

# Korea Trade Meet Opened With LaRouche Strategy

by Kathy Wolfe

The Korea Trade Research Association's Oct. 31 conference in Seoul was opened with a presentation of U.S. Presidential candidate and *EIR* Founding Editor Lyndon LaRouche's Eurasian Land-Bridge strategy for rebuilding the depression-wracked global economy, and his New Bretton Woods monetary reform to finance it. Dr. Jonathan Tennenbaum presented the LaRouche policy (see below) to some 500 economics professors and graduate students from the KTRA's membership all over South Korea. Minister of Commerce and Industry Yoon Jin-Sik, Italy's Ambassador to South Korea Francesco Rausi, KTRA President Dr. Song Hee-Young, and Korea Institute for International Economic Policy's Dr. Ahn Choong-Yong also addressed the conference, along with the director of Beijing's Institute of World Economy Studies, Kang Xie, and experts in frontiers of transport and trade from other nations. The Ministry of Commerce (KITA) co-sponsored the event.

Participants and Korean media were particularly inter-

ested in the Eurasian Land-Bridge's strategic significance in forestalling use of the Cheney "pre-emptive strike" doctrine on the Korean peninsula.

## Eurasian 'Super-Power for Peace'

The concept of the Korean Peninsula as a world trade "hub" is closely associated with the recent opening of the Korean Demilitarized Zone, and the re-connection of the Trans-Korean Railway (TKR). When the TKR is fully functional, Korea's two southern super-ports of Busan (Pusan) and Mokpo will be the eastern-most terminae of both the Trans-Siberian, and the Beijing branch of the Trans-China Railway, making Korea the locus where cargo from all over Eurasia is transshipped across the Pacific. KTRA President Song said in introduction that Korea needs to map out a strategy for achieving this goal.

Tennenbaum, chief author of *EIR*'s widely-known 1997 book *Eurasian Land-Bridge: New Silk Road—Locomotive for Worldwide Economic Development*, startled participants with a forceful opening presentation of LaRouche's warning of global systemic crisis. "The world is presently suffering a combined financial and economic breakdown crisis, more profound—and potentially more devastating on a global scale—than the so-called 'Great Depression' and the unleashing of the Second World War," he said, warning that "the financial system is hopelessly bankrupt, and cannot be maintained in its present form."

## EIR v. Cheney Featured

The November 2003 issue of *Mal* magazine in Seoul, Korea has printed translations of two of *EIR*'s recent exposés attacking the Cheney neo-cons and their schemes for "regime change" in South Korea, as well as in the North. Lyndon LaRouche's mass-circulation campaign pamphlet *Children of Satan* is referenced in the articles. *Mal* magazine is politically close to President Roh Moo-hyung's youthful support base, which is being deliberately alienated by the Cheney-ac demand that South Korea send troops to Iraq.

"Did Cheney's Neo-Cons Fake Intelligence about N. Korea, Too?" (*EIR*, Aug. 8), documents the explosive but (until now) suppressed exposé by Dr. Jonathan Pollack, chairman of the Strategic Research Department of the U.S. Naval War College, that the Bush Administration hyped the evidence about North Korea's uranium program. Pollack charged that senior Administration officials created the October 2002 confrontation with Pyongyang, by charging the D.P.R.K. with enriching uranium to weapons grade, despite the fact that evidence for a uranium program

gathered by the CIA and other agencies was "far from definitive," that "North Korea had no operational enrichment facility," and that "the intelligence community believed that North Korea still confronted daunting obstacles . . . even to acquire the production capabilities that might ultimately permit such an option." It was not uranium intelligence which triggered Washington's October 2002 charges against Pyongyang; rather, "the stunning disclosure [in September 2002] of Japanese Prime Minister Junichiro Koizumi's impending visit to Pyongyang."

The second article is "South Korea: Target for Cheney 'Regime Change'?" (*EIR*, Oct. 24). It explains how Cheney and Defense Secretary Donald Rumsfeld's demand is forcing South Korea to send troops to Iraq, provoking student riots, and turning President Roh Moo-hyung's youth base against him, in what may be a deliberate attempt of "regime change" for the South Korean government. *Mal* reprints *EIR*'s prescriptions for Roh to get out of the vise: "Get an economic policy," propose a global economic New Deal, the Eurasian Land-Bridge; bring the economic program right into the Six-Power Talks on North Korea, to give the talks content; tell Washington this involves the future of billions of people."—Kathy Wolfe

# New Silk Road Requires A New Monetary System

by Dr. Jonathan Tennenbaum

*Presented to the conference, "Vision for Korea as a World Trade Hub" on Oct. 31 in Seoul. Some subheads have been added for publication.*

Tennenbaum then described LaRouche's financial proposals as a leading U.S. Presidential candidate, and noted that while the United States is not willing now to make such changes, this is no reason for the rest of the world to "sit still." He urged that East Asia, Russia, India, Central Asia, and Europe move forward with Eurasia-wide monetary, trade, and economic agreements as described by LaRouche in his Sept. 23 Moscow speech on "China and a Community of Principle." LaRouche had said then that "a system of treaty agreements [across Eurasia] would provide much needed economic benefits, and also efficient security arrangements, throughout the Eurasian continent, forming a community of principle. The success of a treaty-driven Eurasian initiative would set a pattern for broader reform of relations among nations worldwide," to stabilize currencies, finance new projects at low interest rates, and create a "Super Power for Peace" from Tokyo to Busan to Paris.

Tennenbaum used a series of maps to develop all the transport and infrastructure corridors of the Eurasian Land-Bridge, from the Trans-Siberian in the north, to the ASEAN-India-Iran line in the south. He showed the audience the strategic significance of reconnecting the Trans-Korean Railways: "These overland rail routes between Korea and Europe not only promise large savings in transport time and cost, as compared to sea routes, but will greatly promote regional economic development. . . . Here we find a high degree of complementarity: the industrial capacities in Japan, Korea and Shanghai; the vast mineral and energy resources, as well as scientific and technological potentials in the Far East of Russia; the food production areas in northern China; the huge potential market defined by the population concentrations in and around the region."

Trade and transport specialists gave the conference a variety of presentations on global shipping; the wide variety of pending trade agreements among the Association of Southeast Asian Nations (ASEAN) and the "Plus 3" of China-Japan-Korea; recent economic developments in regional trade—notably the fact that China is about to surpass the United States for the first time, as the largest destination for South Korea's exports. *EIR* learned from many participants their view that "the Americans just do not realize that Asia is moving forward with its own arrangements, which are now rather far advanced, and not waiting for directions from Washington," as one speaker put it.

In the discussion session of the conference, each questioner brought up Tennenbaum's remarks as most notable, starting with the South Korean Deputy Minister for Commerce, who praised *EIR*'s "insightful presentation that the financial problems are caused by a crisis on a global scale, not local issues." "Dr. Tennenbaum gave an excellent presentation," said another senior expert from Korea's former Economic Planning Board, "but my question is the same one he raised: How exactly can we build the Eurasian Land-Bridge and a new monetary system, and who will take the initiative?"

I want to thank Korea Trade Research Association for the opportunity to address your learned audience on two closely connected topics of decisive importance to the world's future. The first, is the present global financial crisis and what to do about it. The second, is a grand strategy for the economic development of Eurasia over the coming 30 years. This centers on the creation of a "Eurasian Land-Bridge System" or "New Silk Road" inter-linking the population centers and major development regions of Europe and Asia by a network of transcontinental infrastructure corridors, including high-speed ground transport, modern energy, water, and communications systems.

Let me explain why there is no way to adequately address either of these two topics without addressing the other. The conceptions I present are based in large part on the work of Lyndon LaRouche, the well-known American economist and statesman, who is one of the Democratic pre-candidates for the U.S. Presidential elections in 2004. Mr. LaRouche would have liked to be here to address you in person, but unfortunately previous commitments required his presence.

The world is presently suffering a combined financial and economic breakdown crisis, more profound—and potentially more devastating on a global scale—than the so-called Great Depression and the unleashing of the Second World War. This breakdown crisis comes as the terminal stage of a more than 30-year process of structural decay of the world economic and financial system. This decay was initiated by a fundamental shift in culture and economic outlook in the United States in the mid-1960s. At that time, the United States and other industrial nations began to move away from our previous tradition of highly-regulated, industrial-oriented national economies—a system which depended on large-scale state investments into infrastructure, science, and education. Instead, there was a revival of the ideology of the British "free trade" system of Adam Smith, which was promoted by Friedrich von Hayek, the "Chicago School" of Milton Friedman, the advisors to Margaret Thatcher, and the neo-conservative movement in the United States.

This change in Western policy led to a radical deregulation of the financial system, elimination of protectionist measures, radical privatization, reduction of state investment into basic infrastructure, and a policy of "globalization" of finan-