

LaRouche featured in Russian journal

by Rachel Douglas

The May-June issue of *Profsoyuzy i Ekonomika (Trade Unions and Economics)*, the bimonthly of the Federation of Independent Trade Unions of Russia, carries a five-page article by Professor T. Muranivsky entitled "Who is Lyndon LaRouche?" Included in the publication is the text of a letter sent by several Moscow professors, grouped around the journal, to President Bill Clinton's science and technology adviser, Dr. John Gibbons, in which they request a presidential pardon of LaRouche.

Profsoyuzy i Ekonomika circulates to nearly 50,000 readers. Professor Muranivsky is a member of its editorial board.

The article on LaRouche is subtitled "How an American scientist already in the 1980s proposed an alternative to the 'free market.'" Muranivsky quotes sources ranging from Russian author Aleksandr Solzhenitsyn to the *Financial Times* of London, on what a disaster has come from "reforms, with the goal of transition to the so-called 'free market,' imposed on Russia by a group of foreign experts under the aegis of the International Monetary Fund" (IMF). Today, anybody who opposes the reforms carried out so far "is branded a conservative or an enemy of reform," says Muranivsky, which he calls a "purely Bolshevik approach."

The LaRouche approach to economics

"Any reform is based on certain theoretical and ideological tenets," writes Muranivsky. "The theoretical basis of the reforms carried out in Russia was the 'free market' ideology of Adam Smith, in its contemporary interpretation by the American professor Milton Friedman. It is presented to us as the only true and tested way. But this is not the case. There exist the economic researches of the American economist Lyndon LaRouche, which bring in new approaches to economics."

Muranivsky cites the LaRouche book, available in Russian, *So, You Wish to Learn All About Economics?*, and the Schiller Institute's critical analysis of IMF policies, as sources from which to learn about the LaRouche approach, or physical economy. "The so-called 'free market economy,'" he quotes the Schiller Institute material, "is a myth. It never existed anywhere, nor will it. This myth is used for the purpose of destabilizing and destroying sovereign states, in order to turn their economies into a mix of speculative and criminal elements, dominated by foreign companies, including the international narcotics mafia." By

contrast, Muranivsky argues that "the negative, contradictory Soviet experience of command management of the economy does not mean that the economy needs no management at all." He cites the postwar recovery programs of Germany, France, and Japan, as variations on the theme of "physical economy, which views economic processes as inseparable from technological growth and the growth of labor productivity."

Muranivsky notes LaRouche's comments on the privatization of the water supply in Britain, one of the alleged successes of Thatcherism, which led to a breakdown in public sanitation, and the threat of epidemics.

Reporting that the president of the Schiller Institute in Germany, Helga Zepp-LaRouche, considers her husband a political prisoner, Muranivsky explains why: "Lyndon LaRouche has run for President as an independent Democrat. . . . He severely criticized the domestic and foreign policy of the Reagan-Bush administrations. Schiller Institute specialists expose the activity of the IMF, as 'a policeman to collect debts from Latin American countries, for the U.S. banks.'"

While court documents show that LaRouche was formally charged with and convicted of conspiracy, "for violation of financial discipline," Muranivsky writes, *Profsoyuzy i Ekonomika* editorial board members have read the statements of LaRouche's attorneys Ramsey Clark, the former U.S. attorney general, and Odin Anderson, "who see violations of human rights." He adds, "LaRouche's lawyers have submitted to the federal court a petition longer than 100 pages, with six volumes appended of newly discovered documents, kept secret during the investigation."

Muranivsky reports that *Profsoyuzy i Ekonomika* received permission to interview LaRouche in prison, and that the resulting interview will be published in subsequent issues of the journal.

Professors call for LaRouche's freedom

In his article, Professor Muranivsky also includes the full text of a letter on the LaRouche case, sent by "a group of Russian scientists and public figures" to Dr. John Gibbons, U.S. President Bill Clinton's adviser on science and technology.

The letter begins, "Dear colleague." The writers recall that "during the years of totalitarianism, many scientists in our country suffered no few unjust persecutions, imprisonment, and exile," among them Dr. Andrei Sakharov, "in whose defense many scientists from your country spoke out."

It is "contradictory," the professors say, to hear that the United States supports human rights in countries all over the world, while at the same time there are reports "about the violation of those rights in the United States itself, where people behind bars include scientists and public figures condemned because of their political convictions." For example, "the entire world knows that the prominent economist and

public figure, 70-year-old Lyndon LaRouche, is in his fifth year of confinement in prison in Rochester, Minnesota, due to judicial tyranny.”

The letter contrasts the “official version,” that LaRouche was guilty of financial infractions, with “the more than a thousand lawyers and hundreds of parliamentarians,” among others, who have “condemned the trial as a violation of justice, and advance convincing facts and arguments to show that the case against LaRouche was fabricated, since in reality he was condemned for political reasons.”

The Russian writers express their familiarity with LaRouche’s criticism of the Bush administration, “but also

the useful humanitarian, anti-totalitarian, and anti-fascist activity of the Schiller Institute, which he created, through its publications, scientific conferences, and seminars.” They note the resonance of LaRouche’s philosophical and economic conceptions with the best Russian scientists of the past, such as Dmitri Mendeleev and Vladimir Vernadsky.

“We join the international coalition for the freedom of LaRouche,” they conclude, “and we urgently ask you to launch an initiative on the need for a presidential pardon of Lyndon LaRouche and other political prisoners in the U.S.A. Such a noble gesture would meet with full understanding and broad approval, all over the world.”

The cultural meaning of the ‘derivatives’ market

Economist and political prisoner Lyndon LaRouche made the following comments on May 23:

If you were a visitor from another solar system looking at Earth and looking at the situation here, and taking into account derivatives, would you advise anyone to invest in this planet?

I think the answer would be, on first impression: No. The significance of the derivatives, is the fact that they can be tolerated. The fact that they *are* tolerated in the way they are tolerated, in the way they are discussed in the financial community, indicates that *no one in their right mind* would invest in this planet, as long as the kind of thinking behind derivatives is hegemonic.

What are derivatives? It’s risk management. It’s called capital. What kind of capital? Is it industrial capital? No, absolutely not. Rather, it is a manner of participating in a bubble which sustains itself by taxing the real economy, by sucking the life’s blood out of it as premiums to pay these charges on risk management. Because it is the net charges on risk management, as against risk, that is the basis of the system. In order to have a charge which exceeds the risk, you must extract that relative amount from the real economy.

Where does it come from? It comes from not maintaining infrastructure, water systems, and so forth. It comes from not maintaining industrial capacity; it comes from shutting down a plant in order to get something cheaper, presumably, from a cheap-labor area in a foreign country. It means looting of eastern Europe. It means looting the former Soviet Union. It means looting China

through slave-labor projects, such as those in Hainan, or the enterprise zones, where Chinese are being gobbled up in Auschwitz-like patterns.

Destruction of the labor force

Now look at the United States and Europe. Think of what has happened at the universities. . . . Think of a Stanford University where it is no longer obligatory to compel students to master the works of “dead white European males,” where the educational program would reduce the planet to a network of zoological theme parks of kook cultures, in place of a culture of the type which built this planet.

The people coming out of college in these kinds of programs, are not fit to manage anything; and already, the management of corporations is below the quality of managers of corporations in the same positions in the 1970s and 1960s. They are utterly incompetent. The universities are incompetent, the educational system is incompetent, and increasingly so.

Would you want to hire any labor of this type?

Now look at the labor force. What are their mental habits? What are their technological potentials? The only thing you can do, is scrape from around the edges of the labor force, and get a few people who are still educable, put them through an apprentice program, and then hire them, as some German firms are doing. . . .

The American people are now being forced to compete with Chinese labor by being reduced *culturally* to the level of Chinese rural labor forced into slave-labor camps by reducing their wages.

We are now in the process of killing off old people because they cost too much. It’s called “reform” in the health-care program. We are killing off the sick and the lame because it costs too much to treat them, in order to save money so we can distribute band-aids to the survivors.

That is what this derivatives market means. . . .