
Interview: Natalya Vitrenko and Vladimir Marchenko

IMF shock therapy is pushing Ukraine toward a social explosion

Ukrainian Members of Parliament Natalya Vitrenko and Vladimir Marchenko were in Washington March 28-April 4 as guests of the Schiller Institute, where Mrs. Vitrenko spoke at the March 29 conference "Is There Life After the Death of the IMF?" (see EIR, April 14). Both are members of the Parliament's Committee on Economic Policy, and leaders of the Socialist Party. They were interviewed by Rachel Douglas on March 31.

EIR: What measures were adopted under the slogan of reform in Ukraine? What was done at the outset, and what were the results?

Vitrenko: We can date the reforms from 1989, in what was still the Soviet Union. That year, a law on cooperatives was passed. Under that law, and then with the creation of small enterprises, state property began to be broken up. All this was done under the slogan of market reforms.

In 1991, Ukraine obtained its independence and such reforms really picked up. The essential point was that the command system had to be destroyed; an economy based on central planning was not justified, and it was to be replaced by a market system. But this meant "market" in the worst sense of the word: not a regulated market, not a socially oriented market, but the sort of market which, according to the doctrine of Milton Friedman and von Hayek, is supposed to be spontaneously regulated by supply and demand.

Thus the reforms boiled down to the elimination of price controls, the elimination of the fixed exchange rate, and the abolition of regulation and management of foreign economic activity. All of these processes, which previously were *totally* under state control, were 80-90% deregulated.

The jump in prices immediately dealt a blow against production, which began to fall. Then, under the slogan of sovereignty, economic ties with Russia and other republics of the former Soviet Union were broken. With the institution of a floating exchange rate, the national currency immediately began to lose value. Today, one dollar exchanges for 160,000 of our Ukrainian karbovantsy.

The deregulation of foreign economic activity led to the uncontrolled export of raw materials, commodities, and semi-manufactures, while we imported no new equipment or critical necessities, but rather consumer goods for those layers of the population who were beginning to get rich

from the ruination of the economy. They began to import foreign cars for themselves, gourmet food, appliances, tape-recorders. The majority of the population experienced a steep deterioration of life, while a small portion—we calculate about 15%—gained from the reforms. Their income began to grow, especially their unregulated income on which no taxes are paid.

That was the essence of our reforms. Naturally, we cannot term such actions reforms in the true sense of the word, because "reform" implies, first of all, consistent, gradual change and, secondly, improvement. Here, we have witnessed not gradual, but an avalanche-style change. A torrential change in prices. An avalanche collapse of our currency's value. An avalanche-style change in import-export policy. Avalanche-style privatization is commencing. All of this is done at breakneck speed, on a forced march.

But the most important reason this cannot be called reform, is that there has been no improvement, but rather a deterioration of the situation. We have seen a threefold shrinkage of Ukraine's per capita GDP in the past three years. From a level of \$2,228 per capita in 1991, it fell to \$778 per capita in 1994. The national income collapsed twofold during that period. If we look at the main categories of production, such as machine-building, consumer goods, agricultural products, we see four-, five-, eightfold and greater collapses. In some categories, a 50-fold collapse.

Naturally, there is no improvement here whatsoever, only a deterioration of the economic situation. The worst thing for the country is that this deterioration of the economic situation is transforming the majority of the population into impoverished, unfortunate people who are afraid of what tomorrow will bring. These are people without a steady source of income adequate to live on. This situation pushes them into various forms of resistance to the existing regime. We don't yet know where this will end.

EIR: Would you explain how such developments are a danger to not only the Ukrainian population, but the whole world?

Marchenko: I think the world knows that Ukraine suffered as a result of the Chernobyl accident. It has been extremely expensive to deal with the aftermath of that accident. There is also the question of closing the Chernobyl nuclear power

station altogether, as accident-prone. This also requires funds.

On the other side, Ukraine has proclaimed itself a state on whose territory there will be no nuclear weapons. But for historical reasons, there remained on our territory after the break-up of the Soviet Union a large quantity of missiles and nuclear warheads, which must be destroyed in accord with international agreements which Ukraine has signed. This also takes money.

For example: As of now, a technology has not even been developed for the orderly destruction of liquid-fuel rockets. But if they were to be eliminated by burning, the atmosphere, the ecology of all Europe would be affected. Here, too, funds are needed.

Therefore, when reforms are proposed, it is very important that these reforms stabilize the social situation in our state, the economic situation, so that Ukraine might be able to utilize its very rich, highly developed scientific and technological productive capacity. What has been proposed to us, however, is packaged as the unanimous demand of the West and the only possible direction for reform—politicians who see the destruction it is leading to, want to figure out whether this is really so. Because if Ukraine plunges into being a social earthquake zone, this turbulence in a state in the center of Europe will necessarily affect surrounding countries. It will be extremely difficult to extinguish such a conflict.

EIR: You speak of these reforms as “proposed to you.” What role does the IMF play here?

Vitrenko: Ukraine joined the IMF almost immediately upon achieving independence. The preparatory work had been going on for a long time beforehand, in the framework of the former Soviet Union, under Gorbachov, as soon as his reforms began to be implemented. In 1992, the government of Ukraine already completely openly, officially signed its first memorandum of understanding with the IMF, where it assumed the obligation to implement the prescription the IMF would recommend. That is where it was written that there should be decontrol of prices, the exchange rate, foreign economic activity, privatization—at stunning rates. All of this was signed and promised to the IMF. It was promised, against the credits to be received.

In order to introduce one’s own national currency, and for structural changes in the economy in general, of course, there is a need for investments. Credits were promised. Then a very interesting situation arose around these credits. Last week in Parliament, we posed this question: What happened to the credits allocated for Ukraine? The finance minister replied that out of \$500 million received from the United States, he could account for \$250 million—that is, half. As for the other half of the credits, he didn’t even give us any information about where they had gone. And those he *did* account for, did not go to finance new construction, new technologies. They were used to paper over the holes in the balance, which were

created by the government’s own policy.

Take, for example, the breaking of ties with Russia. Russia is our most important economic partner, both historically and, I am deeply convinced, for the future. We have an economic interconnection. The structure of production in Ukraine is such, that one-third of our output involves semi-manufactures. This means that we received some components or raw materials from Russia or we would send semi-manufactures to Russia. This production was designed as a single cycle, part of a single national economic complex. In breaking those economic ties, we pulled the rug out from under both Russian enterprises and our own first and foremost, because our economic situation is more difficult; we have fewer raw materials.

When these ties began to be pulled apart alive, instead of financing some kind of parallel productive enterprises to replace the suppliers which were now abroad—No! The credits were used for current incurred costs, to pay bills for oil and gas. Ukraine has no energy conservation policy, although production of fuels is falling. The resource-intensivity of production is growing. This is an illiterate use of credits, from an economic standpoint. We will never have enough credits, if we are constantly using them to pay Russia for growing volumes of fuel.

On the question of IMF credits, I would point to the reforms, intensified in October 1994, again under the influence of the IMF. As I understand it, the IMF was not satisfied with Ukraine’s fulfillment of the obligations it had assumed—because the memorandum of 1992 was unfulfillable. This is particularly clear regarding privatization. It was impossible to privatize in such a short period what was called for in that program. The legislative basis was not prepared. Most of our people didn’t understand, and still don’t, what a joint-stock company is—an open stock offering, a closed one, what a corporation is. When people take a look at this and see that they don’t understand it, their reaction naturally is to draw back.

The dissatisfaction with the course of reforms in Ukraine was also linked with the fact that the IMF was *very* closely monitoring the process of transfer of power: how the President was changed, what the turnover in Parliament was. The first guest to arrive in our country after the election of the new President was [IMF Managing Director] Michel Camdessus. He came with his new recommendations.

And in October 1994, Economics Minister [Roman] Shpek signed a new memorandum with the IMF. It was *not* ratified by the Parliament of Ukraine. It was virtually a secret document, which shows what Ukraine was supposed to do in order to receive a promised \$4 billion credit. Concerning the very sum of \$4 billion, I would like to note that our most conservative calculations show that Ukraine needs \$40 billion—investments.

And I would add this: Thanks to this policy of chaos and looting, experts estimate that Ukraine has lost \$60 billion in

capital flight, funds which are now at work in western banks. Instead of working to return these funds in a civilized fashion, the way any country defending its sovereignty monitors such things, we signed a memorandum with the IMF, saying: "Give us \$4 billion."

And what do we promise in exchange? Once again: price hikes, although in four years our wholesale prices have increased 71,000-fold and retail prices 49,000-fold! In 1993 alone, inflation in Ukraine was 9,250%. This means the devaluation of goods produced, the devaluation of labor, the devaluation ultimately of human life at a very rapid rate. But now new obligations are assumed which mean another rise in prices. And meanwhile, our economics minister pledges to restrain the increase of wages. He promises the IMF to slash subsidies for public utilities, housing, public transport, all social programs, and to reduce state support to agriculture. And he promises accelerated privatization. He even names the figure: 8,000 medium-sized and major, and 15,000 small enterprises are to be privatized. To orient yourself with respect to these figures, understand that the total number of medium-sized and major enterprises in Ukraine is 8,800, of which 8,000 are to be privatized in the course of one year.

For signing this memorandum, Ukraine received from the IMF \$371 million in December, and now, this spring, an additional \$1.8 billion is promised. But there are new conditionalities: The budget deficit should not exceed 5% and the budget should have been passed no later than March 21.

This means that Ukraine is being strictly held in the status of a semi-colonial country, under IMF protectorate.

EIR: Don't people, including politicians in Ukraine see these horrible economic results as a consequence of having accepted IMF conditionalities? How do various parliamentary factions view this, and what power do opponents of these measures have?

Marchenko: The psychological factor is influenced by the fact that our mass media, being in the hands of the Executive branch which signed the memorandum with the IMF, tells our population that there is no other way. As deputies, meeting with our constituents, we find that most people cannot accept this policy, because their life has deteriorated so much, has become so unbearable, that people are on the verge of a social explosion.

We can discuss why the prescriptions of the IMF are accepted, only knowing the structure of state rule in Ukraine. Our President enjoys enormous power. He appoints the Executive branch. He prepares and submits the economic reform program to the Parliament, as well as the budget. So far, no economic reform program has been submitted. Knowing that IMF prescriptions were being implemented, parliamentary deputies have repeatedly demanded: Give us the program! In other words, if there are going to be reforms, there is supposed to be a program. But there is no program.

Having agreed to implement IMF conditions in order to receive those credits, the President of Ukraine has the authority under the Constitution to regulate economic relations by his own decrees, which he calls reforms. If there is no legislation, he simply issues decrees—to implement the obligations he has assumed before the IMF.

The correlation of forces in Parliament is such that there is not, at present, a parliamentary majority which would stand up and say clearly, "No!" to implementing the policy imposed on us.

Vitrenko: I would add that nobody in Ukraine understands what the IMF means for an economy. Only the leftists have a sense of this. The center forces and the rightists, and the nationalists, are coddled by the IMF. They benefit from this policy, and they support it in Parliament. The leftists, being more representatives of the workers' interests, understood already yesterday what the tendency would be, see the results today, and know where this is leading in the future—and they oppose it.

It is quite a sneaky policy. First, the economy is really destroyed by following the prescriptions of the IMF. And now they say, without these credits, that's it! There will be no gas, because there will be no way to pay Russia. There will be no medicine. Diabetics will die, because there will be no insulin. To buy insulin we need hard currency; there's no hard currency, unless the IMF gives it. Hence the thought is constantly drilled into the mass consciousness: There is no other way out.

At the same time, public opinion—and people have a lack of real information, the information provided is very tendentious—is fed the line that things are really great where the IMF has been followed. Look how Poland is flourishing! Mexico! Argentina, having followed the IMF prescription for reforms, is flourishing! Our President is constantly talking about the reforms in Chile—that Ukraine needs reforms such as Chile had.

EIR: What was your impression from the Schiller Institute conference of March 29, where the result of the IMF policy in these countries was outlined? [See *EIR*, April 7, p. 58 for a report on the conference, which took place in Washington.]

Vitrenko: I was simply floored by the depth and civic responsibility of the organizers and speakers at the conference. All of the presentations, not only that of Lyndon LaRouche, but of those who spoke after him, were very professional and gave us excellent information.

Nobody knows this information! How South America has been brought to its knees before the IMF. That bar graph showing how much was paid on the debt, and the debt grew anyway. Nobody knows this!

I work on these questions professionally, and when it came out that Mexico was being given \$52 billion, the thought struck me right away: What's going on, if they barely deign to give Ukraine \$4 billion, and suddenly \$52 billion

"I am deeply convinced that the IMF was created to destroy the economies of various countries, to prevent them from rising to an equal level. To brake the progress of humanity."—Natalya Vitrenko

for Mexico? Something's not quite right here. Why were they doing this? I found the answer only here at this conference. They carried on so much about the success of the reforms in Mexico, but then the bubble burst, and they had to immediately save the situation, because the yawning wound in Mexico very clearly shows that IMF efforts are in vain. Their phony efforts, I mean, ostensibly to improve the economy.

I am deeply convinced that the IMF was *created* to destroy the economies of various countries, to prevent them from rising to an equal level. To brake the progress of humanity. To provide for a narrow group of countries—or, perhaps, not even countries, but rather influential groups within those countries—constant power over the world, over a world on the brink of famine and destruction. A world where the majority of people are inadequately educated and suffer from a low level of culture, so that they are easier to rule. That is the essence of IMF reforms.

Marchenko: I would also like to say that the conference made a big impression on me, not only because of the professional level of the speakers and the analysis, the exposition of the real state of affairs in other countries that have fallen under the influence of the IMF, but it was most important for me to discover that there exists in the West a totally different attitude to the problem of other countries' development. This is important, because upon our return home to Ukraine, we will tell our fellow parliamentarians that the West is not limited to the prescriptions of the IMF.

Vitrenko: Not only Jeffrey Sachs.

Marchenko: Not only Jeffrey Sachs, but here is Lyndon LaRouche, who has made his mission the development and preservation of national sovereignty, industrial development, the creation and development of a stable situation in society on the basis of productivity, cooperation among states on a peaceful basis, so that there be peace on Earth. And these are not just slogans, but concrete programs are provided for these goals. This is extremely important for us to emphasize, in order to show that the West is not only the IMF, not only privatization for privatization's sake, not only the myth of the successful property-owners which is failing in Ukraine right now, in particular. But the West also means entire other scientific tendencies, political tendencies, with very different goals and prospects for the development of both the national economy and relations among nations.

EIR: I would like to ask about specific sectors of the Ukrai-

nian economy. What has happened with the high-technology industry, and with agriculture?

Marchenko: Let me begin with a concrete example. I was elected to Parliament after being nominated from a major telecommunications equipment factory. I am in my second term. In the case of my factory, I see how in the economic conditions created under the banner of reform, productive capacities are being destroyed. Our factory, in eastern Ukraine, has cut the workforce twofold. Wage policy is such today, as to make it impossible to reproduce the labor force. People are abandoning work in those productive areas, which were the basis of our progress in science and technology, our quite advanced industry. They are going off into small structures, in order somehow to feed themselves and their families.

The biggest outflow is of the best-trained people. Once a working collective of such people is destroyed, it is practically impossible to reconstitute it.

Ukraine was an intellectual center, developing technologies for space exploration, the military complex. These are being destroyed. The wage policy and the lack of priorities, including for the priority development of science, for more efficient technologies, have led to entire scientific schools quitting Ukraine. Some of them, we believe, are already beyond the possibility of restoration.

Thus we have quite a difficult situation in science and production. I would like to take the occasion of this interview to ask the IMF: Don't they understand what a tragedy our country is being pushed into? What will the world community gain, if a social explosion occurs in Ukraine? Because by the IMF prescriptions, there is no responsibility. They give money, industry and agriculture collapse, and the people who prescribed this bear no responsibility.

Vitrenko: Concerning agriculture, I would add that for Ukraine, agriculture not only was an important sector of the economy, but also in the future, agriculture should define the place of Ukraine in the world community. This is because of the unique conditions. One-quarter of the planet's black-earth land is in Ukraine. Our geographical and climatic location is extremely advantageous for the development of agriculture.

With sane reforms, the task should have been to intensify agricultural production. Even if the form of property ownership were changed, it should have been not by destroying some farms, but by creating a competitive milieu for the existence of various forms of property ownership, thus increasing the volume of agricultural output, and making sure that what

is grown gets processed. But we lose between 30% and 50%, for various crops, even of what has been produced—from bad roads, bad storage, lack of processing capacity.

But now we see a total catastrophe in agriculture. In these last three years, the volume of agricultural production has collapsed between 40% and 60%, for various products. The cattle herds have shrunk by one-third, pigs by half.

We met with a representative of the U.S. Department of Agriculture, who spoke rather lightly about the problems of agriculture in Ukraine, saying—Ah, well, it's just the reform period. But he was a specialist in animal husbandry. I asked him, how many years does it take to build back up a herd of cattle? Twelve years, he said. Twelve years! That means that in three years, damage has been done which it will take 12 years to repair.

This decline in agriculture production means that not only is Ukraine losing its own food base, but also its export capability. In the past, we exported food. But if we lose both our productive base and our export potential, we lose our independence. By the destruction of agriculture alone, Ukraine becomes a dependent country.

Regarding what Mr. Marchenko said about the destruction of scientific schools: Ukraine had too high a portion of enterprises belonging to the military-industrial complex. But those were high-technology enterprises with the most skilled workers, the most modern machine tools. That means that during the reform process, they should not have been destroyed and the labor collectives should not have been broken up. Rather, these facilities could at least have been converted to civilian production, or—as some other countries have done—keeping them partially in military production, it would have been possible to trade military products for goods in short supply on our domestic market.

In Kharkiv, one of our major cities, military production comprised 90% of what was produced there. This was five years ago. In 1994, only 1.5%. It was not just a reduction in output, but a change in structure. Production at most of Kharkiv's factories, which were military, has collapsed tens of times over. So we obtain neither military output, nor civilian. Labor collectives formed over decades, and who know the technologies, are falling apart.

And it is not simply that people leave one factory for another. The workers are "reborn," so to speak. Not so long ago they were producers, they were proud of their factory, they valued their job. Today, losing their jobs or keeping them with just a beggarly wage, current policy forces them to steal. They steal things from their own factory, they speculate, they earn money in whatever way they can. We see thus a degeneration of the labor force from a creative one into semi-literate speculators. The damage to Ukraine, here again, is not something you will repair in a day. It will take decades to reclaim the positions that were lost.

EIR: Please comment on the latest developments between

Russia and Ukraine, including over Crimea.

Marchenko: The last session of the Parliament recognized the territorial autonomy of Crimea. This territory has a specific history. At one time it belonged to Russia, then it was given to Ukraine in 1954. After it was granted this autonomy, however, a treaty was signed between Russia and Ukraine which renounced any territorial pretensions. Thus Crimea today is Ukrainian territory. Both we and Russia, and the world community, proceed from this fact.

The process of drawing up legislation, the absence of legislation and lack of experience in statecraft, especially in cases when regions are granted more power, have brought to the fore some problems in both Crimea and Ukraine as a whole. The legislation adopted in Crimea does not always correspond to Ukrainian legislation. The contradictions had to be solved. The relevant commissions were established, working groups with participation from Crimea and Ukraine, to reconcile these questions.

In my view, the decision by the Parliament was premature: The Constitution of the Crimean Republic was abolished, rather than amended, as I think it should have been, in order that it be consistent with Ukrainian laws. The Presidency of the Crimean Republic was liquidated. It seems to me that this was a rash decision by our Parliament, after that President had already been elected. It was resolved that the government to be chosen by the Crimean Parliament will have to be ratified by the Parliament of Ukraine. The Constitution the Crimeans are drafting will have to be ratified by the Ukrainian Parliament.

Thus, while supporting the principle that the supremacy of national legislation over regional should be upheld, including in Crimea, it seems to me that our current Parliament's decision has planted problems which may now be aggravated—both within Ukraine, and between Ukraine and Russia. Abolishing the Presidency and Constitution of Crimea has created a situation where, at the elections slated for June, separatist attitudes will likely prevail. This will fan the centrifugal aspirations of the Crimeans.

At the same time, this forceful resolution of the problems, of the contradiction between Crimean and Ukrainian legislation—and our Parliament's decision is juridically imprecise and poorly grounded in some places—will of course provoke a reaction by Russia. It could take various forms, and insofar as Ukraine is very dependent on supplies from Russia, especially of fuels, and dependent with respect to the debt payments we share, pressure could be exerted on Ukraine which cannot lead to anything good. Therefore I think that the Parliament's solution to the Crimea question, and the President's backing of it, cannot help develop these relations in a calm, lawful fashion. A new potential for conflict has been created, a conflict we would not like to see.

Vitrenko: Such a conflict would be of no use to Ukraine or to Russia. It is when economic ties have been so disrupted, that the potential for such conflicts grows.

In Russia, the conflict in Chechnya flared up, because Russia is also experiencing an economic collapse. You can see this by many indicators. The material that became public after the change of leadership at the Russian State Committee on Property was very revealing. Mr. Polevanov took charge and then made public the results of privatization in Russia, which had led to losses for the national economy of Russia in many sectors and showed that the privatized enterprises worked worse.

As Russian citizens' dissatisfaction was growing, at that very moment the Chechnya card was played. First, they were given maximum autonomy; Yeltsin said, take as much as you wish. Then when Dudayev, a figure no less odious than Yeltsin, assumed great powers, a settling of accounts began. And the fact that tens of thousands of people have died or suffered during that settling of accounts does not bother the politicians.

There is a horrifying analogy in Crimea. Because the severe deterioration of the situation in Ukraine can no longer be covered up. It simply can't be! That should prove to any politician, that if his reform policy is severely worsening the situation, he needs to abandon that policy and change it. But instead of a radical change in economic policy to stabilize relations in society, a different question arises. Mr. Marchenko is correct: First, Crimea was granted excessive prerogatives. It's as if some state in the U.S. had been given the right to have its own banking system, its own currency, its own foreign policy. But *then* suddenly, this does not suit, and instead of calmly reaching a settlement, there are abrupt measures to restore the previous situation.

It would be very desirable for the situation in Crimea to remain under control. One would hope that both the Crimean and the Ukrainian politicians will have enough wisdom to review some questions, in the course of changing Ukraine's economic policy—as it will have to be changed—so as to allocate more authority to the regions in general. The Donbass, too, has its own specific problem zones. So does Transcarpathia. These are specific areas of Ukraine which do require something other than commands from a single center, more authority of their own. Crimea could be granted more authority in *that* context, and also the other regions.

This comes to the problem raised at the conference, namely that the state should be concerned with the key, major questions, leaving quite an array of matters to be resolved locally. I have always shared the view Lyndon LaRouche expressed in his speech, that the state is responsible for infrastructure. The productive and social infrastructure of society is the responsibility of the state. But how industry, agriculture, local transport, and so forth are to develop, let the regional authorities decide. Let the regions do some work. And those who are involved in more hands-on management will manage more effectively, although the *key* national economic questions will still have to be decided by the state. Like the space program.

EIR: You have read LaRouche's memorandum presented before hearings at the Russian State Duma, where he says that there will be no recovery in Russia or Ukraine without a systematic bankruptcy reorganization of the western economies [see text in *EIR*, March 17]. If the West wakes up, do you see the development corridors and other approaches outlined there as the basis for cooperation in Eurasia?

Vitrenko: Absolutely. In the memorandum, as in his presentation at the conference, Lyndon LaRouche begins with the need for a general debt moratorium, where payment and debt service would not be required at least until there has been a complete stabilization of the economy and it begins to develop. Take Ukraine: Debt service takes up 14% of our budget today. This is 273 trillion karbovantsy. For comparison, we spend 30 trillion on health care. Thirty-four trillion for education. But 273 trillion for debt service!

If the world community were to listen to LaRouche and break with the IMF, starting with a debt moratorium as the first step, it would allow our country to invest those resources in solving the most pressing domestic problems.

Furthermore, we understand very well that even if we succeeded in convincing the Parliament and the President and got our program adopted, Ukraine would not succeed alone. If the same policy of destruction were continued with respect to Russia, Poland, Mexico, and others, the policy of the strong devouring the weak, Ukraine would not gain. The world as a whole needs to change. The impulse for this change, however, has to come from what LaRouche calls in his memorandum "the National Party," that layer of what I would call the patriotic intelligentsia in each country. I understand that this layer is very thin, too thin, but these are the bearers of progressive ideas. Beginning with this in each country, and moving on to concrete actions by the authorities in each country. . . . If it will happen also in the more developed countries; this is of great value, when a stronger country extends a hand in friendship, it will be picked up by the poorer countries. I sensed this at the conference, when people came up to me from Cameroon, from Congo. I understand the conditions in Africa; they would be very glad if the IMF stopped torturing them, and other paths were proposed.

Marchenko: I would add that when a country's economy is destroyed and the country is pushed toward the stage of social explosion, the conditions are created for either a dictatorship or a fascist regime to come to power. History shows us how that increases the potential for conflict, war, human casualties. Therefore, the world must live by cooperation. I believe that all honest people must work for countries to live in peace and cooperation with each other, on the basis of democratic principles. The processes involved in the development of countries can foster either democracy, or the advent of authoritarianism, dictatorship, and fascism. The prescriptions for the destruction of industry and the economies of countries will only promote conflict in the world. We do not want this to happen.