

## Discussion: Is a Fundamental Global Change Possible?

Watch the entire conference [here](#).

**Dennis Speed** (moderator): We're going to briefly go to a short Q&A period in consideration of the far-flung nature of our conference, and the difference in time zones. We're going to bring up on our screen Helga Zepp-LaRouche, founder of the Schiller Institute; Dr. Connie Rahakundini Bakrie of Indonesia; and Professor Wen Yi.

**Helga Zepp-LaRouche:** I'm very happy that we can give, with the Schiller Institute platform, our worldwide listeners the opportunity to hear from representatives from the Global South and China directly, because that is an opportunity which normally people don't have. They never get speakers from these countries, and therefore the ordinary person cannot form a judgment of the historical transformation taking place right now.

I think what Dr. Bakrie developed is actually a very good idea—how such a new security architecture could evolve—and I thank you very much for that. I think what Professor Wen Yi described is actually very useful, because somehow the idea in the West about China is, people have no idea. They don't know its history, they have no idea about its 5,000 years of culture, and therefore it is very easy for the media to portray China as this more aggressive, recently awakened giant economy trying to take over the world. But I think what you presented is actually an appreciation of why, for example, the African countries and many other countries in the Global South really appreciate China's help to overcome under-development. So, that's my initial thought.

**Dr. Connie Rahakundini Bakrie:** First I would like to thank Madame Helga for inviting me to make



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Panel 1 speakers, clockwise from upper left: Dennis Speed (moderator), Dr. Connie Rahakundini Bakrie, Prof. Wen Yi, Helga Zepp-LaRouche.

my point. There are very interesting things that I'd like to be precise about for this meeting. Like Madame Helga said, we are a misunderstood lot by the West. For example, the Chinese position, and of course the Russian position as well. And in Indonesia, as one of the founders of the Non-Aligned Movement. I think this is the right time, actually, for the world to see how the new concept of the Non-Aligned Movement can balance the Global South and Global North positions.

Of course, I have always believed that economic, and military or defense are very connected, so either one, whether we emphasize the economic and finance and currency issues, or ... the security or defense issue—my emphasis this morning was about the military operations other than war (MOOTW). In either case, I think we can just step into something big that the Schiller Institute wanted to achieve. I think that is my point. Thank you.

### The Importance of Development Stages

**Speed:** Professor Wen, there's a question for you related to your presentation. I'm going to try to sum-

marize; it's a little long. The questioner asks you to compare the idea of industrialization in Africa, where I believe 50% of the population is still an agricultural population—you referenced this idea of transition—whether or not the policies now being implemented by China in some of its engagements with the African nations take this into consideration? What's been the experience and interaction with nations in Africa, and how do you see that developing in the future?

**Prof. Wen Yi:** Thanks very much for this question. I think different nations start their development at different positions, not just in terms of geography and natural resources, but also in terms of *development stages*. For example, I would like to compare, I would actually offer advice to countries in Africa, especially Sub-Saharan Africa, those proto-development countries, and also countries in the Middle East or the previous East European socialist countries: Because you are at a very different stage in terms of industrialization, so therefore the policies being offered would be different, but the economic logic is the same.

Your goal of course is to become fully industrialized, to have the capacity to mass produce everything from final commodities to the means of production and all the intermediate goods including infrastructure. But, since Africa is starting at such a low level, just like China started around the early 20th Century, and with the majority of the population living the rural area, for them to start the process of industrialization, you must not follow the Washington Consensus of so-called financial liberalization. That's poison, because you don't even have any economic foundation to run finance.

You should start with *proto-industries*, just like the Chinese style township-village industries. They are very primitive—the average number of employees is about four or five—but they generate profit.

For countries like those in Africa, starting humble is very important. Do not be too ambitious. If you first of all welcome an automobile, or an airplane company to set up an assembly line, that would be a mistake. Because your economic foundations are not able to support that.

The most important natural resource in your countries, is not minerals, it's labor. You have an abundance of labor which needs to be brought into manufacturing. But the first stage of manufacturing is humble, it is very low level, but that's fine. That's going to *create*

*the market* for the next stage. Do not underestimate the importance of that process.

That's precisely what happened in the 1980s with China. Right after the establishment of the People's Republic of China, during Mao's time, China was so ambitious. They said, "We have been falling behind the West for 200 years after the Opium War. We should rush into industrialization, build lots of heavy industries." Of course, some types of heavy industries are necessary for national defense, but the majority of industries cannot be heavy industry. [Initially] you are not able to support it.

You can only support heavy industry with a big market which demands manufacturing, demands machinery. Heavy industries produce steel, produce machines. Who's going to demand that? On the international market you are not competitive; you have to rely on the global market. But a global market demand for machinery comes from light industry, yet you do not even have a light industry.

So, you have to start with light industry, but in order to support light industry, you have to show all the farmers, peasants, the uneducated into manufacturing. So therefore you have to move one step earlier, into proto-industries.

Look at British and U.S. history. In their early stages, they went through all those processes, and eventually the demand for transportation became so huge and the profitability was good enough, they rushed to [build] highways.

If China had started to build high-speed trains in the 1980s, China would have gone bankrupt, because the economy was not there to support it, even if the technology was free. So therefore, the market foundation is important, and the market can only be created sequentially, stage by stage. You cannot try to bypass many stages; just like learning mathematics. Let me give you one more example.

Human beings, different civilizations, have all contributed to the knowledge of mathematics, from algebra, from arithmetic, all the way to calculus. Today, even high school kids can learn calculus; but still a young baby, even if he's as smart as Newton, you cannot help him to jump into calculus right away. He still has to go through the thousands of years of evolutionary process of the human race by learning mathematics by counting their fingers. With their fingers they learn the number system, and eventually learn addition, sub-

traction, then multiplication, and eventually move into calculus.

Later-coming countries, African countries today, if you want to industrialize, you have to repeat the essential steps which have been gone through by the British and the Japanese and the Chinese. You cannot just skip essential processes; if you do that, you run into trouble. That's essentially the message.

### **Indonesia's Role in the BRICS/BRI Process**

**Speed:** Thank you, professor. I now have a question both for Dr. Bakrie and for Helga. Dr. Bakrie, the questioner asks:

You are from Indonesia, a country we know was important for the Bandung Movement of Non-Aligned Nations in 1955, and played an important role as a whole in the development of what now emerges in the world as this new possible paradigm. Could you say something about the experience of your nation in its struggle to allow for such a paradigm to come into fruition today? What is the relationship of Indonesia to the process of the BRICS and the Belt and Road Initiative?

**Bakrie:** For Indonesia and for the BRICS, actually they are a bit late, mainly due to the Non-Aligned Movement which we think too much of sometimes.

As part of a support group of academicians who can influence people, I believe that Indonesia should join BRICS soon. I talk a lot with Helga, I talk a lot with Non-Aligned Movement academicians: we really emphasize how to bring balance to the world, wherever it is. Some people make a joke about the Non-Aligned position, but as I described before, as long as the struggle for equality among nations is happening, in the moment, we still need the Bandung Spirit, the concept of the Non-Aligned Movement of President Sukarno, who spoke of the United Nations to lead the world anew. This is actually going to be announced as a UNESCO marvel of the world in June.

I think people really trust Indonesia with that position. The G20 meetings, for example, are actually very good examples of how we pushed in order to act beyond economic meetings for the G20, more to the political: If you remember, that time that the NATO

countries and the United States pushed us to invite [Ukrainian President Vladimir] Zelensky into the meetings—something like that.

Again, I believe Indonesia should strengthen the position of the Non-Aligned Movement—and I call it the new Non-Aligned Movement position. We have to be close to the BRICS dreams, to join in the BRICS steps. And most importantly, like Professor Wen said from the Chinese, I think there is a lot of Western misunderstanding about our region. The last thing that you asked about was Taiwan. I meant to start discussing Taiwan. I think it's going to create an imbalance in this region. I just described the new Russia, the BRICS, the new Non-Aligned Movement and making Donald Trump President of the United States again are very related to each other. Because the biggest fall of the United States, is that the United States sometimes takes outward-looking positions on policy too much, instead of going to inward-looking positions.

So I think this is very interconnecting with imbalance, and I hope we can stop this. I believe the Non-Aligned Movement has to balance every aspect that now makes the world imbalanced.

### **Western Leaders Should Re-Think Their Axioms**

**Speed:** Thank you. Helga, here's a question from Zambia:

Please give your judgment as to whether or not African countries who choose to line up in the direction of the new currency option led by China and Russia, can expect to have less backlash in comparison to past decades from the Western powers? [Vice President] Kamala Harris, [Secretary of State Antony] Blinken and others have a different agenda for Africa, and the new paradigm doesn't appear to be it.

**Zepp-LaRouche:** I was actually saying this in my initial remarks. Western politicians should really stop running around to the countries and continents of the Global South, telling them that they should not deal with Russia, they should not deal with China. You know, it's sort of futile, because in the recent polls, 54 African nations refused to join the geopolitical game in condemning Russia for the so-called "unprovoked" war. I think the African nations have a much

better judgment, because they know what the colonialist powers did to them in the past; they know who stood by them in their struggle for independence; and they also know who is giving them actual means, like nuclear energy, like other means of energy, and you know.

The West has a real problem. The leaders of the West, are trying to maintain an order which is not maintainable; it's not sustainable. It's gone, already! The effort right now to try to use the old measures of the "carrot and the stick" and coercion, will not work.

And I think the best—and I know I'm making myself very unpopular in saying what I'm saying, but I can't help it! Looking at the situation, I think the people in the West, in general, have to reflect on why we are at this moment of crisis, and they have to rethink their axioms, their assumptions about the world. Have they made an effort to develop the formerly colonialized nations? No! You can't blame China for going to Africa and building things! The West had centuries of time to do it, at least the last 70 years, and they didn't do it! So, rather than complaining about China, why did you not go and build bridges, railways, ports, waterways, agriculture, industry in Africa?

Just very briefly, my husband proposed a very concrete plan in 1975—we had a plan for Africa. And who followed it up? No! The countries who were trying to promote it got destabilized—and now, the same policies! China has made an incredible transformation from the 1970s. I visited China in 1971 for the first time, and I saw how underdeveloped China was; But when you go now to China, it's the most developed. They have the most incredible fast train systems that come on time, unlike in Germany, where they're always late.

So, because China has made this incredible economic miracle, now the effort by Africa, and Latin America, and other Asian countries to fulfill the dream of the Bandung Conference of the Non-Aligned Movement, is becoming a realistic chance, because they have enough economic power, which they did not have at that time.

So, I would say, don't fear anything: Just move ahead, because this is a historic chance, as it only happens once in a thousand years. I truly believe we are in an epochal change, and that chance must not be lost!

## Regulation of Markets Promotes the General Welfare

**Speed:** We have one final question and then we're going to go back to the panel. This is for you Prof. Wen, from America:

At a recent economic forum in Moscow, the Minister for Integration and Macroeconomics of the Eurasian Economic Commission, Sergey Glazyev, discussed the success of the Chinese economic miracle as relying on the regulation of markets to boost entrepreneurship and set strategic priorities for the entire nation. According to Glazyev, China's focus on the general welfare, instead of super-profits, is what contributed to its massive growth over recent years.

This principle was what once defined the United States in its founding, when Alexander Hamilton was Treasury Secretary under President George Washington. Hamilton created the First National Bank to direct credit into infrastructure and other projects that would define the nation's growth, as China has done presently. Though we have drifted away from that principle, do you think it can be revived in practice today, in the trans-Atlantic economies? And, do you see a resemblance in the policies of Hamilton with the current practice of the Chinese government?

**Prof. Wen:** If I understood the question correctly, yes. Infrastructure, as I mentioned, is one of the most important pillars to support the market, and without the market, you cannot hope to have industrialization, you cannot have mass production. So, infrastructure is very important. Infrastructure has many different levels, so, depending on the type of the market, the proto-industrialization process, the infrastructure was more primitive, and the cost was much lower; and once you moved to the next stage, the infrastructure requirement is higher. And the next stage, and so on.

Actually, I think Hamilton is one of the very important, not just politicians, but also a very important economist. He understood the laws of economic issues very well. Unfortunately, today's new classical economic theory reflects nothing about the Hamiltonian idea of how to develop the U.S. economy or how to develop other economies in general.

So therefore, yes, China succeeds. One part of that is that the Chinese government has always focused on the *grass roots*. The grass roots is the most important component in the society. If you cannot mobilize the grass roots, you cannot make a leverage—the nation cannot get rich at all! You just have a few handfuls of people getting rich. That's not the way to go.

The failure of market reform in European countries was precisely that the government, the state, collapsed, the government drew back. When the oligarchy came to power, they just enriched a handful of people, and the majority of people became worse off, compared to

even the social planning era.

The Chinese government did the opposite. They wanted to enrich and empower the grass roots. That's why in the entire 1980s and 1990s, the population who got the greatest benefit were the farmers, the peasants. You need them to push the economy upward. So therefore, generating a small profit for the majority of the people, is more important than generating a huge profit just for a small group of people.

**Speed:** Professor Wen Yi, Dr. Bakrie, and Helga Zepp-LaRouche, thank you very much for this discussion. We're now going to resume our panel.

## Greetings to the Schiller Institute Conference

*These are greetings to the Schiller Institute's April 15-16 Conference, "Without the Development of All Nations, There Can Be No Lasting Peace for the Planet" during Panel 1, "The Growing Danger of World War III Underlines the Necessity for a New Security Architecture." Titles have been added.*

*Watch the entire conference [here](#).*

Ambassador Igor Romanchenko,  
Russian Federation

### Common Efforts To Find a New Paradigm of World Development

*This is the edited transcript of greetings from Ambassador Igor Romanchenko, Ambassador of the Russian Federation to Peru.*

Dear authorities of the Schiller Institute, dear colleagues, dear Mrs. Helga Zepp-LaRouche! Dear ladies and gentlemen:

First of all, I would like to acknowledge the substantive contribution of the Schiller Institute to the common efforts in finding a new paradigm of the world development instead of the obsolete unipolar model of relations between states.

Nowadays humankind is going through an era of revolutionary changes, the growth of national identity of regional centers of power, just as it was during the

era of decolonization.

In response, some actors of international relations, used to domination, are making attempts to eliminate competitors in the military-political and economic spheres, revive the unipolar and practically neo-colonial model of the world under the slogan of "order based on rules," invented by them to suit their own needs.

I am convinced that true democracy in a multipolar world order implies the freedom of any nation to choose its own way of development, its own socio-political system, and use the benefits of civilization on an equal basis.

This week on the 12th of April, the whole world celebrated the World Cosmonautics Day. On this day in 1961, our compatriot Yuri Gagarin made the first human space flight and marked the beginning of the era of space exploration. We asked the Russian cosmonaut Sergey Ryazanskiy to give a welcome address for your conference.

#### Cosmonaut Sergey Ryazanskiy

Dear Friends, I am Cosmonaut Sergey Ryazanskiy. I want to congratulate you all on World Cosmonautics Day. Working on the International Space Station, you never get tired of enjoying the beauty of our planet. Let's all preserve and multiply this beauty together. I would like to wish everyone cosmic luck and of course, cosmic health.