

Menshikov and LaRouche: Two Minds; One Mission

The following excerpts document Stanislav Menshikov's special relationship with Lyndon LaRouche and his movement. The full text of all the components dating from his 2007 Jubilee were published in the June 1, 2007 [EIR](#).

Menshikov: 'Russia and the World in 2027'

At the celebration in honor of his 80th birthday, held May 15, 2007 at the Presidium of the Russian Academy of Sciences in Moscow, Prof. Menshikov zeroed in on the positive potential of the "Eurasian strategic triangle" of China, India, and Russia—the core of what would soon become known as the BRICS, and he situated the LaRouches' Land-Bridge program as the key to such cooperation, in which he hoped the West would also join:

I would like to take a look ahead, as if I were to be present at my own 100th birthday celebration, at how I see that the Russian economy is going to have developed, along with the world economy, by 2027. I have certain experience in long-range forecasting. At the UN, Wassily Leontief and I worked on a forecast for the world economy up to the year 2000. This was published in the well-known book, *The Future of the World Economy*, which was co-authored and edited by Leontief. It came out in the late 1970s in a number of languages, including Russian, so you can take a look and see that our forecast was vindicated, to some extent. . . .

I am . . . inclined to look at the question of how Russia's *productive* capacities [have] developed. If we apply . . . the method of disaggregation according to basic production factors, i.e., labor, capital, and the total productivity of such factors, or a summary productivity factor, it turns out that most of the growth, more than half, is accounted for by the utilization of reserve labor and power, and excess capital, created during the crisis of the '90s; the utilization of capacities that al-

ready existed in the Soviet period, and were idled or underutilized during the period of economic crisis.

And only 10% of the total growth is accounted for by new capital investment. It is absolutely clear that these two basic factors are one-time factors, which cannot be the basis for further growth in Russia, since they are already exhausted. The only real source of growth has to be capital investment in new technology and the growth of fixed capital and, of course, improvements in the quality of labor.

This is the direction that essentially was indicated by what Vladimir Vladimirovich

Putin stated in his most recent Message [to the Federal Assembly], where for the first time he presented something like an *industrial policy* for Russia. He didn't directly mention that term, which has been banned for a long time here. It was believed that only the market can properly structure the economy and, of course, create the forces that will bring about economic growth.

But the structure of Russian oligarchical capitalism is such, that it is not very eager to invest capital in sectors that it considers less profitable, and which involve long-term investment without a quick return. It prefers to invest its capital primarily in sectors producing for export, such as oil, aluminum, other non-ferrous metals, and steel. And there is no response to the President's appeals to invest in our own manufacturing industries.

From this follows the need for more active intervention by the state, which some people call state capitalism. And some people think that this means practically a return, or is a total return, or a planned total return to Soviet times, and that it would be a step backwards. Personally, I see it as simply the only possibility, with all its shortcomings, to channel capital investment in the direction it needs to go, into the more dynamic manufacturing industries and, of course, into economic infrastructure....

With whom should we ally, and to whom should we orient? This, of course, depends on your viewpoint. Mine is that Russia ought to be cautious. Russia will



EIRNS/Rachel Douglas

Lyndon LaRouche joined Menshikov in Moscow for his 80th birthday jubilee, May 2007. Taking note of the LaRouches' Eurasian Land-Bridge and New Bretton Woods proposals, Menshikov said, "Russia should take part in those programs that will lead to conflict-free development that brings about a steady upswing of the world economy."

never, of course, break with the current industrial countries, but at the same time, we should also orient towards the Eurasian triangle, by which I mean China-India-Russia. Why? Because, while the EU and the U.S.A. already now express some concern over what will happen if Russia makes a comeback, and whether this won't become a new threat, such as they consider the Soviet Union to have been, China, India, and other Asian countries do not perceive such a threat. In general, they are not afraid of Russia's development, especially insofar as, realistically speaking, it cannot present

any threat to them. Thus, we should orient to them, while not pushing away, but rather continuing to cooperate also with the industrialized countries.

But, of course, there is another possibility. And here I shall again mention Lyndon LaRouche, who is present today. He has put forward the conception of building the Eurasian Bridge. The Eurasian Bridge is a program of cooperation, with the participation of the U.S.A., Western Europe, Russia, with its scientific potential and enormous mineral resources, China, India—cooperation, for the purpose of building and reorganizing the economic infrastructure over the next 50 years. This will stimulate the progressive growth of the entire world economy.

But this plan can only be implemented, if there is cooperation among all of those countries; if their development proceeds in a conflict-free way. Lyndon LaRouche believes that one of the areas of such cooperation needs to be a monetary and financial reform, which he calls a New Bretton Woods. This means to establish a fundamentally new monetary system, which in some of its features will recall the old Bretton Woods, the system established at the end of the Second World War, which was subsequently destroyed.

Such a new world monetary and financial system, once more, will have to be based on cooperation among all the countries I mentioned. Just think about the exchange implications of China's and Japan's reserves,

and those of Russia. It is enough to think about the U.S.A. being the biggest borrower, and the biggest debtor of China and Japan, to understand that simply going ahead into financial conflicts and trade conflicts, is a path that leads, of course, to a serious destabilization of the entire world economy.

Thus, 2027 may be a year by which the planet has been turned upside down, in terms of its economy. At the peak on top will be countries that were formerly considered the Third World, while the traditionally industrialized countries will find that their place in the international division of labor will be determined by certain highly developed, specialized sectors producing goods and services. . . .

My last pronouncement will be this: that Russia's path will be a path that upholds these projects for world cooperation. That is, while orienting toward the [Russia-China-India] triangle, but without forgetting the industrialized countries, Russia should take part in those programs that will lead to conflict-free development that brings about a steady upswing of the world economy.

LaRouche: The USA and Russia Can Change History

Immediately after Menshikov spoke at the May 2007 celebrations, Lyndon LaRouche made his remarks, including the following.

We have, presently, the greatest crisis in all modern history is now occurring. There's an attempt to cover up and deny it, but it's happening. I see, most of Western Europe, from the border of Russia and Belarus westward, is a group of failed states, that are no longer capable of governing themselves, in even their domestic affairs, from the inside. The world has been taken over to a large degree by supranational financial interests, which similar interests are doing that, to shape policy.

When you look at the politicians—and I deal with politicians, particularly in the United States—and look at them in other countries, we have not only failed states, including most of those of Western Europe; the United States is also in the process of becoming a failed state. I have many friends and sometime collaborators among members of the Congress of the United States, and other people; but I find that today, the clear thinking is not coming from the politicians. The clear thinking required for political policy is coming from a different layer, usually senior representatives of the professionals, military, intelligence, diplomatic and so forth, who step outside the small-time controversies that fascinate

politicians, and do look at the future of mankind—especially senior people.

And sticking to the topic of Professor Menshikov's delivery right now, I think some things that he forecast, can be changed. The question is, who is going to change them? In practice, President Putin of Russia has spoken much, with others, in these recent events, about World War II, the conclusion, and Franklin Roosevelt, and praised the Roosevelt tradition. . . .

The United States must change its behavior, by approaching Russia, China, and India, in order to create a new order of relations in the world, bringing all the smaller nations in to cooperate with them. I think we can do it: We can change history. . . . Russia's role, its culture more than its economy, especially the culture of science, in dealing with the potential of the large area of Northern Asia, and Northern Eurasia, in the vast mineral resources that would be required to be developed, if the needs of China, India and other countries are to be met. This is not something that could be exported, because in Russia itself, there is a repository of knowledge of *how to do this*, on which the rest of the world depends.

So therefore, what I think is urgent at this time, is a program for action. First of all, intellectual action. There must be more discussion particularly between leading layers of senior people in Russia and in the United States. . . . We have to establish a sense of the *reality* of this possibility. In that case, we can probably win over the political process, under the heat of crisis, to recognize that this is the only alternative to what is presently the most dangerous situation in all modern history.

Academician Granberg: A Long Wave Across the Bering Strait

Academician Alexander Granberg was Russia's leading expert on regional development. Prof. Menshikov had worked closely with him in Novosibirsk in the early 1970s, at the then fairly new Siberian Division of the Academy of Sciences. Just three weeks before Menshikov's May 2007 celebration, Granberg had chaired the Moscow conference "Megaprojects of Russia's East: A Eurasian-American Multimodal Transport Link Across the Bering Strait," sponsored by the Council for the Study of the Productive Forces (SOPS), which he headed. LaRouche had delivered a paper to that conference. Granberg's toast to Menshikov, in May 2007, concluded with this passage.

It is well known, that Stanislav Menshikov is a major expert on long waves, and he has worked on this

together with Larisa [Klimenko-Menshikova]. And one of those long waves has reached me, today. Here's the story:

Three weeks ago, there was a conference in Moscow on one of the megaprojects, namely, the construction of an intercontinental route, from Eurasia to America across the Bering Strait. This is a very old idea, to link the continents, and the entire rail network of the world. Sooner or later, this project is going to be built! Many generations have dreamed about implementing this project, and this conference took place three weeks ago with the active participation of our government, and of [regional] governors, and the idea gained support. . . .

Three weeks passed, and here is Mr. LaRouche. And there has been an opportunity to discuss what actually needs to be done, to push this project ahead. These are very encouraging views! This road will be built! Thus, you have already taken part in this project. By the year 2027, according to the schedule, it will have been completed. Maybe just a bit of the tunnel will remain to be built, across the Bering Strait. It's only 100 km.

I hope to be able to have some influence on the design of this crossing. And we'll try to name the sta-

tion closest to the Bering Strait tunnel on the Russian side, either "Stanislav" or "Menshikov"! Yesterday, with your forecasts, we were talking about a lot of numbers, but I'm talking about a living, breathing station, of national importance, and named for you.

Larisa Klimenko Menshikova: And on the American side, there will be a station named after LaRouche!

Menshikov's Greeting to LaRouche

On an earlier occasion, during the 2001 Bad Schwalbach conference of the Schiller Institute, Prof. Menshikov had said to LaRouche, "You are the most un-American American that I have seen. That is, you are very American, of course, because you are traditionally American. You are from the best part of America, and the best roots of America. But you are a singular person." He contributed this letter to a Festschrift for LaRouche's 90th birthday, Sept. 8, 2012 (dated Aug. 28, 2012).

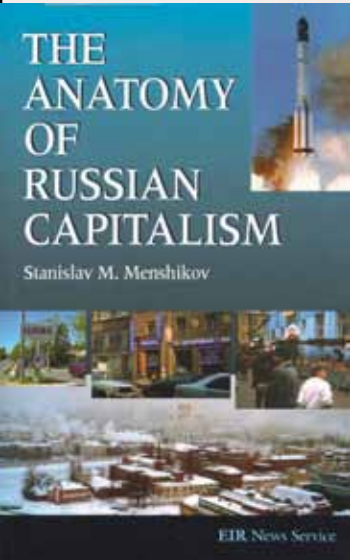
I am happy to be able to congratulate Lyndon LaRouche on his 90th birthday. His is a rare case of human activity—his being so active. Lyndon is an example of a creative mind that never stops emanating original ideas. And, quite frankly, I am full of envy that at 90 years he can do all that he is doing.

This is, of course, a result of God's good will. I cannot put it differently, because usually such brilliant minds are not blessed with the kind of stamina and health that have helped Lyndon to continue his activity at this age. I believe this shows that God not only gives him this possibility, but that God also approves of the way Lyndon has been acting all these years. Otherwise it would not happen.

So my first thought was that I envy Lyndon in a good way. My health is not as good, and he gives me an example that I try to follow.

I hope that he will go on in this way for years to come, contributing to human, scientific knowledge. LaRouche is the author of theoretical discoveries in the area I work in, which is the world economy. It doesn't mean that we share the same view of everything, and we have been arguing as many times as we have met, over the years. But that also does not mean that we are adversaries, for we both know that we are thinking in the same way and in the same direction.

I wish Lyndon good health for many years, and a happy family life with Helga, his wonderful companion.



This English translation of the work of Russia's authoritative economist, Stanislav Menshikov presents a critical analysis of the complex economic processes in Russia following the collapse of the Soviet Union.

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