

ingful, comprehensive program for Russia's economic reconstruction. This problem has its roots in the Byzantine-Orthodox tradition, which emphasizes the political-administrative *superstructure*, to the detriment of the physical economy. A "strong, authoritarian state structure" per se naturally will *not* even guarantee "social-economic stabilization," not to speak about reconstruction and development.

In leading *nomenklatura* layers, there is the assumption that their policy of recreating a neo-imperial Great Russian "federation" will reestablish the economic-infrastructure ties of the ex-Soviet Union that were severed in 1991. This is supposed to become a major, quasi-automatic factor of general economic regeneration. This assumption is, in my view, wishful thinking, for two reasons. First, it leaves out the enormous political-psychological friction — and possibly armed conflicts — that will go along with that neo-imperial policy, especially in Ukraine, but also elsewhere. That will obviously have a major negative impact on economic activity. Second, the generally decayed condition of basic infrastructure all over the former Soviet Union continues to be a fundamental impediment to healthy economic life, whatever the political conditions may be.

The intensity with which economic reintegration *under Russian domination* is already now being pursued by Moscow, is indicated by the July 1993 agreement among Russia, Ukraine, and Belarus to form an "Economic Union." Obviously, in general, economic cooperation is to be favored, but this Economic Union is fully dominated by Russia, which used a combination of massive political and economic pressures to force Ukraine and Belarus to join it under inequitable terms.

Herein lies the fundamental, *schizophrenic* contradiction in the likely policy package of the emerging regime: the Third Rome matrix, with its inherent trend for neo-imperial restoration, whatever form the new "Union" will take, on the one side, and on the other, the necessity for physical-economic reconstruction.

As I indicated before, the advanced technological standard and the quality of labor in the military-industrial complex gives it a central role for any reconstruction strategy of Russia's overall economy. The run-down, low-productivity civilian sector of the economy and the infrastructure will require MIC technologies as productivity motors. That kind of "conversion" would be a serious and workable undertaking. There are a number of privately and publicly stated economic policy proposals now in circulation in Russia which indicate that the necessity to adopt such a policy course is being increasingly understood. This approach is a core concept of the economic reform proposals which Lyndon LaRouche has been making since 1983. And here it becomes obvious that — in all soberness — an economic reconstruction package for Russia depends on the unique conceptual input of LaRouche's economic theory and economic policy. There simply cannot be any even half-successful economic recon-

Seeking a 'third way' to the 'Third Rome'

A call for Russia to take a "third way" against both Chicago School shock therapy, and a communist revival, installing instead a benign autocracy, was the subject of a full-page article in the Aug. 7 weekly supplement to the German daily *Frankfurter Allgemeine Zeitung*. The author, Yuri Arkhipov, an editor of the Russian magazine *Moscow*, offered what can be called a "mainstream" Third Rome approach to solving the Russian crisis.

Arkhipov began by saying that "evil has many faces," not only communism. Now Russia is suffering under an economic catastrophe that even in "the hard, meager times of communism, was unthinkable." He attacked the West's "Eurocentric" mentality, for seeking to impose a system on Russia alien to its history and culture: "The West supports any political force here which carries the label of 'democracy,' although in their political practice, they are anything but democratic. . . . They treat any opposition with unabashed intolerance, and operate according to the old Communist principle: 'Whoever is not with us, is against us.' "

Those in power, the editor added, "have suddenly discovered their love for democracy, meaning democratic power, and in fact in no way because it is democratic, but because it is power, namely their own power. . . . With a certain masochistic pleasure, they have destroyed their own state, permitted bloody local wars, streams of millions having become homeless, and the general impoverishment of large parts of the population. On top of that there are the territorial, cultural, and moral losses that Russia is currently suffering."

struction without four fundamental LaRouche economic policies:

- The creation of a national bank of the Hamiltonian type, to generate non-inflationary credit to finance capital investment and infrastructure projects, with a currency reform based on that commitment;
- The full utilization of the "third industrial revolution" technologies which the MIC has developed for military purposes in order to qualitatively advance Russia's overall economy and infrastructure;
- Comprehensive, "managed" trade relations with eastern and western Europe on a barter-clearing system basis;
- A de Gaulle-style national planning process using the

“The people call Gorbachov a ‘stupid man with good intentions’ ” and Yeltsin “ ‘an even stupider man with good intentions.’ ” With these words Arkhipov introduced the section of his article titled “Yeltsin and the Chicago Boys.” He referred to the “Chicago Boys of Yeltsin’s former Prime Minister Yegor Gaidar and his team” as “destroyers . . . who always referred to Russia as ‘this country’ ”: “They saw in [Russia]—once again [as with the Bolsheviks]—the experimental field for their theories or utopias.” They could act this way, ruining millions of lives, because “they don’t love Russia.”

‘From one extreme to another’

Arkhipov emphasized the traditional role in Russia of the Orthodox Church and the Army: “There exists in the world, besides the supermarket, the monastery and the barracks. The monastery stands for our thousand-year tradition and culture, which we just can’t simply walk away from, and the barracks stands for the strong power, without which rights cannot be implemented. Our leading reformers, however, following Russian habits, have plunged from one extreme to another, suddenly finding that human rights are more important than national or state interests. . . . Clearly in the Komsomol schools they never read Herodotus or Tacitus, otherwise they would have at least learned from Pericles or Trajan that the wisdom of the statesman consists in creating harmony and balance between the private and the general, the rights of the individual and the rights of the nation—not of any old country, but this concrete one with its traditional customs and practices.”

Citing the late physicist Andrei Sakharov and the author Aleksandr Solzhenitsyn, the two most influential anti-Soviet dissidents, Arkhipov wrote, “For now, Russia is being forced in polls and referenda to choose between evil and evil. This has no perspective. As long as Russia does not set foot on the third way, it will not be able to get

out of the swamp. What is this third way? It is the way of healthy human understanding. It unites democratic reforms and national interests, the rights of the individual and the basic foundations of the state. It is the path of moderation between compassion and sternness, between mercy and strength. It is the path of unity and concord, which is the legacy given us in Russian literature, from Pushkin to Solzhenitsyn. The necessity for this third way has long been recognized by the intelligentsia of our country, in some cases long before the collapse of the communist monstrosity. . . . Sakharov and Solzhenitsyn quarreled over this, but were less apart in their views . . . than in their terminology. Sakharov called the desired way convergence, Solzhenitsyn called it liberal patriotism. Both meant the same thing: a strong but benign, a self-assured but enlightened state—a Russia that never existed, but a Russia whose roots would reach back to the Russia that we lost in 1917.”

Arkhipov calls on the West not to make the fatal error of confusing the Russian centrists with the “nationalists and chauvinists of every color. Russia is paying today for having forgotten its national interests, just as Germany under the Nazis paid for inflating its own national interests.” A return of the communists would be a catastrophe, plunging Russia again into isolation from the world.

“Should the radical democrats of the Chicago Boys type triumph, then our country risks sliding down to the level of a Third World country and becoming a supplier of raw materials to the developed sector. Spiritually this would mean an impoverishment of Europe, [and] in the geopolitical sense, perhaps even a catastrophe. It would cause to disappear that ‘shield of protection between two races’ which the Russian poet Aleksandr Blok had written about—the strong, flexible mediator between Europe and Asia, which during the course of the centuries was able to dissolve in its realm the hordes of eastern invaders, and thus preserve Europe’s flowering,”—*Konstantin George*

LaRouche physical-economic method.

Any regime in Russia will have to turn to these policies if it wants to succeed economically. The emerging regime will break with IMF shock therapy policies; they know what they *don’t want*. But in order to fill the economic policy vacuum with a workable program, they will have to turn to the LaRouche concepts, whether they like it or not.

The Third Rome matrix contains a fundamental *paradox*. As we have seen repeatedly in Russia’s history, most recently under the communist regime, the Third Rome matrix is self-destructive, if not suicidal, when it comes to the physical economy. The economy is the “Achilles’ heel” of the Third Rome matrix. The paradox is so blatant that it cannot be

ignored. Russia can neither continue with IMF shock therapy policies, nor can it restore the communist economic system, which led to economic breakdown crisis conditions a few years ago. Russia *must* inevitably, as a matter of survival, adopt a *new* economic policy course. And I have the impression that within the *nomenklatura* layers out of which a new regime is emerging, there is at least a *partial understanding* of this reality. The reception of the Russian translation of LaRouche’s textbook, *So, You Wish to Learn All About Economics*, is encouraging, all the more so because there is a certain tradition of physical economics in Russia, Ukraine, and elsewhere in the ex-Soviet Union. Economics will decide Russia’s fate.