

EIR Feature

Stalin's economic dogmas shape Gorbachov address

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Soviet General Secretary Mikhail Gorbachov's Nov. 2 public address is the first of a series of such addresses, by Gorbachov and others, devoted to an entirely "new period" in Soviet policy globally. In the course of a fierce and bloody, months-long fight within the Soviet ruling oligarchy, Moscow has now adopted the dogma that the ongoing global financial crash is the herald of a "final breakdown crisis of the capitalist system." Admittedly, other topics are touched upon within that address, but no competent reading of the treatment of those other topics can be achieved without first getting inside the Soviet mind, to so speak, to recognize how that Dostoevskian mind is viewing what it has decided to view as "a final breakdown crisis of capitalism."

The overall character of Gorbachov's address is its proof that Mikhail Suslov's hand-picked heir, Yegor Ligachov, has won a months-long, knock-down-drag-out fight within the leadership of the Soviet oligarchy. Gorbachov's convoluted hagiolatry on the subjects of Trotsky, Bukharin, and others during the "Great Industrialization Debate" of the 1920s, adds up to but one point: Moscow, although ritually assuring all that it abhors the "excesses of Josef Stalin," has selected the theory of "final breakdown crisis of capitalism" peculiar to the Stalin orthodoxy's tradition.

From study of the Nov. 2 address's character, we can be certain that this address is but the first of a carefully pre-planned series of major policy-addresses defining the Soviet propaganda-line for what Moscow has defined as a "new and final historical period" in the struggle between Moscow and the West. On such occasions in the social-democratic and Bolshevik past, since Karl Kautsky's drafting of the "Erfurt Program" of the German Social Democracy, and, more specifically, what Soviet publishers title V.I. Lenin's "Letters from Afar," the presentation of a "new general line" as marching orders to the faithful credulous begins with a parody of a religious oration, the so-called "theoretical address" which rewrites the history of Bolshevism to fit the requirements of that "new general line."

Once that new hagiolatry has been announced to the faithful, next come a



Gorbachov's speeches on the 70th anniversary of the Bolshevik Revolution are a new "Communist Manifesto," calling for the masses to radicalize themselves for the coming collapse of capitalism. Shown here is a 1984 "demonstration" in Moscow against nuclear war.

series of addresses containing the mission-tactics assignments to the cohorts of the Bolshevik legions and the foreign light infantry, cavalry, and so forth attached to the Bolshevik legions' auxiliaries. There will be a series of major public and semi-public addresses, variously to the world and to the faithful dupes assembled from around the world for this 70th anniversary of the Bolshevik seizure of power. There will be also a large number of smaller, semi-secret and secret sessions, through and beyond the Nov. 7 general address. There will also be ultra-secret conspiratorial meetings with visiting individuals and very small groups of such persons.

All of these addresses and discussions containing the practical side of Soviet global political strategy and tactics will constantly refer back to the "theoretical general line" set down in Gorbachov's Nov. 2 address.

What is being presented now in Moscow is the fruit of a months-long brawl within the top layers of the Soviet oligarchy. This fight broke out officially during June, built up to an extremely violent pitch over the summer, concluding with the October plenary session of the Soviet party leadership. On the condition that we examine the new hagiolatric dogma contained within the Nov. 2 address, and that we base this examination upon the "neo-Stalinist orthodoxy" of the address's emphasis on "the final breakdown crisis of capitalism," all of the important features of the June-October factional affray become clear in retrospect.

Western press paranoia

Putting to one side certifiable lunatics of the U.S. Sovietologist community, such as those associated with Zbigniew

Brzezinski and Bukharinite-diaper-baby Roy Godson, the common blunder of publicized and other Western efforts, either to deny or interpret the events surrounding Gorbachov's long disappearance, is the attempt to portray the social relations within the Soviet dictatorship as a TV evening soap-opera series. Most of this purported analysis reads like a Hollywood gossip-column.

A few outstanding background facts help to show what idiots Brzezinski and Godson's crew are.

Sociologically, the Soviet regime is an oligarchical form of dictatorship, like the oligarchy which controlled the Byzantine Roman empire from the time of Diocletian and and his protégé Constantine, and broadly analogous to the oligarchical nobility of Byzantine Venice. The Moscow state today is the replacement of the Romanov dynasty, and the Petrine state, by an oligarchical, as opposed to monarchical dynasty, a new dynasty of the Russian empire.

The ruling families which compose the oligarchy are most visibly dominated by the members and heirs of leading Bolshevik figures of the 1920s, as typified by the Mikoyan family, or the family of Armand Hammer's crony, Mikhail Gorbachov's wife, "tsarina" Raisa Gorbachova. In the background, but coming more and more to the surface these days, are members of those old Russian aristocratic families, the vast landowning families, such as the Vorontsovs, from the pre-1917 period. These aristocratic families, chiefly from the pre-Romanov Rurikid aristocracy, together with the Moscow-centered Raskolniki families of 1917, were the Russian faction which controlled the old Tsarist secret police, the Okhrana, the agency which created the various revolutionary

organizations from the top down, including the Bolsheviks, and which orchestrated the revolutions of 1905 and 1917 from above and behind.

Thus, every Soviet dictator is like an elected Roman or Byzantine emperor, elected by the ruling families of the Soviet boyardom's oligarchy. Take the case of the former Soviet KGB chief, the late dictator, Yuri Andropov. Andropov's case is key to understanding Gorbachov.

Andropov, like many of the others longest closely associated with him during his rise to power, was a creation of the faction of the two surviving leaders of the old Soviet foreign intelligence apparatus of the Communist International, Finnish mystic Otto Kuusinen and Hungarian Marxist economist Eugen Varga. Most closely associated with Andropov, under Kuusinen's sponsorship, was present Soviet Marshal Nikolai Ogarkov, a relationship which dates from no later than the operations of both in the Leningrad area during World War II.

During the spring and early summer of 1982, while Leonid Brezhnev was being life-supported millimeters above an otherwise immediate death, the Soviet oligarchy reached agreement on Brezhnev's successor, Yuri Andropov. The clans were assembled in Moscow from around the world, and the new general line, the Andropov line, was put officially into operation at that time, and was Soviet policy even during the few remaining months of Brezhnev's life. This election of Andropov was a collective decision beyond the powerful faction which Andropov represented, and other elements, totaling to a majority of the Soviet oligarchy's power-brokers.

When Andropov died, no immediate agreement on his successor could be reached. Therefore, a living corpse, Konstantin Chernenko, was installed as a transitional figure while the choice of Andropov's actual successor was fought out behind the scenes.

A combination of three discernible factions within the oligarchy reached a compromise agreement on the choice of Mikhail Gorbachov. Gorbachov was given a set of mission-assignments and approximate timetables, and advised he might expect to keep the post on condition he met the conditions of the compromise agreement on missions and timetables.

Gorbachov's assignment was to destroy the U.S. SDI, decouple West Germany from effective U.S. defense commitments, and unleash Marshal Nikolai Ogarkov's program of pre-war economic mobilization, "perestroika."

When the imminent worldwide financial collapse became evident, through Soviet connections to key Western financial figures in Venice and elsewhere, during the spring and summer of 1987, this, combined with spring-summer events in Chad and summer developments in the Persian Gulf, plunged the Soviet oligarchy into a crisis more intense than that which had preceded the selection of Andropov and Gorbachov. The issue was not the personal failures of Gorbachov; the issue

was the choice of a new general line, for "the new period." The question, whether Gorbachov were the instrument suited to carry out the new general line, was the secondary feature of the brawl behind the scenes.

This explains, in significant part, why nearly all U.S. public analysis of the factional brawl has been so absurd. It is the policy of the Reagan administration, and the majority of the "warlord-like" factions of the establishment controlling that administration, that, although a worldwide financial crash is inevitable, that crash can and must be postponed until after the November 1988 general election. Since the Soviet factional brawl was set off chiefly by Moscow's information, from Venetian and other financial potencies, that the crash would explode, in successive steps, over the period between August 1986 and the spring of 1987, the Reagan administration, the Democratic and Republican leaderships, and most of the Eastern Establishment's financial community would cut the throat or the career of any person who dared to bring the question of an imminent financial crash to discussion of the causes for the brawl in Moscow.

The Reagan administration's dumping of Federal Reserve Chairman Paul A. Volcker, is an example of this. Volcker and I disagreed on nearly everything, except our estimate, over the past spring and summer, that a lalapalooza of a worldwide financial crash was imminent unless "Reaganomics" was thrown out immediately. The economic geniuses around the White House reacted to Volcker's warnings as the script-writer for Mr. Reagan's Saturday radio broadcasts has repeatedly attacked views unique to me and my associates. Volcker was suddenly *persona non grata*, a "doomsayer" spreading doubts about the "great recovery," and definitely not the sort of person to be invited to White House parties.

Bolshevism has always based its strategic perspective for establishing Moscow's world empire on the eruption of "a final crisis of capitalism." No issue raises such intense passions in the Soviet oligarchy as this one. Everything hangs on the question, "Is this the time to act on the assumption that the final crisis of capitalism is in progress?" Since the chopping up of the "cosmopolitans" in the Soviet leadership, the Trotskyite Left Opposition and the Bukharinite Right Opposition, all Soviet strategy has been based on studying the perspective of a "final crisis of capitalism" from the specific standpoint of Stalin's dogma of "socialism in one country."

Except for the case of Stalin's dictatorship at its height, no Soviet dictator has imposed his personal version of a general line upon the Soviet government and oligarchy as a whole. There is no inconsistency in the fact, that Gorbachov's Nov. 2 address attacks violently "the crimes of Stalin," within the presentation of a general line which is nothing but neo-Stalinist orthodoxy in every other feature. The majority of the oligarchy is a neo-Stalinist collection which is determined never to place itself personally at the mercy of another Stalin.

Gorbachov defends Hitler-Stalin Pact

Gorbachov's remarks on the Hitler-Stalin Pact ran for no less than eleven paragraphs of speech text. We present here excerpts of the Nov. 2 address:

"Today in the West, there's a lively discussion over the pre-war situation [where] truth is being mixed with half-truth. In the latter category, especially eager are those who are not satisfied with the political, territorial, and social results of the Second World War, and furthermore are obsessed to alter them. . . . For them, any lie is justified in order to shove the blame for the Second World War onto the Soviet Union, which by signing the so-called Ribbentrop-Molotov Pact, had cleared the way [for the war]. The question is worth being treated somewhat extensively."

This is followed by a chronological recounting of the 1930s aggressions committed by the Axis Powers, and attempts by the West to steer Nazi aggression eastward, with the ultimate aim having been "to carve up our country, which makes it easy to see how limited was the choice for us. People say that the signing of the Non-Aggression Pact with Germany was not the best decision for the Soviet Union. That may well be, if one proceeds, not from the hard realities [at the time], but from abstract thoughts, out of the context of that time period. Under the conditions of that time period, the question was posed as it was at the time of the Brest Peace [Bolshevik Russia's signing of a separate peace with Germany in the First World War]: It was a question of the existence or the non-existence of socialism on our planet.

"The U.S.S.R. had done a lot to create a system of collective security, so as to prevent a worldwide blood-

bath. But the Soviet initiatives found no resonance among Western politicians . . . who coldbloodedly speculated in the cleverest possible way, how to pull socialism into the fires of war, and force it into a direct confrontation with fascism."

Gorbachov attacked the present anti-Hitler-Stalin Pact campaign in the West: "As I already said, the ruling circles in the West, in an attempt to wash the sins off their hands, are engaged in trying to convince people that the Soviet-German Non-Aggression Pact of Aug. 23, 1939 gave the start signal to the Nazi invasion of Poland, and for the Second World War as well.

"As if neither the 1938 Munich Agreement, signed by England and France, with the active backing of the United States, existed, nor the *Anschluss* with Austria, nor the execution of the Spanish Republic, nor the occupation of Czechoslovakia and Klaipeda (Memel) by the Nazis, nor the 1938 conclusion of a Non-Aggression Pact between London and Paris and Germany."

Gorbachov asserted that 1939 Western offers to Moscow were not to be taken seriously: England and France "wanted to deceive the Soviet Union with the promise of an alliance and thereby prevent the conclusion of the Non-Aggression Pact offered to us [by Germany]. We were to have been given no opportunity to better gird ourselves for the inevitable attack by Hitler Germany. We also can not forget that the Soviet Union, in August 1939, was confronted by the real danger of a two front war—in the West against Germany, and in the East against Japan, which had launched the bloody conflict around the Khalhin Gol [on the Manchurian-Mongolian border].

"Life and death, however, took, leaving the myths aside, their real course. A new chapter began, the most difficult and the most complicated in recent history. At that time, we succeeded in postponing the conflict with the enemy, an enemy who left himself and his opponent with but one choice, to be victorious, or to be vanquished."

Hence, the Nov. 2 address, and the additional propaganda and marching-orders to be issued in Moscow during this and the coming week, are not Gorbachov's personal factional line. These are the policies dictated to mouthpiece Gorbachov by the combination of factions composing the present majority of the Central Committee. This is primarily an agreement between the Andropovite forces associated with such figures as Marshal Nikolai Ogarkov and Yegor Ligachov's representation of the heritage of Mikhail Suslov.

The message is, "On to world victory," advancing over the fallen body of "capitalism in its final death-agony." If one understands the Bolshevik mind's reaction to such a percep-

tion of "the present historic period," everything else is calculable by taking together the ideology in which that leadership has been steeped since before 1917, with the shifting balance of forces and—military and other—capabilities worldwide today.

Moscow's economic theory

Although it is as absurd as it is generally accepted to attempt to define Soviet society as a "Marxist state," the official Stalinist version of Marx's economic dogmas does play a crucial role in determining both Moscow's world strategy and in matters bearing upon ordering the relations be-

Gorbachov gloats on capitalist crash

Excerpts from the Nov. 2 speech follow:

"The recent panic on the New York Stock Exchange . . . a panic without precedent in almost 60 years, is a great symptom and a great warning." Capitalism seeks to mitigate the crisis by "the inequitable exploitative relations with the developing world . . . developed capitalism has been and will be unable to do without these countries' resources and that is an objective fact. . . . [T]he neo-colonialist methods of using the resources of others, the arbitrary practices of the transnational corporations, the debt-related bondage, the debts that are nearing the trillion dollar mark, and obviously cannot be repaid, also lead to an impasse.

"This gives rise to acute problems in capitalist countries, too. The various speculations on this score are obviously aimed at making the Third World countries a kind of scapegoat and blaming them for the numerous difficulties, including the falling living standards in the metropolitan countries. Time and again attempts have been made to rally the [Western] nations together on a chauvinistic basis, to lure the working people into a partnership accepting the policy of latter-day capitalist modernization. However, none of these, or similar stratagems can do away with the problem itself. It can only mitigate it temporarily.

". . . Western leaders . . . so far have been merely resorting to various stopgap measures. Indeed, the novelty of the international economic and political processes of our time has not yet been fully grasped and assimilated. Yet this will have to be done, because the ongoing processes have the course of an objective law. Either a disaster or a joint quest for a new world economic order. . . ."

tween the Soviet internal economy and foreign economies.

The Russian empire today is, in all features other than economics, a direct continuation of the Russian empire of the Rurikids and the Romanovs. What was changed by the Revolution of 1917, was the elimination of the institutions representing the tradition of Peter the Great—and the Romanov dynasty and its Romanov Russian Orthodox Church, and the replacement of the Romanov dynasty and its form of state and church, by a new ruling oligarchy, and, ultimately, the new form of the Moscow state church which has become a major part of the Soviet dictatorship and Soviet KGB organization today. The change has been the victory of the Ras-kolniki, rallied around the Raskolnik Bolsheviks, over the

Romanov "Westernizers" of Russian culture. The direction of evolution of the Soviet state, since 1917 and the upheavals of the 1920s and 1930s, has been the coming back of the Rurikid aristocracy as a visibly integral part of the Soviet oligarchy. The present Russian Orthodox Church of the Moscow Patriarchate, is a church echoing the gnostic variety of pseudo-Christian theology which dominated the Muscovite church until the reform of that church, top-down, by the Romanovs, at the end of the seventeenth century and beginning of the eighteenth.

This history is indispensable for understanding how the modern Bolshevik mind functions. To understand that mind, one must begin by looking back to the role of the Muscovite monasteries under the Mongols and during the later course of the fifteenth and sixteenth centuries. The chief monk of the Soviet oligarchy's state, is the Dostoevskian Grand Inquisitor who fills the post of a Mikhail Suslov or Yegor Ligachov. The function of this Bolshevik Grand Inquisitor is, as Suslov often emphasized this, to maintain the purity of the Bolshevik dogma.

The historical model for the specific functioning of this Grand Inquisitor is found in the ancient and present-day role of a network of Muscovite monasteries allied to the complex of monasteries at Greece's "Holy Mountain," at the autonomous entity of Mount Athos. The methods used by the Soviet Grand Inquisitor are Oriental liturgical methods traced to the Chaldean priests and Magi of ancient Mesopotamia and Moloch-worshipping Canaan-Phoenicia.

The pivotal figure of such liturgical exercises, Soviet or other, is hagiolatry: the updating of the roster of approved saints and devils, and of the homilies attached to each figure. The product resembles some ancient Greek pagan's efforts to assort the ranks, relative potencies, and specific attributes of the mythical gods and demi-gods of Mount Olympus. The product can be loosely described as what modernist psychology today identifies as a "belief system."

For this reason, the way in which Gorbachov's Nov. 2 address identifies the place and attributes of figures such as Trotsky, Bukharin, and Stalin in the Soviet hagiolatry of the "new period," is crucial intelligence in assessing the new "general line" now being promulgated.

The chief problem to be faced by the Soviet analyst attached to shaping and refining U.S. strategic policy, is that the hagiolatry of Gorbachov's address, like all Soviet hagiolatry since the emergence of the Russian Social Democracy during the 1890s, is clinically insane. Why does the Soviet hagiolatry, at each point in its history, assert that Trotsky is this, Bukharin that, and Stalin something else? The liturgy's content has no resemblance to the physical realities of history; it is simply asserted by the high priests, and the believers are instructed to "repeat after me, over and over and over again." It is simply asserted, and "you had better not be caught saying anything different; you were wise to include, 'as the party has said,' affirming some part of this liturgical hagiolatry, in your spoken and written remarks on

all subjects, until the Grand Inquisitor certifies an official change in the hagiolatry."

The trouble is, that the majority of the Soviet analysts counseling the U.S. government today, are, like Joe Godson's son Roy, ideological social-democrats to the bone, steeped in the same paranoid mysticism as the faithful adherents to the Soviet Grand Inquisitor's liturgical effluent. They may be opponents of Moscow, but they are of the same philosophical tribe, very much at home in the collective lunacy of a Menshevik-Bolshevik polemical debate on points of liturgy.

They appear "experts" on Moscow to the degree they, such as Godson, are Western varieties of the same species as the Bolsheviks. Those whose immediate ancestors came from some branch of the social-democracy of the Russian empire, or the Russian populists, are steeped in a family tradition of being the Mensheviks who lost the battle to become the rulers of the post-1917 Russian oligarchy; some of them, like Jay Lovestone, were even illegal agents of the Soviet foreign intelligence service for a time. They think in the same general way as Moscow's ideologues do. They seem "experts" to those who do not understand the history of the matter, be-

cause they seem to know their way around in Soviet liturgy, to speak Soviet liturgy like a native.

Therefore, they, too, are insane, and in the same general way that the Bolsheviks are.

The characteristic of these sorts of liturgical exercises is the constant effort to search for a more perfect consistency in the hagiolatry, to detect and weed out formal inconsistencies, and to invent new fictions which appear to make the rhetoric, at least, more plausibly consistent. There is very little difference between a modern Bolshevik "theoretician" and medieval Russian monks such as the Filofei of Pskov who, in A.D. 1510, induced the princes of Muscovy to call themselves "Caesar" (Tsar), and commit themselves and their descendants to establishing Moscow as the capital of a worldwide, third Roman empire. The minds of the modern Bolshevik and the stinking medieval Muscovite monk work in the same way.

The method centers on taking an actual fact, or something which can be misrepresented plausibly as a fact, and weaving around that isolated fact an entire fiction. This fiction is shaped and employed to appear to make the rhetoric of the general line a more consistent piece of liturgical rhetoric.

Gorbachov on the period of forced collectivization

Excerpted from Gorbachov's Nov. 2 speech.

Collectivization implied a radical change in the entire mode of life of the preponderant part of the country's population to a socialist footing. It created the social base for modernizing the agrarian sector and re-gearing it along the lines of advanced farming techniques; it made possible a considerable rise in the productivity of labor, and it released a substantial share of manpower needed for other spheres of socialist construction. All this had historical effects.

To understand the situation of those years, it must be borne in mind that the administrative-command system, which had begun to take shape in the process of industrialization and which had received a fresh impetus during collectivization, had told on the whole socio-political life of the country.

Once established in the economy, it had spread to its superstructure, restricting the development of the democratic potential of socialism and holding back the progress of socialist democracy.

But the aforesaid does not give a full picture of how

complex that period was.

What had happened? The time of ideological-political tests of the utmost gravity to the party was actually over. Millions of people had joined enthusiastically in the work of bringing about socialist transformations. The first successes were becoming apparent.

Yet at that time, methods dictated by the period of the struggle with the hostile resistance of the exploiter classes were being mechanically transferred to the period of peaceful socialist construction, when conditions had changed cardinally. An atmosphere of intolerance, hostility, and suspicion was created in the country.

As time went on, this political practice gained in scale and was backed up by the erroneous theory of an aggravation of the class struggle in the course of socialist construction.

Quite obviously, it was the absence of a proper level of democratization in the Soviet society that made possible the personality cult, the violations of legality, the wanton repressive measures of the thirties.

I am putting things bluntly. Those were real crimes stemming from an abuse of power. Many thousands of people inside and outside the party were subjected to wholesale repressive measures. Such, Comrades, is the bitter truth.

Serious damage was done to the cause of socialism and to the authority of the party. And we must say this bluntly. This is necessary to assert Lenin's ideal of socialism once and for all.

How to read the mind of the insane

We who commit ourselves to providing the United States with a competent strategic policy must focus our studies of the Soviet general line upon two central objectives:

1) Although the liturgy of the Soviet Grand Inquisitor is paranoid fantasy, it represents a schizophrenic's response to a reality which, even if unmentioned, is prompting the liturgical response. It is much the same as attempting to unravel the mental processes of an individual psychotic; how is his mind organized, to the effect that real events prompt such specific choices of insane babblings?

2) Knowing how the paranoid's mind works, what is he likely to do? What is he already committed to perpetrating upon the real world? How is he likely to respond to new developments in the real world?

Instead of attempting to work within the framework of Soviet ideology, as the usual social-democratic and other academic Sovietologist does, we must stand outside that liturgical fantasy-world, examining the Soviet mind as we should that of any paranoid-schizophrenic.

Mathematical physics provides a useful analogy for the proper approach to this work. If we put aside the false image of the physical world given to us by René Descartes and his imitators, we are left with over 500 years of the progress of European physics toward understanding the practical meaning of the fact that physical space-time as a whole is "curved," to such effect that all fundamental laws of physics can be determined sufficiently merely by a rigorous working through of the proper choice of synthetic geometry, as Kepler was the first to do this for mathematical physics generally.

All physical science is not merely a body of facts and accepted opinions about those facts; it is essentially a system of thought, a way of thinking about the cause-effect relationship between man and nature. Since physics means predicting the results in nature which will occur as a result of certain choices of action, or lack of action by mankind, the experimental consistency of such predictions is also a test of the appropriateness of the way of scientific thinking used to achieve better or worse consistency of that sort.

There is an additional test of the relative validity of a way of scientific thinking. It is not sufficient that this way of thinking achieve consistency of results in some cases; it must be shown that this way of thinking is the best for all possible kinds of cases. For example, a physics which is very consistently successful in dealing with what are called "linear" physics phenomena, but which can not provide a fully intelligible representation of what are termed "nonlinear" phenomena, is not a very good physics. Indeed, the mere fact that any choice of scientific way of thinking can not provide an intelligible representation of nonlinear phenomena in a consistent way, is proof enough that that scientific way of thinking is a defective one.

Our confidence in any and all aspects of our way of thinking is justified only to the degree that we have proven it

to correspond to reality in the same way that a way of scientific thinking is tested against cause and effect in reality. In the same way as in scientific thinking, a way of thinking may appear to be successful most of the time in dealing with some aspects of reality, but may be a failure in dealing with the larger reality as a whole.

Usually, all the common ways of thinking met around the world, have some degree of validity. They usually succeed as a kind of common sense, which is sufficient to enable the individual to function and survive up to the standard for most members of comparable social strata in that society. Just so, the common sense of the Bolshevik, or the subject of the Russian empire today, is valid to the degree that it guides the individual to survive and function at about the same level as most of those members of that same society of comparable status in comparable circumstances. It is not entirely insane.

The seeds of *potential* paranoia exist wherever a way of thinking considered generally valid for ordinary circumstances breaks down. The occurrences of developments which have no intelligible representation in terms of that way of thinking, serve as the potential pivots of paranoid belief.

In the hypothetical case, that a person tries to behave under water in the same way as in a normal atmospheric environment, we may recognize a useful, if exaggerated example of what we mean by paranoia. The victim of such folly, is insisting not only that he must continue his normal behavior under one set of circumstances, in an entirely different set of circumstances; he stubbornly refuses to accept the evidence that this is wrong.

In the usual case, the individual tries to explain the difference between the situation in which common sense works, and the situation it does not, by accepting some mystical, irrational explanation. If he insists on defending that sort of irrational explanation, by acting it out in the most inappropriate circumstances, we have the ordinary sort of paranoid behavior.

This does not cover all the kinds of cases in which the term "paranoia" may be reasonably applied; it illustrates the more general sort of paranoia we encounter in trying to understand the mind of the Soviet leadership.

The Muscovite Raskolnik, the type from which the character-type of the average Bolshevik leader is molded, is a deeply mystical, "blood and soil" variety of Oriental racist. On the surface, he has moments of what might be called "rational behavior," in the sense of arithmetic logic. Underneath that surface, he is as mystical as the racist sort of savage which comes forth in his explosions of rage.

This determines his peculiar attitude toward Marxism, an attitude most efficiently identified by study of the fiction and diaries of Fyodor Dostoevsky.

Like all Dostoevskian characters, he is essentially insane; what appears, at first glance, as rationally explicable behavior has a rational outer form, but the motivation of the behavior is sheer insanity. The Raskolnik-Bolshevik is schizophrenic in the sense Dostoevsky proposed. His essential emo-

tion is a hatred of Western culture, a passion for destroying that hated culture, root and branch. However, as a Russian, he can not destroy that culture without using Western culture's science and technology to gain the necessary power.

He wishes to obtain Western culture's science and technology—which he hates, while relying upon supporting evidence for his mystical belief that the hated culture of the “Rome of the West” will destroy itself. Hence, his morbid fascination with Karl Marx.

Just as he must compel himself to believe that the West will destroy itself in a way consistent with Moscow's reading of Marx, he is obliged to believe that the Western economy functions as Marx proposes. He is obliged, on those ideological grounds, to order his own economy, and the relationship between and his and Western economies, on the basis of that confidence in the verity of a Stalinist reading of Marx.

Thus, although it is absurd to attempt to understand Bolshevik culture and the Bolshevik state from the starting point of the passionately anti-Russian Karl Marx, the way in which the Bolshevik-Raskolnik's mind reads selected meanings into his reading of Karl Marx, is the key to understanding Soviet strategic thinking and behavior toward the West—although not the developing nations, or Asiatic nations generally.

It is well known by now, that my standpoint in strategic planning locates the winning of strategic conflict in cultural, economic, and political warfare, and that I situate military roles as an armed extension of the means of cultural, economic and strategic conflict. My views on this coincide with those of modern classical military thinking; as a rule of thumb, even in general warfare, lethal force represents not more than 20% of the total effort required to secure victory. The remaining 80%, or more, must be expended as cultural, economic, and political measures of defense and offense.

In effective guerrilla warfare, the ratio of lethal force to total force deployed in support of the cause, is in the order of between 1:70 and 1:100: For every armed fighter, there must be 70 to 100 persons supplying political or logistical support from the population at large. Victory achieved in guerrilla warfare with lesser ratios of noncombatant support, is almost invariably proof that the takeover was a palace coup, steered from inside the institutions of the government overthrown.

In strategic planning, we must examine the interrelationship between the military and non-military components of the Soviet offensive and defensive potentials. To this end, we must understand the relationship between the reality of Soviet capabilities, and the fantastic, paranoid-ideological form in which the “general line” reflects those capabilities. We must also understand the paranoid mechanisms of the Soviet mind, to foresee how they will react to various prospective developments in the real world. There is something else to be considered, going beyond what those two requirements might ordinarily suggest.

My general approach to strategic planning includes these considerations already listed. It includes, as a prominent feature, the planning of our respective offensive and defen-

sive lethal capabilities, to the purpose of assuring containment of the Soviet impulse to overrun the world step-by-step by cheap victories, or to consider seriously the option of launching a first-strike attack upon the United States. On condition that our military potential is adequately equipped and trained for its existing and possible mission-tactics assignments, I leave the military matters behind, to concentrate on the more general, underlying problems of strategic planning.

This brings me to the crucial working point of U.S. strategic planning: the role of cultural warfare.

The first objective of strategic planning is to win a war without having actually to fight it. This requires sufficient military means to prevent the adversary from resorting to military adventures. That given, winning the war is an enterprise in the methods of cultural, economic, and political warfare. Once must crack the adversary like a nut, by application of combined cultural, economic, and political means; to pursue this course, we must create a military balance to such effect that the adversary can not escape the combined non-military pressures by resort to launching of war.

The best victory is that won with a minimum of expenditure of losses by our forces, and the enemy's, too. The less bloodshed, the less the cause for lingering hatred in the aftermath, and so the easier the winning of durable peace after the victory. The best victory is that which removes the cause of war, by inducing the adversary nation to change the character of its government by exertion of the national will of its own population.

As Poles, Ukrainians, and others subjected to Moscow's oppression will remind us, the objectionable feature of the Russian empire is a quality which Muscovite expansion has exhibited consistently since before Tsar Ivan the Terrible. What is objectionable, the potential root of *casus belli*, is Muscovite culture, specifically that strain of culture associated with the Raskolnik phenomenon. Since the Russians, as distinct from the vast Turkic minorities of the Soviet Union, are Indo-Europeans in their language culture, as a people they are susceptible to Christianization on approximately the same terms as other Slavs, such as the Poles, have joined the fold of Western European Judeo-Christian civilization.

Our war-winning objective is to bring that cultural transformation about, preferably without firing a shot.

Given the preconditions I have just listed, my preferred choice of weapon is to exploit the potential strategic flanks inherent in the paranoid defects of the Soviet mind, to take courses of action which we of our cultural heritage can do rather well, but which the defects of the Russian cultural heritage prevent it from implementing with anywhere near the same effectiveness.

If one studies my strategic program, one might conclude that my arsenal for this purpose is chiefly the weapons of economic warfare. Yet, as I have stressed repeatedly, as I did to the Reagan administration in proposing what became known as the SDI, the economic-technological side of strat-

egy finds its ultimate effectiveness in the fact that certain modes of economic behavior not only reflect cultural potentials, but are delimited in execution by cultural considerations. Since we all, as individuals and nations, depend for our well-being and strength of means upon performance in the per capita rates of production and physical distribution of physical goods, economic behavior dominates the daily lives of our households and nation as a whole, and because of that importance reflects with the greatest relative force the performance of culture.

Western civilization is premised upon, most emphatically, the Augustinian conception of man, as this is echoed in the "Filioque" of the Latin Creed. At our best, we place the value upon the creative potential for intelligible representation of the lawful ordering of our universe of the individual mind. At our best, for us, the color of our skin, our ethnic background, and so forth, are of no importance in assessing the worth of the individual, either as we view ourselves, or as others view us. Our existence as individuals, in the image of the living God, is located in the interdependency of our capacities for *agapic* love toward God and mankind (Corinthians I:13), and this creative potential embedded in the mind of the newborn human individual.

Hence, scientific and technological progress in economy touches that within us, and among us, which is associated with the highest quality of intrinsic worth of the individual person.

In Moscow, it is the opposite. Theirs is a racist "blood and soil" culture, mystically attached to the soil, and stubbornly attached to traditional ways of working. This cultural phenomenon, which Soviet economics literature often references as "the peasant problem" in industry and industrial management, as well as agriculture, is key to our essential strategic advantage in dynamic, over the Muscovite. The rulers in Moscow must, as the reports of *perestroika's* problems show, whip and beat the typical Russian subject into carrying through technological progress in production at anything nearly matching a Western rate.

So, that inveterate liar, Bertrand Russell, said one of his rare truthful statements, returning from young Bolshevik Russia: One expects Russians to choose to be ruled by characters out of a Dostoevsky novel.

In particular, as President, I could beat Moscow at the game prescribed by its new "general line," even given the fact that the world is sliding now into the biggest financial crash in history. This brings us thus to the concluding sub-

Gorbachov on Stalin, Trotsky and Bukharin

Gorbachov in his Nov. 2 speech, identifies himself and the present leadership with the "oligarchic rule" phase of Stalin, as opposed to one-man rule, and with the closest Politburo adherents of Stalin, Kirov and Ordzhonikidze, during the tumultuous policy and factional fights of the 1924-34 period. Excerpts follow:

"If we want to stick to the historical reality, we must see along with the incontestable contribution by Stalin to the fight for socialism and in defense of its achievements, also the rough political errors and the arbitrary actions, which he and the persons around him committed. The guilt of Stalin and his closest associates [post-1934-35] who were responsible for the mass repressions and arbitrary measures against party and people, is huge and unforgivable."

"The 1920s and the 1930s were heroic years when the Soviet people, led by the Communist Party, created a new society . . . [and] a social and cultural revolution."

The leitmotif of praising the leadership around Stalin continued in Gorbachov's only "positive" passage on Stalin's ousted opponent, Nikolai Bukharin.

"Bukharin did join with Dzhherzhinsky [Felix Dzhherzhinsky, the founder and first boss of the Cheka, the forerunner to today's KGB], Kirov and Ordzhonikidze [Stalin's two closest lieutenants in the Politburo in 1924-34] in exposing Trotsky . . . the Troika [referring to the triumvirate of Trotsky, Zinoviev, and Kamenev, who attempted to succeed Lenin, only to be defeated by an alliance of Stalin and Bukharin], and later the Left Opposition [the supporters of Trotsky after his ouster from the Politburo]."

Gorbachov noted the late 1920s "fight by the Politburo against the group of Bukharin . . . on the question of accepting the principles of the NEP [to continue to allow the peasant's private ownership of land, as supported by Bukharin and his group] or the new development of Soviet society [the forced collectivization and industrialization]. . . . Bukharin had underestimated the time factor for the building of socialism during the 1930s [in contrast to Stalin and his group]. Bukharin and his allies later realized their mistakes" during the Moscow Purge Trials, where the "mistakes" were confessed.

Gorbachov issued a scathing denunciation of Leon Trotsky, as a user of "left pseudo-revolutionary phrases," a "petit bourgeois," who "denied the ability to construct socialism in one country" in opposition to Stalin. Trotsky and his followers "conducted themselves along Party splitting lines . . . I mean especially the role of Trotsky." Gorbachov hailed the 1927 "victory" by Stalin "against the Troika, Trotsky, Zinoviev, and Kamenev."

topic of this report, the fallacies in Marx's definition of what he calls the "internal contradictions of capitalist reproduction." Marx is not to be blamed for the simplistic version of the argument adopted by the silly Bukharin and the Stalinist economists after him. However, for practical strategic purposes, a brief criticism of Marx's sweeping error points to the mean trick available to me as President, in thwarting the objectives of the "general line" now being installed in Moscow.

Marx, follower of Adam Smith

There is nothing original in the work of Karl Marx.

He was born into a circle in Trier, Germany, which had been created as part of a network of "reading societies" in Germany, a network assembled to recruit support for the American Revolution and for Benjamin Franklin most emphatically. The head of the Trier gymnasium which Marx attended, Wytttenbach, had been chosen as one esteemed best capable of representing the viewpoint of Franklin. Marx's 1835 matriculating essay, written for Wytttenbach's class, "On Choosing A Profession," contrasts as opposite to Marx's viewpoint in his later life.

In one of three sharp letters written by Heinrich Marx, to his son Karl, the rebuke, "You have gone over to the other side," is illuminating by reference to some of Marx's pro-satanist writings while attending Bonn university. After Bonn, Marx studied under the influence of Professor Savigny at the university of Berlin, where he became attached to the followers of the gnostic Feuerbach and others, and was assimilated there into the following of radical Giuseppe Mazzini, who continued to be Marx's sponsor through about 1868. He was transferred to become an asset of British intelligence's Mazzini operation. His written work of the 1850s and early 1860s, was done under the supervision of the British Museum's David Urquhart, the Palmerston agent who coordinated British intelligence's links with the continental Mazzinian movement from that office.

As Marx passed through the hands of several intelligence services prior to his residence in London, he had begun to assimilate the physiocratic dogmas of one of Adam Smith's key teachers, Dr. Quesnay. In London, he merged his studies of Quesnay with both early British physiocrats and the writings of Adam Smith, Thomas Malthus, and David Ricardo.

Marx's economics is chiefly a blending of Savigny's *Volkgeist* doctrine of irrational historicism—from which Marx's "historical materialism" is derived, with both the *class struggle* dogma and the economics of Quesnay, Smith, and Ricardo. Although he plagiarized and parodied material from the writings of American System economists such as Henry C. Carey and Friedrich List, all of the systematic features of his economic dogmas are simply reworkings of earlier work by Quesnay, Smith, and Ricardo. Marx's and Engel's vitriolic attacks on the American System of political-economy, and upon Carey and List personally, are standard stock-in-trade of the Soviet government and its agents around

the world today.

Over the period from about 1680 through 1865, leading economists and other leaders in the United States were explicitly aware of a fundamental distinction between the system of economy established by the U.S. Constitution and the British system of political-economy.

During the early eighteenth century, what became known later as the British system of Smith, Ricardo, the Mills, and so forth, was known as the "Venetian system" of rentier-financier usury. It had been brought into England, the Netherlands, and Scandinavia by the Venetian Levant Company, with the 1603 accession of James I of England, and Francis Bacon as James's treasury official. The alternate name for "Venetian" in northern Europe since the thirteenth century had been "Lombard."

Henry C. Carey, for example, described the British economy as a mixed, feudal and entrepreneurial economy, with the feudal (usury-practicing) element in the dominant position in the economy as a whole. The U.S. economy was based upon an entrepreneurial system of farmers and manufacturers, with the functions of improving and maintaining basic economic infrastructure retained by the federal, state, and local governments. The resulting notable difference was, that the American system was based principally upon the profits of productive enterprise in production of physical goods, whereas the British system was dominated by rentier profits from various forms of usury.

Marx defined the British system as the highest form of capitalism, and defined the adducible rules of the game of the British system as "the laws of capitalism." For capitalism, Marxism was almost as rabid a "free-trader" as Milton Friedman, and had nothing but contempt for the U.S. economy, even though, outside the slave-holding states, over the period 1789-1865 as a whole, the per capita output of the U.S. independent farmer and industrial operative was higher than in Britain.

Marx's dogma respecting the "internal contradictions" of capitalism are true *a posteriori* for the British, or "Venetian" system of a rentier-dominated economy, but are not true for an entrepreneurial form of economy defined by the U.S. Constitution.

In an entrepreneurial economy, the portion of profit not taken for additional household consumption, is primarily invested as productive capital of enterprises engaged in the physical production and distribution of goods. The source of profit is growth of productivity, itself dependent upon capital improvements in infrastructure, and the rate at which improved technologies are introduced.

In the entrepreneurial economy, the effect of profit is to lower the real prices of commodities and raise the standard of living at the same time. In the rentier economy, the direction of trends is the opposite. In the latter, profit of enterprise is siphoned away into rentier financial markets, for profits of such forms of usury as speculation in financial paper, commodity-trading cartels, speculation in the debt of govern-

Gorbachov on the revolutionary perspective

The following are excerpts from Gorbachov's Nov. 2 speech on the need for international alliances with socialists, liberation movements, etc., under conditions of a capitalist crash:

"The top priority for Soviet foreign policy is the strengthening of friendship and cooperation among the socialist states."

"The working class has the potential to play the decisive role and especially at abrupt turning points in history [as we are in now]. . . . The insane militarization of the economy [by the West], the transition to a new phase of the technological revolution on militarist grounds may serve as a powerful catalyst [for the working class] especially as it paves the way to war, thus affecting all sections of the population, and taking mass protest beyond the limits of economic demands. Therefore, here too, the masters of monopoly-capital will have to make a choice. . . . It's our belief . . . the reconversion and demilitarization of the economy [by the West] are feasible. That would be tantamount to opting for peace.

"The same concerns the consequences of the crisis in relations between the developed and the developing world. . . . In that, capitalism is facing a limited choice, either to let things reach the breaking point. . . or a balance of interests on an equal basis."

ments, and pure usury.

So, in the rentier-dominated economy, the profit margins of production are depressed over time, while the total amount of money-capital expands. The result is a kind of financial bubble, in which the net price-earnings ratio rises, as the ratio of earnings from production declines relative to the growth of nominal (financial) accumulation. The exaction of usury from the economy, under these conditions, to sustain the earnings of financial speculation, depletes the economy as a whole, a development which intensifies the tendency of financial growth to become a pure financial bubble.

The bubble must burst, as all financial bubbles must do sooner or later. If the government does not act then, to change the rules of the economic game in favor of an entrepreneurial form of economy, the result of the financial crash is an economic depression. Hence, Marx's estimate of an approximately decennial boom-bust cycle.

The plodding Soviets, who have vast intelligence resources and whose police-state rule maintains the largest intelligence establishment per capita of any nation of the world, have taken notice of my criticism of Marx on this point since about 1977. The Soviet press has described me therefore as "an ideologue of late-capitalism," as one whose programs are designed to promote an entire period of economic revival of the West. They attack my analysis as "unscientific," but as ominously likely to succeed if employed. In other words, they argue, in effect, that I am guilty of success by cheating, by refusing to play the game according to the rules they deem respectable. They prefer a debate in which the crushing retort is, "but Karl Marx says clearly, and therefore you are wrong. Do you propose that you are a greater thinker than the great Marx whose genius is proven by the existence and success of the great Soviet Union?" To this, they would add citations from the great Soviet economists who are the best authorities on Marx's intent. Say, "That is all irrelevant, since Marxism is all based on a fundamental error, which I have just proven to be an error." That riles them up considerably, since it obliges them to come out from the shelter of official Soviet ideology, out where reality, not ideology, rules the day.

That is their culturally defined strategic vulnerability. Like all paranoids, short of an invasion of Russia itself, they react the most violently to any threat to their ideology itself. Their greatest fear along these lines, is that someone might be clever enough to prove in practice that their ideology is false to reality, and thus threaten to destroy their ideology by demonstrating that it is not a picture of the real world.

That issue is at least as old as Aeschylus' tragedies, the *Prometheus* notably. "We are the gods of Olympos, to whose wildest caprice mere mortals must submit, even at the price of their lives, or the existence of their nation." To which Prometheus retorts, "But there is a Creator, Whom you mock by calling yourselves gods, and Whose laws will crush you gods of Olympos out of existence as the simple consequence of your defying those laws."

Thus, we are back to the sociological composition of the Soviet dictatorship; it is an oligarchy of families, which has set itself up in its own imagination as the gods of Olympos. Its success in imposing its brutish whims upon living men and women, and even entire nations, has fostered in it the delusion that it is all-powerful and eternally so. Then, the reality it has defied with its ideological paranoias acts to bring unexpected but unignorable consequences upon those who have defied reality. Then, the gods of Olympos fall.

Our most powerful strategic weapons, if we know how to use them, are culture and reality itself. We must strengthen our culture by aid of the entrepreneurial principle, and in that way bring our powerful ally, the forces of reality, into play more forcefully. Thus, we can turn the "general line" of today's Moscow into a pathway of its own rapid, strategic descent.