

SPEECHES DELIVERED AT THE FIRST CONVENTION OF THE
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[Notes compiled by **Robert Grözinger**]

Yuri Maltsev informed the convention about the situation in Russia.

One of the few things President Ronald Reagan was right about was that the Soviet Union was truly an evil empire. In the horror chambers of history the Soviet Union has a very special place. It initiated the spread of absolute state totalitarianism in the Twentieth century and created the model killer state which was used and excelled by Stalin and other socialist mass murderers of the past century - Hitler, Mao, Tito, Bierut, Rakoszy, Kim Il Sung, Castro, Ho Chi Minh and Pol Pot.

Ludwig Von Mises was the first Western intellectual who predicted the inevitable demise of socialism. He also analyzed "two patterns for the realization of socialism". He wrote: "The first pattern (we may call it the Lenin or the Russian pattern) is purely bureaucratic. All plants, shops and farms are formally nationalized (verstaatlicht); they are departments of the government operated by civil servants. Every unit of the apparatus of production stands in the same relation to the superior central organization, as does a local post office to the office of the postmaster general. The second pattern (we may call it the Hindenburg or German pattern) nominally and seemingly preserves private ownership of markets, prices, wages, and interest rates. There are, however, no longer entrepreneurs, but only shop managers (Betriebsführer in the terminology of the Nazi legislation)."

Kremlin leaders have chosen the only possible way of managing economy under socialism - direct government coercion based on the principle from the top down. The absolute command economy was created. Central government controlled production and distribution. Absolute "thought monopoly" of Marxism was enforced by the prefect "killer state of socialism" through mass shootings, deportations and slaughter of "bourgeois intellectuals".

Upon taking power in November 1917 the Bolsheviks were busy implementing the orthodox Marxist vision of communism. Everything that was typically "Russian" was destroyed by the Bolsheviks: Russian culture, family values etc. Stalin for example decreed to decriminalize killing Priests as "social vermin". 900,000 clerics were murdered as a result.

The Soviet Union's mass killing machine murdered 42 million people of all nationalities. Natural elites of countries enslaved in the USSR were primary targets for death. Rates of economic growth in the Soviet Union were boosted by fear and coercion; they were the greatest when most people were killed. (There is indeed a strong correlation, 0.8 or 0.9.) This system collapsed because it lost its deadly impetus under Gorbachev's perestroika. When murderous Utopia stopped using bullets, it simply collapsed like a house of cards. The regime died because of lack of economic calculation, and because they had no idea

how to make up for this in the total absence of market signals. This system destroyed the consumer market (rationing was enforced by GPU and KGB for both means of production and consumer goods), and the creation of non-economic institutions of compulsion to work (mass repression providing cheap labor, and a ban on peasants leaving collective farms, supplemented later by a similar ban on jobs and residency changes for urban residents). Not many are aware that the great purges were really an assault on the countryside. Over half of all executions took place in rural areas. The liquidation of the kulaks ended up in ten million of them deported to Siberia where most of them died. In Ukraine alone Stalin starved to death over 7 million peasants. Bloodthirsty communist leaders ended up deporting women, children, and crippled people who were no threat to the government. Often authorities had a different agenda, like clearing out people they might have to feed. Soviet genocide dwarfs any other evil empires in the scale and scope of "death by government". To say this in the US today means being called a right wing nut.

Modern Russia has more oil and gas reserves than Saudi Arabia, and could be the richest country in the world, but the government destroyed almost everything that could lead to real freedom and prosperity. In Russia today, the growth rate is about 7 %, most of this however is due to the currently high oil prices. Richness in natural resources is not a blessing but a curse for a country. Almost all major oil producers have corrupt murderous regimes, because the resources allow them to "buy time" and feed a parasitic state. Today Russia is a "fascist economy": property rights are declared but ignored by Putin and his cronies. Russia essentially moved from the first to the second pattern of socialism where the government does not own everything, but intervenes in everything.

Lesson from Russia is: Freedom is the only real source of wealth and prosperity.