Interview: Karen Vardanian

Armenian leader tours U.S., condemns IMF genocide



Mr. Karen Vardanian, a member of the Presidium of the Union for Constitutional Rights (Armenia), was interviewed on March 2 by Marianna Wertz. The interview was given in Russian and translated by Anna Kaczor Wei.

EIR: You came to the United States to attend the Schiller Institute's semi-annual conference [see *EIR*, March 1, pp. 20-39, 66-68], and to hold meetings with Armenian community leaders here. Can you tell us your thoughts about the conference, and about the meetings you held?

Vardanian: I have come here on the invitation of the Schiller Institute to participate in the conference in Virginia. After the conference, I had the opportunity to meet members of the Armenian diaspora in the United States. A number of meetings were organized in Washington, Los Angeles, Boston, and New York.

The conference was very interesting, especially the part devoted to the question of economic development in the world today, and the possibility to change the world situation.

Armenia is one of the countries that are under the destructive influence of the IMF [International Monetary Fund] and the World Bank. That is why it is very important for us to understand the mechanisms used for this destruction. Precisely this made the conference interesting for us, as well as the strategic point of view, and the clarification of the situation, on the part of Mr. LaRouche.

A second aspect of the conference was also interesting, that devoted to the question of culture, in particular, Classical drama and poetry. Then there was a third part, which contained a lot of interesting material connected to the development of technology, the productive sector, and the process of world history.

This kind of conference, in my view, gives participants, and those who study the conference proceedings, a wider perspective on events occurring in the contemporary world.

Concerning my meetings with the Armenian community, I would note the following. The Armenian community here is quite well organized, and always asks American Presidential candidates about issues which interest and concern Armenia. Basically, till recently, those questions touched on such sub-

jects as the genocide [of 1915], and the Karabakh movement [the movement to reunite Karabakh, a province defined as part of Azerbaijan under Soviet rule, with the rest of Armenia—ed.]. Today, in the opinion of our organization, those questions should be posed in a more principled and rigorous form, and they should be supplemented by questions about what must be done to stop the economic destruction of Armenia

During our meetings, the point was made that the Armenian community should ask American Presidential candidates tougher questions about Karabakh, which means not asking about independence for Nagorno-Karabakh as a sovereign republic, but rather about the recognition of Armenia, united with Nagorno-Karabakh, as a sovereign State by the rest of the world, including by the United States. We think that this will make it possible to stop the war between Armenia and Azerbaijan, and will bring peace to this region. That, in turn, will liberate it from outside control, which comes chiefly from Great Britain, the United States, and Russia.

A second question, which has not been raised before, but is very important today, is related to stopping the detrimental influence of British and American political forces in Armenia. This influence is exercised with the help of the IMF and international banks, which are ruining the Armenian economy.

It is very important for us that the Armenian diaspora demand of American Presidential candidates, with all solemnity and due respect for principles, the termination of this policy toward Armenia. We say clearly: Yes, we need credits, but we need investment credits; credits for the productive sector of the economy, rather than the kind of credits given by the IMF and the World Bank today, which are basically political in nature, and aim to eradicate the economic and political structures of the country.

It must be said, that in all parts of the Armenian community in the United States, the organizations with which I met, such as the Armenian Revolutionary Federation (Dashnak) and the Armenian religious organizations, all responded with understanding to the questions I posed. We discussed a lot about how those questions should be dealt with in real life.

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The most difficult matter is to make the population understand that it is necessary to stop the injurious influence of the IMF and the World Bank on the Armenian economy. Simple people do not understand why anybody would refuse to take credits, if somebody gives them. We say clearly, "No," to those credits which bring destruction, and this fact should be made clear to the average member of the Armenian community in the United States, to every American, and, I think, to every person in the world. It must be understood, that credits which bring with them the destruction of the economy are the most lethal weapon, more lethal than nuclear weapons.

I think that a certain process has started in the Armenian community, and this question will be discussed more and more. Unfortunately, concentration on this question will grow as the Armenian economy is more and more destroyed. But, ultimately, this will have to be stopped. I think that the Armenian people, together with the Armenian community in the United States, and all over the world, will be able to resist this destructive influence.

EIR: Lyndon LaRouche's book *So, You Wish to Learn All About Economics?* has been published in Armenian. What has been the response?

Vardanian: The book was published by our organization in Armenia. Our newspaper mentions the book constantly. In every issue, it is mentioned that this book has been published, and those who want to read it can contact our newspaper. The book is sold in bookstores in Armenia, and many people learned about it through our newspaper. They directly contact the editors.

The composition of people who contact our newspaper about the book is very interesting. They are mainly students and people with an economic or technical education. They are worried about the present state of the economy in Armenia. After reading the book, many people contact us at the newspaper and at our party with a request for more material, for more explanation of the Schiller Institute's point of view. They ask about international economic affairs, and about reconstruction, not only of normal economic relationships, but also of culture and history in general.

I think that the influence of the book on Armenian readers will continue. It is very important that many people be familiar with alternatives to the economic views existing in the world today.

EIR: What is the current situation in Armenia politically? Your party headquarters were shut down in December 1994, and your paper, *Iravunk*, closed. What has happened since then?

Vardanian: The situation in Armenia corresponds to the situation in the region, in the Transcaucasus and the Middle East. We are experiencing the destructive influence of outside forces on Armenia.

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On the one hand, British and American forces are destabilizing and destroying the economy of Armenia in order to clear the way, to create a situation of permanent demolition in the Transcaucasus, and clear the way through the Transcaucasus to Russia.

On the other hand, we see certain Russian forces acting in the same direction, which leads to the destruction of the Armenian economy and political structures, in order to create permanent war and destruction in the Transcaucasus, so as to have an open path, through Turkey, to the Mediterranean Sea. In effect, those two major forces have the same goals in the Transcaucasus, so there are poor prospects for an end to the war in the Transcaucasus, an end to this destructive situation in the Transcaucasus.

The political and economic situations in Armenia have stabilized, but in the worst possible sense. Privatization under the control of the IMF and the World Bank continues. This privatization is in fact the pillaging of wealth, which was created over many years; the pillaging and destruction of the economy, the major industries for which Armenia was always famous, and which produced 60-70% of GDP in 1989, but today produce only about 10-20% of GDP.

The political situation is conditioned by the fact that, under dictates from outside forces, the Armenian government and the President have been trying to destroy political

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We need credits for the productive sector of the economy, rather than the kind of credits given by the IMF and the World Bank today, which are political in nature, and aim to eradicate the economic and political structures of the country.

forces, and they have largely succeeded. Many major parties, with long traditions, have been practically annihilated in Armenia. This includes the Armenian Revolutionary Federation (Dashnak), the Liberal Democratic Party, and so forth. These are traditional parties, which have been in existence for 70 to 100 years, which have been disorganized by the government, which continues to disorganize the work of other political forces, as well.

We are supposed to have Presidential elections in Armenia, and it seems that this disorganization of political organizations has the purpose of clearing the way for President [Levon] Ter-Petrossian to have a second term in office.

On the other side, the economic destruction has led to the demoralization of the population, and, today, part of the population resorts to selling their votes during elections, which already happened during last year's elections to the Armenian National Assembly. Evidently, the same thing will happen this year in the Presidential elections.

Everybody knows that countries which are under the control of the IMF and the World Bank receive money for the development of so-called democratic structures. This money is basically used to buy votes, to bribe the electorate, in order to receive the necessary votes during elections, although the State does not hesitate to use more criminal methods, such as intimidation, blackmail, etc.

Our party's central office was closed at the end of 1994. It was situated in the same building as the central head-quarters of the Armenian Revolutionary Federation. But for a month, we put great pressure on the government, and it was forced to open our office. That allowed us to continue publishing the newspaper *Iravunk*, which is a leading newspaper of the opposition in Armenia today.

It should be said, concerning the present state of the political structures in Armenia, that all power is concentrated in the hands of the five main government-mafia structures. They are, first, the ruling party, and the members of the government structures—this is the first mafia structure. The second is the mafia structure of the defense minister. Third is the mafia structure of the prime minister, who is an IMF man, with a pure mafia structure of the IMF type. The fourth is the mafia structure of the minister of internal affairs. And finally, there is the mafia structure of the old communist economic structures headed by the President's brother.

After the destruction of the opposition forces, all political

fights boil down to a struggle for power among these mafia structures.

It must be said, that the position of those forces which are under the control of the IMF and the World Bank is very strong, and becomes stronger every day. Power is concentrated in the President's hands. The new parliament is an assembly of people who became deputies thanks to votebuying. For them, a seat in the parliament is just a way of getting immunity. Actually, such a situation is welcomed by the government, because the opposition is poorly represented in parliament, and everybody who observes the work of the National Assembly, understands that it is an artificial structure, which has nothing to do with a democratic parliament.

We, in Armenia, continue the fight for a change in the situation, for unification with Karabakh and recognition of the unification of Karabakh with Armenia, and for continuation of the integration process of Karabakh and Armenia. We have also proposed to all political forces in Armenia that preliminary elections be held among candidates from the opposition parties, in order to find a single candidate, under the condition that the candidates who lose in those primaries, will not run for parliament.

The development of the situation will depend on the results of Presidential elections in the United States, and in Russia. Those two major events will define the political situation in Armenia, I think, from the end of spring till the end of this year, as well as next year.

EIR: The Schiller Institute has initiated an ecumenical effort to save the children of Bosnia. Mrs. Helga Zepp LaRouche, the founder of the institute, discussed this at the Schiller Institute conference. What are your thoughts about the IMF-World Bank policy in your part of the world, and what can be done to counter it?

Vardanian: I have described earlier how the IMF and World Bank work in our part of the world. Concerning privatization and tax policy, they control a few important elements. Firstly, they control the Armenian Central Bank, since they give it credits, which constitute about 70% of Armenia's budget. The President appointed an auditing firm, which will supervise the Central Bank of Armenia. This is the well-known firm Peat Marwick, known for its connections with the World Bank and the IMF. So, they give money

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to themselves, they check themselves, and it is obvious what happens to this money. Armenia does not have an independent central bank.

Secondly, all laws concerning the economy are dictated by the World Bank and the IMF.

Thirdly, the whole process of privatization, all information about enterprises and factories which are being privatized in this entire process, is conducted under the full control of the IMF and under its direct pressure.

What are the results of the destruction of the economy? Between 800,000 and 900,000 people emigrated during the last seven to eight years, out of a population of only 3.5 million inhabitants—about one-fourth of the population. So, this is the result of the activities of the World Bank and the IMF in Armenia.

EIR: In January 1994, when associates of yours visited the United States, Vladimir Zhirinovsky had just been elected to the Russian parliament. Today, Russia is preparing for Presidential elections. What do you see happening in those elections?

Vardanian: I have already said that Russian Presidential elections will be very important. It is quite telling, that the present government did practically nothing to try to prevent either the communists or Zhirinovsky from running for the Duma.

This fact is worth considering before the upcoming Presidential elections. It may be, that we are dealing with a change of power resulting from an agreement.

For what purpose may this change of power be necessary? First, just about everything that could be destroyed in Russia, has been destroyed. That is, Russia has been pushed back 10, 20, or even 30 years, its position in the world has gone back 40-50 years, and today it does not represent the power which it was just 10 years ago. The West, the British and American forces, have, so to speak, reached their goal, although that has led to a very serious aggravation of the world situation. Now, the world faces the threat of a great war. But that does not interest them, of course.

In this sense, it may be, that today the West, happy with the results of the destruction in Russia, will decide not to prevent communists from coming back to power, and communists will be held responsible for the present situation, since it is always the case that those who happen to be in power at the moment are blamed.

On the other hand, the present government and the strongest opposition, i.e., the communists, are genealogically the same forces. The present government is that part of the Communist Party, and that part of the intelligentsia, connected to the special forces of the Communist Party and the KGB, which carried out "perestroika." Today they are in power. The opposition constitutes the other part of those political forces, who had power till 1989.

So, genealogically they are the same; also, as far as

ideology is concerned. It is necessary to help those forces in Russia, which have a patriotic direction. Those forces are among the communists, sometimes they are in Zhirinovsky's party, and in other parties. Independent of the fact to what party they belong, one should help and stay in touch with those people, who aim at rebuilding the Russian economy and reestablishing the political structures of Russia, and a stable Russia.

Apparently, nobody will be able to prevent [Communist Party leader Gennadi] Zyuganov's victory in the Russian Presidential elections. I have the impression, that the West has already agreed that Zyuganov will become President. The Western press writes about it, and the meeting in Davos [the World Economic Forum in Davos, Switzerland on Feb. 1-6; see EIR, Feb. 23, p. 4] showed this. The change of power in Russia will take place without bloodshed, I am convinced, very quietly. After this, it may happen that the West will inspire conflicts between Russia and its neighbors, and will provoke the communists to get involved in those conflicts. That is, the policy of internal destruction will be supplemented by external destruction.

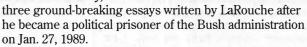
Having this in mind, it is difficult to hope that during the coming two to three years, the economic and political situation in Russia will change significantly for the population.

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