

Remembering Prof. Taras V. Muranivsky On the 80th Anniversary of His Birth

by Rachel Douglas

Feb. 3, 2015 marks the 80th anniversary of the birth of Taras Vasilyevich Muranivsky, who headed the Moscow Schiller Institute of Science and Culture, the LaRouche movement's affiliate in Russia, from 1992 until his untimely death in 2000. Looking back at the life and work of Prof. Muranivsky from the vantage point of the current strategic and economic crises in the world, in Russia, the country where he lived for nearly 50 years and to which he was devoted, and in the place he called "my smaller (more particular) homeland"—Ukraine, the lasting impact of this kind, enthusiastic, and hard-working man's powerful intellect and moral passion is ever more apparent.

As a horrific civil war swept through eastern Ukraine during the past year, a result of the Anglo-American geopolitical schemes that Muranivsky abhorred, it was impossible not to think of him daily. For Taras Muranivsky, like the great scientist Vladimir Vernadsky two generations before him, was a Ukrainian who believed that Ukraine could flourish only if Russia, and all Eurasia, also flourished; and that, despite many tragic pages in the region's history, the culture and scientific traditions of Russia and Ukraine were complementary, dictating cooperation for their common good and that of mankind.

Those of us who had the privilege to know and work with Prof. Muranivsky throughout the 1990s soon realized, that his extraordinary effectiveness



Prof. Taras Muranivsky had the most excellent habit of refusing to be a creature of habit; he delighted in encountering an idea that did not fit into his preconceived notions.

stemmed from his most excellent habit, of refusing to be a creature of habit. Rarely have I met a person who matched the delight Taras would experience, upon encountering an idea that did not fit into his pre-existing conception of the topic at hand.

One witnessed "the light going on" in Taras's mind, as his expression would shift from a glower, to an ear-to-ear grin of happiness over his discovery. Often he would put the new principle into action the very next day, as in the Autumn of 1992, when the Schiller Institute held its first-ever conference in Russia. The highlight of that event was the release of a Russian translation of Lyndon LaRouche's textbook, *So, You Wish To Learn All About Eco-*

nomics? It had been translated on a breakneck schedule, in order to inject LaRouche's principles of physical economy into the discourse in Russia, as the full brunt of "shock therapy"—overnight deregulation according to neoliberal monetarist schemes—hit the country. Muranivsky, who held advanced degrees in economics and philosophy, had undertaken to be the "scientific editor" of the translation, made by a young specialist in chemistry. The work was finished, but on the eve of the conference at which he would present the book, Taras was not yet satisfied. He singled out this passage:

"Plato insisted that the visible world has a different appearance than the real world, in the same broad sense

of the matter as the distorted shadows projected upon the walls of a dark cave by firelight. St. Paul writes that we see, as if in a mirror darkly. The elementary proof of this judgment is provided by the synthetic geometry known to Plato.”

Our translation of “through a glass, darkly,” was *skvoz tuskloye zerkalo*, literally “through a dingy mirror.” “What is this?” demanded Taras. “What is this dingy mirror? Who can understand what this means?” In defense of the translator, I rejoined, “But, Taras Vasilyevich, this is the phrase used in the Russian Bible, in *I Corinthians* 13, only maybe it hasn’t been as well known in Russia in recent decades!” The furrows on his brow gave way to a slight smile. The next day, Prof. Muranivsky was on his feet, telling the audience with confidence, about the importance of LaRouche’s using the imagery of Plato and St. Paul, about seeing “though a glass, darkly,” to convey the inadequacy of mere sense perception and the striving of the creative mind for a higher principle.

An Unconventional and Courageous Thinker

Muranivsky’s intellectual curiosity got him into trouble early on, as a student at Moscow State University, when he frequented meetings of the Krasnopevtsev intellectual circle. “This was,” recalled Taras’s friend from those days, the late Felix Beleyubsky, “a group of reformers—or free-thinkers, *volnodumtsy*, as they were traditionally called in Russia—who did not set out to overthrow socialism, but saw their task as the repair and improvement of socialism.” Leaders of the unauthorized group, with its unauthorized agenda of topics in history and economics, were arrested, put on trial, and sent to prison.

Muranivsky, as a younger participant, was summoned for interrogation by the KGB in 1957, but managed not to incriminate others or to reveal that he had hidden Lev Krasnopevtsev’s manuscripts at his aunt’s house in the Ukrainian countryside. Only 40 years later, when certain archives were opened up after the collapse of the USSR, did Taras and Felix view the de-



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Taras Muranivsky’s “collaboration with Lyndon LaRouche and his associates played an enormous role in the development of Taras Vasilyevich’s view of the world,” wrote his close friend Felix Beleyubsky. Here, Muranivsky and LaRouche, in August 1996.

classified letter, written by then-chairman of the KGB, Gen. Ivan Serov, and approved by members of the Soviet Politburo, imposing a career-long black mark on them.

Beleyubsky recounted how his friend did significant work in economics, and in the principles of science administration, despite being blacklisted.¹ But, he wrote, “Taras Vasilyevich’s finest hour came later, when the Soviet Union broke up, and a social counter-revolution took place in Russia. He did not accept the sort of new capitalist social order that took hold. Yes, his father had been arrested and expelled from the [Communist] Party, and he himself had been persecuted. But these personal offenses did not distract him from the heart of the matter. The events of 1991 significantly shifted his scientific interests. . . .

“[He] threw himself with passion into the study of what were new problems for him—the situation on the whole periphery of George Bush’s ‘New World Order,’ in Latin America, in Eastern Europe, in his native Ukraine, and in Russia. Essentially, he took up a new area of scientific specialization, becoming an expert

1. Felix Beleyubsky, “Memories of Taras V. Muranivsky,” *EIR*, July 27, 2001.



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Prof. Muranivsky (shown here at a Schiller Institute conference in Germany, December 1994), writing in Russian publications, cited the example of Malaysia's defense and recovery from speculative attacks by George Soros and others, in 1997, as an alternative course for Russia, then under attack by the imperial financiers.

on Latin America and the reforms in Poland. His refutation of the attempts to justify the reforms in Russia, using the experience of Latin America, is very interesting. . . .

“His collaboration with Lyndon LaRouche and his associates played an enormous role in the development of Taras Vasilyevich's view of the world. The work he did with them on problems of the globalist capitalist system, and its Third World component, was the centerpiece of his creative investigations during the last decade [the 1990s].”

Starting in 1992, Muranivsky poured out dozens of articles through the small weekly *Ekonomicheskaya Gazeta* and a trade-union journal, as well as some in

major national newspapers. Cumulatively, they blew out of the water the notion that Russia faced a limited choice between the Soviet “command economy” and the radical deregulation being pushed by the London- and Chicago-trained first post-Soviet government, with no other options. Muranivsky injected into discussions the “national economy” alternative of Alexander Hamilton's American System, with its 19th-Century continuation by Abraham Lincoln and Henry C. Carey, Friedrich List, and such Russian nation-builders as Dmitri Mendeleev and Count Sergei Witte, and its echoes in the 20th Century under Franklin Delano Roosevelt.

In the September-October 1992 issue of *Profsoyuzy i ekonomika* (*Trade Unions and the Economy*, the 50,000-circulation journal of the Russian Federation of Independent Trade Unions), Muranivsky published an article called “Shock, or Fate?” questioning the inevitability of the neoliberals' “shock therapy,” which that year was ravaging Russia with 2,600% inflation. He appealed for Russian economists and leaders to study the example of Roosevelt's New Deal (see box).

In January 1994, the widely read daily *Nezavisimaya Gazeta* printed Muranivsky's polemical response to an article by two economists, who had maintained that the reforms were failing because social and economic processes were generally “unknowable” and could not be regulated. Taras wrote, “A new paradigm in economic science, which in my opinion will depoliticize it, is the physical economy of the American economist

Lyndon LaRouche. . . . For physical economy, economic processes are not the ‘free market’ and not money. It opposes the monetarist idea in economics, the idea based on the principle that economic science is ‘the science of how to get rich.’ In physical economy, the main goal of economic development is the continual growth of production on the basis of scientific and technological progress. The market and money are viewed as necessary instruments for economic relations.”

In February 1995, Muranivsky presented LaRouche's *Memorandum on Prospects for Russian Economic Revival* to a special hearing of the lower house of the Russian Parliament, the State Duma, convened to

discuss measures to prevent the disintegration of the national economy.²

The Mahathir Example and the Cavallo Warning

In 1997-98, as the neo-liberal “young reformers” courting of hot money from the globalized financial

2. Lyndon H. LaRouche, Jr., *Prospects for Russian Economic Revival*, *EIR*, March 17, 1995.

markets moved events inexorably toward the Russian government bond default of August 1998, Muranivsky’s reporting on developments abroad was unique in Russia, and has remained influential long after the specific circumstances in which it was written. In December 2014, as the ruble again came under speculative attack, involving both foreign and domestic market players, Russian influentials including Sergei Markov, a former MP and authorized campaign spokesman for President Putin, raised the precedent of the exchange

Muranivsky in 1992: Use The Lessons of Roosevelt!

These passages are excerpted from an article in Profsoyuzy i ekonomika, #5, 1992.

A way out of the difficulties in which our economy has landed, should be sought in the use of economic and legal administrative measures to regulate economic life. Here, despite the well-known allergy to administrative measures, which we associate with bureaucratic command methods, it will be impossible to find an exit from the crisis, without sensible government regulation of the economy. The chaos of destruction cannot be overcome through the spontaneity of the market.

Instructive in this regard is the experience of the New Deal, conducted by the Federal government under F. Roosevelt and the U.S. Congress during the 1930s. The American President did not go to the lawmakers for extraordinary authority. Within ten days after taking office, he merely proposed to convene a special session of Congress. Within 100 days, it had adopted around 70 laws, encompassing industry, agriculture, commerce, the credit and banking system, and government social policy...

The experience of the U.S.A. is important for us, not only as a way to deal with unemployment, but also as an approach to developing infrastructure under crisis conditions. Creating diverse and extensive infrastructure in our country would mean the prevention of losses in agriculture, the development of cities and centers of culture along the main routes,

and the creation of a new economic basis for cooperation among sovereign republics.

In this connection, our participation in the international infrastructure development project called the Productive Triangle, developed by the Schiller Institute, appears very promising. Joint public-private financing of its implementation would fundamentally change the character of our relations with the majority of the countries in Europe, from one-sided dependency, towards mutual benefit...

Even before the development of the New Deal, Roosevelt, as a new President, confronting the unprecedented economic crisis that had struck the U.S.A., gave this evaluation of the situation: “The country needs and, unless I mistake its temper, the country demands bold, persistent experimentation. It is common sense to take a method and try it; if it fails, admit it frankly and try another. But above all, try something. The millions who are in want will not stand by silently forever while the things to satisfy their needs are within easy reach.” (If only we would learn to call things by their names, instead of inventing slogans to cover up flip-flopping!)

In response to the President’s frankness, the country threw itself into the implementation of his bold plans. Roosevelt had broad support from the population, who gained broader democratic rights during his presidency. The popularity he had earned earlier also helped... At the same time, Roosevelt won the trust of those layers of big capital, which recognized the need to make concessions to labor, in order to achieve class peace.

It was in those years that the basis was laid in the U.S.A., for what today is called, including in our country, common human values. And they are of lasting significance.

and capital controls introduced by former Malaysian Prime Minister Mahathir bin Mohamad, as an alternative course for Russia today, rather than merely the interest-rate hikes imposed by the textbook monetarists at the Russian Central Bank. The case of Malaysia's defense and recovery from speculative attacks by George Soros and others, in 1997, had become well-known in Russia a decade and a half ago, thanks to Taras Muranivsky.

Dr. Mahathir's denunciation of currency speculation, made at the September 1997 IMF-World Bank meeting in Hong Kong, initially caught the attention of Russian media because George Soros was one of its main targets; having financed dozens of projects in the former Soviet Union, gaining him enormous leverage in the areas of science, education, and communications, Soros had also begun to invest there. Muranivsky, however, writing in *Ekonomicheskaya Gazeta* in October 1997, made a more universal generalization from Malaysia's showdown with the IMF and the hedge funds, highlighting the strategic importance of the global derivatives bubble, then in its early stages of growth. He reported on Mahathir's Hong Kong speech as a "blow against the looting policy of the International Monetary Fund." He said that the meeting would "go down in history, as the scene of extremely harsh criticism of the international financial organizations' looting policy, which has widened the gap between the industrially developed and the developing countries." Muranivsky quoted the strongest passages of Dr. Mahathir's speech, which called for banning currency speculation as "unproductive and immoral," and his words about unseen foreign traders, who are prepared to throw a target country into the garbage can.

In November 1997, Muranivsky contributed an article to *Ekonomicheskaya Gazeta* titled "The Thirty-Year World Crisis, into Which Russia Is Being Dragged." Outlining LaRouche's step-by-step measures for governments to take, in order to bankrupt the speculators, he also provided the first full translation into Russian of Mahathir's speech to the Hong Kong IMF meeting. This translation was subsequently reproduced in briefing papers circulated to Russian parliamentary and government officials.

Having put the positive example of Malaysia on the agenda in 1997, Muranivsky the next year intervened again in Russian policy-making, this time with an

urgent cautionary report. Immediately after the Aug. 17, 1998 default, London-connected Russian radical liberals such as the late Boris Fyodorov, with help from mega-speculator Soros, attempted to bring Argentine ex-Economics Minister Domingo Cavallo to Moscow, to guide Russian monetary policy under a classic British Imperial currency-board model, with Victor Chernomyrdin as prime minister. One of the weapons used to beat back this ploy was provided by Muranivsky's exposé of Cavallo, and the new government was formed instead by veteran intelligence figure Yevgeni Primakov and defense-industry expert Yuri Maslyukov. Their turnaround of Russian industry, achieving 20% growth within six months, benefits Russia still today.

The leading Russian economic weekly *Expert* editorialized at the end of 2002: "Let us recall that after the collapse of the ruble and the default of 1998, Russia was literally one step away from applying the Argentine experience." The article placed the blame for Argentina's social and political crisis squarely on deposed Economics Minister Domingo Cavallo's monetary policy—the peso-dollar peg, enforced by a currency board, combined with "mass privatization and deregulation." *Expert* headlined, "It's a Good Thing We Didn't Listen to Cavallo." The magazine then reviewed the Fyodorov-Chernomyrdin-Cavallo scenario of 1998, concluding that the adamant opposition of Russian Central Bank head Victor Gerashchenko had headed off the installation of a currency board in Russia.

In Summer 1998, a dossier of *EIR* articles, exposing the devastation of the Argentine economy under Cavallo, had been circulated in Moscow, while Muranivsky published a polemical article in *Ekonomicheskaya Gazeta* on Cavallo's currency board scheme as a means to loot. To this day, the authoritative profile of Cavallo in Russian is the article Muranivsky wrote later that year for the biography magazine *Kto Yest Kto* (*Who Is Who*), titled "Domingo Cavallo: The True Face of the 'Argentine Miracle.'" Using material from *EIR*, Muranivsky left nothing but tatters of Cavallo's reputation as a financial wizard.

At the current turning point for Russian and world economic policies, one can only wish that Taras Vasilyevich Muranivsky were here to wield his incisive pen. But, as it happens, many of his writings of 15 and 20 years ago are as timely today, as they were then.