

Editorial

Neither communism nor liberalism!

We emphatically endorse the following statement issued Aug. 21 by Helga Zepp-LaRouche, the president of the international board of advisers of the Schiller Institutes:

The dramatic events in Russia which have led it close to the brink of civil war make it necessary that we recognize the true and deep causes of the crisis. In the entire territory of the former Soviet Union, we are experiencing today an immense crisis in the economy and the distribution system, which is the result of 50 or 70 years of socialist primitive accumulation—i.e., the exploitation of people and the means of production by a parasitical *nomenklatura*. Gorbachov's perestroika failed and had to fail.

But the alternative cannot be unchecked liberalist capitalism. The "shock therapy" of the International Monetary Fund in Washington and the so-called free market economy are only another form of primitive accumulation. Poland, the Czech and Slovak Federated Republic, and Yugoslavia demonstrate this. The "Polish model" of the IMF led Poland's economy into further ruin, and threw the country into a deep crisis. Now the scandal around the "Art-B" company demonstrates that this "model" of the free market economy consists in a gigantic fraud by financial sharks with no conscience whatsoever. That proves that the "Polish model" has absolutely nothing to do with economic reconstruction and prosperity.

In the former Yugoslavia, subjugation under the International Monetary Fund was the trigger which set developments on the path to war. We had better learn the lesson of Yugoslavia: Wherever the policies of the International Monetary Fund are applied, sooner or later there will be civil war, and war.

There can be no self-determination, economic buildup, and prosperity for the people of the former Soviet Union if the liberal International Monetary Fund policy of the "Polish model" is applied.

The forces of the Moscow "Emergency Junta"—the old *nomenklatura*—have attempted to react to the crisis, in the face of the accelerating economic collapse

in the Soviet Union and the catastrophic effects of the policies of the International Monetary Fund in the post-communist countries, with the old methods of communist command economy and police state repression. The Russian people and the other people of the former Soviet Union have courageously and successfully resisted this last move of the *nomenklatura*. The leaders of the West are not standing at their side, even if they are pretending to do so at this time. During his visit to Kiev, George Bush gave the police-state *nomenklatura* a blank check. And we should also not forget that Bush sided with the regime in Beijing after the massacre on Tienanmen Square, that U.S. Secretary of State Baker approved of the bloody repression in Romania, and that the same Baker gave a green light for the communist aggression against Croatia and Slovenia during his visit to Belgrade.

We have to learn from all of this: If we want to prevent the economic crisis from becoming even worse, then we need a total break with Karl Marx and Adam Smith!

It is necessary to immediately use the only economic policy which has always been the foundation for economic growth and prosperity, regardless of whether that was in Germany, France, the young United States, or Japan. The politically persecuted economist in the United States, Lyndon LaRouche, has proposed a program for economic development for all of Europe. This program of the "Productive Triangle," discussed all over western and eastern Europe, must be made reality now.

The courageous action of the Russian people and the other people of the former Soviet Union in August 1991 must now be taken forward with courageous economic decisions. The new leaders of Russia and the other republics have to draw the necessary conclusions from the economic policy failure of Gorbachov and Poland. Otherwise, these new leaders too will fail in a very short time, and the people will suffer more, economically and in civil war and war. But the economic policy of Friedrich List and LaRouche can stop this—an economic policy which works.