

adopt China as a model, because China, by maintaining capital controls and realizing an infrastructure development plan using national credit, was able to withstand the onslaught of the Asian financial crisis.

The editorial said, this approach must not be taken. Beijing will in the end go broke because of its state investment plan. "The lesson for the developing countries of Asia and other regions is, that the method of using capital controls and excessive financial stimulation, in order to avoid creative destruction, doesn't work."

Of course, "creative destruction" is the conscious ideology of radical free market businessmen, it has never benefitted the ordinary people. But it sweeps away the barriers to robbing and looting by the Wall Street speculators.

China has merely moved quickly to adopt an intelligent approach to its national economy—using national sovereignty to protect its population, and investing into the tangible economy.

The Clinton administration has established extremely positive contacts with the Chinese government, discussing the just-formed "relations of strategic partnership." Seen from the standpoint of London, this potential alliance is worrisome, to say the least. For this reason, London is making big efforts to change Clinton's attitude, to make sure he will never again support China's policy of national capital controls and a government plan for basic infrastructure construction.

The unavoidable financial crash will destabilize the smooth realization of London's designs, and with the help of the LaRouche movement, will wake up Clinton to reality.

But the sincere advice must be clear: Ally with China, not with London.

## Russia's new ICBM signals dangerous strategic shift

by EIR Staff

The austerity measures imposed on Russia by the International Monetary Fund and free-market "reformers," have created a situation in which the danger of thermonuclear war is now greater than at any time since the collapse of communism in 1991.

Ten years ago, the Soviet Union had immense conventional forces, whose actual fighting power was perhaps overestimated, but they were enormous nevertheless. Following the disastrous collapse of the real economic potentials of the former Soviet Union over roughly ten years, the Russian Armed Forces are today but a shadow of their former strength.

The Russian Army has shrunk radically, the matériel has rotted away for the most part, and the personnel are demoralized. What remains are some 10,000 nuclear weapons, in particular those of the strategic missile forces.

On Dec. 27, 1998—one week after the British-U.S. air attack on Iraq—something very unsettling happened in Russia. Defense Minister Marshal Igor Sergeyev announced the deployability of the newest Russian intercontinental missile, the Topol-M/SS-27. Sergeyev said: "This is a very important event, for even under the difficult financial conditions of the year 1998 we have succeeded in making the expenditures to finance this area of highest priority. . . . In order to deter those who might be tempted to solve their problems with Russia by means of armed force, we must intelligently carry out our reforms and in no case lose our nuclear potential." Sergeyev also emphasized that nuclear weapons could deter not only a nuclear attack, but also conventional aggression.

Behind these words exists a strategic program, about which there is a bitter debate in the political and military leadership of Russia. Sergeyev, who comes from the strategic missile forces, wants to carry out a "healthy shrinkage" of the Russian Armed Forces overall. He wants to take the nuclear branch of the Armed Forces away from the responsibility of the General Staff and establish a new command for the nuclear forces. This nuclear command would then assume an all-dominating position in the Russian military structures.

Sergeyev's Russian opponents correctly point out that Russia, with such a strategic policy, can only respond to crises with "all or nothing." Even in the case of limited threats, Russia would only have the option of making a counter-threat with nuclear strikes. If these threats had no effect, Russia would either have to give in or actually employ its nuclear weapons. That would mean that a new "Cuban missile crisis" is pre-programmed.

In response to Sergeyev's announcement, four generals resigned on Jan. 11. They are the commander of the early warning missile attack forces, Gen. Lt. Anatoli Sokolov, and his three deputies. Sokolov voiced his opinion that the Topol series of missile systems should not be produced and used in combat any longer, because they are "old-fashioned systems," and U.S. missile defense systems could easily bring them down. He added that it would have been wiser to develop reconnaissance and information technologies, rather than spend large amounts of money on nuclear missiles, which are already plentiful in Russia.

### Russia's defense posture

The significance of Russia's shifting to overwhelming reliance on its strategic nuclear arsenal, in view of the take-down of conventional forces under pressure from the economic crisis, has been under intense discussion within the country and among Russia-watchers since even before Strategic Missiles Corps officer Sergeyev became Defense Minister in 1997. In June 1997, for example, the late Gen. Lev Rokhlin

wrote in *Rabochaya Tribuna* about the “critical condition” of the Russian Federation’s Armed Forces. “The country’s mobilization readiness has been destroyed,” Rokhlin said, pointing to failures in Chechnya, cessation of training exercises, and “disintegration” such as the failure to service basic equipment in the Air Force and the Navy. Rokhlin wrote that “the nuclear deterrent forces that we still have left, are the only thing shielding Russia from America’s limitless diktat and its direct interference in our country’s affairs of state. Given the huge U.S. superiority in conventional weapons and its very powerful fleets with mobile aircraft carrier groups, our strategic nuclear deterrent forces are the only thing deterring them.”

Later in June 1997, a Russian Academy of Sciences military expert reported major opposition to Sergeyev’s plan to restructure the Armed Forces into three branches, under separate commands: 1) the strategic nuclear force, subsuming the strategic missile corps, the air force, and anti-missile defenses; 2) air defense forces of a non-strategic nature; 3) all other forces, chiefly the Navy and the Ground Forces, as a general purpose force. Air Force Commander Gen. Pyotr Deinekin was cited as one of the opponents of Sergeyev’s reorganization.

In August 1997, analyst Pavel Felgengauer, who often conveys views from within Russian military intelligence, wrote in *Segodnya* that the “announced reforms have meant in effect a reallocation of resources to maintain the strategic missile nuclear forces at the expense of other services.” In March 1998, Felgengauer wrote in the English-language *Moscow Times*, that “Sergeyev’s idea of military reform has resulted in all the real procurement money being pooled to buy new intercontinental strategic nuclear missiles. But basing all Russia’s defenses on nuclear deterrence is absurd.” He reported that “an increasing number of officers and generals, including those in active service and in high-ranking positions in the Defense Ministry, are openly saying—even to journalists—that [former Strategic Missile Corps commander] Sergeyev is not fit to command Russia’s military. Russia’s conventional fighting forces—army, airborne troops, air force and others—are being run down.”

In 1997, when the Sergeyev force reorganization plan was circulated, one U.S. Army Russia specialist commented in an Internet discussion list, as follows: “Since tactical and strategic nuclear weapons will be separated, with the former going to regional [commanders] whose operational control from Moscow has been considerably reduced, it is not clear if a unified system of strategic planning for the use of nuclear weapons or control over them can be devised. . . . When one factors this disturbing possibility into the equation that already consists of a command and control system that is not what it should be or used to be, and a launch on warning doctrine, the results become positively alarming. But that is not all. Russia’s current inability to deploy usable conventional forces necessarily leaves it with few alternatives. The

most prominent one that is coming to the fore is the nuclear option.

“Since 1993 Moscow has advertised its readiness to launch even preemptive first-strikes against adversaries who are allied to nuclear powers, against conventional strikes on power plants, C3 targets, or nuclear installations. . . . [Then-Defense Council head] Baturin’s reform plan demonstrates that even in ethnopolitical conflicts that get out of control, nuclear options remain distinctly possible. As in 1993, Russia, when confronting so-called local wars that expand, due to outside assistance, into large-scale conventional wars, reserves the right to use nuclear weapons as first strike and preemptive weapons. And in Baturin’s draft, which is likely to become the new doctrinal guidance given Defense Minister Igor Sergeyev’s mandate and predilections for emphasizing the nuclear forces, this allegedly limited strike serves to regain escalation dominance and force a return to the status quo.”

### **What is the Topol-M?**

The Topol-M is a single-warhead, road-mobile ICBM with a range of more than 6,000 miles. It is called the SS-27 by the United States and NATO, and succeeds the SS-25 (also called Topol in Russian, which means “poplar tree”), which went operational in the mid-1980s, being one of two ICBM systems the Soviet Union brought on line during the surge of offensive weapons buildup, after Soviet President Yuri Andropov rejected President Reagan’s Strategic Defense Initiative in April 1983. The other was the rail-mobile SS-24. Both the SS-24 and the SS-25 are MIRVed (carrying multiple, independently targetted warheads). Among the combat features of the Topol-M/SS-27, as military experts have stressed, are a short boost phase and suppressed trajectory, designed to come in under anti-ballistic missile defenses.

According to an article by Igor Korotchenko in *Nezavisimaya Gazeta* of Dec. 29, 1998, work on the Topol-M began in February 1993, by Presidential decree. The first test flight was in December 1994. Two missiles were put on test combat status in December 1997. There were six test launches from Plesetsk, of which five were successful, one failed. In the Dec. 8, 1998 test, the warhead hit the target in Kamchatka with unprecedented accuracy, within a few dozen meters. There will be nine more test launches, even though the design and testing phase is mainly finished. The active-duty set of Topol-M missiles is deployed at the Tatishchevo base near the city of Saratov, on the Volga River.

Korotchenko continued, “The Russian military and political leadership intends to devote priority attention to the Topol-M program, which will be financed, regardless of the economic situation in the country.” Topol-M was developed at the Moscow Heat Engineering Institute in versions for stationary basing in silos, or for ground-mobile launch vehicles. Korotchenko reported the system’s launch weight, throw-weight, warhead, and so forth. He asserted, “It should be noted, that the Topol-M is capable of successfully overcom-

ing not only the existing, but also prospective ABM [anti-ballistic missile] systems of the United States of America.”

The *Nezavisimaya* article named five officers responsible for the deployment of the first Topol-M ICBMs, from Commander-in-Chief of the Strategic Rocket Corps Gen. Col. Vladimir Yakovlev, down to commander of the 104th Rocket Regiment Col. Yuri Petrovsky—“and several other officers, who carried out their military and professional duty under the difficult circumstances of the work being only 50% financed, and delays of many months in the payment of monetary compensation.” For this reason, the 104th Regiment received from Marshal Sergeyev the first-ever award pennant, “For Courage and Military Valor.”

In conclusion, Korotchenko wrote that the Topol-Ms would be on active duty as of Dec. 30. “Although the flight computers of all ten ICBMs are set to zero, the process of entering their combat flight data to strike targets on the continental U.S.A., if the necessity arises, will take a little less than one minute.”

First Deputy Prime Minister Yuri Maslyukov, formerly in charge of the Soviet defense industry, was quoted by Interfax on Dec. 30, 1998: “The start of rearming Russia’s strategic rocket forces with Topol-Ms gives parliamentary deputies good reason to return to the ratification of START-2 without sacrificing national security. The current rearmament process restores a necessary dynamism to the process of work on

START-2 ratification.” Topol-M is designed as a “post-START-2” weapon, because START-2 bans MIRVing. Sergeyev was asked in a Dec. 29 interview with *Segodnya*, what his response would be if START-2 were not ratified. “Talk about our weakness is an overstatement,” he replied, “If we need to, we may build a heavy missile”—the term often used to describe the large, silo-based, MIRVed SS-18, to which the SS-25 was a more flexible sequel.

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## Commentaries

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### **Prof. John Erickson of the University of Edinburgh, Scotland, Jan. 4 discussion with EIR:**

Professor Erickson described the fight between the Russian General Staff and Defense Minister Marshal Sergeyev. Referring to Sergeyev’s announcement of the deployment of a regiment of Topol-M missiles, Erickson said that this was “not the real problem. The deeper issue is that there is a very big power struggle behind the scenes, between the General Staff and Sergeyev, over Sergeyev’s insistence on setting up an independent nuclear command, under his deputy Yakovlev. The General Staff insists that the nuclear command *not* be split off.

“This power struggle has very considerable portents for the next six months,” Erickson went on. “A separate nuclear command would create big problems, with independent strategic missiles, space systems, command and control, and so on. The General Staff argument is much more sensible. How can you fight local wars with an independent nuclear command? But Sergeyev is arguing, in effect, that flexible response is now out. As the General Staff argues, this puts the strategic situation on a short fuse, with very unpleasant implications. Just watch, if we hear in the next weeks, that nuclear weapons are the only guarantee of the integrity of Russia. Then we are in for some dangerous times.”

### **Pavel Felgengauer, Russian military correspondent with Segodnya, Jan. 4 discussion with EIR:**

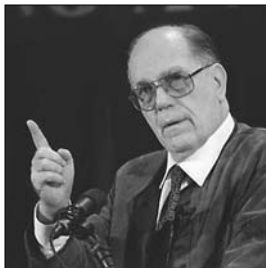
General Sergeyev’s insistence on primary reliance on nuclear weapons, to the detriment of upgrading or even maintaining Russian conventional forces, “absolutely” removes the Russian capacity for flexible response, and is a “very dangerous” trend in and outside Russia, said Felgengauer, who charged that Sergeyev was “running amok.”

He said that the Topol-M is “Sergeyev’s pet weapon. All resources for procurement are going into it.” According to Felgengauer, the missile is specifically designed to counter a “national ABM system in the U.S. It has special features to penetrate an ABM’s different layers: It has a shortened boosting period, a lower ballistic trajectory to avoid the ABM’s space echelon, and dummy warheads, to baffle the last level of SDI.”

## THE WORLD FINANCIAL COLLAPSE LAROUCHE WAS RIGHT! An EIR Video

What does Indonesia’s Minister of Economy, Finance and Industry, Ginandjar Kartasasmita, know about the global financial crisis that you don’t?

Here’s what the Far Eastern Economic Review reported July 23: “It seems the IMF isn’t the only organization



entitled, ‘The World Financial Collapse: LaRouche was Right.’ Lyndon LaRouche . . . has been arguing for years that the world’s

supplying economic advice to the Jakarta government. . . . [Reporters] were surprised to spot, among [Ginandjar’s] papers, a video

financial system was on the brink of collapse due to unfettered growth in speculative funds; he says now that the Asian crisis is just the beginning. . . .”

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