

cerned with our domestic problems first and foremost, and secondly with global ones, I would just ask, in the context of the overall conversation: Who is going to leave us alone just now, to deal with our own problems? Like it or not, Russia covers an enormous territory, has enormous intellectual potential, and natural resources.

Our colleague Dr. Tennenbaum gave his answer to the question of *who*. This is international organized crime. I would like to elaborate on this subject, and, in the time allowed, bring additional factors into the analysis. In our re-



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—Tatyana Koryagina

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search, we identify the natural factor of development, as well as the artificial factor. Without an analysis of the artificial factor, in the context of synthesis, it would be impossible to understand, for example, why our colleague Valentin Sergeyevich Pavlov found himself in prison—having honestly defended his scientific views—while neither Nikolai Ryzhkov nor Leonid Abalkin went to prison. This was both accidental, and lawful. The chance element, is that Leonid Ivanovich, Nikolai Ivanovich, and Valentin Sergeyevich all occupied high government posts at some point. What was lawful, is that the country was going through a period of both hot and cold conflict, and so it happened that the Soviet government colleagues, in the Council of Ministers headed by Pavlov—the other ministers of the U.S.S.R. were not sent to prison, while Mr. Pavlov, unfortunately, had the full weight of that evil come down on him.

Thus, talking about the natural and the artificial, I would like to draw the attention of our colleagues, both Russian and foreign, to the fact that the world is moving not simply towards becoming a criminal community, but, in my view, it is moving in the direction of a new totalitarian order. One confirmation of this, is that in the framework of worldwide illegal business, the foremost places are occupied not only by

highly profitable types of business—of course, the leader is the international narcotics trade, where the rate of return is as high as 1,200% per year—but also by capital-intensive sorts of production, the effects of which will continue to be felt very far down the line. First, I would mention the worldwide power sector, including nuclear power, and aerospace.

Moreover, there is a particular kind of interaction between the strictly criminal international organizations, and the intellectual-informational-psychological area of human activity. This is what we have discussed today, with respect to the mass media—especially television. But I would add, in this connection, a peculiar phenomenon in this sphere of organized crime in the world, which is the so-called economy of sectarianism, of religious sects.

Coming back to the beginning of my remarks, I would say that the issues we have to discuss today come down to the question of a choice: *Who is going to fight for what*. On the side of God, or of Satan? I think that literally almost everybody in our country today, has to make this choice. Therefore, I think that there are still many people who are waiting their turn to take the path Mr. Pavlov had to.

**Abalkin:** Thank you. The last registered speaker is Mr. Rytov.

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## L.N. Rytov

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*Mr. Rytov is from the Africa Institute of the Russian Academy of Sciences.*

I liked Mr. LaRouche's presentation very much. Therefore, I shall not cite all the points with which I agree, of which there were many, but in the interest of economizing on time, I shall touch on those questions where I am not in full agreement, or where I have some doubt.

The question was raised, that the growth of physical production is lagging behind the state of monetary and financial circulation on a global scale. This problem exists and it is very serious, on both the micro- and the macroeconomic levels. But I, at least, cannot agree with LaRouche's warning about the fatal consequences of this tendency—or, as it was said here, about the end of human civilization. I cannot agree, because I found many of the logical proofs, offered in the presentations by others, not entirely convincing.

It seems to me, that the activity of certain national and supranational forces has been presented with some exaggeration. One example is the role of the British Empire or the London economic center. Or, there was a one-sided evaluation of these international forces, for example in how the international activity of the International Monetary Fund was evaluated. Not only the main speaker, the author of the most interesting presentation, Mr. LaRouche, but I think everybody discussed only the negative aspects of the IMF's activity. I do not think that such an approach is fruitful, respecting the

activity of any organization.

Certainly, the IMF deserves criticism, and its policies are often unfair to developing countries, and other countries. But examples may also be given of its positive role, in stabilizing the situation in various countries. If we take Russia, IMF aid has evidently helped to maintain a somewhat stable situation during the four years that Boris Yeltsin has been in power. It is not a question of whether or not each of us likes or does not like the Yeltsin government, but that, generally, thanks to IMF assistance, that regime has survived four years, while the situation was relatively stable.

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**Abalkin:** At what cost? Half of industrial production. The rise in the death rate. One-third of the population below the subsistence level. The prospect of the Mexico scenario.

**Rytov:** I have very little time, so I shall not react to these comments, but would draw Academician Abalkin's attention: Regarding the collapse of production, I am talking not about economic stabilization, but political stabilization.

**Abalkin:** And I was talking about the price paid. This stabilization included the shelling of the Parliament, and the establishment of a general situation of terror.

**Rytov:** If we look at Africa, which I work on, there are several examples of the positive role of the IMF. Take, for example, the economic situation in Egypt after Nasser. Or, take the small country of Lesotho: The IMF saved the population there from hunger, after its secession from South Africa.

The question evidently arises: Is it worth it for developing countries to take loans from the International Monetary Fund and other international financial organizations? We have seen the terrible figures from Mexico. They are literally very frightening. But it seems to me, that these figures—minus one, plus three equals five—are a little tricky. What about this question: Wasn't Mexico taking new loans, not just paying on the old ones? I am thinking of the last years of Ceausescu, when Romania did not take any new credits, and paid off its previous debt in full. The result was an explosion of social anger, which did away with Ceausescu.

Therefore, the IMF's aid to Mexico may be interpreted as an attempt at enslavement; but on the other hand, it may be seen as an attempt to prevent a social explosion in Mexico.

Because an attempt to pay off the old debt, without taking any new credits, would mean even more belt-tightening for the population. And the price of a social explosion, or a revolutionary explosion, in that case would be far greater than paying interest to the IMF. I wanted to draw attention to the fact that it is impossible to study economic problems, in any particular country or in the world, except in connection with social problems.

At present, the International Monetary Fund is offering huge credit assistance to a newly independent country in Africa—the Republic of South Africa. Some people say that the IMF is *imposing* these credits. To date, the R.S.A. government has, in effect, turned down these credits. But as a result of this posture, the solution of the main economic and social problems facing the country is threatened—the reconstruction and development program. This program is aimed at improving the standard of living of the country's black population. The danger exists, that if the situation of the poor, black population does not improve in the coming five to ten years, a social explosion could ripen that would assume racial features—clashes between blacks and whites.

Finally, if we talk about the global level, about the possibility of a worldwide economic collapse, such international economic organizations as the IMF, GATT, and others can probably be viewed not only as factors threatening the economy, but as counterweights, deterrents to the threat of collapse, able to deploy such powerful economic mechanisms as changing currency rates, interest rates, and so forth.

I beg to disagree with the conclusion about an inexorable end of civilization, for the reason that I do not believe the world will end before the second coming of Christ.

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## Leonid Abalkin

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*Mr. Abalkin is an Academician, director of the Institute of Economics, Russian Academy of Sciences.*

Esteemed colleagues, all those wishing to speak have had the floor, and we are nearing the conclusion of our work. I would like to remind you about the tradition of our round table. We do not pass a verdict here, on who is right, or who is right to what degree. This is not our purpose.

On the basis of the principles I mentioned at the outset, I would like to sum up very briefly.

On our first aim: Did we succeed in bringing together a powerful charge of intellectual energy, which would yield discussion and engagement of various ideas, and thus enrich us and move us all forward? I would answer that question in the affirmative. Irrespective of what I personally agreed or disagreed with, I found this discussion to be extraordinarily useful and fruitful.

Much of what was said here coincides with the research being done at our institute. In brief, we have reached the