: "Russia 2010," "Ukraine 2010," "Armenia 2010," and so forth: I breathed a sigh of relief, that he did not continue the list. This resembles what we had, already, under the Soviet Union. Like it or not, it is a fact that Georgia is an independent, sovereign nation, which constructs its relations with other powers and the rest of the world, based on our own interests.

You know that we recently had elections, which were won by Mr. [Eduard] Shevardnadze's team. And you know our party's attitude to Mr. Shevardnadze's activities. Therefore, the language of facts is the most effective weapon in the struggle to demonstrate the correctness of our position.

Therefore I believe that these discussions about Russia, Ukraine, Armenia, the CIS, are useless at present.

My mission, as a friend and student of Mr. LaRouche, is to spread his ideas and bring them to people in high positions. This is what I see as my task in the near future. Everything else is secondary, because the danger is very great. You know that the geographical location of Georgia is very alluring. I can give you an example: I have outlined to highly placed officials, Mr. LaRouche's idea of the Productive Triangle, specifically the concept of its "spiral arms," the corridors of development. I hope that I will defend my views to the end.

I ask my colleagues from the republics of the former Soviet Union, to nourish no illusions about the mythical capabilities of the IMF and the World Bank. These people are destroyers, and can hurl us into the abyss. That is all.

The virus of organized crime

Konstantin Cheremnykh (journalist, Russia): I am Konstantin Cheremnykh, from St. Petersburg. I am a physician by education; therefore, when Mr. LaRouche speaks of "diagnosis" as the proper term for what is happening in world politics today, I understand this very well. This applies not only to politics, but to economic policy and to the condition of various parties in various countries. As the interventions

by people from various countries show, things are essentially the same everywhere.

I would like to draw your attention to one interesting circumstance. As I understand it, we have in our audience today people both of a communist outlook, and an anti-communist



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one. Why are the communists, instead of going off to read Marx, and the anti-communists, instead of going off to read Friedrich von Hayek, come here together to study LaRouche? This must mean something.

I would like to say, in connection with some of the discussion here today, that one should not exaggerate the strength of the faction in Russia, associated with the old Communist nomenklatura, because I must say—and I hope I don't offend anybody here—that the modern communist nomenklatura person is about as far from Lenin as, say, a member of a modern Christian Democratic party is from Christ.

If we turn now to the very real dangers, threatening the world, we did not discuss here—and it probably would have been worth discussing—a phenomenon that does threaten the world, namely international organized crime, in which the Russian and Russian-speaking mafia plays a big part. I think it has to be said that Mr. Gorbachov, by his economic policy, made an enormous contribution to making the Russian mafia one of the most powerful and pernicious forces in the world today.

When I attended the [Schiller Institute] conference in the United States in 1994, I met with an American official, with whom I discussed how the policies that would lead to the dismemberment of Russia, would create the grounds for the emergence precisely of a "Third Rome" tendency. He even used a different word; he said, "Here comes Ivan the Terrible." In this connection, it is worth noting that one prominent

political lady in Russia, who proposes the establishment of at least 70 republics on the territory of Russia, cooperates directly with Henry Kissinger, and her son lives in Britain. By strange coincidence, this same lady did a lot to ensure that Jokhar Dudayev come to power in Chechnya; or, more precisely, not so much Dudayev personally, but the forces standing behind him, which comprised one of the most powerful mafia clans in the Soviet Union, in the former Soviet oil industry. This person also did a lot to promote the interests of British Petroleum in the Baku oil pipeline deal.

The war in Chechnya has boosted the authority of the IMF in our country. After all the loud protests from so-called human rights defenders, about Chechnya, Russia failed to be accepted into the European Union. It is very interesting, that the port development project, which was to have been built on the Baltic Sea by European Union members through the European Bank for Reconstruction and Development, is going to be built by the British, by British oil companies, as an oil transshipment facility. Therefore, I totally agree, that we should be thinking about who is the real enemy, rather than frightening each other and fighting among ourselves.

On the political course of events in Russia, and the question of who will prevail in the elections, I don't see any negative sense to the word "patriotic." Those who spoke here identified the essential content of that word.

Lastly, on the question of communists and anti-communists: I attended a congress of the Communist Party of the Russian Federation. There was an interesting discussion of the point in their party charter, about excluding religious believers from the party. Only 24 people voted for this position, out of 300.

Natalya Vitrenko: This shows the democratism of the Communists.

Cheremnykh: I would say it indicates something different. I think it does not so much show democratism, as that the current communists do not find everything they need in classical Marxism. It is also the case, that this charter of the Communist Party contains quite a number of points, borrowed directly from the Rio de Janeiro proclamations of the United Nations.

Nevertheless, when [Communist Party leader] Gennadi Zyuganov, in his speech at the second party congress, came to criticize the IMF, he invoked the name of Lyndon LaRouche, because evidently he could not find ammunition from either Marx, from the Rio meeting, or from any religious groups with which he might have been in contact. The fact is that the classic political methods, used by leftists at the beginning of this century, do not work today. For example, a group of workers could complain to Zyuganov, that they have not been paid for three months. At the same time, they would say, "We understand, that if we were to go on strike and the firm shut down, this would only play into the hands of Chernomyrdin."

Thus it is clear, that qualitatively different contradictions are emerging, which require a qualitatively different response.

Actually, many parties and groups of intellectuals in Russia are seeking the truth; they are looking under every stone, trying to find it in Orthodoxy, in communism, in classical Marxism, and in the U.N.'s theories.

LaRouche: As I recall, Jonathan, you were in the Soviet Union, in Moscow, in 1981. And, I recall, in that period, we had an extensive discussion about the reopening and filling up of the old Orthodox churches around Moscow. And, there were some acute reactions by party members to anyone from the West seeing that phenomenon.



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—Konstantin Cheremnykh

What happens, is when a nation which has been communist begins to fall apart, in terms of intellectual sense of self-identity, what it tends to do is to revert to an old cultural matrix which is deeply embedded in the culture of the population. You see this in every part of the world. I look at this from the standpoint of my specialty in epistemology, which has given me a nose to smell these things. I react as a dog does to the smell of rabbit trails, and fox trails, and deer trails. These are rather long-ingrained habits.

The very significant return to the Russian Orthodox Church, and the resurfacing of a traditional Orthodox Church relationship to the Russian military, is a broader phenomenon than a religious movement in Russia. It is not a "return": It was always there. It never left. It was buried underneath the communist official ideology.

Throughout the [former] Soviet Union and elsewhere, you will find that this recurrence of the previously established, say, pre-1917 established religion, comes to the fore, not necessarily as an explicit religious belief, but as a *cultural matrix*.

If you live in Russia all the time, you may see this less quickly than I do, because I deal with many different cultural strains in various parts of the world. And, anyone who does as I do, or has a similar occupation, will tend to have the same kind of reaction.

So, the religious phenomenon is, actually, chiefly, in Russia, the re-emergence of what was always there: the Russian Orthodox matrix, which is not only the Old Muscovy/Rus monastic church tradition, which came partly by way of Serbia from Mount Athos, but also the strong conditioning under church influence, which occurred during the long occupation, the so-called Mongol/Tatar occupation, which left a deep, deep impression. And, during that nearly two-century period, the Russian monasteries had much more power than the very fragile princes of Russia, who were very weak figures.

When you look at the cultural matrix represented by religion, or typified by religion, there is only one way to really evaluate it, which is not usually done. You must look at the axiomatic errors of assumption in the cultural matrix. The characteristic is that the cultural matrix is not something that you can simply put down as a set of theorems, or propositions, or doctrine. It is like the difference in Chinese [culture] between Confucius and Taoism.

The point is, the elements of belief, which operate as the cultural matrix, but operate like puppet-strings on the functions of the mind, of which the puppet is unaware. They operate like nameless metaphors. They are passed from grandmother, to mother, to child, over many generations. And, none of those who transmit them, are even aware they have them.

Now, these are like axioms in geometry; so, you can call them the "unknown axioms of assumption, of belief." Any culture in its fixed form, constitutes what we would call, to-day, a "virtual reality." The way the magicians of Venice used to work, and the way the British intelligence works, especially people from Oxford and Cambridge intelligence services, is that they study cultures to adduce these puppet-strings of cultural matrices. For example, the *Thousand and One Nights* of the Burton edition, is not a repetition, really, of the *Thousand and One Nights*: It is a handbook for British intelligence agents to learn how to manipulate an Arab. That is the thing you have to watch out for; that is how the British will try to manipulate Russians.

The way to deal with that, is like a psychoanalytic, but not psychoanalytic way. One has to become aware of the assumptions in one's own mind, of this nature. You must question everything. Nothing is sacred. That which you find to be true, accept to be true. That which is scientifically untrue, learn to free yourself of.

The second danger, the associated danger of this I see in Russia, which is why I was prompted to respond to Konstantin's observation on this, [is the following].

In Russia, Ukraine, and elsewhere today, you have a deep

shock. For the Russians, this is especially acute; not because of the degree of Russian suffering, but because Russia has not been conquered since the Tatars. Therefore, for the Russian mind, the shock of being a conquered, occupied, looted country, and in starvation, is more than for other people who have been conquered many times before. With this stress, you will have a result of an enraged hysteria as the underlying condition of many Russian minds. You may even get revivals of The Brothers Karamazov. People in such a hysterical state are not reflective. Therefore, they tend to be more suggestible, and more easily manipulated. And, when they are manipulated, they will be manipulated in ways which correspond to the underlying cultural matrix which is controlling their mind. This is not just a peculiar Russian problem. There are analogous problems in every population in the world I've studied. But, the Russian problem has its own specific characteristics.

So, what you are seeing in the Russian Communist Party is an anxiety state of confusion expressed. For 70 years, over 70 years now, the Communist Party of Russia, up until recent time, dominated a superpower, a superpower which itself was led by a Russian population which had not been conquered since the Tatars. And, that is what the British and others will try to do to manipulate the Russian population, is to play on that cultural matrix. That is the specialty of British intelligence.

And, what they will do, is not try to get the Russians to do something for the British; they will try to get the Russians to attack the Germans, or the Americans. Because the British method is balance of power: Create conflict between two other parties who you want to mutually destroy. Because since 1945, the world has been dominated by a thermonuclear conflict which was created by the British, to pit the Soviet Union against the United States, so the British could control the world.

It is the duty of the intelligentsia to face, understand, and solve this problem. The Russian intelligentsia must know itself, so it can deal with this problem; and must recognize a similar problem, of a similar nature, in every other population in the world.

The world is not objective, it is subjective. The universe exists; but, we know the universe only through our powers of cognition. We know the world only as we master it. So, reality consists of our understanding the subjective processes by which we attempt to master the universe.

This is the reason why you have a decoupling of politics from the people in Russia today. You do not have parties, not since October of 1993. Because the people are confused. Therefore, it is only those who are in the intelligentsia, or who are in positions of power, or have been in power, who can act and, eventually, call the people back into the process.

And, that is why, because the game in Russia is a power game, it is so dangerous. Because it is at the top; and the

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tendencies at the top, the conflict among them, takes the form of a power struggle; which means a tremendous situation of instability. And the explosion, if it occurs in the population, will occur in the form of the strings of cultural matrix, and whatever plays on them.

Concluding remarks: Getting the job done

Tennenbaum: We have about 10 or 15 minutes. I would invite people to make some comments, perhaps thinking about summing up their own conclusions, if they want to add something now.

Prof. Vasili Stolyarov (Kiev, Ukraine): This is the second time I have visited the Schiller Institute in Germany. In 1993, I took part in a conference, and of course at that time, I had no opportunity to see and hear Lyndon LaRouche in person. But his visit to Ukraine, after he left prison, and the interchange we have been able to have during this conference, made it possible for me to see more clearly, this school of thought and those strategic directions, with which we can arm ourselves in our Slavic States.

This is despite the fact that, of course, there is plenty printed in the publications of the Moscow Schiller Institute. We should all value highly, those historic moments, when we can hear a direct presentation. In that connection, I propose that this morning's presentation by Mr. LaRouche, in which he laid out in chronological order the logic of formulation of this new way of thinking, be made generally available by the Schiller Institute. The same would apply, obviously, to the main presentations at the conference, yesterday and the day before.

As a researcher, I see my own goal as being, above all, on the basis of the totality of knowledge of the Schiller Institute, to conduct an analysis of the course of economic reforms, both in Ukraine and in Russia. This diagnosis of the future, which Mr. LaRouche has discussed, should be made public and circulated, so that our population have access to this knowledge, not leaders and parliamentarians and the President's team.

I think that there also has to be a return flow from us to the Schiller Institute, not so much from the standpoint of factual information or analysis, but rather the growth of scientific self-knowledge. It seems to me, that it is important for all of us to study that epoch, which best reflected these ideas about the creative development of the individual and the establishment of statehood. The knowledge of those historical lessons should lie at the foundation both of what we propose, in our countries, and also what the Schiller Institute puts forward for the transition to the next millennium.

Muranivsky: I think that Professor Stolyarov has set the right tone for the conclusion of our discussion.

I think that, together with our German and American

friends, we shall be able to bring to a wide public, first and foremost the scientists and intellectuals of Russia and Ukraine, the chief ideas and proposals expressed at this conference and in today's discussion.

I think we should not forget or push to the side, the material already published. I was just reviewing the interview of Lyndon LaRouche I did in May 1993, which was published in the Bulletin of the Schiller Institute in Moscow, and I noticed that already there, he developed a number of ideas which sound very timely today. We now have Bulletin #6, which



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just came out, and Bulletin #5 with LaRouche's Memorandum from several months ago [EIR, March 17, 1995, "Prospects for Russian Economic Revival"]. These address precisely this conception of the nation-state and what LaRouche calls "the national party," so we should go back and study these materials.

We are nearing completion of a Russian translation of Mr. LaRouche's article from 1994, "The Science of Physical Economy as the Platonic Epistemological Basis for All Branches of Human Knowledge" [EIR, Feb. 25, March 4, and March 11, 1994]. I should say that this is extremely profound material, of significance for many directions of thought—not only economics, but also social, political and philosophical.

I have brought from Moscow, a just-completed translation of Mr. LaRouche's lengthy introduction to the report by Academician Lvov's group at the CEMI, which was published in EIR. I also have materials I myself have written, on the basis of Mr. LaRouche's work, including the main theses of a presentation at a conference in October, on the principles underlying pseudoscience today.

You are familiar with the question of ecology, and LaRouche's criticism of those ideas from that realm, which have been used as weapons by, shall we say, the least healthy forces on the planet. I was able to bring the ideas of the Schiller Institute and LaRouche to a large group of scientists and political figures, who took part in hearings a week ago at the Federation Council.

Finally, in contrast to the sober reports we heard today from representatives of various countries today, people in Russia and Ukraine are under the illusion that the reforms are going well in Poland, Hungary, and other eastern European countries. *EIR* published material, prepared by Anna Kaczor, on Poland, which we have already translated into Russian and will be issuing soon in print.

Lastly, I noticed the enthusiasm, with which Professor Vitrenko received reliable information on Hungary, because we need to be able to show the real situation, as opposed to the lying account of the situation conveyed by the mass media. In this connection, I recall that when the crisis exploded in Mexico at the beginning of 1995, Lyndon said that Hungary was next.

I should finish by stating that Natalya Mikhailovna Vitrenko showed colossal foresight, when she intervened to propose the "Memorandum to Mankind," adopted at the conference [EIR, Dec. 15, 1995]. The Russian and Ukrainian delegations drafted this memorandum together, and we are very glad it was adopted. I think it needs to be circulated and published as widely as possible, because the conceptual framework presented there is essential for solving today's problems in a just fashion.

Tennenbaum: Thank you very much. I am informed that we are doing everything to have the document printed in several languages by tomorrow. Also, in the way of good news, I would like to call to your attention the publication of Lyn's book on economics, in the Armenian language, adding one more language to a list I hope will grow and grow.

Jacques Cheminade (former candidate for the Presidency of France): I would like to say a brief word on aid I am asking from my friends in the East, which is for ourselves in the West, but also for themselves in the East. I am encouraged by the endorsement of my candidacy in the Presidential elections, which my Ukrainian friends sent to me, and I thank them for that.

This time, we have to destroy a common enemy, and for that we are issuing a leaflet against the Maastricht Treaty, for France and for what I hope will be a hyperbolic growth of the mass ferment in Europe. The key point here, is that if we win against Maastricht, we win against the very basis on which our enemy operates, and we can create the conditions for a

remedy for the division of Europe, set up by Churchill. This leaflet is going to be produced tomorrow, and I ask for signatures and support—parliamentarians, university professors, the intelligentsia in general. We need that to create a brain, and a target, in France. At this time, it should come also from abroad, because France is not generating enough power to have this brain and this target.

I am convinced that if we do that, properly and urgently, the new spring for mankind, which Helga Zepp-LaRouche spoke about at the end of the conference, would come a bit sooner, after a good winter of discontent.

Thank you very much.

Tennenbaum: Would you like to say something, or should I close?

LaRouche: I think you should close. I'm very pleased. I think the conference overall, thus far, has been productive, and also necessary. The problem is, it poses the urgency of the next conference. We have to have more conferences. There is a process of creating an intelligentsia, of assembling it, which has to proceed rapidly. It is urgent.

Tennenbaum: I want now to call our deliberations to a close, with a couple of remarks. As a last thought: A little hobby of mine, you may have noticed, is these very ancient sayings from China. There's one that seems to fit, a little bit. There are thousands of them, so there's always one that fits.

There's one about a legendary figure named Da Yu. It is called "Da Yu controlled the waters." It is used to denote, as a metaphor, a very special quality of heroism or devotion, to a very profound good. It refers to a mythological figure, who at a time of great disasters, many, many thousands of years ago, when there were floods and natural disasters and hunger and misery, and human life was threatened on a great scale, took the responsibility to build canals and dams, and to bring the world back into order again. To bring the water under control, so that it would serve man, instead of destroying man. This Da Yu was so devoted to his cause, that while he was running around, doing all this work, he often passed by the door of his own house, where his family was living. But he was so concerned to get the job done, that he didn't go in, until it was finished, and the country was saved.

There is a story, that when Confucius was asked to comment on this story, he remarked on this special moral quality, and invented another metaphor out of it. This is called, though it's hard to translate in a really nice way, "Three times past your door and didn't go in."

But I think that describes, also, what we have to do. I think we have a common understanding; we've learned something together. Now, we have to get the job done. So, thank you very much.

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