Interview: Yuri Gromyko and Yuri Krupnov

'Advancing Civilization Through Transportation'

In conjunction with Russian President Vladimir Putin's Jan. 25-26 state visit to India, the World Public Forum-Dialogue of Civilizations (the Rhodes Forum) held a conference on Jan. 24 at Jawaharlal Nehru University in New Delhi, on Development Models and Global Integration. Chairing the event was Putin's close ally Vladimir Yakunin, the head of Russian Railways, who is a co-founder and the top Russian representative to the Rhodes Forum. Among the speakers at the forum were Prof. Yuri Gromyko, academician of the Russian Academy of Natural Sciences and director of the Institute for Advanced Studies, and Yuri Krupnov, who heads Russia's new Party of Development. They presented the ideas contained in their just-published pamphlet, Advancing Civilization Through Transportation, which features the concept of a development corridor, as applicable in Russia and throughout Eurasia.

This interview with Yuri Gromyko and Yuri Krupnov was conducted Jan. 29-31 in the form of written replies to ques-

EIR February 9, 2007 International 23

tions from Rachel Douglas of EIR. The answers have been translated from Russian.

EIR: You have just returned to Moscow from India, where you were at the time of President Putin's state visit, Jan. 25-26. Russia and India, with China, constitute what former Prime Minister Yevgeni Primakov called a "strategic triangle" in Eurasia. What was the main significance of this diplomatic event, in your view?

Gromyko: Indeed, the main significance of this event lies in its bringing to life the idea of Primakov and [Gen. Leonid] Ivashov about a Eurasian strategic triangle of Russia, India, and China. It is no accident, that President Putin placed special emphasis on the need to intensify the interaction of Russia, India, and China, including in the framework of the Shanghai Coopera-



Yuri Gromyko

tion Organization. The talks were held with India, but reference was made to China as a good neighbor. It is also important that these Russian-Indian talks were not directed against the U.S.A., but represented another vector in India's development.

Krupnov: At the same time, it turned out that Russia was not prepared for the enormous prospects for bilateral cooperation, which emerged in the course of preparations for this visit, and during the visit itself. Essentially, what became clear is that a unique kind of relationship between our two countries needs to be built, based on principles of mutual geopolitical reinforcement. Russia could help India become the leading power in South Asia, while India could help Russia regain its status as a global power.

EIR: In the past, weapons sales have often dominated Russian-Indian trade. This time, a memorandum of understanding on nuclear power cooperation was signed, and First Deputy Prime Minister Alexander Zhukov said that Russia could get contracts to build as many as ten new one-gigawatt nuclear power units in India, if India's relations with the Nuclear Suppliers Group go well. Is this the leading edge of a "nuclear renaissance"?

Krupnov: A true renaissance, a rebirth, of Russian-Indian relations in the field of nuclear power is still absolutely lacking. The reactors that were discussed represent obsolescent technologies, which will be unable to compete with American-Japanese and French reactors in the years ahead.



Yuri Krupnov

A real breakthrough here would need to come in the area of a joint strat-

egy for transition to a thorium nuclear fuel cycle using fast breeder reactors. India has unique designs based on thorium, as Russia does for uranium-238. **EIR:** The planned power plants will have VVER-1000 water-cooled reactors, developed in the Soviet Union. Are there also Russian-Indian discussions about such new nuclear technologies, including the thorium cycle, which is of particular interest to India?

Gromyko: Unfortunately, the direct negotiations did not take up new initiatives for breakthroughs in the development of next-generation nuclear technologies, like the thorium cycle and breeder reactors. The topic was brought up by Indian experts during workshops on the sidelines. Many of the high-ranking members of Russia's official delegation are still weighted down by the chimeras of the market mind set, established under [President Boris] Yeltsin [1991-99]: how to get the best price for existing technologies, rather than how to organize a joint breakthrough into the technological future.

Often it seems that some of our high-ranking officials don't really grasp what the cherished goals of India's leaders are, and don't make the right kind of proposals to them; instead, they come in with blackmail. A typical example is what the BBC reported that Konstantin Kosachov, chairman of the State Duma's Foreign Affairs Committee, said: "Pakistan is extremely interested in developing cooperation with Russia in the field of military equipment. If we look at other tendencies here, we can see that India is shifting to other suppliers, European and American ones, while Russia, in turn, is looking for new opportunities for cooperation with other countries in the region."

In my view, this is a short-sighted outlook, based on geopolitical games, where Russia always loses. What is truly advantageous for Russia, is to move forward, together with other nations in Eurasia, into a new industrial-technological, socio-cultural, and civilizational phase of development. This does not mean merely fitting into the existing system of markets under globalization, but rather forming a new model of a world order.

EIR: Sergei Kiriyenko, head of the Russian nuclear power agency, Rosatom, recently warned that if the program for building two nuclear power units per year inside Russia for a 20-year period does not move forward decisively, the share of nuclear power in the country's energy balance will drop to a tiny fraction. How is the nuclear power program going at home?

Krupnov: There has been visible, substantial movement in the reorganization of Russia's nuclear power sector, and increased readiness to produce old-model reactors. The government has adopted a comprehensive Federal program in this area, and there are grounds for optimism. In effect, what this means is a competently organized commercialization of the technologies developed in the Soviet period. What is absolutely *not* clear, is what is going to happen with next-generation reactors and the transition to the so-called closed nuclear fuel cycle. Without that, the Russian nuclear sector has no real future.

24 International EIR February 9, 2007

EIR: On Jan. 24, the two of you presented your new pamphlet, *Advancing Civilization through Transport*, at a special event held in New Delhi under the auspices of the Rhodes Forum-Dialogue of Civilizations, which was originally an Indian-Russian initiative. With Yuri Krupnov leading the Party of Development, and Prof. Gromyko having written recently that development can be the "national idea," the mission Russia has been searching for—please tell us how you elaborated this idea in terms of transportation corridors, and how it was received by the Indian and other participants in the meeting.

Krupnov: Instead of "transportation corridors," it would be better to say "development corridors," meaning the creation of a very high density of infrastructure, advanced-technology manufacturing, and intellectual power in the areas defined for this development. It is only through corridors of this type, that the resources can be concentrated that are necessary for building a new industrial-technological and socio-cultural phase of development, which will make it possible to increase the output of real value by an order of magnitude, and to solve the country's social and economic problems. The idea of such development corridors was received with interest, since it provides a basis for understanding what some possible strategic projects are for Russia, and for Russia and India.

EIR: You put forward the development of transportation corridors as something that could be a Russian initiative "of planetary scope," using the language of V.I. Vernadsky. What is going on with the Trans-Siberian Railroad, the BAM, and the North-South Transportation Corridor already, and what are the most important next steps?

Krupnov: Unfortunately, the transportation systems you mention are functioning at a low level of efficiency, and are not yet economically profitable. A fundamental change in the situation will occur, if a decision is taken to move to the construction of high-speed rail lines, parallel to the Trans-Siberian and along the North-South corridor. This requires great political will.

EIR: Your pamphlet reflects some anticipation that the U.S.A. will continue with its current strategic policies, which spread war. But you have pointed out the importance of the recent Moscow State University for International Relations (MGIMO) Political Atlas of the World study (and Foreign Minister Lavrov has also stressed it), which says that "concerts of nations"—including the United States, along with Russia, China, India, the EU, and other leading countries—should collaborate for their common interests. What changes do you hope to see in the U.S.A.?

Gromyko: It seems to us that the full-scale development of Eurasia as a launch pad for managing resources and systems to support life, on a planetary scale, in accordance with Vernadsky's approach, is impossible without the participation of U.S. scientists and engineers. From this standpoint, the Primakov-Ivashov strategic triangle—or, quadrilateral, if

we also bring Iran in—is not a geopolitical bloc against the U.S.A. Rather, it means the formation of conditions for a genuine development of civilization, capable of putting a stop to the financial genocide against a significant portion of the Earth's population, which is taking place under the banner of "globalization." Development should be launched, as against globalization.

In order to organize such development, from Russia's standpoint, and with Russia's participation, we need an objective means of measuring the processes taking place in the world. The analysis developed by Professor Melvil of MGIMO can be seen as a first step in this direction. [See *EIR*, Dec. 8, 2006.] But, unfortunately, the analysis has been presented as if it were designed merely as a joystick for always maneuvering Russia into the center of world processes, which is inaccurate, and, like any less-than-objective evaluation, dangerous. The MGIMO analysis is far inferior, if contrasted with the ideas of the late Pobisk Kuznetsov, and his methodology for analyzing the power of nations on the basis of physically measurable magnitudes.

A recent study done by Sergei Pavlovich Pudenko of our research group showed that the interesting program, developed by the Chinese Academy of Military Sciences for making objective evaluations of the strength of various nation-states—it is called *zonghe guoli lun*, or "theory of comprehensive national power"—was derived from the work of Pobisk Kuznetsov. Another weakness of the Political Atlas is that it ignores the condition of the world financial system, as exposed in the works of Lyndon LaRouche and his team.

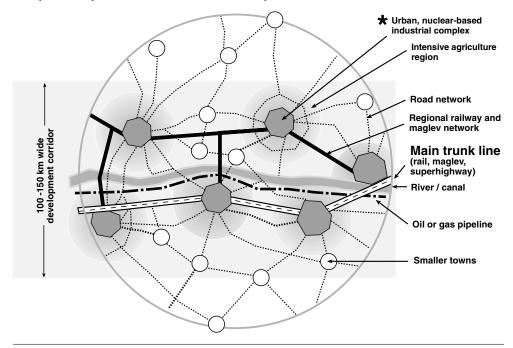
EIR: LaRouche, the founder of *EIR*, has written guidelines for the new U.S. Congress, on "The Lost Art of the Capital Budget," in which he shows the benefit of long-term physical capital investment for the next two generations. Does this perspective define a common U.S.-Russian interest, in terms of bringing to life the transport-centered development corridors you write about?

Gromyko: LaRouche's ideas about the need to base financial measurement strictly on the primacy of long-term investment in the creation of physical infrastructure on the scale of two generations, are the cornerstone of the most realistic approaches to reforming the world financial system. Without reform of the world financial system, breakthrough infrastructure projects will not be implemented, and the dialogue of civilizations will turn into empty chatter about arbitrary understandings of different values.

At the same time, financial valuations and accounts, developed on the basis of large infrastructure projects, need not be linked to a revival of the existing financial system, which, as LaRouche rightly demonstrates, is run by families of financiers. New poles can be constructed for the financial system. For example, one such pole could be a club of suppliers of oil and gas, and a club of the main purchasers of oil and gas. Within a combined club like that, where you would have Russia, India, China, Iran, and a number of other countries,

EIR February 9, 2007 International 25

Graphic Representation of a 'Development Corridor'



Yuri Krupnov and Yuri Gromyko have published a pamphlet which features the concept of a "development corridor," which Krupnov defines as "the creation of a very high density of infrastructure, advancedtechnology manufacturing, and intellectual power in the areas defined for this development." The schematic here was produced by EIR in 1997.

it might turn out to be significantly simpler to launch the development and implementation of large-scale investment projects, with a horizon of 35-50 years.

It might turn out that the world financial system need not be reformed as a single whole, but, instead, stratified on the basis of creating new financial clubs. Russia, of course, would have an interest in establishing such clubs, which could finance, for example, a project like building a second Russian Railways system: in other words, parallel with the existing rail system, to create maglev rail lines. Or, building two-tier development corridors, which would differ from flat, one-level transportation corridors, in that on one tier (story), the material processes of transporting freight, water, and energy would take place, while on the second tier we would have the geo-logistical management of the material flows, based on the transport of information and knowledge.

EIR: Russia has four "national projects" already. How do those compare with what you envision for the development corridors? What can be the role of the so-called natural monopolies: Gazprom, the national power utility Unified Energy Systems (UES), and Russian Railways?

Gromyko: So far, the so-called national projects are not projects in the true sense, since it has not been set forth, what should be created on a national scale as a result of their implementation. These are projects that lack clearly conceptualized results; they were set up according to the principle of *sotsialka*, which dates back to Soviet industrial plants. As is well

known, the Achilles' heel of Soviet industry was low-quality consumer-goods production. Therefore, a number of the most technologically advanced defense industry enterprises were forced to turn out consumer goods, in addition to the main products they were designed to produce. This became known as *sotsialka*. So today, the national projects, so far, are being done according to a kind of "financial *sotsialka*" model. Gazprom earns a lot of money by exporting natural gas and oil. In order that the population not die out altogether, money is being channelled; the population in the regions is getting some extra sustenance, through the national projects system. The population is not being drawn into a system of highly productive strategic employment; it is only getting some extra sustenance, through Gazprom.

The situation with UES is somewhat different. As recently as a year ago, the national electric power utility could still have become a locomotive of economic development for Russia. In a number of regions, electricity requirements are growing at rates of 7-9%. Rather than build up generating capacity, however, UES is currently busy breaking up the existing single national power system, and arranging IPOs on the stock market, in order to attract foreign investors to finance the companies that are being formed as a result of the fragmentation of the single electric power system into separate legal entities. If this approach continues, there could be a serious energy crisis in Russia. President Putin has warned [UES chief executive] Anatoli Chubais, that the latter's reform of the power sector is beginning to have a serious adverse impact

26 International EIR February 9, 2007

on economic growth.

In this situation, it is Russian Railways that could become the corporation to serve as a base for the creation of development corridors, which would go beyond the limitations of mere transportation corridors, and would tie together industrial innovation zones and new industrial manufacturing cluster zones. If this happens, the transportation corridors could become the basis for establishing a brand new, special institution: a vertically organized All-Russian Projects Authority, which would look after the development and implementation of new projects by various groups of entrepreneurs, interacting with the state, while the state would maintain primary control over the large-scale infrastructure projects and the relevant financial flows. These approaches would be a Russian counterpart of the Hamilton-List economic schemes, which proved so effective in the United States in their day.

EIR: In your pamphlet, you mention the danger of explosions of ethnic clashes in Russia, such as happened in Kondopoga.* Can such tensions be defused through real economic development? What will the corridors mean for Russia's East, where the Russian population has declined dramatically and there are many immigrants from Asia?

Gromyko: Without having national development objectives from the standpoint of Russia, without the creation of strategic types of employment for youth and for educated people, we get a situation of battles on the local level over pitiful and shrinking amounts of resources. Under these conditions, the most dangerous phenomenon could be Russian nationalism, when Russian people abandon their "supra-ethnic," broader mission, which involves the development of Russia's statehood and of Eurasia. Therefore merely upholding the rights of the Russian people within multi-ethnic Russia is a dead end, and is absurd as a program. The fight has to be to set and achieve development objectives for the entire population of the country, and of the whole planet. Only if they define themselves in this way, will Russians survive as Russians, in accordance with their historical mission and traditions.

Krupnov: The future of Russia as a whole depends on development corridors and on achieving higher rates of development in the Russian Far East. This is due to the ongoing systemic degeneration of the greater part of Russia's territory. Business as usual is no longer adequate for addressing this situation. There must be development objectives, and the government must get involved in guiding social and economic development. There has to be long-term state credit for these purposes. The Far East is the key to Russia's development. Either we, together with our foreign partners (and India is a primary one), create there a center of Russian and world development that will exercise leadership in the 21st Century, or the Far East will be carved up by foreign interests.

EIR February 9, 2007 International 27

^{*} Violent clashes took place between ethnic Russians and Chechens in the northwest Russian town of Kondopoga in August 2006.