

of life is defined by the principle, according to which the natural product is appropriated—whether by the cancer cell's principle, of taking more than one gives, or by the sower's principle, of giving more than one takes. If economists and other analysts were to proceed from original causes, in their analysis of crisis phenomena, this would undoubtedly help Mr. LaRouche swiftly to destroy the highly destructive conceptual models of development, existing today. They are pathological.

If we want to talk about genuine expanded reproduction, we must talk about a triune quality of development. The triune



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quality. There are three elements to this development. Now, I will make use of one hand. If my little finger is the x-axis and my thumb is the y-axis, the three rising development vectors in the middle can be enumerated as follows: the main productive forces, the production of material goods, and population growth. This is how civilization should develop, taking into account the so-called main productive forces. Today, however, you may ask any economist, and not one of them will be able to tell you how the natural component is taken into account, in the calculation of cost. The logic of this initial mistake results in further mistakes, later on.

The author of physical economy has taken a huge step, with his well-argued refutation of models that are destructive for development. Today—using my hand again, to demonstrate—the production of material goods and the growth of population occur at the expense of the corrosion of the biosphere, of the conditions for development. When this upper curve begins to intersect the lower curves, this expresses all the problems of our time. If we take civilization as a whole, we are developing in a degenerative, pathological fashion.

There are different degrees of seriousness of decay. If we take the so-called developing countries, the situation looks

like this: The upper two curves are falling, while the population is growing. The environment is degraded, production is falling, but the population is growing.

Abalkin: We have everything falling at once.

Zabrodotsky: Absolutely right. If we look at Russia today, all three are going down. This is an extreme degree of pathological development, an extreme degree of degradation.

But, as is often said, in absolute darkness, the sense of vision becomes sharper, and he who wishes to see, begins to see better. In this context, we see beyond a doubt the progressive nature of LaRouche's ideas. We also see the work of certain of our own thinkers, who unfortunately have not been mentioned here today, but whose work is very important, and who could provide very important supplementary arguments in favor of LaRouche's theories. I have in mind, above all, our thinker from the end of the last century—Podolinsky. He was the first to introduce the concept of mankind's "energetic budget." I think that his work contains a key for the analysis of the discontinuity we have today, the separation between the physical aspect and the fictitious part, which is what economists use as their calculating instrument today. Thank you for your attention.

Abalkin: Thank you. Tatyana Ivanovna Koryagina, the well-known economist and public figure in our country. The last speaker, then, will be Mr. Rytov from the Africa Institute.

Tatyana I. Koryagina

Tatyana Koryagina is the director of the independent agency, Socio-Economic Programs, Prognoses, and Alternatives (SEPPA).

Esteemed colleagues, dear guests. We are tired already, and I shall try to speak briefly.

It seems to me that a distinguishing feature of our conversation today, primarily among economists, is the constant interweaving of national and global economic problems, with political problems. In the longer perspective, as Mr. LaRouche indicated, we are talking about analyzing the course of historical time. I would even say—about the sacred meaning of history, and the struggle between good and evil.

Many of my colleagues have spoken in the language of geometry today, and I, too, maintain my own triangle. In the framework of that triangle, I would pose three questions: How? Why? and Who?

How, was outlined in the first presentation, by Mr. LaRouche, when the more general description of the international financial crisis incorporated the mechanisms of low-intensity conflicts. The problem of *why* was outlined in a number of presentations, and I would say that it is the problem of the battle over resources.

And—continuing the discussion with Mr. Korolyov—while I fully support the viewpoint that we should be con-

cerned with our domestic problems first and foremost, and secondly with global ones, I would just ask, in the context of the overall conversation: Who is going to leave us alone just now, to deal with our own problems? Like it or not, Russia covers an enormous territory, has enormous intellectual potential, and natural resources.

Our colleague Dr. Tennenbaum gave his answer to the question of *who*. This is international organized crime. I would like to elaborate on this subject, and, in the time allowed, bring additional factors into the analysis. In our re-



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search, we identify the natural factor of development, as well as the artificial factor. Without an analysis of the artificial factor, in the context of synthesis, it would be impossible to understand, for example, why our colleague Valentin Sergeyevich Pavlov found himself in prison—having honestly defended his scientific views—while neither Nikolai Ryzhkov nor Leonid Abalkin went to prison. This was both accidental, and lawful. The chance element, is that Leonid Ivanovich, Nikolai Ivanovich, and Valentin Sergeyevich all occupied high government posts at some point. What was lawful, is that the country was going through a period of both hot and cold conflict, and so it happened that the Soviet government colleagues, in the Council of Ministers headed by Pavlov—the other ministers of the U.S.S.R. were not sent to prison, while Mr. Pavlov, unfortunately, had the full weight of that evil come down on him.

Thus, talking about the natural and the artificial, I would like to draw the attention of our colleagues, both Russian and foreign, to the fact that the world is moving not simply towards becoming a criminal community, but, in my view, it is moving in the direction of a new totalitarian order. One confirmation of this, is that in the framework of worldwide illegal business, the foremost places are occupied not only by

highly profitable types of business—of course, the leader is the international narcotics trade, where the rate of return is as high as 1,200% per year—but also by capital-intensive sorts of production, the effects of which will continue to be felt very far down the line. First, I would mention the worldwide power sector, including nuclear power, and aerospace.

Moreover, there is a particular kind of interaction between the strictly criminal international organizations, and the intellectual-informational-psychological area of human activity. This is what we have discussed today, with respect to the mass media—especially television. But I would add, in this connection, a peculiar phenomenon in this sphere of organized crime in the world, which is the so-called economy of sectarianism, of religious sects.

Coming back to the beginning of my remarks, I would say that the issues we have to discuss today come down to the question of a choice: *Who is going to fight for what*. On the side of God, or of Satan? I think that literally almost everybody in our country today, has to make this choice. Therefore, I think that there are still many people who are waiting their turn to take the path Mr. Pavlov had to.

Abalkin: Thank you. The last registered speaker is Mr. Rytov.

L.N. Rytov

Mr. Rytov is from the Africa Institute of the Russian Academy of Sciences.

I liked Mr. LaRouche's presentation very much. Therefore, I shall not cite all the points with which I agree, of which there were many, but in the interest of economizing on time, I shall touch on those questions where I am not in full agreement, or where I have some doubt.

The question was raised, that the growth of physical production is lagging behind the state of monetary and financial circulation on a global scale. This problem exists and it is very serious, on both the micro- and the macroeconomic levels. But I, at least, cannot agree with LaRouche's warning about the fatal consequences of this tendency—or, as it was said here, about the end of human civilization. I cannot agree, because I found many of the logical proofs, offered in the presentations by others, not entirely convincing.

It seems to me, that the activity of certain national and supranational forces has been presented with some exaggeration. One example is the role of the British Empire or the London economic center. Or, there was a one-sided evaluation of these international forces, for example in how the international activity of the International Monetary Fund was evaluated. Not only the main speaker, the author of the most interesting presentation, Mr. LaRouche, but I think everybody discussed only the negative aspects of the IMF's activity. I do not think that such an approach is fruitful, respecting the