
Conference Report

Political Change in Russia and Prospects for a New Bretton Woods

In last week's *EIR*, we published a first report on our international seminar in Berlin on June 27, which was titled, "For a New Bretton Woods System." We included the keynote speech by Lyndon H. LaRouche, Jr. ("We Need a New Bretton Woods To Defeat the Evil of Globalization"), and presentations by Dr. Clifford Kiracofe ("The U.S.A.: Fascism Past and Present"), Jeffrey Steinberg ("We Can Beat Rohatyn and the Synarchists"), and Helga Zepp-LaRouche ("Stop the Synarchist Takeover in Berlin"), as well as Lyndon LaRouche's remarks to members of his youth movement on June 28, "On the Subject of Truth."

About 40 LaRouche activists attended, along with 70 guests, including senior politicians and scientists from Russia, Poland, the Czech Republic, and Slovakia.

We continue here with the presentations by three Russian analysts: economist Dr. Stanislav Menshikov; physician and writer Dr. Konstantin Cheremnykh; and economist Prof. Andrei Kobyakov of Moscow State University. Other speeches will be published as they become available.

Dr. Stanislav Menshikov

Good News and Bad News from Russia

Dr. Menshikov, a Russian economist, spoke during the afternoon session of the seminar, which was moderated by Dr. Jonathan Tennenbaum.

I want to tell you about some recent developments in Russia, that pertain to the discussion that we had this morning about currency, about the New Bretton Woods and so on. And I must tell you that everything that comes from Russia is always a combination of a good news story and a bad news story.

Now, I'll start with a good news story. I think maybe in the West very few people noticed a statement made by the First Deputy Prime Minister of Russia, Dmitri Medvedev—who might be the next President of Russia, by the way. He's

one of the men that Mr. Putin has picked for succession. Not necessarily will he be the President, but he's one of the men that are being watched.

And so, a couple of weeks ago, at an economic forum in St. Petersburg, Mr. Medvedev made a very important statement about the world economy. There are things there that I, as usual, disagree with, but there are things that I agree with. One of the things I thought very important, and want to call your attention to, is the fact that he says that we, if we go along, integrating into the world economy—and that's the term he used, "we want to integrate into the world economy"—but, if we want to integrate, we can't go on with the monetary system that exists now, because it is based on a system that has too big fluctuations in exchange rates. He didn't say exactly that he wanted to have fixed exchange rates. But I think that that was a very important statement, showing that the Russian government is coming to the point when they realize that reform in the monetary system is needed. And if they had thought about this before, they may have put this as an important point on the agenda of the G-8 meeting that is going to happen in St. Petersburg in July.

But they haven't thought of it, and instead of that, they put other points. Well, maybe if we work on it further, all of those who are in favor of this reform, of the New Bretton Woods, we may convince the government, the Russian government, to start proposing this officially. And that is very important, because now LaRouche and his followers in the United States can know that they have supporters, official supporters in Russia. It's not just a bunch of professors who are saying that. It is one of the top government officials in Russia, who may become the President of Russia, the next President of Russia. And we should, as the Russians say, "catch him on his word." Catch him on his word and try to develop this idea, and support him in that idea. Because that is really something that brings them closer to this Bretton Woods system. Of course, he may not even know about this reform, in that detail, but I think that is a good news story.

Currency Reform

Well, there are other kinds of stories, which I don't know how to qualify, whether they are good news or bad news, but also about our currency. What Medvedev also said, was that