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Obama, NATO Set Ukraine 'Tripwire' for World War
Forging Fusion: Physical, Chemical, and Nuclear
Will Greece Be First in Europe To Join the BRICS?

The BRICS Option Is the Only Alternative To Threat of WWIII



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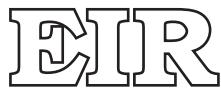
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From the Editors

“We’re at a doomsday time right now,” Lyndon LaRouche said in his weekly discussion with the LaRouchePAC Policy Committee Feb. 2. “That war can happen early, now—in the short term, this week, next week, in those terms.” LaRouche charged: “Obama is the author of global thermonuclear war!” The question is, once you face that reality, what must be done?

Our cover *Feature* this week highlights Helga Zepp-LaRouche’s leading role in not only raising the alarm, but presenting the full-blown solution to the crisis, in the form of the new world economic order being created by the BRICS. Her intervention in Copenhagen, Denmark, which we report here, caught the attention of the Russian official news agency TASS, which put out a wire entitled “Schiller Institute Leader Helga Zepp-LaRouche Calls for Uniting the Efforts of the European Union, the United States, and the BRICS.”

If Russia is paying attention, shouldn’t you be?

Obama’s blatant role as a tripwire for nuclear war, and the Russian response, is also featured at the conclusion of the lead package.

The cause for that hysterical drive for war is highlighted in our *Economics* section, both in the lead on Greece’s courageous challenge to the murderous trans-Atlantic system, and the backup by Economics editor Paul Gallagher, on how the current bankruptcy crisis was created. Gallagher highlights LaRouche’s forecasts and solutions, including the one required immediately.

Two other sections of the magazine provide necessary complements to his argument. First, the *National* lead on the LaRouche movement’s “Manhattan Project,” which is directly taking on Wall Street with organizing around Alexander Hamilton’s principle of physical economy. Second, our *Science* feature, “Forging Fusion: Physical, Chemical, Nuclear,” which addresses the deeper scientific principles which must be mastered in order to actually get out of the current crisis.

In our *International* section, we focus on the latest high-profile meeting of the leading nations of the BRICS—Russia, India, and China—which occurred in Beijing this week. Contrast their approach to long-range economic development, and mutual security, to the rantings about “punishment” of Russia, and hysterical lies about “recovery” coming from Obama, and you should get a very good idea of why we have to get Obama, and oligarchical forces he represents, out of power *now*, for our very own survival.

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NATO deploys in Poland: Exercise Steadfast Jazz, November 2013.



NATO/British Army S. Sgt. Ian Houlding

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The new quality of human civilization that will be ushered in by a fusion economy can only be adequately understood by looking at it in the long-term context of human development, from the physical world of the Stone Age, to the chemical world of the Bronze and Electrical Ages, to the nuclear world that we have only just ventured into. A video by Jason Ross.

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The BRICS Is the Only Alternative To Threat of WWIII

by Our European Bureaus

Feb. 2—As the British Empire and its key assets—Barack Obama and NATO—escalate provocations against Russia that can only end in World War III, Helga Zepp-LaRouche, founder of the Schiller Institute, undertook a tour of European capitals to not only raise the alarm on the imminent thermonuclear war danger, but to provide the alternative, which is outlined in *EIR*'s Special Report "The New Silk Road Becomes the World Land-Bridge," released in December 2014.

Zepp-LaRouche keynoted three *EIR* events last week, at which she presented a comprehensive picture of the emerging reality of a new, just world economic order, being put into place by the BRICS (Brazil, Russia, India, China, South Africa). It is the reaction of the Wall Street/London financial empire to the threat of their own bankruptcy and replacement, which is creating the war danger, she said. The only sane response—made even more palpable by the Greek election results—is for the nations of Europe and the U.S. to bury Wall Street and the City of London, and to join with the BRICS in a crash effort for a scientific and economic renaissance.

Berlin

Zepp-LaRouche's tour began Jan. 27 in Berlin, the political nerve center of Europe, with a seminar attended by a couple of dozen people, many linked to political or economic institutions (see report in this section). Reverberations from this event, which was filmed by China's Xinhua, will undoubtedly affect the battle raging in Germany over Chancellor Angela Merkel's confrontational course toward Russia.

Leading political and military figures have minced no words in condemning the brinksmanship with Russia, and in pointing out that it can only lead to a war of extinction. Gen. Harald Kujat (ret.), former head of the



Schiller Institute

During her presentation in Berlin on Jan. 27, Helga Zepp-LaRouche said that only if the West gives up its geopolitical confrontation against Russia and China, and accepts the offer of cooperation with the BRICS countries, is there a solution to the threat of war and financial disintegration.

NATO Military Committee (2002-05), has been on a campaign to convince NATO to back away from a military conflict in Ukraine. He has been joined by such prominents as Horst Teltschik, one of the architects of Chancellor Helmut Kohl's diplomacy, which made possible the peaceful reunification of Germany, and Gernot Erler, Germany's current special coordinator for Russia policy (see *EIR*, Jan. 23). (A report on the Ukraine crisis is included below.)

Unlike Zepp-LaRouche, who heads the Civil Rights Solidarity Movement (BüSo) in Germany, however, these forces have not identified a peace-winning strategy.

Zepp-LaRouche was joined at the Berlin event by a representative of the Chinese cultural center in that city, Chen Jianyang, who reported on the importance of the New Silk Road, as the same kind of bridging mechanism between Europe and Asia that the ancient Silk Road provided. Then, as now, not only material, but cultural, scientific, and religious goods and ideas would be exchanged, he said. The camel has been replaced by the high-speed train, and the development perspective is now bringing 40 countries, with a total of 4 billion people, into collaboration. Germany and China, Chen concluded, could, through a strategic partnership, be a driving force for reviving the global economy.

Frankfurt

The German financial center of Frankfurt am Main was the location for Zepp-LaRouche's next seminar on the New Silk Road report. Among those attending were representatives from China, Russia, Egypt, Chad, and Iran, as well as Germans working in and with those countries.

After Zepp-LaRouche gave a briefing on the war danger, and the BRICS process in motion, there was a very lively discussion. Many participants denounced the Green ideology the European Union has adopted, but the most passionate discussion was on the need to change the educational system, away from the mass-murder perspective endemic to the Green paradigm, back toward the Classical humanist tradition which Germany once embodied. This per-

spective was defended by participants, both Germans and foreigners, including notably, those from Africa.

Copenhagen

Zepp-LaRouche's next stop, on Jan. 30, was Copenhagen. She was the main speaker at a diplomatic seminar held at the Russian Culture Center, which drew representatives from 13 embassies, along with Danish businessmen, and organizers for the Schiller Institute.

After her presentation on both the war danger and the BRICS alternative, embassy spokesmen from three of the five BRICS nations also gave speeches—Alexey Kolesnikov, Russia; Hu Yi, China; Machiel Renier van Niekerk, South Africa. There was also participation from the floor by the Brazilian representative. The presentation of the South African representative was cleared for public release, and is reprinted below.

More To Come

More events on the New Silk Road report are scheduled in Europe in the weeks ahead, with the intention of building a drumbeat for the BRICS, to drown out that for war—and to support a crucial shift in the United States, toward the same perspective.

Stop the Threat of War by Cooperation with the BRICS

by Alexander Hartmann

Jan. 29—Helga Zepp-LaRouche, the founder of the Schiller Institute and chairwoman of the Civil Rights Solidarity Movement (BüSo), warned on Jan. 27 of the dramatically escalating danger of nuclear war between the West and Russia, as a result of the ongoing collapse of the trans-Atlantic financial system. The forces that want to maintain this bankrupt system at any cost are the same ones that are behind the war-mongering, she said.

In a speech at a Berlin seminar presenting *EIR*'s December 2014 report, "The New Silk Road Becomes the World Land-Bridge," she said that the global development programs presented in this study, and the cooperation of the trans-Atlantic world with the nations of the BRICS group, are crucial to defusing this threat of war.

"The danger of war is extremely acute," she warned. "If you think through the situation, I don't think you'll be able to sleep at night. And frankly, I would prefer that, than to have block-headed Germans not wake up someday, and not even know what happened."

More and more people worldwide have been warning of the danger of a third world war, she said, such as Mikhail Gorbachov, the last leader of the Soviet Union, who said that an attempt to find a military solution to the Ukraine crisis would constitute not only an immediate threat of war in Europe, but would lead to a global nuclear war. "And the reason for this is of course not only Ukraine," Zepp-LaRouche continued. Russian President



Schiller Institute

During her presentation in Berlin on Jan. 27, Helga Zepp-LaRouche said that only if the West gives up its geopolitical confrontation against Russia and China, and accepts the offer of cooperation with the BRICS countries, is there a solution to the threat of war and financial disintegration.

Putin had it right, when, in his annual Presidential Address to the Federal Assembly on Dec. 4, he said that if the West, especially the United States and NATO—and of course with the backing of the EU—had not had the Ukraine crisis, they would have come up with some other conflict, because the name of the game is the destruction of Russia.

She cited former Russian Foreign Minister Igor Ivanov, the chairman of the Russian Council for International Affairs, the think tank of the Russian Ministry of Foreign Affairs. Ivanov wrote a remarkable [article](#) in the *Moscow Times*, she said, "in which he says that the Ukraine crisis is more dangerous than any crisis during the Cold War—which is quite strong, since it means even more dangerous than the Cuban Missile

Crisis. And, during the Cuban Missile Crisis, we were really very close to catastrophe." Ivanov appealed to the leaders of the West to act immediately to prevent a disaster.

As to why this crisis is more dangerous than the Cuban Missile Crisis, Ivanov pointed to the absence of political dialogue; that neither side is communicating with the other any longer. German historian Michael Stürmer also pointed out, in an article some months ago, that the standard operating procedure—to use the "red phone" in times of crisis and to communicate with one another—no longer exists.

"Ivanov writes that 'with mutual distrust at historical highs, the probability of unintended accidents, in-

cluding those involving nuclear weapons, is getting more and more real,’ that international law has become a victim of political interests, and the danger of a large-scale war is enormously high.”

These warnings are fully justified, Zepp-LaRouche said. “I want to tell you now a few things about the strategic situation that you probably do not know, but that you should absolutely read about. And I would request, if you don’t believe me, that you get the articles I am referring to and read them for yourself. Because I believe that only the shock of how close we are to a third world war can generate the mobilization required for the offer made by President Xi Jinping to Obama to be accepted. Because either we leave the domain of geopolitics, which led to two world wars in the 20th Century, and go to a completely new paradigm in the history of mankind, or we will probably obliterate ourselves.”

Illusion of First-Strike Capability

A very important problem, she said, is the illusion in leading circles in the United States that they could launch a nuclear first strike with today’s weapons technology, and win a war.

As an example, she referred to an [article](#) by professors Keir A. Lieber and Daryl G. Press, published on March 1, 2013 in *Strategic Studies Quarterly*, the magazine of the University of the U.S. Air Force. They said that the United States has a first-strike capability, the ability to wipe out any opponent’s second-strike capability; that therefore, the doctrine of “Mutual Assured Destruction,” which was considered valid still during the 1980s—that no nuclear weapons could be used, because they would lead to the extinction of mankind—no longer applies, so that it would be possible to win a nuclear war.

The authors conclude that the modernization of precision weapons, including cyberwarfare and surveillance with every sort of reconnaissance system, makes it possible to neutralize the enemy’s second-strike capability, the entire nuclear arsenal, without the enemy being able to strike back.

Two years ago, the Izborsk Club, an organization of Russian intellectuals, issued a report which concluded “that there is a so-called counterforce threat to the Russian deterrent.” And on March 3, 2012, the former Chief of the General Staff of the Russian Armed Forces, Gen. Nikolai Makarov, said that if the installation of the U.S. antiballistic-missile defense system in Europe exceeded a certain point, then Russia would have to

launch a pre-emptive strike.¹ He said that because of “the creation of the illusion of being able to inflict a disarming first strike without retaliation, a decision on the pre-emptive use of available offensive weapons will be taken during the period of an escalating situation.”

Just two weeks ago, Zepp-LaRouche continued, *Spiegel Online* published new documents from Edward Snowden on an NSA program called “Tailored Access Operations,” which manipulates and destroys the enemy’s computers, and could make the enemy’s hard drives unusable. It is not a question of total surveillance here, but of the destruction of computer networks and everything that they operate, “such as power and water supplies, factories, airports, or the flow of money.” The head of the NSA, Michael Rogers, is also the head of the U.S. Cyber Forces.

But it is not only a matter of the above-mentioned measures, the article said, but also of siphoning off information from competing intelligence services; the NSA could hack into the Chinese secret service, the Russians, and others, and intercept all sorts of sensitive military technologies, “for example, schedules for the refueling of aircraft, military logistics and planning systems, missile navigation systems of the Navy, information about nuclear submarines, missile defense, and other top-secret arms projects.”

The NSA could also take over private computers, using them as a kind of human shield to conduct these activities, and they have a whole range of digital “duplicate keys” and “crowbars” with which they can break into encrypted systems. They can plunder bank accounts, thwart military deployment plans, copy fighter-bombers, switch off power plants. This is all in a legal vacuum, the article says, over which there is no legislative supervision and no international agreement.

Incalculable Consequences

At the end of December 2014, nuclear expert Theodore Postol published an [article](#) in the American magazine *The Nation*, in which he refers to Obama’s promises during the 2008 election campaign, that his most important goal was nuclear disarmament. But now Obama has put on the agenda an ambitious, trillion-dollar modernization program for American nuclear weapons.

Postol, a professor of Science, Technology, and International Security at MIT, warned of the fundamental error of people who fantasize about a first strike, with-

1. See *EIR*, March 15, 2003.

out knowing the difference between a conventional war and a nuclear war: that in a conventional war, the objective is, as far as possible, to eliminate the military power of the enemy, and that's final; whereas in a nuclear war, it is completely impossible to eliminate all of the enemy's nuclear weapons, so there is always a fraction left that can launch a counterstrike.

Postol comes to the conclusion that for all these reasons, there is an enormous problem of unpredictability. History gives countless examples, said Zepp-LaRouche, that show how "things can happen that were not planned, and how things can run out of control." The idea of winning a nuclear war is dangerous folly, she said, "which is putting it mildly."

On Dec. 1, 2014, former Russian Chief of the General Staff Gen. Yuri Baluyevsky, said in a speech that "the armed forces of the U.S.A., of NATO in general, are 'honed' today towards fighting against Russia, and tomorrow, in the future, towards a fight against China." That will begin with an information war, he said, "and military force proper will be the final stage of the process that we are already seeing today."

Zepp-LaRouche stressed: "I can only say that the anti-Russian propaganda, and especially the demonization of Putin are part of an information war that has al-

ready begun. Because if you want to wage war, you first have to have an enemy image."

In an interview with the *Moscow Times*, General Baluyevsky was asked then whether the Cold War could still be stopped, and he replied that he did not think so. "In other words, he is saying that 'the train has left the station,'" Zepp-LaRouche commented, and that is a perfectly correct statement at the present time, as long as U.S. policy is dominated by the mindset of the "Project for a New American Century," which says that the United States must not allow any state or group of states to be stronger than the USA. The Chinese leadership is also aware of this situation. "This is extremely dangerous," she said, "because if there were an uncontrolled crash now, then the danger of war, which is enormous anyway, would increase greatly."

Later in her speech, she described in detail the prospects opening up for the global economy through the initiatives and cooperation offers of the BRICS countries—Brazil, Russia, India, China, and South Africa—as well as the specific proposals for the expansion of the World Land-Bridge, which the Schiller Institute and the BüSo have been advocating for decades, and which now are well underway in many countries that are co-operating with the BRICS [see box].

Build the New Silk Road

In her presentation in Berlin on Jan. 27, **Helga Zepp-LaRouche** counterposed the perspective of *EIR*'s report, "The New Silk Road Becomes the World Land-Bridge," to the bankruptcy of the casino economy. Only a reform in the tradition of Glass-Steagall banking separation and a return to a credit system modeled on that created by Alexander Hamilton, will make possible a partnership with the BRICS, she said.

China has made clear that its new economic policy is not based on confrontation. Every nation can participate in the economic agreements that are being generated by the BRICS, she said. China is currently the world leader in high-speed rail, water management, nuclear fusion, and space exploration. Its economic growth and increase in skilled

workers in industry and science are unparalleled.

She presented international Great Projects that are now on the agenda, including infrastructure corridors in Eurasia, tunnel and canal projects in Thailand, Nicaragua, Egypt, southern Europe, and Africa—all proceeding under the leadership of China.

Chen Jianyang, director of the Chinese Cultural Center in Berlin, then gave a report on the New Silk Road as a bridge between East and West. As with the ancient Silk Road, he said, not only material, but also cultural, scientific, and religious goods could be exchanged. From the camel as the means of transport, we now have high-speed rail, which would allow one to travel from Xi'an to Duisburg in 16 days. Forty nations, representing 4 billion people, are already taking part in this development. Germany and China, said Chen, could join in a strategic partnership to be the driving force for an upturn in the global economy.

—Stephan Ossenkopp

Only if the West gives up its attitude of geopolitical confrontation against Russia and China, she concluded, and accepts the offer of cooperation with the BRICS countries, is there a way out of the dramatic threat of war and the breakdown crisis of the trans-Atlantic financial system.

Translated from German by Susan Welsh

Machiel Renier van Niekerk

South Africa's Role In the BRICS Vision

Mr. van Niekerk, counsellor at the South African Embassy in Denmark, gave this presentation to the Copenhagen seminar on the BRICS, cosponsored by EIR and the Schiller Institute, on Jan. 30.

I would like to thank Mrs. La-Rouche and the Schiller Institute for giving me the opportunity to talk to you about what BRICS means for us. In the past few years, there was a lot of criticism against South Africa's inclusion in the BRICS organization. We have been proud to become the S in BRICS, and I would like to expand on that a bit as well.

South Africa's GDP is 26th largest in the world, and our stock exchange is the 18th largest. We have 17 million economically active people; a growing finance, real estate, and services sector makes up 21% of the economy. South Africa is also the powerhouse of Africa, the world's largest producer of gold, platinum, and chromium. We can feed ourselves, and we export food. We have an independent judiciary, a free press; we've held several free democratic elections, and we subscribe to a progressive Constitution.



South Africa is very much a part of the BRICS, said Counsellor van Niekerk, "and we are already starting to deliver for Africa."

We have a lot of challenges after the end of apartheid, and we are busy reversing some of the legacies of that system.

The S in BRICS represents not only South Africa, but the rest of the continent of Africa as well, and we hope to create opportunities for Africa in Africa.

South Africa enjoys recognition as a dedicated and committed regional and global power—in the UN, the African Union, the G77, as well as the Non-Aligned Movement. South Africa's is also the only African representative in the G20. Therefore, we have no doubts about our membership in BRICS, and we do not see it in conflict with our stated aim of ensuring a better life for all.

Dear friends, the historic and seminal moment in the post-Bretton Woods era was reached when the BRICS finance ministers signed two founding agreements, a

New Development Bank and a Contingent Reserve Arrangement. South African President Jacob Zuma hailed the established of the New Development Bank as an everlasting legacy that will change the face of global economics, and the face of all the developing world, for the better.

We are still looking toward the future to prove that right.

The BRICS Agenda

As the leaders indicated at the 4th Summit held in New Delhi, this bank is intended to strengthen cooperation among emerging economies, and developing countries, by joining and pooling BRICS savings, notably foreign reserves estimated to be about US\$4 trillion, as well as other private financing within the jurisdiction of these countries, to meet the developing needs of countries with whom we, as South Africa, share common objectives.

In the period leading up to the signing of these two important agreements, the African leadership was consulted—that's the African Union chairperson, the NEPAD (New Partnership for African Development) chairperson, as well as the AU Commission chairper-

son, who then wrote a letter to President Zuma to engage all the leaders of BRICS, in the importance and significance of this initiative for the aspirations of the African continent.

It can be recalled that when President Zuma, in response to this mandate, hosted the BRICS and African leaders' retreat, on the occasion of the 5th Summit we held, the discussion centered on infrastructure development of Africa tying in with the Silk Road project. Trade, cultural exchange, and the success of Africa are dependent on this.

South Africa hosted the 5th BRICS Summit in Durban, during 2013. The following agreements were signed during the summit, under the auspices of the BRICS interbank cooperation mechanism: the BRICS multilateral infrastructure cofinancing agreement; the BRICS multilateral cooperation and cofinancing agreement for sustainable development; as well as a new co-operation agreement on innovation—which already shows you how closely we are pulling Africa and the BRICS countries together.

The process of negotiations to launch the bank and the currency agreement was concluded in the main during the South African chairmanship, due to the unprecedented commitment from our BRICS partners to bring these projects to early fruition. Considering the various political, financial, legal, and constitutional requirements that had to be navigated to come to these agreements, this is an indication of the political role of the leadership of BRICS.

The leaders agreed, as contained in the Fortaleza Declaration, to provide initial capital of \$100 billion, of which the initial subscribed share would be \$10 billion—that is, \$2 billion per member—to be paid over a period of seven years, shared equally among the members. The first chair of the Board of Governance, who will rotate, will be from the Russian Federation; the first president of the bank will be from India; the headquarters of the bank will be in Shanghai; and the African regional center will be in South Africa.

The leaders tasked the BRICS finance ministers, in the run-up to the next summit, to operationalize the headquarters and the regional office, and we are really on track.

The impact of the decision to locate the headquarters in Shanghai, which is fast becoming the major global financial center, will assist also in providing the

bank with resources to establish and implement projects as a matter of priority.

The decision to concurrently open an African regional center also demonstrates the appreciation of the BRICS partners of the global recognition of the sound financial credentials of South Africa. Also considering the need for this bank to interface with major clients, it will be closely linked to the headquarters in Shanghai, to ensure that the work undertaken will be complementary, timely, and also executed to precision. It obviously brings the resources to closer proximity with the African clientele base, which envisages the largest number of projects to emanate from it. An important additional gain is that the regional office will pay particular attention to project-preparation implementation.

It has been mentioned in the past four or five years, that this is the Decade of Africa, and we hope this will come to fruition as well.

The New Development Bank and the CRA

The New Development Bank is aimed at achieving the central desired objective, namely to ensure that funding becomes available for priority infrastructure and sustainable development projects. The question whether this central objective could be met, is now becoming a reality, so there's no question about it.

In South Africa, we also have our own infrastructure plan, which requires funding beyond the means of our own fiscus, and this bank will certainly bring complementary funding to facilitate the implementation of such projects.

The bank's leverage to achieve impact will be multiplied by the direct rand, real, ruble, rupee, and renminbi investments made by its members. Our contributions to the bank are in fact investments and not expenditures, and it's expected that the bank will function according to sound commercial terms, also with a view to obtaining desired credit ratings. And its assets will definitely grow and multiply over time, as is the case with other, similar multilateral development banks.

South Africa is also party to various other financial institutions, whether it be through the World Bank or the African Development Bank.

The Contingent Reserve Arrangement, the CRA, will be a virtual foreign exchange reserve full of \$100 billion, modelled along the lines of the Chang Mai Initiative Multilateralization. China will initially contrib-

ute \$41 billion; Brazil, India, and Russia will [each] contribute \$18 billion, and South Africa \$5 billion. It bears no immediate or direct financial implication, because it will be activated when needed.

The CRA will, of course, also provide additional and supplementary support and insurance for global financial stability, in cases such as pressures on the balance of payments. It can be recalled that at the 6th BRICS Summit, South Africa activated the provision made in the Sanya Declaration for dialogue with other countries, so we are engaging with the African countries. We see the same thing happening in Brazil, where the Brazilian leader engages countries, leaders, from Argentina, Bolivia, Chile, Colombia, Ecuador, Guyana, Uruguay, Peru, Surinam, Paraguay, and Venezuela. That happened on the 15th of July last year.

These leaders, like their African counterparts, warmly endorsed and welcomed the bank initiative, and indicated that they already have project proposals ready for implementation. They also added—and this is quite important for us—that there have been many attempts since the Second World War to launch such initiatives, but the New Development Bank is the first tangible outcome in this regard.

At the meeting of the BRICS trade ministers, among the various decisions taken to increase trade and investment within BRICS, the ministers were alerted to the potential for forging closer links between micro, small, and medium enterprises of the BRICS. There is also a mechanism in place now to establish that.

BRICS leaders also welcomed the signing of the Memorandum of Understanding and Cooperation among the BRICS eximbanks, which will improve the support environment for increasing trade opportunities amongst the BRICS nations and their neighbors. They directed the relevant authorities to explore avenues of cooperation in this regard.

In the interaction between the BRICS leaders and the BRICS Business Council, President Rousseff of Brazil paid tribute to the outgoing chairperson of the Council, Mr. Patrice Motsepe, one of our successful businessmen in South Africa, for the excellent work done by the Council under his stewardship. The leaders took note of the Council's annual report, which made substantial recommendations on scaling up business-to-business interaction, [the lack of] which we had seen as a big drawback.

A New Economic Order

In conclusion, these initiatives demonstrate the cohesion and maturity already reached in intra-BRICS cooperation, following the first cycle of summits. We anticipate further real economic gains and major initiatives as we implement the Fortaleza Action Plan, and start our preparations for the 7th BRICS Summit, to be held in Ufa, Russia, in [July] 2015.

BRICS is just the beginning of a new international economic order. It will be gradual but steady progress. Although there are some critics of the newly established BRICS bank, the creation of the bank is significant for the future international order for three reasons, as unpacked by my colleague Mr. [Thembile] Joyini of the permanent mission to the UN, at the Schiller Institute [meeting](#) two weeks ago.

Firstly, it demonstrates the viability and dynamics of BRICS, despite all the skepticism and criticism of recent years.

Secondly, the BRICS bank demonstrates China's global leadership; and given China's huge size and quick development, there's little doubt about China's role globally.

Thirdly, the BRICS bank is significant because it is a direct challenge to the global order led by the West. Many view the new BRICS bank as a response to the failed reforms of the IMF and World Bank, as developing countries like China and India cannot increase their influence within the institutions.

However, it should be kept in mind that the BRICS bank is not challenging the IMF, or the international liberal economic order. China and India are perhaps the two greatest beneficiaries of an open economic order, and thus the BRICS bank should try to push the IMF and World Bank to be more open and transparent. Ultimately, the competition between the BRICS bank and the IMF and World Bank should be about efficiency, rather than a struggle between a liberal and an alternative economic philosophy.

In this sense, there's a strong complementary relationship between the BRICS bank, the IMF, and the World Bank. That said, the West, the IMF, and the World Bank should not view the BRICS bank as a threat to their domination of the global economic order.

In conclusion, ladies and gentlemen, I just would like to say that South Africa is part of BRICS, and we are already starting to deliver for Africa.

Thank you very much.

Obama, NATO Policy Turning Ukraine Into a ‘Tripwire’ for World War

by Jeffrey Steinberg

Feb. 2—New calls for U.S. and NATO military aid to the Nazi-riddled Kiev regime are heightening the tension in Ukraine, with the aim of advancing the drive for regime change in, or dismemberment of, the Russian state.¹ While the Obama Administration has allegedly not yet decided on a military course, NATO has already announced its plans to upgrade its presence along the borders with Russia, specifically in the Baltic States and Poland. These deployments are meaningless militarily, but signal a clear intention of confrontation, which can be a tripwire for nuclear war.

“Obama is the tripwire for war, and Obama must be immediately removed from office if war is to be prevented,” commented Lyndon LaRouche Feb. 1. Behind Obama are Wall Street and the British monarchy, whose power must be obliterated through a Glass-Steagall-style bankruptcy reorganization.

Indeed, at about the same time that LaRouche was speaking, Barack Obama was making a public statement on Ukraine in an interview with CNN’s Fareed Zakaria, which underscored the brazen nature of his administration’s provocative role. In his version of the deterioration of U.S.-Russian relations—which he blamed on President Putin—Obama declared that “we’d brokered a deal to transition power in Ukraine.” This “deal” was the one caught on tape, where Assistant Secretary of State for Eurasian and Eastern European Affairs Victoria Nuland told U.S. Ambassador to Ukraine Geoffrey Pyatt that the U.S. was committed to getting “our man Yats” to take over from President Victor Yanukovych, in what ultimately was a coup d’état against the elected President.

Russian Foreign Minister Sergei Lavrov responded sharply to the President’s remarks, as we report below.

Meanwhile, NATO and the Obama Administration are scheduled to take further actions later this week—NATO, with a meeting on the formation of a “NATO Integration Force Unit,” and Obama, with a deployment of Secretary of State John Kerry to Kiev—which will escalate the tension. Also, a think-tank report is scheduled to be released tomorrow, signed by eight former State Department officials, which calls for arming Ukraine (see *National*).

It is apparent, as some Washington sources have told *EIR*, and some experts such as MIT professor [Ted Postol](#) have said publicly, that certain forces in power in the U.S. and Europe are activating their lunatic plans, assuming they can win a thermonuclear war.

An Intent for War

Foreign Minister Lavrov took the occasion of a question at his press conference today in Beijing to respond to President Obama’s interview with CNN.

“I would like to note two aspects,” he said.

“First, if somebody needed confirmation that the USA directly, from the very beginning [of the events in Ukraine] was involved in a coup against the government, for which Obama used the neutral term ‘power transition,’ it has now been stated.

“Secondly, I would like to note that the rhetoric in this interview shows Washington’s intention to continue unconditional support for the actions of those currently in power in Kiev, who, by all the evidence, have adopted a policy of suppressing the conflict exclusively by force.

“We are convinced (and this evaluation is becoming more widespread, especially in Europe), that it is necessary to establish a direct dialogue between the Kiev authorities and representatives of the self-proclaimed DPR [Donetsk People’s Republic] and LPR [Lugansk People’s Republic]. These efforts are encountering attempts to derail the negotiation process. But I am cer-

1. See “EIR Fact Sheet: Who is Behind the Drive to Dismember Russia?”, *EIR*, Dec. 19, 2014.

tain that everyone who genuinely wishes for the Ukrainian people to have peace (and Russia, without qualification, is among those countries, as are Germany, France, the OSCE [Organization for Security and Cooperation in Europe], and other Europeans), ought to continue these efforts and do everything possible for a direct dialogue to get started and produce results.

“All over the world, in any conflict, our Western partners call for dialogue between the authorities and the opposition, whether that’s in Yemen, Iraq, Afghanistan, or South Sudan. Ukraine, for some reason, is an exception. On this issue, our Western colleagues say nothing about dialogue, but merely repeat that Kiev’s actions must be supported in every way possible, and they do not criticize the obvious negative steps taken by the Ukrainian authorities, which I shall not enumerate here. Their attitude toward their protégés is completely uncritical.

“I stress again, what is needed is direct dialogue. We will be working on that, as a party actively engaged in promoting the work of the Contact Group, and as a neighbor of Ukraine (we are doing a lot to support its economy), and, of course, as a member of the OSCE.”

Confrontation

In his CNN interview, Obama said he thought it would not be wise to see “an actual military conflict between the United States and Russia,” but he made the following ominous statement: “Given the fact that Ukraine is not a NATO country, and so as a consequence there are clear limits to in terms of what we would do militarily, Mr. Putin has not been stopped so far.” That implies that military action is desirable—and Obama went on to talk about reinforcing “those border states who are members of NATO … making very clear that that line is one that cannot be crossed.”



Ukrainian Prime Minister Arseniy Yatsenyuk (left) and NATO Secretary General Jens Stoltenberg, at NATO headquarters, Dec. 15, 2014. Yatsenyuk, famous for his deranged charge that the Soviet Union invaded Nazi Germany during World War II, is still being courted by NATO and other Western officials.

So far, thanks in large part to the opposition of the U.S. Joint Chiefs of Staff, the United States has not supplied military aid to Ukraine. However, Washington has been moving ahead with confrontation in other ways, in addition to economic sanctions meant to “exact costs on Russia” (one of Obama’s favorite phrases).

Last week, Gen. Ben Hodges, the commander of the U.S. Army in Europe, announced plans to pre-position American military hardware in the three Baltic States, as well as Romania and Bulgaria. One anonymous State Department official described the deployments as a Cold War throwback, when American forces were posted at the borders of the Warsaw Pact as a “tripwire” aimed at deterring a Soviet attack. Under the present circumstances, the official warned, this is a direct provocation for war, made worse by the fact that President Obama is being “childish” in shutting off personal lines of communication with Putin.

It is clear that the “tripwire” policy is being pushed by NATO. After meeting with Polish Prime Minister Ewa Kopacz over the weekend, French President François Hollande announced that French military equipment would be dispatched to Poland for at least the next two months.

The issue of upgrading its Eastern deployment will be on the agenda at the meeting of NATO defense ministers Feb. 5. Poland, Estonia, Latvia, Lithuania, Bulgaria, and Romania will send 40 officers each, for the formation of a “NATO Force Integration Unit”; Germany is to contribute 25 officers. This unit is to coordinate rapid deployments of the new NATO intervention force, “Spearhead,” the functioning of which is presently being tested by the joint Dutch-German Corps in Muenster, Germany.

Not confirmed by the German Defense Ministry are leaks according to which German paratroopers will reinforce U.S. units stationed in the Baltic States. More details may be leaked, and also more anti-Russian rhetoric spewed, when the annual Munich International Security Conference occurs on Feb. 6-8.

Sabotaging Talks

At the end of January, phone discussions took place between Putin, German Chancellor Angela Merkel, and Hollande, leading to a call for an immediate ceasefire in eastern Ukraine. However, Jan. 31 talks in Minsk among the Contact Group (Ukraine, Russia, and the OSCE), the Kiev government, and representatives of the Donetsk regional governments, broke down, with no clear indication of whether or when new OSCE-mediated ceasefire talks will resume.

Over the past week, fighting in southeast Ukraine has escalated significantly. While NATO officials, and particularly the Kiev regime and Obama Administration, have been claiming that Russia has “invaded” eastern Ukraine with heavily armed regular Russian troops, the Ukrainian Armed Forces Chief of Staff, Gen. Viktor Muzhenko, contradicted those claims, acknowledging that the only “Russians” fighting against the Kiev forces are local residents of Russian origin or individual volunteers fighting with “illegal” militias. “The Ukrainian army is not fighting with the regular units of the Russian Army,” he was quoted by Sputnik News.

On Jan. 21, Ukrainian President Petro Poroshenko, speaking at the Davos World Economic Forum, lied that there were as many as 9,000 Russian soldiers fighting in Donetsk and Lugansk. Since then, the Kiev regime has been on a flight-forward for war, expanding the draft, and on Jan. 17, the Supreme Rada declared Russia to be an “aggressor state,” claiming that it had taken direct military action, including blowing up a bus in Mariupol.

Obama Administration officials are also ramping up the rhetoric. At an emergency UN Security Council meeting last week, Obama’s UN Ambassador Samantha Power ranted against alleged Russian military intervention in Ukraine.

U.S. Secretary of State Kerry will be going to Kiev on Feb. 5, to meet with both Poroshenko and Prime Minister Arseniy Yatsenyuk, in what is being billed as a “show of support” for the Kiev provocateurs. In a Jan. 31 interview with Interfax Ukraine, U.S. Ambassador Pyatt had stressed the U.S. commitment to a training program for Ukrainian “military formations”; what he did not say, is that some of those military formations are the Nazi militias which provided the fire power behind the February 2014 coup, and the terror campaign against dissenters ever since.

On Feb. 6, Kerry will meet with Lavrov on the sidelines of the Munich Security Conference.

Voices of Sanity

The intensification of the war danger has drawn harsh warnings from sane elements in both the West and Russia. Germany’s Gen. Harald Kujat (ret.), who headed the NATO Military Committee from 2002-05, issued a stark warning, on an ARD-TV program Jan. 29, arguing that Russia must be recognized as a superpower, as a key player in any viable European security architecture. He charged that the sanctions against Russia are a clear message that Russia is to be excluded from those security structures and that this is a grave danger. Kujat noted Russia’s expansion of its strategic forces and recent flights by Russian strategic bombers capable of carrying nuclear weapons near British air space. Russia is demonstrating “escalation dominance,” he warned, and NATO is reacting in dangerous provocative ways.

General Kujat was followed in the broadcast by Horst Teltschik, one of the architects of Chancellor Helmut Kohl’s discussions between the United States and the Soviet Union that made possible the peaceful unification of Germany: “To believe that one can force Russia to surrender is an incredible folly that cries to Heaven. You only have to let Russian and Soviet history roll in front of your eyes: Neither Napoleon nor Hitler had been able to force the Russians to surrender.”

The deputy chairman of the German Free Democratic Party, Wolfgang Kubicki, made the same point

even more sharply. He charged that the Ukraine provocation and the U.S. and EU sanctions against Russia are aimed at regime change against Putin. He cited recent fighting around the town of Mariupol in southeast Ukraine as an effort to provoke Russia into a direct conflict.

James Carden, a Russia expert, former State Department advisor, and contributing editor to *The National Interest*, wrote “Ukraine Exposed: Kiev’s Authoritarianism,” on Jan. 30, documenting the overt support for neo-Nazis by the Ukraine regime. He pointed to Prime Minister Yatsenyuk’s Jan. 7 statement on German radio, claiming that the Soviet Union had invaded Ukraine and Germany in World War II, writing, “Let’s hope there is a limit to what the U.S. will countenance and that the glorification and/or imitation of Nazi collaborators is it.”

It's Not Ukraine

The issue between Russia and the U.S. and NATO is not Ukraine. It is the determination of governments that are under the thumb of the London/Wall Street fi-

nancial oligarchy, to crush any sovereign opposition to their power. The powerful nations committed to defending national sovereignty—especially Russia and China—are thus, de facto, their enemies, and any lies necessary to justify that designation will be, and are being, used.

The truth is being overwhelmed by a torrent of lies about Russian aggression, suppressing the real story of the coup in Ukraine, the Nazi nature of the coup plotters, and the strategic intentions behind the plot. *EIR*'s dossiers on the Nazi roots of the coup (*EIR*, [Feb. 7, 2014](#) and [May 16, 2014](#)), have circulated broadly on Capitol Hill and internationally, providing all the necessary documentation of the strategic issues at stake. Yet only a few isolated commentators have dared to come forward on this issue; Congress and the overwhelming majority of the American people do not want to face the truth.

If that situation is not changed soon, with the resulting moves to get Obama and Wall Street out of power, the world is on an accelerating trajectory to World War III.

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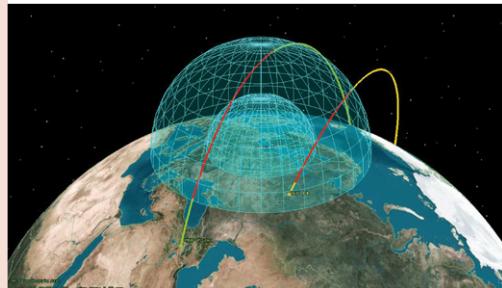
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June 2012

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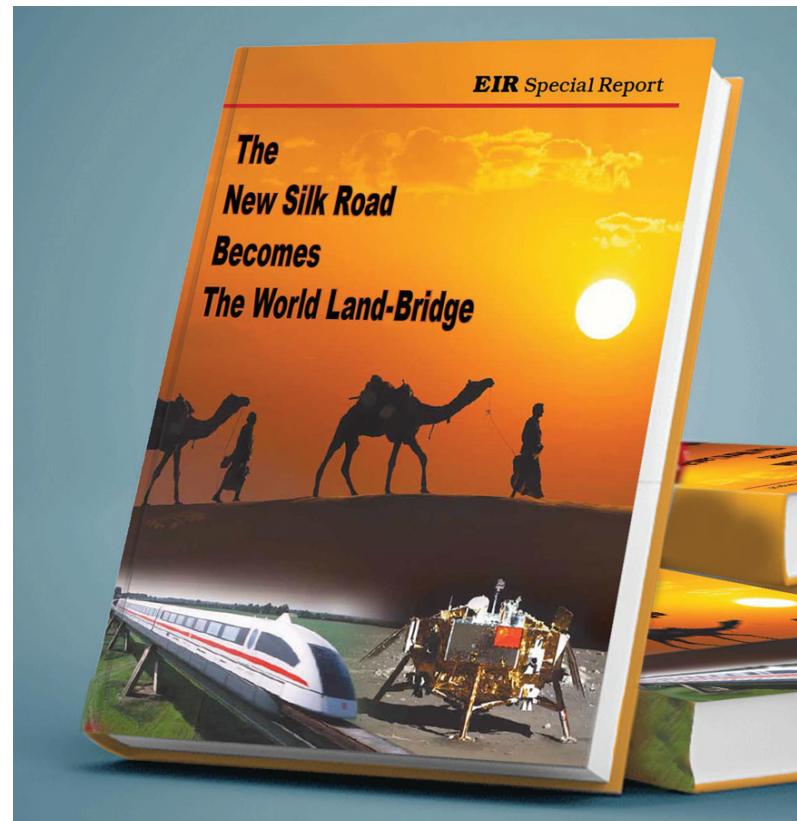
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Will Greece Be First in Europe To Join the BRICS?

by Dean Andromidas

Feb. 2—The Greek people gave Syriza and the Independent Greeks an overwhelming mandate in the July 25 elections to say “*ochi*” (“no”) to their foreign oppressors. The performance of the new government, led by these two parties, in its first week in office, demonstrates that it is fulfilling expectations—much to the consternation of the Euro-fanatics bent on saving their dying financial system.

This is not a “coalition” government, patched together to implement the wrong policies. This is a government of “national salvation” that is not intimidated by bankers in three-piece suits, the pale-faced European Commission bureaucrats, including EC president Jean-Claude Juncker, or the likes of German Chancellor Angela Merkel, let alone the silly Dutch Finance Minister Jeroen Dijsselbloem, who chairs the Eurogroup of finance ministers, who claim to be the “partners” of Greece, but in reality, are in the thrall of the hopelessly bankrupt European banks.

Just as important as this government’s gutsy defiance against the financial imperialists, is the real possibility that Greece could become the first European country to join the BRICS. If Greece’s European “partners” attempt to carry out the threats they have made, Greece—despite its determination to convince them that it is in the interest of all of Europe to cut Greece’s debt in the context of a “New Deal-style” policy—has the ability to turn to new allies: Russia, China, and the emerging new economic order being created by the BRICS and allied countries.

The new government, headed by Syriza’s Alexis

Tsipras, has already declared, loud and clear, that the bailout debt of over EU246 billion, or 180% of the country’s rapidly shrinking gross domestic product, cannot, and will not, be paid. As for the infamous “memorandum” of the Troika (European Commission, European Central Bank, IMF) and its brutal austerity and so-called “structural reforms,” which have left Greece suffering in a humanitarian catastrophe, it is now history. The government immediately began implementing its program of reversing the most brutal of measures.

Just as important, the Tsipras government has reiterated its proposal for a European Debt Conference modeled on that which led to the German Debt Agreement of 1953, which cut Germany’s pre-war foreign debt by more than half, and stipulated that payments could come only from surplus revenues from returns on exports.¹ Further, the government is calling for a “New Deal” for Europe, with credits going to infrastructure and other projects to relaunch the European economy.

In fact, both Syriza and Independent Greeks support Glass-Steagall-type legislation to separate commercial and investment banking, which has to be implemented if Europe is to be saved.

The Greeks Say No

Even before his first cabinet meeting, Prime Minister Tsipras issued an unequivocal “no” to an attempt by

1. See Dean Andromidas and Paul Gallagher, “A Greek Proposal: Convene a European Debt Conference for 2015,” *EIR*, Jan. 23, 2015.



The new Greek government, led by Prime Minister Alexis Tsipras, has wasted no time in delivering on its campaign promises to overturn the brutal austerity measures imposed by the EU dictatorship. Here, Tsipras (center), with members of the Cabinet, Jan. 28.

the Euro-fanatics to bulldoze ahead with new sanctions on Russia. When EU president Donald Tusk of Poland, claiming to speak for all 28 member-nations, threatened Russia with new sanctions over Ukraine, Tsipras issued a statement declaring, “We underline that it does not have our country’s consent.” And indeed, when the EU foreign ministers met the next day (Jan. 29) to deliberate on new sanctions, Greece reportedly rallied other countries, including Austria, Italy, and Hungary, to block them, although the old regime of sanctions was extended until September.

The second “no” came on Jan. 30, when Dijsselbloem, president of the Eurogroup, arrived in Athens to read the riot act to Prime Minister Tsipras and Finance Minister Yanis Varoufakis, demanding that they stick to the poisonous memorandum, and to “the [austerity] agreements.” The meeting lasted less than 30 minutes. In the press conference that followed, the silly Dutchman said a debt cut was impossible, and pooh-poohed the idea of a European debt conference, claiming that his Eurogroup was the only venue for talks, and repeated the mantra that Greece must keep to its “commitments.”

Varoufakis then announced that Greece will only speak directly to the legitimate institutions of the EU, and the IMF. As for the EU7 billion tranche of the bailout Greece was supposed to receive only after it implemented all of the new conditions, Varoufakis rejected that as well. He added, referring to the new govern-

ment’s policy of breaking with the Troika, “This platform enabled us to win the confidence of the Greek people. Our first action as a government will not be to reject the rationale of questioning this program through a request to extend it,” and that it would not accept a “self-fed crisis” of deflation and non-viable debt.

This resounding “no” to the “arrogant Dutchman” pleased Greece’s cultural and political patriarch, world-famous composer and resistance fighter Mikis Theodorakis, who,

after five years of witnessing the Greek people turned into “second-class citizens” in Europe, likened the outcome of the meeting to a “miracle,” declaring in a statement posted on his website:

“Two representatives of these second-class people, Tsipras and Varoufakis, with a rare calm and coolness, presented him [Dijsselbloem] with two luminous, yet kind ‘no’s’ that angered him to the point of forgetting his role as a ‘European nobleman’—prompting him to storm away looking for the fastest exit.

“It is at this point that all is forgotten. We once again become beautiful Greeks. We stand taller. How and why it happened, and where it will lead, are details for the Greeks who have lived and survived with symbolism. And I consider it cowardly to focus on trivialities in a moment of national pride.”

Ripping up the Memorandum

The government is now ripping up the memorandum—but make no mistake, this is not a government of naive radicals. A look at the new cabinet finds a group of men and women with the strong convictions, determination, and capabilities to carry out a policy that will regain the country’s sovereignty and reverse the catastrophe its “European partners” have inflicted on it.

Reportedly, the number two in the government is Deputy Prime Minister Yanis Dragasakis, who, as overall coordinator of economic policy, will also oversee negotiations with the EU. He is a former leader of the

Communist Party and a longtime leader of Syriza. As a student, he resisted the military dictatorship that ruled Greece between 1967 and 1974.

The outspoken Finance Minister Varoufakis was a professor of economics, and has taught at the University of Athens, and at universities in England and Australia, and more recently, at the University of Texas in Austin. He is a supporter of Glass-Steagall-type legislation, a policy which is included in the Syriza program. He sees infrastructure development, especially railways, as crucial for a Greek economic recovery.

The first announcement of the Minister of Productive Reconstruction, Environment, and Energy, Panagiotis Lafazanis, was the cancellation of the privatization of the state energy companies, electricity, gas, and petroleum, to the great dismay of the Troika. He expressed Greece's support for Russia's proposal for a new gas pipeline through Turkey, which will then pass through Greece. This new pipeline would replace Russia's proposal for a South Stream pipeline through Bulgaria, and thence to Central Europe, which the European Union killed. The new pipeline could make Greece an "energy hub," leading to Italy to the west, and the Balkans and Central Europe to the north.

As a student, Lafazanis was imprisoned by the military dictatorship for organizing anti-junta student strikes at the university. It is said that he is not intimidated by threats that Greece will be thrown out of the Eurozone.

Minister of Economy, Infrastructure, Shipping, and Tourism, George Stathakis, and his undersecretary for Shipping and the Aegean, Thodoris Dritsas, announced the cancellation of the privatization of the Piraeus Port Authority. The move has no effect on agreements with the Chinese State Cosco shipping company, which holds a 30-year lease on one of the port's container terminals. In fact, both ministers met with China's Ambassador to Greece, Zou Xiaoli, and made it clear that China's interest in the port will not only be protected, but expanded. Over the last three years, China has made Piraeus its number one port of entry for its exports to Central and Eastern Europe, and is engaged in a second expansion project at a cost of EU250 million.

Another senior member of Syriza, Giorgos Stathakis has a PhD from the University of Newcastle, England, and has been a research fellow at New York University and Harvard. He is an expert on the Marshall Plan.

In another reversal of policy, Undersecretary of Ad-

ministrative Reform and Electronic Government George Katrougalos announced the rehiring of civil servants whose dismissals were ruled unconstitutional by the Constitutional Court. A professor of constitutional law, with degrees from the University of Athens and the Sorbonne, and a human rights lawyer, he is also an expert on institution-building, having worked on projects in Slovakia, Uzbekistan, Syria, and other countries. Although relatively new to Syriza, he was the party's representative at the European Parliament.

The new Minister of Health and Social Insurance is Panagiotis Kourouplis, whose task will be to rebuild Greece's health-care system, which was all but destroyed by the Troika, and to restore health care to the hundreds of thousands of Greeks who have been thrown out of the system. One of the most respected political figures in the country, Kourouplis, who is blind, has been a fighter for the rights of the disabled since his days as a student in the School of the Blind. He holds a PhD in sociology and is an attorney.

He is joined by his Deputy Minister Andreas Xanthos, who served many years as a medical doctor in the National Health system. An expert on health-care systems, he has participated since 2008 in a community clinic offering services for the thousands who have no access to private or public health care.

Will Greece Join the BRICS?

The Greek government will be implementing a "multi-dimensional" foreign policy in which the BRICS are expected to play a leading role.

Shortly after the election, Tsipras paid a visit to the Russian Embassy, thus making Russian Ambassador Andrey M. Maslov the first foreign envoy to have met him. The visit prompted a congratulatory message to the prime minister from Russian President Vladimir Putin, who expressed his "confidence that Russia and Greece will continue to develop their traditionally constructive cooperation in all areas, and will work together effectively in resolving current European and world problems."

Later in the week, Russian Finance Minister Anton Siluanov told CNBC that if Greece made a formal proposal for a loan, Russia would certainly consider it.

Tsipras and other leaders of his party have denounced the "Nazi coup" in Ukraine, and the sanctions imposed on Russia. Last year, he paid a visit to Russia where he met political leaders in Moscow.

In congratulating Syriza on its election victory, Chi-



Greece's orientation toward the BRICS new paradigm can be seen in its partnership with China in the development of Piraeus Port. Here, in January, Chinese Cosco officials celebrate expansion of a pier at the Port, with former Prime Minister Antonis Samaras (second from left).

na's Foreign Ministry spokeswoman Hua Chunying said: "The Chinese side expresses its congratulations. China and Greece enjoy a long-standing friendship, with the two peoples closely attached to each other. The Chinese side highly values relations with Greece and hopes to work together with the new Greek government to deepen exchanges and cooperation in various areas and keep advancing the comprehensive strategic partnership of China and Greece...."

It would be hard to find anyone in the cabinet who has any reservations about expanding relations with China, Russia, or the other BRICS nations—Brazil, India, and South Africa. For example, Defense Minister Panos Kammenos, leader and founder of the Independent Greeks, addressed the Schiller Institute conference on "The New Silk Road and China's Lunar Program" held in Frankfurt, Germany last October, where he laid out his party's perspective of developing relations with China and Russia (see *EIR*, Nov. 7, 2014).

Foreign Minister Nikos Kotzias is an expert on the BRICS, a former professor of foreign policy at the University of Piraeus, where he was instrumental in developing programs on China, Russia, and the BRICS. In an interview given last September to the China and Greece website (<http://chinaandgreece.com/>), he said he teaches the course Society and Foreign Policy of China because "China, the fastest growing economy in the world, is the most important one.... Moreover, the Chinese civilization has almost a brotherly likeness with the Greek one. Greece invented democracy and China invented the organized state. The people of both countries have important traditions, as well as common elements in their ancient civilizations, and the philosophical and ethical questions they asked themselves approximately 2,500-3,000 years ago...."

He continued, "The role of China in the world is crucial. China is a great economic and cultural power, which seeks to achieve its harmonious development. It is important to mention that although China had controlled culturally inferior states, it never created colonies in the Western way.... Moreover, China understands the requirements of the multipolar world, it pays attention to respective balances, avoids interference in other countries, and respects all players of the international system...."

Greece, Kotzias said, "can become the bridge between China and the EU."

The *Financial Times* Jan. 31 reported that the head of the China Pacific Construction Group (CPCG), the company that is constructing the Nicaragua Inter-Oceanic Grand Canal, announced CPCG's intention to invest in infrastructure in Greece and other countries of the Balkans.

Yan Jiehe, founder of CPCG, told the *Financial Times*, "I will soon go to eastern Europe; FYROM [Former Yugoslav Republic of Macedonia], Albania, and Greece. I want to invest in infrastructure there and intend to buy construction companies."

Greece has managed to establish a beachhead against the financial oligarchy in Europe. It must do whatever is necessary to regain its sovereignty and to roll back the catastrophe inflicted on it by the Troika and the Eurogroup. The big question is whether the rest of Europe and the United States will rise up in a similar manner against the financial oligarchy that is driving the world to war and devastation, force the implementation of Glass-Steagall, establish a Hamiltonian credit system, and join the BRICS.

The Genesis of Today's Economic Crisis, And How To Solve It

by Paul Gallagher

Jan. 29—Lyndon LaRouche has a pretty powerful record in forecasting, going back a very long way, to the early 1960s; the forecasts he's made over that period of time have been few in number, and very fundamental in character. They haven't been recommendations to buy gold, or buy this stock, or something like that. They have been decade-long forward looks at what different fundamental economic and financial policies on the part of nations, would produce.

Very early, in the early 1960s, he forecast that by the end of that decade, the Bretton Woods System, under the continuation of the then-present policies by the trans-Atlantic banks in particular, would break up, and the dollar and the other currencies would be broken from gold. That happened in 1971, and caused a shockwave around LaRouche in the economics profession and otherwise, internationally, because he had forecast the series of the events leading to that a decade before.

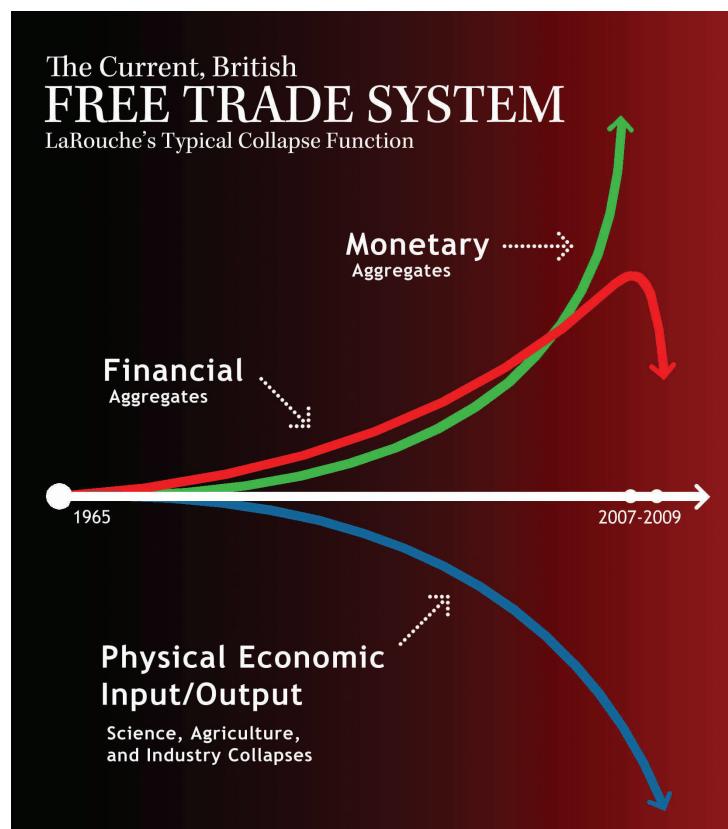
He did this again, in the middle 1990s, in what he called his Ninth Forecast, in a kind of gesture to Beethoven's Ninth Symphony, and that forecast, also over a decade's period of time, proved to be absolutely correct. He foresaw that, under a continuation of the policies of the international banks in the new environment following the fall of the Soviet Union, and the unleashing, or unbridling, of the wildest speculations of these banks in the environment of the looting of Eastern Europe, Russia, and so forth, the growth of debt was even being exceeded: As wildly as the debt was growing, it was being exceeded by the printing of money (**Figure 1**). And he said, this is going to lead, within a certain period of years, to a thorough crash.

In a webcast in the Summer of 2007, he said it is coming down now, and it was, in fact, as every-

body knows now, coming down just at that time, when it was still being denied by the chief of the Federal Reserve, and the heads of the central banks, and so forth. And it came down.

So, LaRouche is saying now that Wall Street is in a crisis—and by Wall Street, he means, and we always mean, the trans-Atlantic system of banks, centered actually in London, not in Wall Street, of which those are the two primary centers in the world, which provide the policy direction and the insanity direction for all of the rest of them. So when he says that the whole Wall Street

FIGURE 1



system of banks is now facing a bankruptcy crisis, he means that trans-Atlantic system.

We know, for example, that half of all the money that the Federal Reserve printed—the trillions and trillions that it printed and gave to the banks in the aftermath of the Crash of 2007-08—went to European banks; it went through their U.S. branches, but well over \$2 trillion went into the creation of reserves for European banks. So, when he says that, that's what he means.

Wall Street-London Owns the Central Banks

The central banks themselves are completely creatures of the London and Wall Street banks—they are in no way government institutions, and in critical periods, not even influenced significantly by governments—they're creations entirely of the Wall Street and London banks. They are the ones who are creating this crash, and have been working hard to create this crash over the last six years.

I would say to people, in thinking about this: Forget TARP [the Troubled Asset Relief Program]. TARP was a few marbles thrown into a can. Compared to what the Federal Reserve, the Bank of Japan, the Bank of England, the European Central Bank have done since, in the printing of approximately \$16 trillion worth of currency reserves for the banks—what was done in TARP was not only tiny, it was even relatively sensible, by comparison.

What is the objective of this policy of printing? The objective was that the banks, in particular in Europe, but almost equally so in the United States, have become completely loaded with debt securities which were becoming increasingly impossible to collect. That is, increasingly toxic debt securities, and securities based on debt, and derivatives bets based on those securities based on those debts—they have become increasingly unpayable, and that has continued to be the case ever since the crash in 2007-08.

Why haven't those banks taken those losses and gone out of business—the investment side of them, anyway? Because the Fed has continuously been printing money, in order for the banks to plunge into new speculations. They would be loaned the money at effectively zero interest, by the Fed and the other central banks; and they, the major banks, would find new high-yield (what they call high-yield, means high interest rate) investments to make, with the many, many trillions in essentially free money they would receive. And

those superprofits which they would be able to make in those high-yield areas, would eventually, over time, allow them to ease their way out of these massive piles of unpayable debt which they had on their books, and which they were calling assets.

We had a discussion just today with one of the leading economists in Europe, both in terms of his capabilities and also the positions he's held, and he said that he thought that the dismantling of Wall Street and the elimination of investment banking were going to happen one way or another, because the banking system is now veering toward a much bigger crisis than 2008. He said it was inevitable, that no one was moving to stop it, that you cannot get out of quantitative easing—which all these banks are now in, and have been in—which is designed to protect the present system of banks. If the low interest rates stop, he said, the debts then can't be serviced. If you continue quantitative easing, you reach a tipping point eventually, where significant inflation, and even hyperinflation, is likely. And he concluded: Japan has now nearly reached that point, of a hyperinflationary explosion.

We've Seen This Movie Before

Or take what the *Financial Times* wrote in a op-ed two days ago, talking about the oil debt crisis, which has suddenly hit the banks, both in Europe and the United States, because of the plunge of oil prices. This is a quote: "Last decade the investors learned a nasty lesson about contagion. When the price of mortgage bonds and related derivatives plunged in the Summer of 2007, it initially seemed to be an isolated problem. Ben Bernanke, then the Federal Reserve governor, declared that losses on subprime mortgages would be limited to \$25 billion. But in the event, the panic spread to infect the whole financial system. Losses were 100 times higher."

"Could the same thing happen again, as a result of plunging oil prices? Timothy Lane, deputy governor of the Bank of Canada, told an energy conference in Wisconsin [Jan. 26] that it could, and that central bankers are alert to the possibility that financial linkages could transmit stress from oil markets to the financial system.

"Meanwhile, big investors are pondering those parallels with subprime."

The *Financial Times* then quotes one of these big investors, a manager of the Bank of America, who compared the trajectory of the Brent crude oil price falling, to the 2007 ABX index of subprime mortgage

derivatives falling. He found that the patterns were almost identical. And he said, and they quote him: “As mortgage analysts, our concern with the disorderly downside scenario [to oil prices] perhaps is heightened by our experience with the subprime crisis. We feel that we may have seen this movie before.”

Now, the central banks have created this. This is just a few very well-informed economists, like the one we spoke to today, who understand, and take the overall view of it: that this has not been created by this or that bank, JPMorgan Chase or Citibank; it has been created by those banks, through their instruments—the Federal Reserve, the European Central Bank, the Bank of England. This has created even wilder high-yield, higher-interest speculation bubbles, and they have printed the money for the banks to go into these bubbles, and loaned it to them for free in the volumes of many, many trillions of printed dollars.

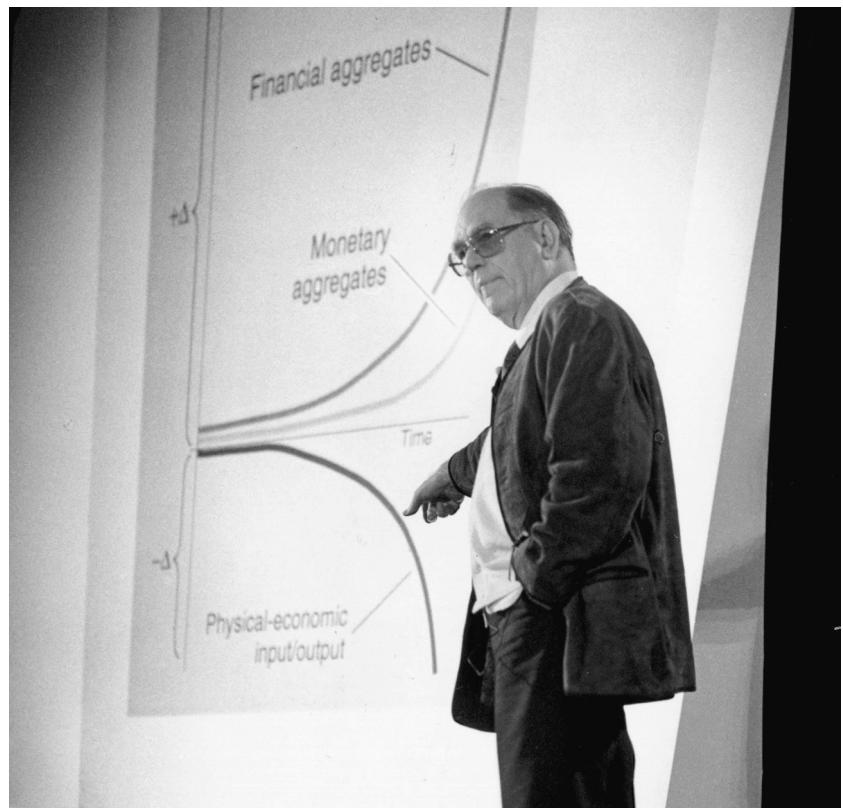
This is what has brought us to the oil-debt crisis that ironically is going to bring these guys down now—although it’s not the only thing that’s currently doing it.

The Looting of Greece

The case of Greece is very important, because it illustrates exactly how this works.

There is a column in the London *Daily Telegraph* today by that venerable British intelligence agent and financial columnist Ambrose Evans-Pritchard, calling Greece the “nuclear device” of debt. And basically, in spite of that explosive title, he says, what the new government of Greece is demanding is completely justified, because it wasn’t Greece that wanted all this money to be loaned to it, in the second half of the first decade of this century. Rather it was the European major banks which insisted on plowing into Greece after it was pulled into the European Union, and lending it money, far, far beyond what the productivity of the Greek economy could repay. And including lending it to some of the most corrupt possible agencies and institutions, and corporate networks.

Then, in 2010, after those banks crashed, they dis-



EIRNS/Stuart Lewis

LaRouche demonstrates his Triple Curve at a conference in January 1998.

covered that Greece couldn’t pay any of this debt. And what they then did, was to get the European-wide institutions like the European Stability Fund, and also the IMF, and the European Central Bank itself—they got those institutions, essentially institutions based on taking money from the European countries, to lend another huge volume of cash to Greece—except they were not lending it to Greece. Greece didn’t want it, but it had to take it. And it had to take it as debt, and then pass it on to the major European and London banks which had previously loaned it all that money.

So, in effect, those loans, including Wall Street-backed loans to Greece, were loaned for the London, European, and Wall Street banks, by European governments and international institutions, and the Greek government wound up with the bill for all that, in a mound of debt which never, in a million years, could be paid. Because as a price for getting that second wave of liquidity, which left the country as fast as it came in, Greece was given an austerity program which completely crushed the economy over the last five years, to the point where, as Evans-Pritchard said, this debt is now completely unsustainable; no one should fool

themselves it can ever be paid under these circumstances.

'Extend and Pretend'

There is an open letter to the German people from the new Greek prime minister, Alexis Tsipras, which says exactly the same thing, and much more. It says that the sane people in Greek political parties in 2010 didn't want all this money to be loaned to Greece, because they knew where it was really going. And both of them—Pritchard and the prime minister of Greece—used the same term to describe this: "extend and pretend."

It's a very well-known term in the financial sector. When you have loans on your books which can't be paid, you make new loans to the borrowers, and pretend that they paid the old loans with those new loans, even though they haven't in fact paid you anything. Or you simply extend the terms, but impose some condition on them, which makes them even *less* able to pay, but meanwhile, you satisfy yourself that you've extended the term of the loan.

This is exactly what the central banks and the IMF and central European monetary institutions, did in the Greek case. And it illustrates what they've done in respect to the international banks in all of these cases. And in the broad case of the printing of this \$16 trillion, which has actually been made available to the banks by these central banks.

That is what LaRouche says has brought us to a crash, has brought Wall Street to a crash, at this point.

I won't go through in detail how this extend-and-pretend operation in U.S. banking, in the big Wall Street banks, focused itself on the so-called shale oil patch, because that is the bubble they chose to build. They built it through high-yield loans. The loans to that sector are on the order of, and have always been, 6 to 10% in interest; they're now considerably higher than that, because they're now in crisis. They have made a tremendous amount of money for banks, which under Glass-Steagall, couldn't even be going into these commodity areas. And they also created a bubble of debt on the order of \$650 billion, which is absolutely going bad now, and it's part of a bigger bubble of two and a half trillion, which is being exploded by that energy high-yield bubble within it.

They did that because they were enabled to do it by the Federal Reserve. And they did it with the Obama Administration leading the charge, and saying: Our recovery, our new superiority of the United States against

Europe, our decoupling, our breakaway economic recovery, it all comes down to our being the new Saudi Arabia of the world, because we have these two technologies for recovering oil, inefficiently, expensively, and that's what we're going to do.

There's a famous meeting that Obama had in a backyard in Virginia, where he said: We, the United States, don't need any of these exotic things like fusion energy, because our inventors have come up with new technologies in the oil sector, which will make us the leader of the world in this regard.

So, it was Obama policy all the time. It was Wall Street policy. The bubble's been built up. This is by no means not the only bubble bringing the banks down, but in terms of Wall Street per se, it is.

LaRouche's Solution

So, LaRouche said, what we've got to do is make two things clear:

First of all, these banks have to be crushed, in effect; broken up, made to go bankrupt, except for the commercial bank parts of them which can be insured and protected. The other parts of them have got to be let go. They will go bankrupt. This has to be done right away. Wall Street has to be put out of any situation in which it can continue to manage the economic affairs of the country, as it has been doing.

We've seen this really obscenely lately in the way the banks, led by Citi and JPMorgan, intervened immediately into the Congress, rolled over the Congress, and got the few little regulations of Dodd-Frank which were annoying them, and annoying their derivatives operations, got them repealed, got them out of the way, as the very first items of business in this supposedly jobs-oriented Congress, which is coming in. The very first few weeks they had their noses put to the grindstone, and Wall Street told them, repeal these regulations. And they did it.

Break that power. Get them completely out of any management of the U.S. economy. Break them up. That means start the process of the bankruptcy reorganization by re-enacting the Glass-Steagall Act, but don't wait for that breakup to be completed. As LaRouche made clear, we have to, at the same time, create a kind of a buffer of credit, of new credit, from a Federal institution—either a new institution, or a renovated existing institution—to create a buffer of credit for states, cities, businesses, agencies, ultimately for households—but only indirectly.

We need the kind of credit that can put people back into relatively highly skilled, well-paid employment in the kinds of investments that increase the productivity of the economy, because they introduce new technologies through new economic infrastructure, and therefore they make that productivity increase.

That Federal credit buffer—there are immediate ways to provide it, and these things *have* to be done.

For example, Congress should create a Reconstruction Finance Corporation immediately, while initiating the measures to break these Wall Street banks up. A Reconstruction Finance Corporation can get initial government capital, and issue RFC bonds to the public, to commercial banks, and use that credit to support national and state projects, the same way the RFC worked from 1934 to the late 1950s, when it was finally wound up.

Obviously, as LaRouche said, the United States must incur a certain amount of additional debt in order to create this buffer of credit, to make up for the inevitable collapse of Wall Street, which we're going to accelerate. But that debt is measured. It must specifically be taken solely for the purposes of this kind of productive employment, and re-employment, and increase in the productivity of the economy, investments in the development of the real economy.

Aid the states with a national high-speed rail network. Give credit support to state and municipal bond issues for new economic infrastructure. Provide Western drought measures, from large-scale water diversion, to a large network of nuclear desalination and power plants. Restore and replace the ancient national network of locks and dams, water for navigation, water management, and flood and storm protection. Restore the worst cutbacks in medical care, in fire-fighting, in sanitation, in water purification, and build them anew. And crucially, restore the nation's historic levels of investment in projects of the National Aeronautics and Space Administration. Get the United States back into the Solar System, in a leading way.

Join the BRICS!

And even more crucially, use the new Federal credit institutions to join the Asian Infrastructure Investment Bank, and the many other new international development banks under the BRICS nations, keynoted around China. And by doing so, increase the buffer of new credit which you're putting into the U.S. economy itself.

Besides the RFC, Congress should create a new na-

tional bank, and it should do that, again, by an initial capitalization, in the way that every national bank plan, and actual national bank in American history, was created: by initial capitalization of perhaps 10-20% of the capital of the bank by the government, and the Treasury issuing new debt to that bank, and then otherwise, by the trading in of existing debt, by the holders of that debt—it could be you, and I, and all of us, and many commercial banks, and foreign countries' wealth funds and so forth—trading in a relatively small portion of that publicly held debt of the United States, in exchange for debt of this new National Bank.

Obviously, with higher interest rates, and with a long and in most cases, much longer term, which is exactly how the banks of Hamilton and the Second National Bank of Biddle were initially capitalized.

There is \$13 trillion of publicly held Treasury debt out there. If even \$500 billion of the debt that's held by the public is invested—is actually traded in for capital in this new National Bank—then the Treasury can issue an equivalent amount of Treasury notes, can issue them directly to that bank, and that bank then has \$500 billion in working capital, for investment in infrastructure, and purchase of municipal and state bonds. This is the use of the credit buffer in the way that I was describing earlier.

That's what has to be done, and has to be done quickly, at the same time as the fundamental measures to break up the Wall Street banks are put underway. The point is: If you create this buffer, if you make these investments, if you redirect the U.S. economy toward productivity in that way, you are taking the power to manage the economy away from Wall Street, at the same time that you're starting the process of breaking them up.

And LaRouche stressed the urgency of this, because the financial warfare in which these banks are engaging, in their desperation, has gone beyond trying to control Congress. That's been easy for them, in recent periods. It has been going to the point of trying to bring down nations, and there's no better example than the intense financial warfare, by the banks and by Obama, aimed at bringing down the Putin government in Russia, and plunging that country into chaos, with the immediate consequence tied up with that, of the likelihood of a thermonuclear war.

That's what's involved in this bankruptcy, and we have to put it to an end very quickly.

AS WEST UNRAVELS

China, India, Russia Seek Closer Ties

by Ramtanu Maitra

Feb. 2—In several high-profile meetings in Beijing Feb. 1-2, the leadership of China, India, and Russia sought closer cooperation, at a time when the global financial structure, under control of Wall Street, the City of London, and other financial hubs in Europe, is on the verge of collapse, and the West is deepening the security crisis around the world, by fueling violent activities in Southwest Asia and provoking a military confrontation against Russia over Ukraine.

The formal occasion was the 13th meeting of the foreign ministers of the Russia-India-China (RIC) grouping, which represents more than 2.5 billion people, and the core of the emerging new world order being organized by the BRICS (Brazil, Russia, India, China, South Africa) and their allies. What emerges from the reports on the deliberations, is a determination to move that process of economic and security cooperation forward in an inclusive way, with the urgency appropriate to the exploding global crisis.

During these two days, China's President Xi Jinping met with Russian Foreign Minister Sergei Lavrov and Indian External Affairs Minister Sushma Swaraj. Xi told Lavrov that "over the past year, we have together been advancing the development of the overall strategic relationship between China and Russia. Our joint efforts have yielded rich results.... Our cooperation grows ever deeper.... You know that due to our joint efforts we have achieved great results in our coopera-

tion and we support rather intensive contacts at a high and the highest level, and a further expansion and deepening of cooperation in various spheres is seen."

In his meeting with the visiting Indian Minister, Xi said China-India ties "have entered a new stage of growth" since he visited India in September. "The positive side of China-India relations has been growing, the momentum of our cooperation has been strengthening," he added. "The two nations have to properly control their differences with patience, and the differences should not affect the overall picture of their relations."

Meanwhile, Indian Prime Minister Narendra Modi, who is scheduled to visit China at the end of May, sent a message to the "Visit India Year 2015" event in Beijing, saying that India and China are bound by an "unbreakable bond," while advocating that the two countries should know and understand each other better. Citing the legacy of ancient civilization, he said the two nations have had "some bond of relationship" for thousands of years. "In this century, once again we have to give something to the world, say something. For this, it is important that we look at each other, know and understand [each other]."

A Symphony, Not a Solo

The optimism for enhancing trilateral relations among China, India, and Russia expressed by President Xi and Prime Minister Modi was matched equally by

the visiting foreign ministers. Swaraj, who is on a four-day (Jan. 31-Feb. 3) visit to China to attend the tripartite meeting, and also to do the groundwork for Prime Minister Modi's May visit, told Xi that "relations between our two countries have risen to a whole new level." Lavrov pointed out that Xi and Russian President Putin met five times last year. "The consensus reached at the highest level between the two leaders has played an extremely important role in pushing the development of relations in the right direction," he said.

In his remarks following the talks, Foreign Minister Wang Yi said that China is ready to cooperate with all countries located along the economic corridors that connect China with Europe. "This is not a Chinese solo, this is a symphony for all our partners," Wang stated, adding that China will cooperate with all interested parties, above all, Russia and India to achieve mutual benefits in the 21st Century.

The assembly of the three most powerful nations of the Eurasian region, pledging closer collaboration for the common good, took place less than week after the much-hyped visit to India by U.S. President Barack Obama. During that trip, Obama was keen to plant seeds of distrust between India and China, and pushed the provocation that India and the U.S. should protect "freedom of navigation" across the South China Sea, over which Beijing claims sovereignty.

It is evident that such insinuations did not work. Xinhua Jan. 26 termed India's relations with the United States "superficial" and said Obama's Jan. 25-27 trip to New Delhi was more symbolic than pragmatic.

"After all, only one year ago, U.S. diplomats were expelled from New Delhi amid widespread public outrage over the treatment of an Indian diplomat in New York, and Narendra Modi, India's Prime Minister and then chief minister of Gujarat, was still banned from entering the United States," Xinhua wrote.

The Dream of an 'Asian Century'

As a contrast to what Obama is seeking to do, a few days later, on Feb. 1, Minister Swaraj, addressing the founding of the Second India-China Media Forum at Beijing, said that the Modi government was committed



UNI-PHOTO-48U

The foreign ministers of the RIC—Russia, India, China—at their meeting in Beijing Feb. 2. The three countries represent the core of the BRICS, whose initiatives are organizing new just world economic order. Left to right: India's Sushma Swaraj; China's Wang Yi; Russia's Sergei Lavrov.

to bringing ties with China "to a qualitatively new level." "The two economies are moving to invest in each other. Serious discussion on enhancing connectivity have been initiated. On that foundation, we are now seeking to take our economic cooperation to a qualitatively new level," she said. Since both countries play a large role internationally, she added, "our contacts and dialogues must commensurately grow." She said that she has a six-point proposal to present to the Chinese authorities "to jointly realize with Beijing, the dream of an Asian Century."

Listing the proposals, *The Hindu* reported Feb. 1, Swaraj stressed that New Delhi-Beijing ties can reach the next level if both sides take an action-oriented approach and broad-based bilateral engagement. She asserted that the two countries need to achieve convergence on common regional and global interests and develop new areas of cooperation. The two sides need to expand strategic communication and fulfill the common aspiration to usher in an "Asian Century," Swaraj said.

China's Minister of the State Council Information Office Jiang Jianguo, who also spoke at the Media Forum, acknowledged that Sino-Indian relations have entered a new period of major-country relations, a nuanced formulation reserved to describe Beijing's ties with regional and global heavyweights, including the United States, *The Hindu* noted. Jiang quoted the late leader Deng Xiaoping as saying that only when China and India have developed, will a real century of Asia emerge. Jiang invited India to participate in the Silk Road Economic Belt and the 21st Century Maritime Silk Road—President Xi's historic projects to achieve Eurasian economic integration, based on a land and sea transportation network, complemented by a grid of energy pipelines, fiber-optic highways, industrial parks, and smart cities.

During his meeting with his Chinese counterpart, Wang Yi, on Feb. 2, Tass reported, Lavrov pointed out the importance of Russia-India-China collaboration. "Our relations are at the highest level ever," he said.

Wang called Lavrov his old friend, and noted that Beijing will develop further the strategic contacts and cooperation with Moscow according to the benchmarks outlined at the top level. "We should cope with various 'crisis spots,' which are emerging one after another, thus observing our international obligations," Wang said, adding, "China's President pays special attention to cooperation with Russia and "over the past year, the foreign ministers of our countries applied great efforts to implement the agreements, reached by leaders of our countries."

Concern Over World Economy, Global Security

At the Feb. 2 meeting in Beijing, the three foreign ministers focused on the global economic situation and the security crises around the world, created by the West, that threaten global war. The highlight of the joint communiqué (see box), was the vow to "build a more just, fair, and stable international political and economic order" and a "multi-polar" world.

"The Ministers agreed that Russia, India and China (RIC), as countries with important influence at interna-



Chinese President Xi Jinping (right) greets Russian Foreign Minister Lavrov in Beijing, Feb. 2. Xi told Lavrov, "Our joint efforts have yielded rich results...."

Xinhua/Li Tao

tional and regional levels and emerging market economies, need to further strengthen coordination on global issues and practical cooperation, in the spirit of openness, solidarity, mutual understanding and trust." "They agreed that Russia, India and China should enhance their cooperation in think-tanks, business, agriculture, disaster mitigation and relief, medical services and public health," said the joint communiqué.

In his speech, Chinese Foreign Minister Wang said "developing countries are an important driving force of the world economy." "We call for improving the system of the global economy's governance, enhancing the voting power of developing countries' representatives and implementing the 2010 decisions on the IMF's reform as quickly as possible." Wang said Russia, India and China are also "looking for possibilities to tap potential in such spheres as the energy sector, high technologies and environmental protection."

Addressing the security issues, the joint communiqué said: "They [the RIC] called for the development of an open, inclusive, indivisible and transparent security and cooperation architecture in the region on the basis of universally recognized principles of international law. In this regard, they welcomed the continued discussion on regional security architecture in the Asia-Pacific region under the framework of the East Asia

Summit.... In this connection, they agreed to establish a trilateral Russia-India-China consultation mechanism on Asia-Pacific affairs, with the first meeting to be held at an early date."

Wang, in his speech said: "We advocate the principle of partnership rather than alliance." Lavrov said all states should be involved in creating "a modern security architecture" in the Asia-Pacific.

In addition to addressing the security in the Asia-Pacific region, the RIC foreign ministers also addressed the Syrian crisis, the escalating dangers in the Palestine-Israel conflict, and the ongoing talks between P5+1 (U.S., Russia, China, Britain, France, and Germany)

and Iran to resolve the dispute over Iran's nuclear program. "The Ministers discussed the latest developments in Syria. They reiterated that there is no military solution to the Syrian crisis and urged all parties to abjure violence and resume peace negotiations based on 'Geneva Communiqué' of June 2012," said the joint communiqué.

Planning for the Future

During a meeting of the three foreign ministers, Wang said that Russia, India, and China will, in 2015, have several highest- and high-level meetings to improve coordination of foreign policies, Tass reported.

The Foreign Ministers' Joint Communiqué

Here are excerpts from the Joint Communiqué issued by the Foreign Ministers of Russia, China, and India, following their Feb. 2 meeting in Beijing.

24. The Ministers noted that collectively BRICS economies have consolidated their position as the main engines for sustaining the pace of the international economy as it recovers from the recent economic and financial global crisis. Emerging market economies and developing countries continue to contribute significantly to global growth and will do so in the years to come.

25. The Ministers welcomed the successful conclusion of the 6th BRICS Summit, particularly the signing of the Agreement on the New Development Bank and the Treaty for the Establishment of a BRICS Contingent Reserve Arrangement. They agreed to build a closer economic partnership in keeping with the BRICS spirit of openness, inclusiveness and mutually beneficial cooperation to facilitate the market inter-linkages, financial integration, infrastructure connectivity as well as people-to-people contacts, cultural and educational exchanges among BRICS countries. The Ministers welcomed the decision taken by the Fortaleza Summit on opening negotiations on the Draft Strategy of Multilateral Economic Cooperation and

Framework of BRICS Closer Economic Partnership. China and India expressed their full support to Russia for a successful 7th summit of the BRICS leaders in July 2015.

26. The Ministers highly valued the fruitful achievements of the 22nd APEC Economic Leaders' Meeting, including launching the process of Free Trade Area of the Asia-Pacific (FTAAP), promoting innovative development, economic reform and growth and enhancing connectivity of the Asia-Pacific. They commended China's efforts in making the conference a full success and deemed that the Meeting is of great significance in achieving long-term development and common prosperity of the Asia-Pacific region. Acknowledging India's important role in driving global economic growth, and supporting the openness of APEC, China and Russia would welcome India's participation in APEC.

27. The Ministers stressed the importance of regional connectivities, which will inject strong impetus in enhancing political mutual trust, economic cooperation, and promoting cultural and people-to-people exchanges. In this context, they discussed initiatives, including China's initiatives of the Silk Road Economic Belt and the 21st Century Maritime Silk Road. They welcomed synergy of various initiatives to improve regional connectivity in Asia. They emphasized the necessity to explore all connectivity options for greater economic integration of the common region and stressed that the three countries will closely coordinate and work together to ensure that various initiatives bear fruit and benefit all countries and people in the region.

"The three leaders will have many opportunities for contacts to improve further coordination and cooperation on major international issues," Wang said.

During their talks, the three ministers expressed their support for placing Second World War commemorations on the agenda of the UN General Assembly. "We will be celebrating the 70th anniversary of the UN and the world's victory against fascism. This provides a great opportunity for countries in the world to cherish history and look forward to the future," Wang said. Lavrov and Swaraj backed his call, with Lavrov saying the world needed to be on alert for a new threat of fascism. "We must remember the tragic lesson of the events of those years," he said. It was also reported that a military parade will be held in Beijing in September to commemorate the occasion, to which Russian President Vladimir Putin is expected to be invited.

The three countries also called for an early conclusion of Comprehensive Convention on International Terrorism (CCIT), a resolution moved by India to address gaps in the international legal framework against terrorism, *The Tribune of India* reported. Citing India's Ministry of External Affairs spokesperson Syed Akba-

ruddin, *The Tribune* noted, "Russia-India-China call to bring to justice perpetrators, organizers, financiers and sponsors of terrorist acts."

Following the RIC foreign ministers meeting in Beijing, the five BRICS heads of state are scheduled to meet in the 7th BRICS Summit to be held at the Russian city of Ufa July 9-10, to further their plans. During those two days, members of the Shanghai Cooperation Organization (SCO), with Russia at the helm, will also be holding their talks. The SCO is now scheduled to expand, and India, now an observer, will be included in the organization as a full member. The SCO has, up till now, mainly dealt with security matters, but will now also address economic issues.

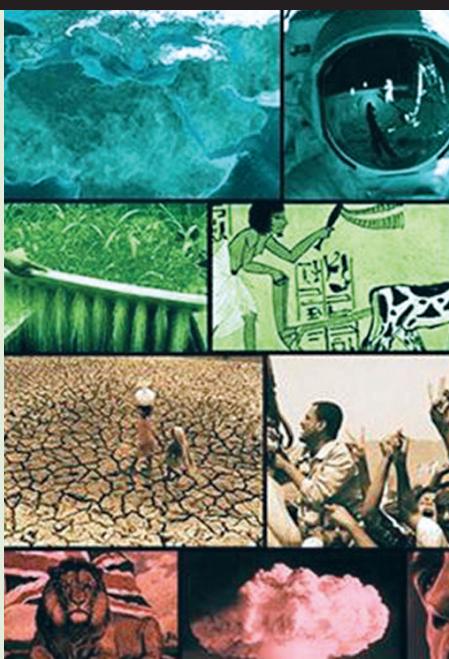
The insecurity in Afghanistan, the proliferation of terrorism, and the explosion of opium production there, following the U.S./NATO's 13-year occupation, has been a focus of the SCO, including at its summit in Dushanbe, Tajikistan last year. It is expected that the upcoming summit, with the inclusion of India, and likely inclusion of Pakistan and Iran, will come up with concrete measures to deal also with the security issues that were touched upon at the Beijing trilateral talks on Feb. 2.

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The Origins of Islamic State

The following interview with EIR's Jeffrey Steinberg by Haneul Na'avi of the website The Last Defense was conducted on Oct. 22, 2014, and posted Jan. 27, 2015, under the title "Riding the Caliphate Interstate." It was also posted Jan. 30 in the English-language version of pravda.ru.

In order to fully communicate the history of the Islamic State and its relationship with the House of Saud and Turkey, we consulted Jeffrey Steinberg, Senior Editor and Counterintelligence Director of the Executive Intelligence Review, with 40 years of experience, and work with the LaRouchePAC [www.larouchepac.com]. He is also member of and active contributor to the Schiller Institute based in Wiesbaden, Germany. Click [here](#) to listen to the full interview.

Hanuel Na'avi: Can you give us a history of the Islamic State? How did they rise to power after the vacuum of power in Iraq, following the U.S.-NATO invasion?

Steinberg: You have to go back to 1979 when Zbigniew Brzezinski was the National Security Advisor to Jimmy Carter, when he convinced the President to sign a secret authorization to begin covert operations in Afghanistan, six months before the Soviets arrived, around Christmastime of 1979. Known as the Bernard Lewis Plan, it involved promoting Islamic fundamentalism all across the southern tier of the Soviet Union. When the Soviets finally moved in, things became concentrated in building up a radical Islamic terrorist apparatus, sponsored by the U.S., British, Saudis, French, and Israelis.

The idea was to play Islamic fundamentalism off against, at that time, the “godless” Soviet Union. The problem was, that as a result of this effort, you had the emergence of groups such as al-Qaeda. Osama bin Laden himself first went to Peshawar in northwest Pakistan, near the Afghanistan border, as part of the Anglo-American/Saudi project to create a terrorist

infrastructure against the Soviet presence in Afghanistan. That effort succeeded somewhat, but the consequence of that was the birth of an international Jihadi terrorist apparatus that is haunting the world today.

So, you had the original establishment of al-Qaeda. Following the U.S. invasion of Iraq in 2003, some of those networks that were operating in Pakistan and Afghanistan had spread to other areas, including Somalia. Chechen rebels who had been fighting in the [Russian] Caucasus, then moved to Pakistan and Afghanistan, and became some of the commanders of what was initially al-Qaeda. And that organization morphed into a lot of spin-offs, including al-Qaeda in Iraq, al-Qaeda in the Arabian Peninsula, al-Qaeda in the Islamic Maghreb, and there've been various splits and permutations out of that. The Libyan Islamic Fighting Group was originally part of al-Qaeda, and they went back to Libya. And the U.S. and the British and the French backed those Islamist networks to overthrow Qaddafi; and we now have a spreading terrorist mess in North Africa and the Mahgreb region as a result.

So, to really understand it, you need minimally to go back to the real origin of the current form of this operation, which is the late 1970s' through the 1980s' Afghanistan mujahideen.

I was frequently on Capitol Hill in the mid-1980s, and you would frequently see well-known neoconservatives—people like Michael Ledeen, Richard Perle—touring around Capitol Hill with these so-called Afghan “freedom fighters,” who later turned out to be leading figures in al-Qaeda. There is a long history of collusion between Western intelligence agencies and these radical Sunni jihadist networks.

The Saudi Connection

Na'avi: The Islamic State wants to expand its territory. How much of their aim is actually a legitimate caliphate they want to establish? What are their personal



LPAC-TV

EIR's Jeffrey Steinberg: With the right coalition of forces, IS "could be crushed in a very short period of time."

aims and what exactly are they trying to accomplish? Are they just controlled by the West, or is this something more sinister?

Steinberg: I think that what you have to have, again, is a little bit more of the history.

Saudi Arabia is a kingdom that is really a dual power situation, between the House of Saud and the Wahhabi clergy, who are among the most radical fundamentalists of all the Sunni Islamic branches. In the 1960s, as the result of the crackdown by Egyptian President Nasser against the Muslim Brotherhood, many of the Egyptian Muslim Brothers fled to Saudi Arabia, and kind of morphed together with the Wahhabis, and began spreading a form of pan-Arabism around the world. With enormous financing from Saudi Arabia and other Gulf countries, these networks began spreading.

They got enormous funding for opening up madrasas—special Islamist schools—in Pakistan, Afghanistan, and parts of Africa. And as early as 1963, in Saudi Arabia, you had the founding of the Muslim World League, which was the initial form of what is today referred to as neo-Salafism, a form of fundamentalist Sunni Islam, which also has a kind of messianic global caliphate ideology behind it.

These networks not only were financed by Saudi Arabia, UAE, Kuwait, Qatar, other countries in the Gulf, but enjoyed an enormous amount of support from British intelligence, and secondarily, from the U.S.

The idea continued, all along, to be the notion of playing the Islamic fundamentalist card against the Soviets, and, to a secondary degree against China. So, there are people like [Abu Bakr] al-Baghdadi, I'm sure, who's the nominal head of the Islamic State group, who are committed to the idea of establishing a kind of a universal caliphate under their direction. It's for that reason, that there's the beginning of a certain concern between the Saudis and the IS network, that ultimately they could look to overrun Saudi Arabia, and incorporate it into their brand of a new, universal caliphate.

So, these things get very tricky and complicated.

You had a merger in Saudi Arabia of the Muslim Brotherhood and Wahhabism, but later, when the Muslim Brotherhood began getting involved in “democratic electoral politics” in places like Egypt, the Saudis no longer liked that. And so, you have splits within what had previously been a kind of unified structure supporting the spread of this jihadism.

So, I think what you've got right now is a combination of various elements. IS inside Iraq contains a network of international jihadists, who've been involved in this fight, in many cases more than a decade—Chechens, Uighurs, Afghans, Saudis, Libyans, and Iraqis—who've been traveling around the world involved in this continuous jihadi battle, honing skills in asymmetric warfare.

Then, you also have in Iraq, remnants of the old Saddam Hussein military apparatus, who are deeply resentful that they were removed from any power-sharing in their country, and who have opportunistically joined the neo-Salafists.

Turkey's Neo-Ottoman Policy

Na'avi: I want to ask about Turkey. President Tayyip Erdogan seems to want to expand into the European Union; he's in NATO, and yet he wants to be involved in the Arab world, and have more regional influence in the MENA [Middle East/North Africa] region. What exactly are the aims and aspirations of Erdogan related to these three fronts?

Steinberg: If you just look back really over the last two years, almost since the beginning of the Syria crisis, the Turks have been instrumental in the rise of ISIS. There were several critical border crossings that were more or less turned over to ISIS. They had training facilities inside Turkish territory. They very much integrated with smuggling networks that operate from

inside Turkey into northern Syria and Iraq, and those networks are very much integrated into the ruling AKP [Justice and Development Party] and are closely coordinated with the Turkish MIT, the equivalent to the CIA, headed by [Hakan] Fidan, one of the most trusted right-hand men of Erdogan.

So, if you look at the AKP, it's an informal kind of Muslim Brotherhood with many parallels. There are more radical elements than Erdogan himself, within the party structure, and you had former President [Abdullah] Gul, who was much more of a genuine moderate than Erdogan and [Ahmet] Davutoglu, now the prime minister. They're playing a dangerous game; they've already crossed swords with the U.S.; and Washington, at least at the Pentagon, is very much pissed off at Erdogan.

There was a meeting about a week ago in Washington at the Pentagon of all of the military commanders of the anti-ISIS "coalition of the willing." Not only did Turkey send only a deputy operations director, not the head of the Armed Forces, to the meeting, but the day before the meeting, they carried out a bombing campaign against the PKK [Kurdistan Workers Party] inside Turkey, but right along the borders of Syria and Iraq. I know that they were furious about that at the Pentagon.

Washington, and some European collaborators, worked behind the scenes very intensively, but quietly, to make sure that Turkey didn't get the seat on the UN Security Council that they were heavily lobbying for. Frictions are becoming severe, and there are some American and European military personnel who are asking: Why is Turkey in NATO if they're on the other side? I think that the neo-Ottoman geopolitical aspirations of Turkey in the Middle East/North Africa region trump its desire to integrate into the European Union.

And frankly, I think, with the state of the European economies, I don't see why anyone in his right mind would want to become part of that. But Turkey is definitely pursuing a kind of neo-Ottoman policy towards the region, and that's been openly promoted by Davutoglu, on many occasions.

IS: Out of Control

Na'avi: Who has more control in the region? And is the Islamic State some kind of geopolitical game? Or is it completely out of control, with basically everyone at the mercy of what they want to establish?

Steinberg: They're not completely out of control. The idea that the Saudis are open to training elements in Saudi territory to be ostensibly used in the fight against both the Islamic State and [Syrian President Bashar] Assad, is, to me, ludicrous. The Saudis have been strong backers of IS; and I am not convinced that they consider this to be an existential threat to the survival of the House of Saud.

There was a period in the 1990s, when bin Laden was protesting against the residual U.S. military forces in Saudi Arabia after the first Iraq War. Then-head of Saudi Intelligence Turki bin Faisal sent an emissary to Afghanistan to meet with bin Laden. And basically a handshake agreement was reached, and the Saudi funds once again flowed freely to al-Qaeda, with the understanding that al-Qaeda would target the U.S., but not the House of Saud. So, they're perfectly capable of negotiating an understanding with IS.

Now, things can change. There are Frankenstein's monsters that get out of control. But I'm not persuaded that we're at that point yet.

You have a lot of contending forces, even among the Gulf States—Turkey and Qatar are working with the Muslim Brotherhood. The fact that Turkey is also supposedly going to begin training forces against Assad, on Turkish territory, tells me that what they're attempting to do is to put forces on the ground in Syria who will be very much tied to Turkey, and undoubtedly will be led by the Syrian Muslim Brotherhood. The elected government in Libya has allied with Egypt against the Libyan Dawn Movement, which is backed by Turkey and Qatar, again, because of the Muslim Brotherhood connection.

So, within the Sunni world, you have these fault lines that are becoming militarized, at the same time that you have the militarization of the conflict between the Sunnis and Shi'ites. So, it makes for a very, very messy situation which could very easily get out of hand, and turn into a regional war or even something bigger.

The Alliance That Can Defeat IS

Na'avi: You touch on a very important question: the way that the planned expansion of the caliphate will affect at least three BRICS nations, and the West as well, creating a World War III potential. How will this affect Russia, China, India, as well as a few of the Western players in this conflict?

Steinberg: Several prominent Russians have made statements, one from [ex-Ambassador to Libya, Yemen,

and Tunisia] [Veniamin] Popov, who said, if the U.S. is serious about waging war with IS, then it has to be a coalition of countries with shared interests. This emphatically includes the BRICS; particularly Russia and China, for reasons such as the targeting of the Caucasus, and Xinjiang provinces of Western China, where the Uighurs are a part of this “Jihadists without Borders” apparatus. There are at least 1,000 Chechens who are fighting with ISIS in Syria and Iraq, and who represent some of the most seasoned IS commanders. They’ve been in combat continuously for over a decade since the Chechen wars.

Popov continued: A serious alliance would involve the U.S., Russia, China, other BRICS countries, as well as Iran, and Syria.

You can’t trust Saudi Arabia or other GCC [Gulf Cooperation Council] countries to genuinely try to defeat IS. If you had an alliance among those countries, you would have the resources to absolutely crush IS in Iraq and Syria. The Russians have a close relationship with the Syrians and Iranians, and a coalition under those circumstances could have genuine, direct coordi-

nation, rather than the sneaky ones we have now. Egypt is a channel for feeding intelligence to the Syrian military in their fight against the rebels. The Iranians are getting certain benefit from coordinated efforts between Iraq and the U.S., and Shi’ite militias, who are some of the most effective fighters against the Islamic State there.

But if you had a genuine, out-front collaboration among all of these countries, it would be a whole different situation, and there’s no doubt in my mind that the Islamic State could be crushed in a very short period of time.

Ultimately, IS has approximately 35-50,000 fighters in the region, and they’re relying on former Ba’athist military personnel in Iraq, and on some of the Sunni tribes in Anbar province who will go where they think the winner is. They’re not ideologically committed to the Islamic State; they don’t believe in a caliphate. They’re just pissed off because they’ve been cut out from the power-sharing in their own country, and are demonstrating that they have more military ability aligned with IS than the Iraqi government has. The minute those tribes see a fairer power-share, and are convinced Islamists will suffer defeat, they’ll switch sides. You’ll have a replay of the Anbar Awakening from the mid 2000s.

So there’s a limit to how far IS can go before overstretching themselves.

They certainly don’t pose a challenge to overthrow President Putin in Russia, or Xi Jinping in China, but they can make a mess of things. They can provoke a lot of terrorism. They can provoke an over-reaction that would be responded to harshly, by the usual “humanitarian interventionists” and neo-conservative crowd in the West. But I think we’re dealing with something that has a genuine limit on its capabilities, and, if it’s done right, it can be defeated.

The problem you’re dealing with is that the British, certain factions in the U.S., and the Saudis, still continue to see this as an Islamic card they can play against the Russians and Chinese. And to the extent they are freaked out by what the BRICS process represents since the July [2014] meeting in Brazil—that’s where you can see these asymmetric operations, combined with things like Air-Sea Battle against China, and supporting neo-Nazis in Ukraine targeting Russia, leading to a situation where you do have a general war that becomes a World War.



The Al-Qaeda Executive

Financed and deployed by the British-Saudi Empire, al-Qaeda has been protected by the Obama Administration to accomplish the Empire's global war. In this feature [video](#), LaRouchePAC documents President Obama's use of the al-Qaeda networks to overthrow Qaddafi in Libya, and to carry out bloody regime-change against Assad in Syria, by the same forces who attacked the U.S. consulate in Benghazi.

www.larouchepac.com

THE MANHATTAN PROJECT

‘It’s Hamilton’s Principles Or Thermonuclear War!’

by Nancy Spannaus

Feb. 3—That is the message which the LaRouche movement is taking directly to Wall Street, the center (along with the City of London) of the drive for confrontation with Russia which has led the world to the edge of nuclear conflagration, in a series of rallies which began Jan. 20, and continued today. The street activity is an integral part of what Lyndon LaRouche has dubbed the “Manhattan Project,” a campaign to restore the principles of New York City’s Alexander Hamilton, as the unique source of ideas and leadership to save the United States from extinction.

“We have to have a mobilization of the spirit and intention of our republic, which is a task which is located essentially for our attention, in the role of Manhattan, of New York City, Hamilton’s New York City,” declared LaRouche in his remarks to the Jan. 17 Schiller Institute conference in Manhattan. The past months’ organizing around this perspective in New York City has begun to bear out this assessment, as increasing numbers of individuals from a wide variety of cultures and walks of life, have joined the organizing drive to revive Hamilton’s principles, with the demand that the U.S. join with the BRICS nations in their drive for economic development.

Despite its apparent takeover by Wall Street traitors, New York City retains its character as the nation’s political capital, where big ideas and Classical culture still maintain a foothold, and from which the nation can be led for good. Thus it was, as well, in the crucial decade

1783 to 1793, when New Yorker Alexander Hamilton, from Manhattan, generated the ideas, and organized the forces nationally to create a Constitution, and an American System of economics, in hand-to-hand combat with British oligarchical forces of every stripe. By educating a leadership around Hamilton’s ideas, the LaRouche movement is determined that the nation be pulled together once again, as a coherent force for good in the world.

The Intent

From approximately October 2014, the LaRouche movement in the United States has shifted its focus of activity to Manhattan, as the strategic lever by which the nation can be moved. A series of conferences sponsored by the Schiller Institute have brought together hundreds of New Yorkers, in increasing numbers, for deliberation on how the United States can be restored, by a paradigm shift in economic, cultural, and foreign policy. As of the January conference—and for the upcoming Feb. 14 one as well—these webcast conferences are being live-streamed around the United States and the world.

Simultaneously, LaRouche organizers have moved to create a high-profile presence in Manhattan, in order to set the appropriate political agenda for a people generally being stupefied by today’s popular culture, and lying press and political class. This has included deployments in the subways, as well as the streets. The essential message has been simple: Reject the Wall



EIRNS/Suzanne Klebe

LaRouchePAC organizers take on Manhattan, as seen here at New York City's Federal Hall, under the gaze of George Washington. "We have to have a mobilization of the spirit and intention of our republic," in Alexander Hamilton's New York City," declared Lyndon LaRouche.

Street/Obama confrontation strategy that is bringing on thermonuclear war, by bankrupting the current system, and replacing it with Hamiltonian economics, and an alliance with the BRICS. The rallies on Wall Street are part of this “set the agenda” thrust—with a special emphasis on going in to face the enemy of humanity with the ugly truth: “You are bankrupt.”

In addition, LaRouchePAC Policy Committee member Diane Sare has started a New York City Community Choir, which is bringing together professional opera singers with raw talent from the City—including growing numbers of young people with no experience in Classical music at all. This was inspired by not only the necessity of reviving Classical culture, but the inspiring effect which the great music of Handel, Bach, and others had on the audiences at the conferences.

Organizers report that these deployments are creating a kind of “noetic field” in which more and more people are becoming familiar with their message, due to more frequent contact. What is also notable is that New Yorkers—for centuries one of the most internationally variegated populations in the world, and certainly in the United States—are much more aware of what’s going on in the world around them, and outside

the United States, in contrast to the insular mentality of many other Americans.

The Hamilton Message

As LaRouche has stressed, the role of the genius Alexander Hamilton was absolutely pivotal in providing the ideas that shaped the United States as a unified nation devoted to scientific and technological progress. From his days as an adolescent newcomer to New York City, Hamilton was focused on the requirements for the economic development of a sovereign nation, which he knew meant the creation of an energetic national

government. The young Hamilton (he was only 17 when he wrote his first tracts against British saboteurs of the Revolution, and 24 when he began the “Continentalist Papers” laying out a national economic plan) wrote voluminously to organize and educate his fellow citizens around the ideas necessary to build the nation.

Hamilton’s proposals, from the beginning, focused on the necessity for creating credit for physical economic growth, rather than submitting to the monetarist notion of Adam Smith’s “buy cheap, sell dear.” Hamilton saw this policy in action in what the British Empire was doing to the United States, and he called it “slavery”—a slavery he opposed as much as he opposed the physical bondage he encountered in his Caribbean home, and in the American colonies. He knew that growth required an active government role in providing necessary infrastructure, and in fostering the development of manufactures in areas of the economy essential for the sustenance of the population.

Hamilton understood, as a matter of principle, that money was not wealth, and real wealth in fact required constant improvements in what was then called “mechanical power,” by creative discoveries of mankind. Thus, his famous argument in favor of manufactures:

“To cherish and stimulate the activity of the human mind, by multiplying the objects of enterprise, is not among the least considerable of the expedients, by which the wealth of a nation may be promoted.”

That statement was featured on one of the several signs with quotes from Hamilton, which the LaRouche organizers have taken to their Wall Street rallies.

Crush the Speculators

Another of the quotations from Hamilton featured at the Wall Street rallies dealt with the fact that speculation, “left to itself, may be attended with pernicious effects.” Indeed, Hamilton’s economic system—his National Bank, in particular—was conceived by him as a tool to regulate money, in the interest of the growth of the nation, and to crush speculators who profiteered from the productive activities of the nation.

In other words, contrary to much of standard public mythology today, Hamilton was *not* the father of Wall Street, the center of speculation, but its bitter enemy. In fact, it could be said that Wall Street, in the form of its servant Aaron Burr, was responsible for his assassination.

A look at the early history of the Bank of the United States, which Hamilton conceived as a nursery for industry and agriculture, shows that the instruments of Wall Street—specifically the creation of a private club for traders, known today as the New York Stock Exchange—were created as a direct attempt to crush the Bank as the institution upholding the system of public credit, acting in the interest of the nation, which Hamilton had set up.¹

Hamilton was ruthless in crushing the speculators when they were playing games with the nation’s credit, in 1791-92, and even let his formerly close friend William Duer go to jail, rather than show any sympathy. He put the interests of the nation, not “profit,” first.

What a contrast to the prevailing U.S. “economic theories” today!

A thorough study of Hamilton’s activities and his writings shows that his ideas for developing thriving economies are much more similar to those of the BRICS nations today, than to the nations of the trans-Atlantic economic system, which have been perverted into the British imperial finance which Hamilton was fighting against. Protection, national control of one’s currency,

1. See David Shavin, “Hamilton’s Singular Genius vs. Wall Street’s Rage,” This Week in History, Jan. 11-17, 2015, at schillerinstitute.org.

long-term, low-interest credit for capital investment—these were hallmarks of Hamilton’s American System, just as they are the demand of developing nations today. To get them back, Wall Street must be crushed.

A Mass Movement for Development

The invitation for the upcoming Feb. 14 conference of the Schiller Institute in Manhattan, has the following headline: “America Needs a Mass Movement for Economic Development: Let’s Join the BRICS To Rebuild the World Economy!” The text describes how the BRICS nations are challenging the dying British/Wall Street system, and poses the urgency of the United States joining that effort:

“The United States must be protected against this imminent Wall Street/City of London self-imposed collapse, lest our nation be driven to suicidal thermonuclear war as the price for tolerating ‘beast-man economics.’

“We must provide all the necessary federal credit required for the immediate productive employment of our citizens, while we simultaneously shut down speculation through the re-imposition of the 1933-99 Glass-Steagall Act. This will prevent national chaos, re-establishing the ‘full faith and credit’ of Alexander Hamilton’s United States with the sovereign nations of Russia, China, India, etc. Prime Minister Modi’s ‘1 million new productive jobs per month’ policy for India, should be the same for the United States, and the world’s leading scientists should launch a crash international effort to establish viable commercial use of thermonuclear fusion power within 10-15 years, as an international Apollo Project.”

This is a message which resonates with many New Yorkers, even some on Wall Street, where there have been more than 50,000 layoffs over the recent period. Indeed, the Wall Street brokers at JPMorgan Chase—right across from the Federal Hall rally site of the LaRouche movement—and the New York Stock Exchange are well aware that their institutions are bankrupt.

Those wedded to these corrupt institutions are unlikely to free themselves to act—but many other New Yorkers will, given the proper leadership. And, seeing leadership coming from New York City around the ideas that can save their lives, and those of their children, true patriots can take the necessary action as well.

As the LaRouche organizers put it in their Wall Street rally today: “Crush Wall Street, or Face Nuclear War!”

Atlantic Council Promotes World War

by William Jones

Feb. 3—Preparations are now underway in the Establishment boardrooms of Washington for transforming the current civil war in Ukraine into an all-out confrontation between East and West.

The latest drumbeat for war came from the Atlantic Council, not surprisingly, since they were the first to whole-heartedly embrace the U.S.-appointed Ukrainian regime of Arseniy Yatsenyuk after the U.S.-backed ouster of President Yanukovich, giving the “new team” a forum for their steady volleys against Russian President Vladimir Putin. The “atlanticist” Atlantic Council joined with the “liberal” Brookings Institution and the Chicago Council for Global Affairs to publish a report calling on the U.S. to give the embattled Ukrainian regime “lethal defense assistance.”

The widely pre-publicized report was authored by a gaggle of former diplomats and defense officials, who, in the last couple of months, had been conferring with NATO military officials in Brussels, and with the Ukrainian government in Kiev and its military command at Kramatorsk.

The Build-Up Event

The arms issue was first broached at a Jan. 30 Atlantic Council event, entitled “Toward a Transatlantic Strategy for Europe’s East,” whose ostensible topic was strategies for the upcoming EU Summit in Riga, Latvia. The real topic was Ukraine and the implementation of a new, more strident policy toward Russia.

It is obviously hoped by the organizers of this event that with Latvia sharing the chairmanship of the EU for the first part of this year, the EU may be, with U.S. assistance, provoked into implementing a tougher policy against Putin, in order to counter the opposition coming from Germany and France. Indeed, it was the Baltic States and the East European countries that lobbied hardest after the demise of the Warsaw Pact to keep NATO intact, rather than to form something more inclusive of Russia.

Latvian Foreign Minister Edgars Rinkevics opened the event, saying that the upcoming summit “must reaffirm a strong Eastern commitment.” He called for a comprehensive aid package to Ukraine and urged the EU “to fight the Russian propaganda and help our East European partners.”

As one participant commented, the Baltic States wouldn’t take such an up-front position against Moscow without the U.S. behind them. And sure enough, Rinkevics was quickly supported by the comments of Cheneyite and Atlantic Council Board member Stephen Hadley. “We are living in a different space today,” Hadley said. “Putin wants a division of Europe and he wants to prove that Article V [which states that NATO will come to the defense of another member that has been attacked—ed.] does not apply to the Baltic States.... We have to take a more forceful and active role,” Hadley said. “We have to put Putin and his strategy at risk. And we have to do something now.... We must be more decisive, aggressive, and robust in order to convince Putin to change his policy and to accept a Ukraine solution without a division of the country.”

No doubt to the delight of the Latvian Foreign Minister, Hadley also called for “a permanent military deployment in the Baltics,” and urged “providing arms to Ukraine and to others.” “The Ukrainian forces will not be able to defeat Russia militarily,” he conceded, “but these weapons will raise the cost of the conflict for Russia.” Hadley claimed, however, that none of this would cause Russia to respond with stronger measures themselves, much less provoke nuclear war.

Division in the Ranks

Hadley had, by and large, set the tone for the event, with a number of Eastern European diplomats sounding the same alarm bells. Former Polish Foreign Minister Radek Sikorski referred to Crimea joining the Russian Federation as an “Anschluss.” “Putin wants a situation where eastern Ukraine can decide the policy of all of Ukraine,” Sikorski said. “This would make the country ungovernable.” “And what can we do about it?” he asked. “No one in Eastern Europe will adopt a brave approach toward Russia without U.S support.” But it was precisely such support that events like this were meant to engender.

The only opposing voices during the course of the day came from the Spanish representative, Ana Palacio, the former foreign minister, and Elmar Brok, the chair-

man of the Foreign Affairs Committee of the European Parliament. Brok, a member of the German Christian Democratic Union, and the only German to speak during the proceedings, was a particular target of the hawks arrayed against him. But he held his own. He warned against any attempt to enlarge the European Union in the next five years, as some of the speakers had suggested, noting that none of the countries were prepared for this economically.

Brok was also extremely irate at the Russia sanctions. “The U.S. calls for more sanctions,” he said, “but these are borne by Bulgaria, and not by Texas.” He noted that the sanctions on Russia had forced Greece to shift its oil purchases from Russia to Iran, where they had to pay a much higher price.

On this point, he was backed by Palacio, who also urged that the EU should cooperate with the Eurasian Economic Union (which includes Russia, Belarus, Kazakhstan, and Armenia, with Kyrgyzstan to join soon). She also warned against raising any false hopes in the rabid anti-Russian regimes of Eastern Europe.

A Blueprint for Escalation

On Feb. 2, the Atlantic Council provided the venue for the presentation of a report entitled “Preserving Ukraine’s Independence, Resisting Russian Aggression: What the United States and NATO Must Do.” It called on the U.S. government to begin providing lethal aid to Ukraine. The signators of the document included Brookings’ Strobe Talbott; former U.S. Ambassador to Ukraine John Herbst; Amb. Steve Pifer (also a former ambassador to Ukraine); Amb. Ivo Daalder, the former U.S. permanent representative to NATO; Adm. James Stavridis (ret.), former SACEUR commander; former Undersecretary of Defense Michele Flournoy; former Deputy Undersecretary of Defense Jan Lodal; and Gen. Charles Wald (ret.), former commander of the U.S. European Command.

The document starts off with a lying chronology which omits the reality of the Ukrainian coup, and blames Russia for the escalation. It then lays out a fairytale scenario of behavior modification to change Russia’s posture. “Maintaining Western sanctions are [sic] critical but not by themselves sufficient. The West needs to bolster deterrence in Ukraine by raising the risks and costs to Russia of any renewed major offensive.

“That requires providing direct military assistance

in far larger amounts than provided to date including lethal defensive arms.” The signers propose that Ukraine be provided with \$1 billion worth of such aid in 2015, and again in 2016 and 2017. The equipment they call for includes: counter-battery radars, medium-altitude UAVs, electronic counter-measures against opposing UAVs, secure communications facilities, armored humvees, and light anti-armor tank missiles.

In presenting the report, the speakers mirrored the views (with only subtle shadings of emphasis) stated by Stephen Hadley a few days before. Some of them had recently visited NATO headquarters, where they were briefed on Ukraine, and traveled to Kiev and Kramatorsk, the “counter-terrorism” headquarters of the Ukrainian Army.

Talbott kept venting about how Putin had challenged the liberal world order with his “blatant invasion and occupation of portions of Ukraine.” Some in the audience asked whether these new measures might not lead to further escalation on the part of Russia. “While there is a danger of some degree of escalation here,” Talbot said, “Putin seems already bent on escalation.”

When one questioner asked whether these weapons would not end up in the hands of the renegade fascist bands running their own operations against the “insurgents” in the East, Pifer admitted that there were such “private armies,” but had been assured that the equipment would end up in government hands.

There was also a question raised as to whether *all* the NATO countries would accept such an escalation. The speakers agreed that would not be the case, which is why they were turning to the U.S. to act unilaterally. While they indicated that some, including Germany, would not agree to provide weapons themselves, Talbott felt that Chancellor Angela Merkel would not raise an objection to the United States doing so. Talbott praised Merkel’s stance, saying “she has been solid throughout.”

While the Brookings/Atlantic Council report does not officially represent the policy of the Obama Administration, clearly the hope of its authors is that the objections raised by Chief of the Joint Chiefs of Staff Gen. Martin Dempsey to such a provocative policy are being whittled away by the continued violence in Ukraine, and that this last bastion of resistance against the insane war policy will have been overcome.

Forging Fusion: Physical, Chemical, and Nuclear

by Jason Ross

A video of this Jan. 13 presentation can be viewed at larouchepac.com/forging-fusion.

The only way mankind will exist in the future, is through the mastery of controlled nuclear fusion. But, the importance of fusion cannot be understood by enumerating its benefits or calculating its electrical potential (although it is immense): The new quality of human civilization it will allow, can only be adequately understood by looking at it in the long-term context of human development, from the physical world of the Stone Age, to the chemical world of the Bronze and Electrical Ages, to the nuclear world that we have only just ventured into.

By contrasting the stages of physical, chemical, and nuclear, we can understand the profound importance of developing a fusion platform, specifically one powered by the rare isotope helium-3, found naturally on the Moon, but not on Earth.

Let's start by going back a few thousand years.

Physical Changes

Ten thousand years before the present, in the Stone Age, our tools and technologies were material, physical. Many tools were made from rocks, which might be chipped into better shapes, such as for sharpening, and other materials used for construction and

tools were those found around us, such as fiber, wood, bone, shells, mud, and stone. If someone considered what a rock was made out of, the answer would be “smaller rocks” and wood was made of “wood.”

The characteristics of objects that were of value (besides food) were what we could call material or physical ones: strength, hardness, flexibility, durability, heaviness, size, and so on. The changes we could cause were, in large part, physical reshaping and cutting, as well as movement. The “simple machines” of antiquity—the lever, the screw, the wedge, and so on—are physical machines, which could transform one kind of



Jason Ross: Thermonuclear fusion power “is not an option. It is the natural next stage of human evolution....”

TABLE 1

PROPERTIES	PHYSICAL CHANGES	MACHINES
Hardness	Grinding	Hand-axe
Flexibility	Chipping	Mortar & Pestle
Color	Cutting	Screw
Density	Breaking	Wedge
Size	Bending	Inclined plane
Shape	Mixing	Lever
Sharpness	Heating	Pulley
Temperature		Windlass/Crank

motion into another. For example, lifting a weight could be made easier by using a system of pulleys. More rope is pulled with less effort, to lift a heavier weight a shorter distance. Or a heavy mass could be used to lift another by using a lever.

Table 1 includes characteristics of this physical world: the kinds of machines we had created, the characteristics of materials that we would consider, and the kinds of changes we could bring about.

Not included in this table is the application of fire, the use of which absolutely separated the human species, as a creative species, from all other forms of life (**Figure 1**). The first evidence for the use of fire goes back hundreds of thousands, or perhaps, a million or more years. With fire, man could cook new foods to make them edible and safer, harden rocks to make for sharper edges, fire clay and ceramics, increase the flexibility of wood by boiling, treat textiles to create fabrics. We could see and protect ourselves at night; we could clear land; we could bake.

After wood fire, the first change in our power over nature that was of a truly different type, was seen in the Bronze Age.

Chemical Changes

The Bronze Age, like the later Iron Age, took its name from advancements in making metals. Bronze is a combination of copper and tin, which requires a new kind of power over nature to create. Take malachite, a blue-green rock that was the primary source of copper in the Bronze Age. This rock, despite its unusual color, isn't so different, physically, from other rocks. It's not remarkable by its hardness, weight, durability, or ease in chipping apart to make sharp edges. Yet, when a

FIGURE 1



The use of fire separates the human species from the animals.

new kind of fire is applied to it, something amazing happens.

This new type of fire is that of charcoal. Charcoal is made from wood by partially burning it without air, such as slowly burning it under a pile of dirt, as you see here (**Figure 2**). The resulting charcoal burns both hotter and cleaner than a wood fire, allowing for more convenient cooking than using wood, which creates a great deal of smoke. A charcoal fire has the ability to “cook” malachite, and turn this rock into a metal. Let’s look at how modern-day researchers have recreated the process.

After grinding malachite with a stone, they dig a pit, start a fire in it, add charcoal, add the ground malachite, more charcoal, and a lid, and blow air into it with a bellows to keep the fire going. After some hours, the pit is

FIGURE 2



Creating charcoal by burning wood without air, under a covering of earth.

Frank Behnson

FIGURE 3



Courtesy of David Champan

Retrieving copper created from malachite which has been “burned” in a charcoal fire.

reopened, the malachite has disappeared, and copper metal has been formed (**Figure 3**).

This is an astonishing change, absolutely unlike any of the physical changes created before, and far more dramatic than the change that takes place when baking bread or cooking meat. The very nature and material of the rock has changed in an almost miraculous way! It's hard to imagine substances more different than rocks and metals. Metallurgy was the beginning, the first example, of what were later called chemical changes.

With the development of modern chemistry by Antoine Lavoisier and Dmitri Mendeleev, the answer to the question, “What is a rock made of?” was totally different. No longer was a rock made of “rock.” Now the chemical elements, the smallest “pieces” into which the rock could be broken, including these new kind of processes—these elements were being worked out. A rock was now made of silicon and oxygen, in the case of this rock, or copper and oxygen, in the case of this malachite. And these component parts (oxygen, silicon, and copper) had absolutely none of the physical properties used to describe the physical materials they formed.

For example, graphite, coal, and diamond are very different in hardness, color, density, almost in every imaginable way, yet these substances are all made entirely of the chemical element carbon. Carbon does not have color; it does not have density; it does not have hardness. Carbon has a susceptibility of entering into particular compounds with itself and other elements, making materials that do

have physical properties. Yet, the properties specific to carbon itself are chemical, not physical. They relate to the kinds of compounds it forms, and the ease with which it does so, what ratios it combines with other elements in, and so on.

The first chemical *machine* was in metallurgy: The work of transforming rocks into metal was totally different than what could be done with physical machines, with cutting, grinding, pulling, scraping, banging, and heating. None of that can make copper. The charcoal fire was pulling the oxygen away from the metal in the rock, in effect undoing the process of rusting, which is the chemical combination of a metal with oxygen. We saw this earlier with the creation of copper from malachite. The form of processed iron ore you see here (**Figure 4**), called taconite, looks like balls of rust, which is essentially what it is. When it is smelted into iron, it is, in effect, *un-rusted chemically*, by removing the oxygen.

The Steam Engine

Around 1700, a powerful new chemical machine was developed and built: the steam engine, which used the potential of coal to change chemically (to burn), to produce motion. Now the power of a lump of coal was much greater than its ability to weigh down a lever or a pulley: It could be burned to heat water to produce steam to push pistons, as in a steam locomotive.

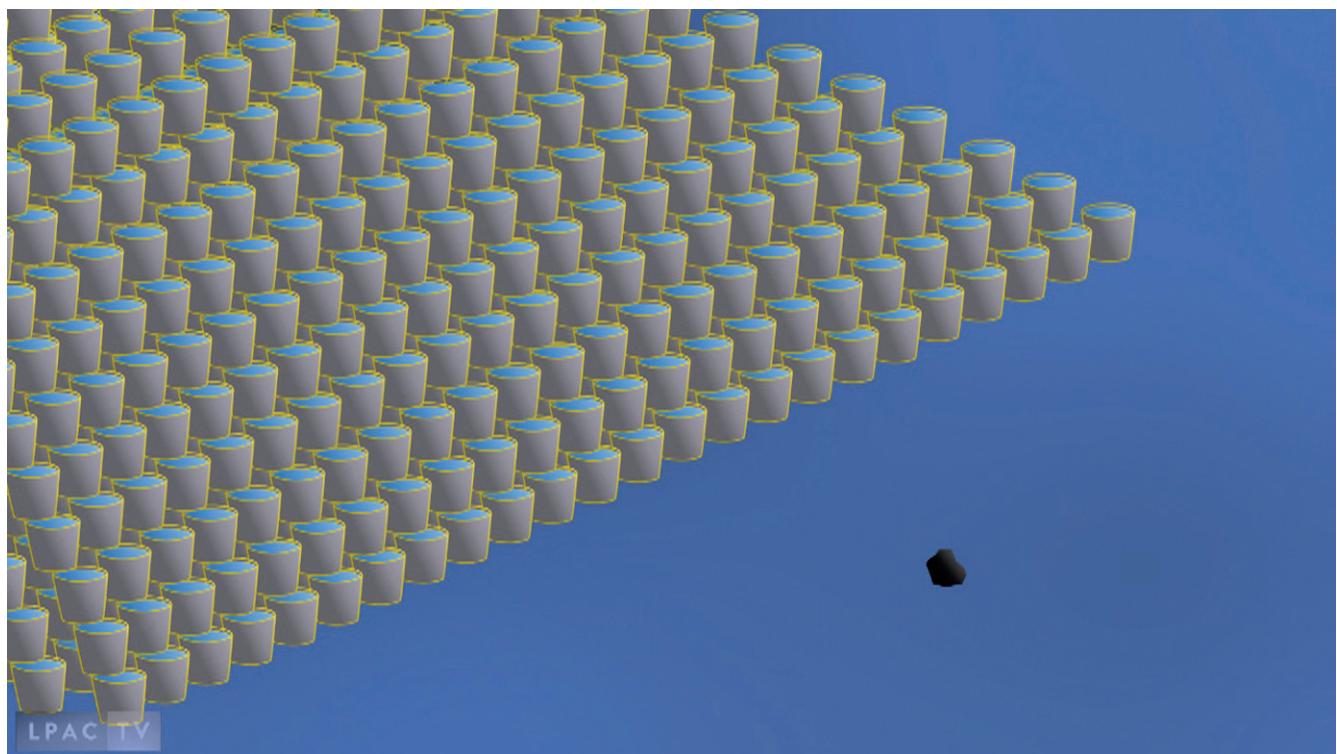
Let's compare the physical versus the chemical power of a lump of coal: In order to get the same energy as burning a given amount of coal, you'd need to have a hundred thousand to a million times as much water flowing through a hydroelectric dam (depend-

FIGURE 4



Creative Commons/Harvey Henkelmann
Taconite, a processed form of iron ore, looks like rust. Smelting taconite to produce iron is essentially “un-rusting” it.

FIGURE 5



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The chemical power in a mass of coal is equivalent to the physical power of up to a million times its mass in water, running through a hydroelectric dam.

TABLE 2

PROPERTIES	CHEMICAL CHANGES	MACHINES
Valence	Reactions	Metallurgy
Atomic mass	Dissociation	Steam engine
Enthalpy	Refining	Oil refinery
Ionization energy	Smelting	Fertilizer plant
Bonding	Electrolysis	TNT
Gibbs energy	Oxidation	Car engine

ing on the height of the dam) (**Figure 5**).

The coal is nearly a million times more powerful when burned chemically, than its weight is, were it to be used physically. This is the astonishing power of chemical machines!

A whole new vocabulary now existed.

Some of these new chemical attributes include valence, enthalpy, and atomic mass (**Table 2**). These terms, possibly unfamiliar, relate to the ability of elements to combine and in what ratios (valence), the heat released or consumed in such chemical changes

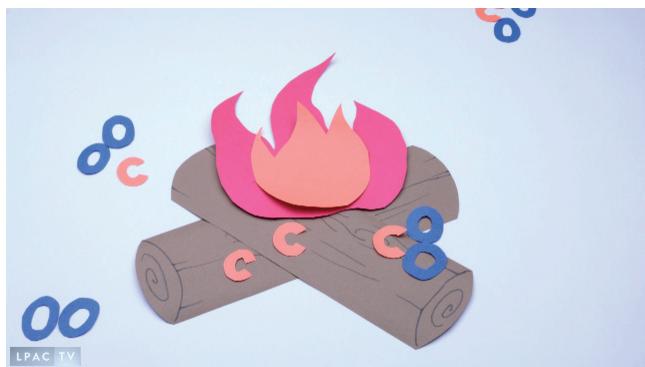
(enthalpy), and the characteristic mass associated with a certain quantity of an element, determined by its interaction with other elements (atomic mass).

This was an entirely new domain of characteristics, and understanding it allowed us to create and understand a whole new domain of changes, including everything from soap to camera film, from cement to gunpowder, superglue and antifreeze, petroleum and plastics, new alloys, tougher steels. Recombining elements could create materials with totally different physical properties than previous compounds the elements entered into.

One particularly dramatic change was the chemical development of nitrogen fertilizers, which are responsible for the lives of a significant portion of the people currently living on the planet. That one discovery very directly changed the potential global population of the human species.

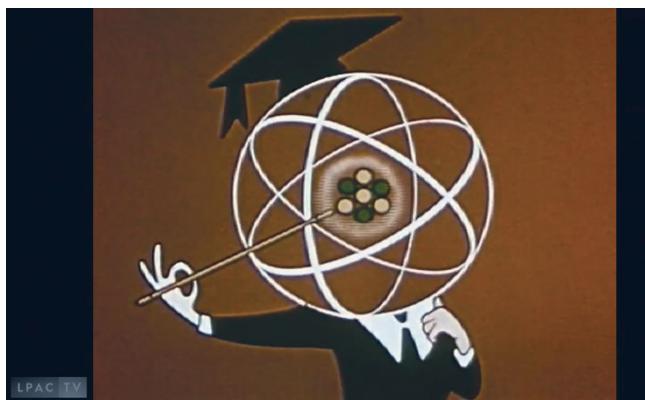
This world of chemical characteristics, processes, and changes, required a new vocabulary, and represented a higher level of power than the purely physical changes of the past, of the Stone Age.

FIGURE 6



Carbon has chemical, rather than physical properties. Carbon in solid wood is still carbon when it is in the carbon dioxide gas produced by burning the wood.

FIGURE 7



The nucleus is understood as a collection of positive protons and neutral neutrons.

To get into the next form of action, nuclear, we'll talk a bit about atoms, which were a contentious development in the field of chemistry. Elements, and atoms in particular, were understood as the fundamental components of matter. Their combinations might change, but the constituent elements and atoms did not themselves change. Take this wood fire for example: Carbon in the wood combines with oxygen in air to form carbon dioxide gas. The carbon that was in the solid wood is still carbon when it is in carbon dioxide gas (Figure 6). Wood is not a gas, but carbon itself can be in a solid or gas. Carbon in one compound is still carbon when in another compound, and no techniques had ever been found that could change one element into another (although the alchemists had been trying for a long time to turn lead into gold!).

Atoms themselves are considered to be a heavy nu-

cleus, containing positive protons and neutral neutrons, with a swarm or cloud of negative electrons swirling around it (Figure 7). Chemical reactions and changes are considered to be related to the interactions of these electron clouds around atoms, not the nucleus. Yet the nucleus determined what element the atom was! Understanding of the nucleus moved forward with—you guessed it—nuclear science.

We sometimes forget today that the word “nuclear” means “pertaining to the nucleus.” You yourself are *very* nuclear: There are several thousand trillion *trillion* atoms in your body, and each one has a nucleus!

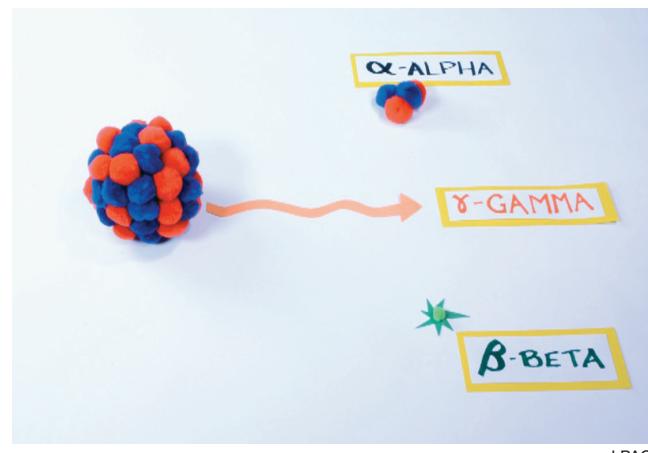
Nuclear Changes

Experiments with radiation, truly a fascinating subject, led to the hypothesis that the nuclei of atoms were themselves changing, and emitting various sorts of radiations as they did so. This was a new change. Physical changes to a rock still make pieces of rock, and chemical changes to a rock may pull apart the elements, but don't change them: The copper was already in malachite. Now, the nuclei, the type of atom, the element itself were actually changing!

Parts of the nucleus were energetically flying off. The most common changes were the nucleus emitting two protons and two neutrons (called an alpha particle), or a single electron (a beta particle), or a high-energy light-like ray (called a gamma emission) (Figure 8). The names come from alpha, beta, and gamma being the first three letters of the Greek alphabet.

The amount of energy that could be given off was

FIGURE 8



The three main types of radioactive decay emissions are alpha, beta, and gamma emissions, taking their names from the first three letters of the Greek alphabet.

astonishing, and overthrew the “laws” of physics. A given mass of radium (a very radioactive element) emits as much energy over time as 500,000 times its mass in TNT! This is a tremendous amount of energy. Remember that coal has hundreds of thousands times more energy when burned chemically than when simply used as a physical weight. And now, a nuclear process is about a million times more powerful than a chemical one! So overall, there is about a *trillion* times more power in nuclear processes, than physical ones.

But radiation energy is typically released very slowly (it would take 1,600 years for a piece of radium to release half its energy—that’s its *half-life*). This would mean that if you wanted to go off the grid, and power your house or apartment with radium, you would need several hundred pounds of radiating radium to make enough energy. Radiation is quite weak, and totally unsuitable as a large-scale power source (although radiation energy does power the Curiosity rover up on Mars). Radiation is not energetic; it’s certainly not how nuclear power plants work—they’re not based on radiation. If they were, they’d hardly make any electricity at all!

There’s *another* kind of nuclear change we need to know about to understand this. It was discovered that some nuclei, instead of only emitting these puny radiations, also sometimes split in half, creating two new atoms of varying types, along with several neutrons, and a tremendous amount of power. This breaking apart of a nucleus is called *fission*, and it happens spontaneously in some kinds of nuclei. But what made nuclear power possible was the discovery that unlike normal radiation, which just occurs on its own in certain nuclei, fissions could be caused when the nucleus was stimulated by having a neutron smash into it. By arranging enough of these fissile (that means capable of stimulated fission)—enough of these fissile nuclei together, a chain-reaction process could be made, where one fission would cause other fissions with the neutrons it created, which would in turn make more fissions, and so on. This could release a great deal of energy very quickly, and be useful for power, unlike natural radiation, which basically makes rocks warm.

This power of fission is what happens inside current nuclear power plants, and except for a few very unusual geological formations, this fission *never* occurs in nature: it is a specifically human-created form of “fire”—it is *only made by us*.

TABLE 3

NUCLEAR		
PROPERTIES	CHANGES	MACHINES
Isotope	Radioactive decay	Fission power plant
Half-life	Fission	PET scan
Decay type	Fusion	Radium watch dial
Cross-section	Isomeric transition	Nuclear explosive
Mass-defect		Fusion torch
		Food irradiation
		Proton beam treatment

Now, there is a whole new vocabulary to introduce (**Table 3**).

Nuclear vocabulary includes cross-section (how easy it is to cause a nucleus to react with another particle), decay type (alpha, beta, or gamma radiation), half-life (radioactive nuclei now have lives because they change on their own), and “isotope” (which means “same place,” and names different varieties of the same element). Isotopes are in the same place on the Periodic Table, but they aren’t exactly the same substance. For example, uranium mined on Earth is a combination of two kinds of uranium, called U-235 and U-238, which are chemically indistinct, and are both called “uranium” by a normal chemist (**Figure 9**). The isotope numbers 235 and 238 are the total number of protons and neutrons in the nucleus. All uranium has 92 protons, which is what makes it uranium, just like having 8 protons would make it oxygen.

U-235 has 143 neutrons along with those 92 protons, making a total 235, which is why it’s called U-235. U-238 has 3 more; it has 146 neutrons, which, with the 92 protons, totals 238. This difference of 3 neutrons between 143 and 146 doesn’t seem to mean much, chemically, unlike a difference in protons, which makes a different chemical element. A different number of neutrons makes a different nuclear isotope. But there is a major difference here: The U-235 is fissile, meaning it will fission—split apart—when struck by a neutron, and U-238 is not (**Figure 10**). This is why uranium “enrichment” is performed, to concentrate the U-235 needed for a power plant.

We still don’t know why some isotopes undergo fission and others don’t, or what the configuration or shape or nature of the nucleus is, with these different numbers of nucleons.

Examples of nuclear machines include nuclear

FIGURE 9



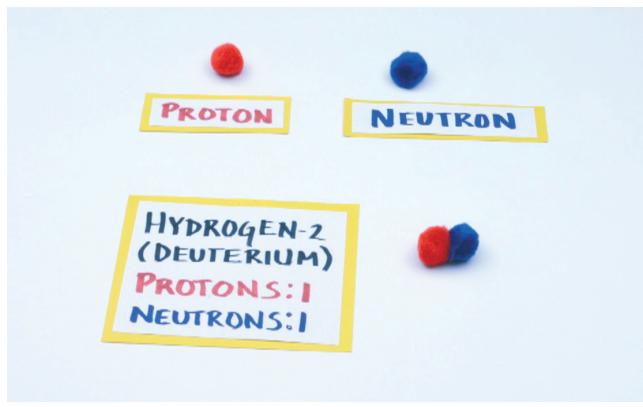
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Two isotopes of uranium, uranium-235 and uranium-238 are chemically equivalent.

power plants, nuclear explosive devices (which, fine-tuned, could see application in excavation projects), medical scans that use special isotopes, and food irradiation to prevent disease and hunger and food waste from spoilage. The power of a rock of uranium can do much, much more than weigh down on a lever or be burned to produce heat (although you *can* burn uranium if you want to): It can undergo a nuclear change and release a million times more power than if it were burned chemically, and a *trillion* times more than if it were used physically as a weight, to push down on a grandfather clock to keep it running.

And that's only the part of its use that can be compared to lower levels of power, like making electricity: You can't perform a medical scan of your thyroid gland or look at broken bones with any number of rocks connected to pulleys, levers, and corkscrews, or with a gigantic pile of charcoal, or with a bunch of chemicals.

FIGURE 11



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Deuterium is an isotope of hydrogen, because, like normal hydrogen it has 1 proton. But it also has an extra neutron, giving it the name deuterium (like duet, it relates to the number 2).

FIGURE 10



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But these 2 isotopes are nuclearly quite different. Only uranium-235 can participate directly in fission. This is why it is concentrated ("enriched") for use in power plants.

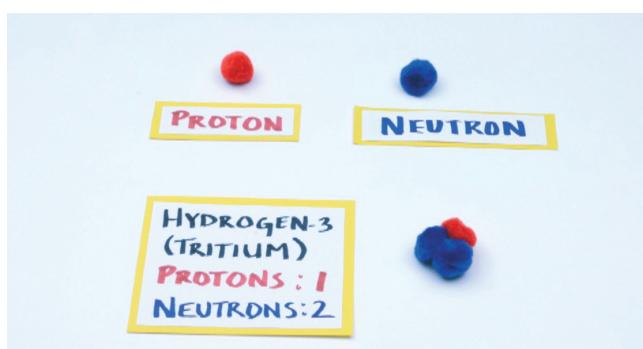
It's just a different kind of process.

Today's nuclear isn't the end of the story: Let's look at fusion.

Fusion

Fusion is the necessary technology and power platform for the future. Unlike fission, which is the breaking apart of large nuclei, fusion is the combining or joining (or fusing) of small nuclei. One example of a fusion reaction, the one most commonly studied today, is that between deuterium and tritium. Deuterium is an isotope of hydrogen. And all hydrogen nuclei have one proton, shown here in red (**Figure 11**). However, unlike most hydrogen, it also has a neutron, which we see here in dark blue. Since it has 2 nucleons, it has the name deuterium (from *deutero*, meaning two). Both normal hydrogen and deuterium can form water by combining with

FIGURE 12



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Tritium is another isotope of hydrogen. It has a total of 3 nucleons (1 proton and 2 neutrons). Deuterium-tritium fusion reactions are the most studied for power applications today.

oxygen: They are chemically identical. Tritium is also a kind of hydrogen, which has a total of 3 nucleons: 1 proton and 2 neutrons (**Figure 12**). When deuterium and tritium combine nuclearly (which is difficult to make happen, and we still do not fully understand the process), there are 2 protons and 3 neutrons, which result in helium (2 protons and 2 neutrons) and 1 extra neutron (**Figure 13**).

This is a nuclear characteristic. The chemical combination of 2 hydrogen atoms (including using deuterium or tritium) just makes hydrogen gas and a tiny bit of heat, but the nuclear fusion can produce a huge amount of power, a million times more!

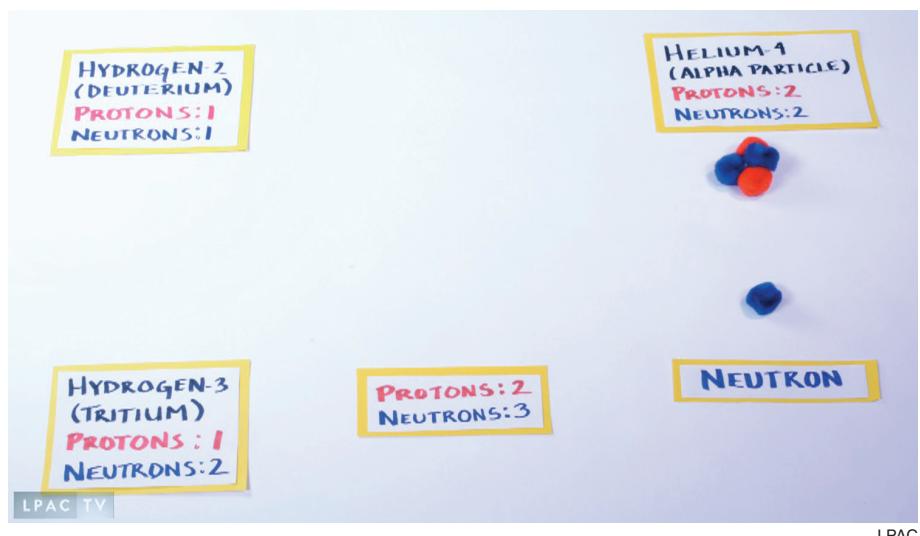
The magnitude of power made possible by fusion could eliminate the problem of droughts, by large-scale seawater desalination; it will eliminate resource shortages by making ore-processing tremendously easier, allowing even low-quality mineral deposits to be mined; and it holds the potential to eliminate any shortages of power for living, commerce, industry, and agriculture.

But there's a problem with this planned deuterium-tritium fusion. Similar to the way you can't use a magnet to pick up a piece of plastic, the neutrons made by deuterium-tritium fusion cannot be controlled by the magnetic or electric fields used in most fusion experiments.

Since the neutrons cannot be directed, they just shoot off uncontrollably in whatever direction, hitting the walls of the fusion device and getting hot. Now—and this is embarrassing for these fusion scientists—the current embarrassing plans for fusion power call for using that heat to boil water or heat a gas to spin a turbine, just like the steam power plants of the 1800s!

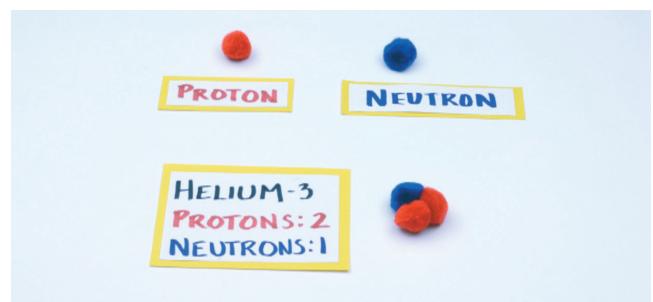
A much more powerful and useful reaction is between helium-3 and deuterium. Helium-3 has 2 protons, which makes it helium, and unlike normal helium (helium-4), this helium-3 has only 1 neutron, rather than 2 (**Figure 14**). Let's look at fusion between helium-3 and deuterium. If we count up our nucleons, we see that combining helium-3 with deuterium gives a total of 3 protons and 2 neutrons (**Figure 15**), producing a helium-4 (2 protons and 2 neutrons) and an extra proton (**Figure 16**).

FIGURE 13



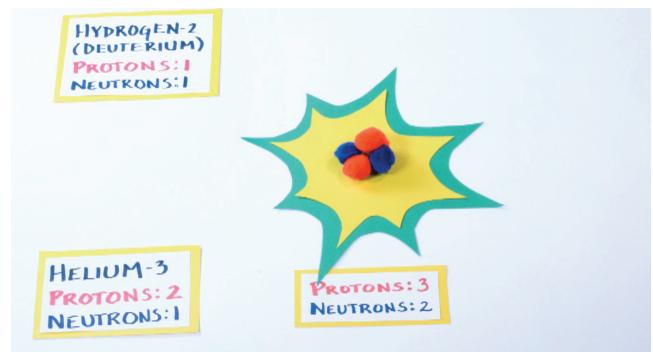
The fusion products of combining deuterium and tritium are an alpha particle (2 protons and 2 neutrons) and an extra neutron. This neutron is problematic, because it cannot be controlled by magnetic or electric fields, and collides with the walls of the fusion apparatus, creating heat and damaging the material.

FIGURE 14



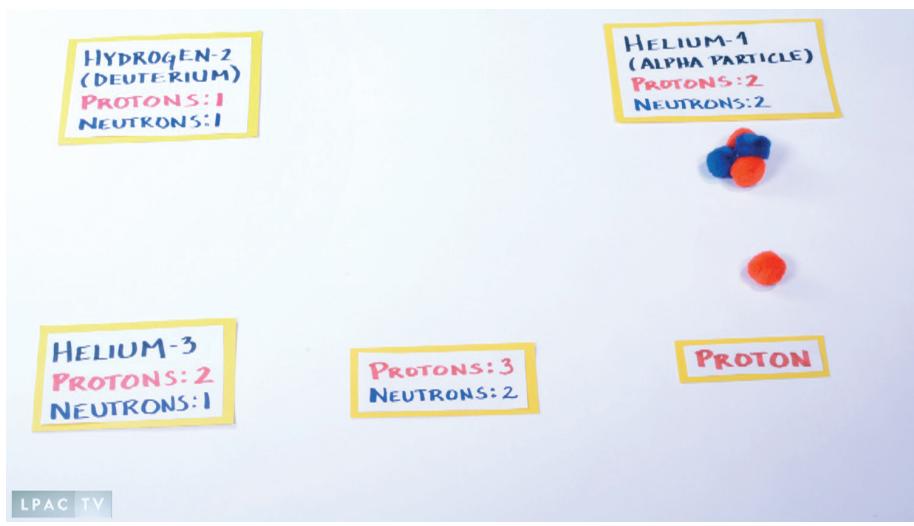
The best fuel for nuclear fusion: helium-3. Unlike helium-4 (the alpha particle which has 2 protons and 2 neutrons), the alpha particle, helium-3 has only 1 neutron.

FIGURE 15



The fusion of helium-3 and deuterium gives 3 protons and 2 neutrons.

FIGURE 16



The resulting products of fusion of helium-3 and deuterium: an alpha particle, and a proton, both charged. No longer must we use heat to make power!

Unlike the uncontrollable neutrons, these products are both charged, allowing something unique to take place. The entire reaction can be controlled by magnetism and electric fields, allowing us to go beyond the benefits of deuterium-tritium fusion: We could divert the products to directly make electricity, to create proton beams for transmutation, to create space rocket fusion thrust (needed for defense against asteroids), and many more properties we have yet to discover!

Helium-3 will allow us to finally stop using heat (a physical property) for power, and to truly work on the nuclear and electrical level. And acquiring helium-3 requires making a leap beyond our planet: There is very little helium-3 here on Earth, maybe a hundred pounds, but there are *millions of tons* on the Moon! China has expressed its intention to develop this resource, and the world should join this outlook.

TABLE 4

PROPERTIES		
PHYSICAL	CHEMICAL	NUCLEAR
Hardness	Valence	Isotope
Flexibility	Atomic mass	Half-life
Color	Enthalpy	Decay type
Density	Ionization energy	Cross-section
Size	Bonding	Mass-defect
Shape	Gibbs energy	
Sharpness		
Temperature		

Fusion: Not an ‘Option’

To review: We’ve discussed different levels of activity and understanding: physical, chemical, nuclear, and fusion. The tables you see (**Tables 4 and 5**) show some of the language used for each level of understanding, which shows up in the questions of: What is matter made of? What changes can we create? What technologies are at our disposal? We’ve seen that as we move smaller on the scale of our action, from physical stone tools to chemical reactions to nuclear changes, we’ve moved larger on the scale of our power, from physical machines based on motion, to chemical ones based

on combustion and transforming materials, to nuclear ones of incredible power and new capabilities. And in the nuclear world, a trillion times more powerful, we’ve seen why helium-3 fusion will be the first kind of “fire” not based on heat, as we move more fully beyond the world of physical characteristics.

Fusion is not an option; it is not a power source; it must not be delayed: It is the natural next stage of human evolution, and is being pursued by the BRICS nations, while being shut down and starved of funding in the U.S. If we are to join the new economic and political paradigm now blossoming around the world, under the current leadership of Brazil, Russia, India, China, and South Africa, we must embrace the creative identity of man, and make fusion, with the Moon-based fuel helium-3, a goal we are unwilling to postpone, one we intend to win.

TABLE 5

MACHINES		
PHYSICAL	CHEMICAL	NUCLEAR
Hand-axe	Metallurgy	Fission power plant
Mortar & Pestle	Steam engine	PET scan
Screw	Oil refinery	Radium watch dial
Wedge	Fertilizer plant	Nuclear explosive
Inclined plane	TNT	Fusion torch
Lever	Car engine	Food irradiation
Pulley		Proton beam treatment
Windlass/Crank		

Editorial

Are These Guys Clinically Insane?

What can have made Barack Obama declare that he's thinking of pulling Ukraine *de facto* into NATO and arming Kiev for war against Russia? And suicidally putting U.S. arms and military personnel into six other countries on Russia's border, under NATO Article 5, as he said, which requires the United States to defend those countries as if itself?

Does Obama think he's going to provoke a war and win it against Russia, with a NATO "forward brigade"?

Obama is being pushed along this crazy path by a group of former administration has-beens, acting through the Atlantic Council and Brookings Institution, who put out a report Feb. 1 demanding the U.S. and NATO arm the Kiev government for war against Russia. Media editorials and articles are beating this drum from the British daily press to the *New York Times*, which claims that the opposition of the U.S. Joint Chiefs of Staff has been suppressed.

Starting a war with Russia on the strategic basis of a six-page report by a gaggle of former government officials? Michele Flournoy, Ivo Daalder, Strobe Talbott, James Stavridis—remember the names. Timothy Garton Ash of Oxford, planner of "color revolutions" against allies of Russia and China, who writes "Putin must be stopped with guns" in the London *Guardian*. Call them "the self-extinction movement." If they succeed in provoking Russia and China to war, they'll bring an end to human life on this planet—all of us. Are they clinically insane?

The answer is that Wall Street, and the City of London financial powers, insist on this war policy, because they are bankrupt. Their bankruptcy comes from two decades of unbridled speculative

bubbles and crashes, retarding and ruining the trans-Atlantic economies while the BRICS—particularly China—developed theirs apace and took scientific leadership of space exploration.

Now the megabankers insist on financial warfare against BRICS-allied nations, provocations, even the threat of thermonuclear war against Russia and China, to force them to let London and Wall Street continue to run the world.

Proof? It is now mooted that the Kiev regime in Ukraine is to be offered a second IMF package of loans in one year, and *The Economist*—which speaks for the City of London banks—demands that it be a \$20 billion package, and write-off of previous loans Ukraine admits it can't pay.

The same banks, the same IMF, the same London-allied political leaders like Cameron, Merkel and Obama, refuse—with a furious hard line—the same debt relief to Greece.

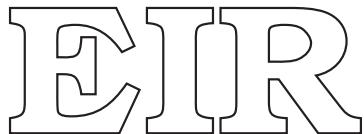
London wants Kiev to get \$20 billion in loans and debt write-off to go to full-out war with Russia. The Greek government, publicly opposed to the sanctions against Russia, is to be refused debt relief to develop its economy—even if this refusal means, as it does, breaking up the so-called Euro-zone.

Wall Street and the City are clinically insane.

The BRICS-allied nations have their own movement, a "mass movement for development," as Indian Prime Minister Modi calls it. A movement to rebuild the Silk Road, to bring fusion power fuel from the Moon. China has directly asked the United States to join the new international development banks of the BRICS, and jointly create the credit and construction of this economic development.

That is the choice we must make.

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