Deputy Prime Minister Lobov, according to a Jan. 11 Rossiiskaya Gazeta article, has discussed the BAM zone in terms both of employment, and of immediately available revenues from transportation tariffs:

"In Oleg Lobov's view, such a program is necessary because there has been a catastrophic increase in unemployment there during the last few years and, furthermore, freight traffic along this route has declined sharply. Each month the BAM yields losses of 150 to 170 billion rubles to the country's transport complex. It is now planned to reconstruct and retool the enterprises in this zone.

"The decree that was discussed with Oleg Lobov specifies the allocation of economic privileges to future investors. Furthermore, it determines this program's real coordinator: It will be the Ministry of Railways that, in the deputy prime minister's view, is the only organized force today. The Ministry of Railways has also formed the 'Baminvest' company. The company has already set to work: It has organized coal and copper and iron ore extraction in the BAM zone. By using its resources, the Ministry of Railways is trying to organize the work of the timber-industrial complex that is also dying in this zone. Attempts will be made to foresee the development of the BAM 50 years in advance. First and foremost, it has to be determined how many people will be living in this zone, what they should be engaged in, what deposits should be mined first of all, and whether a gas pipeline will be run eastward along this route.

"However, this project's most important aspect, and this was confirmed by the conference participants, is the fact that the BAM will link the Euro-Atlantic and Asian-Pacific Ocean regions more closely and increase freight traffic from west to east."

Interview: Vladimir A. Kozlov

The land-bridge can unite Russia's regions

Gabriele Liebig, editor of the German newspaper Neue Solidarität, conducted this interview on Dec. 14, 1996, during the Schiller Institute conference in Kiedrich. The conference, on the theme "Our Future: The Eurasian Land-Bridge Economy," was keynoted by Lyndon H. LaRouche, Jr. (see EIR, Jan. 1. 1997, p. 4). The transcript of Helga Zepp LaRouche's speech appears as this week's Feature.

Q: Mr. Kozlov, would you please describe your work in the Russian Federation Council, and what your special subject is

in that position.

Kozlov: I have been working in the Federation Council, which is the upper chamber of parliament, for three and a half years. I am assistant to the deputy head of the Committee on constitutional law and legislation; he is also the head of the constitutional legislative council of the Jewish Autonomous Region. This is a region through which the Eurasian landbridge will be passing [see **Figure 2.**]. It is the most easterly part of the northern route of the Eurasian land-bridge project, after which the route goes through the tundra toward the north. Previously, I worked in the International Business School. And before that I was a military man, a colonel.

Q: What you mentioned about the Eurasian land-bridge is very interesting. Are you dealing with economic questions in your political work for the Federation Council?

Kozlov: Iam dealing with both political and economic issues. For me, the discovery—I call it a discovery—of the program of the Eurasian land-bridge is very important. I was greatly impressed by Mr. LaRouche and his presentation. His ideas, if implemented on a global scale, can be a locomotive to promote the economic development not only of Russia and the European states, but also of the world beyond. Such a policy creates the possibility of exchange of economic ideas, of commodities, of technologies, of everything. For me, his evaluation of the processes in the world are quite new; this is the first time I have heard it. Some of what he said I knew before, but those pieces are now connected by his system of views.

I come more and more to understand that the kind of development he proposes is the most humanistic one. I regard as very important what he says about education and the transition between generations. I, and I think a lot of my compatriots as well, are very much disgusted with the mass counterculture which is imposed by TV and the mass media in general. This counterculture destroys the traditions of Russia; it promotes destruction, sexual abuse, violence. It is alien to Russian culture and damages its very foundation. That doesn't mean that I support the idea of some closed, isolated culture, but I think each culture does have a right of independent development, without something being imposed upon it from the outside.

Q: Can you report a bit about life in the Jewish Autonomous Region, in terms of culture, education, economic conditions? People here know very little about the region; many have never heard about its existence.

Kozlov: Our Autonomous Region is called the Jewish Autonomous Region. It was founded by Stalin in 1934, originally as a part of Khabarovsk Territory, on the Russian-Chinese border along the Amur River, as a result of an initiative on the part of Jewish activists who decided to organize some autonomy for their people on Russian territory. Our region is very rich with natural resources. We have all the metals of Mendeleyev's Periodic Table. It is a wonderful area, with the great river Amur, and very good people who are eager to work.

EIR February 14, 1997 Economics 11



Russia's Jewish Autonomous Republic



At the same time, the bad economic conditions in the country have had a negative impact on the development of our region. The high tariffs for transport along the Trans-Siberian Railway have seriously decreased the shipments of commodities from Europe: The transport costs at least double the prices of the commodities. That's why the region, instead, is intensifying its economic relations with the bordering economic regions and the countries of South and East Asia—Japan, South Korea, Malaysia, and China. These are our closest neighbors, which penetrate the Pacific Ocean market.

The enterprises are now in a very difficult situation. There is high unemployment; part of it is hidden unemployment. And, certainly, people are not satisfied; they become angry, they try to find some other way out. The idea of the Eurasian land-bridge is something that could give people a great possi-

bility to realize themselves. Certainly, in terms of employment: In construction of infrastructure or in industry or processing of natural resources—and we have a lot of mineral resources. Therefore, the economic development of the Far East will also establish the possibility of peaceful coexistence with bordering countries that were not always friendly to us. That's why this development of the Eurasian land-bridge has for us political as well as economic and social significance.

Q: You mentioned the river Amur. Isn't that where the famous Baikal-Amur Mainline, the BAM, is? Is that railway line still functioning?

Kozlov: The BAM crosses Khabarovsk Territory to the north of the Jewish Autonomous Region, the rail line across our region is the Trans-Siberian Railroad. The BAM is partly

functioning, but only serves some regional purposes. It is the same situation as with the Trans-Siberian Railway. There is a spontaneous process of economic regionalization. The regions are forced by the detrimental circumstances to work for themselves, to put their own economic interests first. That's dangerous from an economic, technological, and political standpoint. But the Eurasian land-bridge can reunite all of this. It can develop the links between the different regions and the different countries adjacent to that bridge, as well.

Q: Is this regionalization an effect of the International Monetary Fund shock therapy?

Kozlov: Yes, certainly.

Q: In what ways, more concretely?

Kozlov: It is very easy. First of all, [Russian Deputy Prime Minister Yegor] Gaidar's reforms meant enormously high taxes. Second, the prices for fuel increased immediately to world market levels. This makes impossible not only significant infrastructural or industrial projects. . . . On top of that, we have this secondary political process intensifying the self-separation of the regions. So, these regions try somehow to protect their own interest, which may seem positive for them, but it really threatens the integrity of the state as a whole.

The Federation Council, which includes representatives of the legislative and executive powers of each subject of the Russian Federation, feels this pressure from the people of the regions to whom they are responsible. They bring their problems to the parliament and discuss it there, often in quite a harsh way. They try to find a solution for these problems—questions of financing, local strikes, payment of wages. In some regions, workers didn't get paid for five months. For one, two, three, four, or five months it is not clear how they could sustain their families. In some cases, surrogate money is introduced, which enables people to buy goods in shops by building up debts. All of this influences the political situation.

Certainly, the Federation Council tries to prevent the disintegration of the market. Members of the Council try to find some unifying aspect; they try to pressure the central government, the President—and sometimes they succeed. But the crisis in Russia is at such a point that it is very difficult to get out of it. December, January, and February, the winter months, will be especially difficult for us. The lack of energy, the non-payments, and so on, can cause some political effects.

The political leadership in Russia, the political groups and clans try to find a sort of consensus in order to prevent an explosion in the country. So, we need measures to prevent such an explosion. The President must agree and implement measures that could remove tension. For that purpose, recently a consultative group was founded, the "group of four," consisting of the President, the prime minister, the head of the State Duma [the lower house of parliament], and the head of the Federation Council. But if, for example, a defense issue is being discussed, the defense minister is invited. If it is a

financial problem, the finance minister is invited.

Q: A crisis management arrangement?

Kozlov: Yes, in a way. The purpose is to find some consensus. Nobody in the country is interested in making the situation even more extreme. A crisis may erupt just for economic reasons alone.

Coming back to the Eurasian land-bridge: I would say, that this is something which could cause a great breakthrough in the development of the country. Because, in order to implement this project, we will have a lot of investments, a lot of dynamic development of metallurgy, machine building, computer technology, geology, mining. This will be a great breakthrough in the development of the country.

Certainly, Russia is unable now to make such a breakthrough all by herself. She needs cooperation with the most developed European countries and the United States. And it is very important that the leaders of these countries understand how important these ideas are, and that only by implementing these ideas can the global economic crisis be solved.

Q: Has there already been a discussion on the Eurasian land-bridge in the Federation Council?

Kozlov: Unfortunately, only a very small number of people know about this conception. I will make sure that this will change in the period ahead.

So, You Wish To Learn All About Economics?



by Lyndon H. LaRouche, Jr.

A text on elementary mathematical economics, by the world's leading economist. Find out why *EIR* was right, when everyone else was wrong.

Order from:

Ben Franklin Booksellers, Inc. 107 South King Street Leesburg, VA 22075

\$10 plus shipping (\$1.50 for first book, \$.50 for each additional book). Bulk rates available. Information on bulk rates and videotape available on request.

EIR February 14, 1997 Economics 13