

The Challenge Facing Russia In the Systemic Global Crisis

by Rachel Douglas

By the week of Sept. 15, it was clear that the global financial crisis would drive the Russian leadership to take emergency action. Gone were Finance Minister Alexei Kudrin's assurances about Russia as a "safe haven" in international financial storms. President Dmitri Medvedev's vision of Moscow as a world financial center, and his and Prime Minister Vladimir Putin's desire to strengthen the ruble to regional reserve-currency status, suddenly appeared in a whole new light, as Russia experienced a stock market plunge, serious capital flight, and a liquidity crisis in the banking sector.

It was likewise clear, that the Russian response to these events could go far beyond pragmatic, ultimately barren crisis-management. Being global, and systemic, the current crisis forces certain paradoxical issues of Russian policy. How can the national economic strategy combine long-term, high-technology development in manufacturing and infrastructure, with allegiance to the rules of a speculation-based global financial system that is now imploding? Will Russia take leadership in guiding Eurasia, and all humanity, out of a threatened



Presidential Press Office

Russian President Dmitri Medvedev at a meeting on the economic crisis, in the Kremlin on Sept. 18.

new Dark Age, through interaction with a United States whose top officials have recently exuded hostility toward Russia?

That is the challenge defined by Lyndon LaRouche's "Four Powers" idea of Russia's taking the lead, with

Medvedev: 'Talk to Russia'

The United States, instead of "trying to be clever," must begin discussions with Russia on how to overcome the consequences of the crisis on the U.S. stock market, Russian President Dmitri Medvedev said on Sept. 19. He said that the problems caused by the U.S. crisis had spread to all market economies, and would not have had such serious repercussions, if an agreement had been reached during the G-8 summit in Japan in July.

On Sept. 18, Medvedev had said at a reception for new ambassadors to Russia, that Russia and the U.S.

can maintain a constructive dialogue despite their differences: "Despite a number of significant disagreements on certain international issues, we are convinced that we have what it takes to forge a constructive dialogue on a long-term basis," Medvedev said. He called ties with the U.S. one of Russia's foreign policy priorities, Novosti reported.

"The history of Russian-U.S. relations has seen plenty of imbroglios, but invariably common sense and pragmatism have prevailed." There are good foundations for relations, based on political dialogue, trade and economic relations, and investment activity. "It would be politically short-sighted to fritter away these achievements and get back to the old stereotypes," he said.