

## Putin Asserts Economic Reality At APEC Summit

by Michael O. Billington

On Oct. 19, Russian President Vladimir Putin presented an historic speech to 20 heads of state meeting in Shanghai, at the Asia Pacific Economic Cooperation (APEC) Summit. Intervening in a process prearranged to be limited to discussions of terrorism and free trade, President Putin instead issued a call for the transformation of the collapsing world economy through vast infrastructure development projects across the Asia-Pacific region. The speech unmistakably reflected the extensive and growing influence of U.S. statesman Lyndon LaRouche in Russian institutions, public and private, over the past decade.

The final communiqué of the APEC Summit, on the other hand, reflected none of the issues raised by President Putin, but rather repeated the now-discredited litany of free trade, open markets, and globalization which have brought the world to a state of global economic collapse and strategic catastrophe. Only in the bilateral meetings and private discussions on the sidelines of the summit were the real issues facing the world today occasionally discussed—and the world can only hope that President George Bush was listening.

President Putin's speech, titled "The Role And Tasks Of Russia In The Asia-Pacific Region In The 21st Century" (major excerpts follow this report), presented an integrated infrastructure development program for Eurasia, centered on energy development and transportation corridors across the continent—an idea widely identified with LaRouche's promotion of the "Eurasian Land-Bridge" as the necessary framework for reviving the moribund world economy, and as the basis for establishing a new monetary system based on real economic development.

Perhaps most important, President Putin directly identified this grand project as a global, not a regional, concept, as the "creation of an additional dimension of strength for the world economy." He concluded the speech: "Russia is con-

scious of itself as an inseparable part of the world economic system, and desires to work together with our partners, to ensure that that system will be more stable, firm, and secure." Reflected here is the point made repeatedly by LaRouche over the past year—that outside of the United States and Great Britain, only Russia among the world's nations has the historic and cultural capacity to assert international leadership, to pose prospective global solutions for the global crisis at hand.

President Putin's speech at APEC is another in a series of strategic interventions into current history by the Russian President over the past month. On Sept. 25, he spoke before the German Bundestag—the first time in history for a Russian President to do so. There Putin "judoed" the war plan being promoted by leading forces in Britain and the United States, to use the Sept. 11 attack on the World Trade Center and the Pentagon as justification for a global religious war, sparked by a new war in the Middle East. He told the Germans that he fully supported the effort to crush terrorism, but asserted that Russia will act to prevent the emergence of any "Clash of Civilizations," by insisting on the creation of "a whole complex of political, educational, and economic measures" on a global scale, to alleviate the conditions of economic and social decay. Putin linked this to a declaration of a united Europe, and the end of the Cold War—an unstated but unmistakeable assertion that Russia would not again be played off against the United States by geopolitical gamemasters.

### The Program

President Putin's "judo" continued in his speech in Shanghai, with a series of formulations of the type: "Yes, but . . ." Globalization, he said, has benefits, but it must be "guided," so that it does not "become the source of new dangers . . . and new upheavals." We must improve the international trade system, he said, but countries must not be "held hostage to

obligations assumed under outside pressure.” Liberalization of economic regimes is fine, he went on, “but, we are categorically against the extinction of entire national economic sectors in the developing countries and so-called emerging markets.”

Putin outlined the extensive Eurasian intra-regional oil and gas development projects now under way or in the planning stage, and talked about an “Energy Bridge from Russia to Japan, Korea, and China,” including nuclear power projects.

He reiterated Russia’s commitment to be involved in constructing “development corridors” across Eurasia, including rail and road routes from Europe, not only through Northeast Asia, but also through Southeast Asia—an idea that will be well received by the Association of Southeast Asian Nations (ASEAN) leaders. Even more dramatic was President Putin’s call for linking the West Coast of the United States with the Northeast provinces of China, through sea and rail routes passing through Russia’s Pacific ports.

### On The Sidelines

APEC was built up in the early 1990s by the United States and the Commonwealth countries of Canada, Australia, and New Zealand; it is counter to the effort spearheaded by Malaysia’s Prime Minister Dr. Mahathir bin Mohamad, to create an Asian-only association, for the discussion of economic and related matters. The formation of the ASEAN-Plus-3 last year—which includes the ten ASEAN nations and China, South Korea, and Japan—finally established such an Asian association, without an Anglo-American presence. The APEC conferences are therefore generally viewed in Asia, as a forum for American and Commonwealth dictates, and the Asians consider the conferences successful only if they prevent any disasters from being foisted upon them.

This conference was no different in regard to the official communiqués, although it is particularly tragic that, with the economy careening out of control, President Bush did not take the opportunity to rise above the psychotic babbling about prosperity, “New Economy,” globalization, sound fundamentals, and so forth, which still dominates leading circles in the West. The strong relationship which has developed between Bush and Putin could have been the basis for the U.S. President to embrace the economic ideas presented in Putin’s speech—a process that would have further highlighted the truth of LaRouche’s forecasts and programs within the United States.

Nonetheless, Putin did hold fruitful bilateral meetings with most of the APEC leadership, where these ideas were discussed. The meeting with Chinese President Jiang Zemin, in particular, further consolidated the strong relationship between those two nations. Both leaders reiterated the importance of the Shanghai Cooperation Organization (SCO), formed last June in Shanghai, by Russia, China, and four Central Asian Republics. Ironically, the primary focus of the SCO, long before Sept. 11, was to clear the region of the



*Russian President Vladimir Putin presented an integrated infrastructure development program for Eurasia, at the APEC summit in Shanghai, China. Here, Putin talks with U.S. President George W. Bush, both in Chinese ceremonial garb, at the summit on Oct. 21. Is Bush listening?*

terrorist menace emanating from Afghanistan, which was destabilizing the region and frustrating the kind of regional development programs necessary to end the cycle of poverty and instability.

President Jiang’s official speech at APEC echoed, although in a more restrained tone, the criticisms of globalization contained in President Putin’s speech. He pointed at the two roads which the globalization process could take, and said that the extreme disparities in the current route must be corrected.

The speech of Malaysia’s Dr. Mahathir was less restrained, warning that the world faced a “massive truth deficit” in regard to the issues of globalization. “There is simply too little fact and too much self-serving fiction,” he said. “There are too many who are prepared to tell lies and to bend the truth to push through their sacred cause.” He called for renewing the effort to establish an Asian Monetary Fund, and insisted that the world must “cast off the traditional mindframe of beggar thy neighbor, and put securely in its place the ethic of prosper thy neighbor.”

In the meeting between Putin and Japanese Prime Minister Junichiro Koizumi, an arrangement was reached to have government experts consider new methods for solving their territorial dispute, in order finally to sign a World War II peace treaty. Speaking in Shanghai, Koizumi said that with regard to ownership of four Russian-held islands off Japan’s Hokkaido, “There are differences in our positions, but we share the goal of resolving the ownership of the islands and

concluding a peace treaty.” Such an agreement would open the way for Japanese investment in the development of eastern Russia, where Russian resources would more than pay for Japanese technological inputs.

### The Terrorism Issue

Unlike most APEC summits, economic issues took second place to the discussions of the U.S. “war against terrorism.” While the preoccupation with terrorism served to divert attention from the issues raised by President Putin, the attempt by those promoting a global religious war, to rally support behind the useless and dangerous escapade in Afghanistan, was not successful. The discussion between President Bush and Malaysian Prime Minister Dr. Mahathir, as covered by the Malaysian *New Straits Times*, was quite revealing on this issue, and in regard to the intense fight within the U.S. administration over the looming disaster of an Israeli war in the Middle East.

Dr. Mahathir explained to Bush why Malaysia is unable to support the operations against Afghanistan, and insisted on the need to remove the root causes of terrorism, singling out the Palestinian problem as the primary issue. Bush said he understood Malaysia’s disagreement on Afghanistan, and told Dr. Mahathir that, in the Middle East, he has been urging them to settle the conflict on the basis that there should be a

Palestinian state and a Jewish state. “Bush also explained that each time he tries to get them together,” Dr. Mahathir told *New Straits Times*, “someone goes in and spikes the whole thing by assassinating or killing someone, . . . or exploding a bomb or something like that.”

Bush also asked for Dr. Mahathir’s advice in regard to Indonesia, where President Megawati Sukarnoputri, in mid-October, declared against the actions now being taken by the United States in Afghanistan. Her stand, coming after initial silence on the Afghanistan issue, reflected mounting anger in the world’s largest Islamic nation against the bombing attack, among mainstream as well as the more radical Islamists. President Megawati was immediately threatened by members of the U.S. Congress, including a spokesman for Sen. Joseph Biden (D-Del.), chairman of the Senate Foreign Relations Committee, that if she failed to toe the line on Afghanistan, other aspects of the relationship would suffer. Countering such belligerence, Dr. Mahathir responded to President Bush by telling him that “Indonesia needs a strong and credible government which the people should recognize and support.” As with President Putin’s historic speech, it is to be hoped that President Bush is listening.

The special APEC communiqué on terrorism expressed universal support for rooting out terrorism internationally, but said nothing about Afghanistan.

## What Depression?

*Lyndon H. LaRouche, Jr. issued this statement on Oct. 24.*

Let it be said, on my behalf, that out of compassion for the many precariously balanced minds wandering at large in the U.S.A. and other nations: Stop worrying! There is no recession in progress!

Be at peace. What is in progress, is merely a world-wide economic depression which, much thanks to Alan-the-genius Greenspan, has a disarming resemblance to the German economy of July-November 1923.

As the cartoon on page six of today’s *Frankfurter Allgemeine Zeitung* reminds us, the German economy, for one, is coming up in the world. See that cartoon; it tells you all that you need to share with your neighbors.

**Frankfurter Allgemeine**  
ZEITUNG FÜR DEUTSCHLAND

**Schröder: Deutschland steht nicht vor einer Rezession**  
Die Bundesregierung lehnt Forderungen der Konjunkturforscher ab / Merkel: Kanzler des Abschwungs

mas/fami/fth. BERLIN/LEIPZIG, 23. 1. Finanzminister Eichel und Wirtschafts- | junktur anschieben, sondern auch die be-  
leichtern. Er  
e höhere Ver-  
sident Hundt  
reform vorzu-  
höhere Schul-  
halt bietet ge-  
Umschichtfun-  
dent Philipp  
tung der Wirt-

Deutsche In-  
rtrag den Vor-  
ste Stufe der  
aktuellebeleg  
lich. So pro-  
für 2002 eine  
torellen Ent-  
ne Rezession.  
tachter aller-  
usgabenstrü-  
g. Auch der  
findebund hat  
nächsten Stu-  
proben. (St-

Mohr  
01

*Chancellor Gerhard Schröder: “Soon we’ll be over the hill, Hans!” Behind him comes Finance Minister Hans Eichel, carrying a sack labelled “Austerity Program.” The newspaper’s headline, accompanying the cartoon, reads, “Schröder: Germany Is Not Facing A Recession.”*