

[return to home page](#)

**The Wonderfully Immortal Ghosts We Must Be:**  
**Einstein Viewed Kepler**  
**by Lyndon H. LaRouche, Jr.**

October 4, 2010—In my recently published "Science & Drama! What Is Sense-Perception?," I had emphasized the principle of Classical tragedy as tragedy is associated with drama, as dated from Homer's *Iliad* and the tragedies of Aeschylus, through William Shakespeare and Friedrich Schiller. Contrary to what Heinrich Heine denounced as the Romantic School, the Classical tragedy as such, is a Hellish domain, like that of Mozart's *Don Giovanni*, in which there are no actual heroes, except in the leering Romantic fantasies of the credulous. The true Classical tragedy presents us with a sheer evil which is without remedy in itself; so, Franklin Roosevelt's war-time Presidency viewed the Adolf Hitler syndrome: "Know the enemy," as President Franklin Roosevelt did, even when it is, also, apparently, a (temporarily) British ally of our United States, still today. Accordingly, in my "Science & Drama! What is Sense-Perception?" I had identified the adversary of true insight as being the Romantic's foolish notion of a reigning, pseudo-heroic tragedy. Therefore, as a precaution against such shallow, popular delusions, I presented a summary defense of the tragic principle of that Classical dramatic stage on which the Romantic's prancing Schiller's portrayal of Posa from *Don Carlos*, the most evil figures of tragedy...

**Separate In-Depth articles from EIR, Vol. 37, No. 44**  
**(Suitable for emailing, printing and other organizing purposes.)**  
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## This Week's Cover

- **The Wonderfully Immortal Ghosts We Must Be:**  
**Einstein Viewed Kepler**

Lyndon H. LaRouche, Jr. writes, "The subject which I address in this report, falls, historically, under the heading of the domain of the Platonic hypothesizing of the higher hypothesis.' That principle negates the beliefs associated with raw sense-perception, as Johannes Kepler showed in his original discovery of a universal physical principle of gravitation. Kepler's discovery implies, as Einstein recognizes, that the universe is implicitly finite, but without an efficient boundary. But now, LaRouche continues, we must go one step further: 'For reasons which I shall make clear, in due course, here, we must speak of the concept of 'God.' I mean that 'Creator' which is the subject of Genesis 1. The role of the notion of that Creator for physical science, will be made clearer, in due course, later in this present report.'

## National

- **For a Third American Revolution:**  
**LaRouche Rallies Patriots To Avert a New Dark Age**

A report on Lyndon LaRouche's Nov. 6 webcast, in which he delivers on his promise to provide the marching orders which patriots in all

the political parties need in the wake of the Nov. 2 U.S. election debacle.

- **Sodom and Gomorrah Knocking at the Door!**

- **The Needed Orientation**

- **by Lyndon H. LaRouche, Jr.**

- **Kesha Succeeded;**

- **Texas Dems Failed, Miserably!**

Harley Schlanger reports from Texas on the wipe-out of the Democratic Party on Election Day, with the stellar exception of LaRouche Democrat Kesha Rogers, who vows to continue to fight for the policies that she campaigned for in the race for Congress.

- **Kesha Rogers:**

- **'It Ain't Over Yet!'**

## Economics

- **Fed's Bernanke Unleashes Hyperinflationary Chaos**

The Federal Reserve's announcement of \$600 billion more in 'quantitative easing' has caused a worldwide cry of alarm. Said LaRouche: 'The effect of this decision is the same as the destruction of society. We have to understand that certain financier interests in the world, are criminal.'

- **The Food Isn't There!**

Since 2007, when the world monetary system went into terminal disintegration, the needed emergency measures have not been taken. The continuation of the globalist policies of the last 40 years which destroyed farm and food capacity, now means that people won't eat.

## International

- **Schiller Institute Brings NAWAPA Approach to Chad**

The 8th Forum for Sustainable Development, which took place in N'Djamena, Chad, was dominated by Western malthusians who oppose the industrial and infrastructural development of Africa. Fortunately, two Schiller Institute representatives were on the scene to vigorously represent the opposite view: that what Africa urgently needs are great projects along the lines of the proposed North American Water and Power Alliance and the Transaqua program for African water projects.

## Editorial

- **Eliminate the Power of Money!**

## This Week's News

Updated Nov. 19, 2010

- **U.S. Economic News**

- **Global Economic News**

- **United States**

- **Ibero-America**

- [Europe](#)
- [Russia and the CIS](#)
- [Southwest Asia](#)
- [Asia](#)

## U.S. Economic/Financial News

### [More States May Drop Out of Medicaid Program, Throwing Millions on Scrapheap](#)

### [South Carolina Moving To Cut Health Care For The Poor](#)

### [Congress Inaction Threatens Cut-Off of Medicare And Medicaid Payments](#)

#### **More States May Drop Out of Medicaid Program, Throwing Millions on Scrapheap**

Nov. 12 (EIRNS)—It was recently reported that South Carolina is planning to drop its Medicaid program, cutting off nearly a million of its citizens from access to medical care. Now the Nov. 12 *New York Times* reports that Texas and up to a dozen other states, are also considering dropping out of the Federal Medicaid program.

Nationally, Medicaid covers almost 50 million Americans. Medicaid payments currently assist nearly 60% of all nursing home residents, and about 37% of all childbirths in the United States are covered by Medicaid. The Federal government pays on average 57% of Medicaid expenses.

In Texas, where the Federal government covers 60% of the state's Medicaid budget, Republican legislators and Gov. Rick Perry are talking about shutting down the entire program. But opponents of the shutdown point out that, without that Federal money, any health care the state could provide would be so limited that undercovered patients would flood emergency rooms, and Texans would end up paying the costs through local property taxes or higher insurance premiums. Seven out of ten Texas nursing home residents rely on Medicaid, which also pays for more than half of all deliveries of babies in the state—well above the national average. Moreover, about a million Texans work in health care, and from 2005 to 2009, one-quarter of the new jobs created in the state were in that field.

Some conservatives argue that low-income people could get Federal subsidies to buy private insurance—sort of like Obamacare. But Tom Banning, chief executive of the Texas Academy of Family Physicians, said that without Medicaid, or with a less-extensive replacement program, health-care providers would be forced to shift their costs to the private market, driving up insurance premiums and prompting more people to forgo coverage. "From a practical standpoint," Banning said, "the downstream economic implications for Texas health-care infrastructure would be decimating."

The bottom line: These cuts are intended to do what they will do: reduce "consumption" of health care by killing people.

#### **South Carolina Moving To Cut Health Care For The Poor**

Nov. 10 (EIRNS)—Fittingly, the state used by the British Empire to launch war against the United States of America, may be the first to obliterate the Federal/state Medicaid program upon which the elderly, disabled, and poor depend for medical assistance—unless we can relaunch the anathema to global finance, American System economics.

South Carolina has a population of about 4.5 million, of whom, some 100,000 were eligible for Medicaid in 2007, according to the Associated Press. In three years, that number has increased almost ten-fold, to 975,000. As of this coming March 4, according to plans released by state officials yesterday, South Carolina's Medicaid programs will stop paying all doctors—unless plans are approved to cover a \$228 million deficit.

The state's Department of Health and Human Services (HHS), however, *does* have a plan: "Providers will be encouraged to continue seeing Medicaid patients in hopes that they will eventually be paid," the Department said in a plan submitted to the State Budget Office.

On Dec. 14, the state's financial oversight board, chaired by Gov. Mark Sanford, will decide how to deal with the Medicaid deficit in the current fiscal year \$1.1 billion budget. Faced with more than 20% of its population dependent on Medicaid, the state has cut more than \$500 million from the state HHS over the past several years.

State Senate president pro tem Glenn McConnell says that HHS and the Medicaid program should be disabused of the notion that they can get more money from the state. "This is going to spread like fire on gasoline, if these agencies just think they can parade into the Budget and Control Board and get additional money," McConnell said.

Tea Party-backed Gov.-elect Nikki Haley has thus far refused to comment on the plans to cut nearly a million of her constituents off access to medical care.

## **Congress Inaction Threatens Cut-Off of Medicare And Medicaid Payments**

Nov. 8 (EIRNS)—Without Congressional action, physicians caring for Medicare recipients face a 25% cut in the government reimbursement rate, beginning Dec. 1, because of new guidelines from the Centers for Medicare and Medicaid Services, run by British NICE admirer Anglophile Donald Berwick. Under the new "final rule" for 2011, issued Nov. 2, the "physician fee schedule," which now processes claims with a "conversion factor" of \$36.87, would be cut to \$28.40 at the end of the month, and then cut again to \$25.52 on Jan. 1, 2011.

The American Medical Association held a conference call today, to dramatize the situation. President Cecil Wilson, MD, emphasized that "the threat is real," and that a cut-off threatens to "wreak havoc" within the nation's health-care community, if allowed to proceed. What is happening, is that the Federal government is becoming an "uncertain provider" of health care, something which threatens viability of the entire system. One in five doctors has already been forced to refuse new Medicare patients, because of the lousy reimbursements. "They're putting the lives of seniors at risk," Wilson responded, each time some reporter tried to reduce the issue to monetarist terms.

"This is *their* responsibility," he said, speaking to Congress, to counter the murderous CMS guidelines. The AMA has run an ad in *USA Today*, which will also run in Washington, D.C. papers when Congress returns. A poll posted on the AMA website indicates that a phenomenal 94% of Americans are "concerned" about the impending cut-off.

## **Global Economic News**

**[Silent Run on the Bank of Ireland by Corporate Depositors](#)**

**[Chinese Rating Agency: 'U.S. Solvency Is on the Brink of Collapse'](#)**

## Parasites Hoarding Commodities, Pumping Up Prices Even Higher

### **Silent Run on the Bank of Ireland by Corporate Depositors**

Nov. 13 (EIRNS)—There has been a silent run by corporate depositors at the Bank of Ireland, which is now Ireland's biggest lender and is 36% owned by the government. The bank announced that in August and September there were withdrawals by corporate depositors. Citing banking sources, the *Irish Times* suggests that the withdrawal could have been as much as EU10 billion. The bank said that while the situation had "stabilized" there nonetheless continued to be "outflows of ratings-sensitive customer deposits in our capital markets business."

On top of that, mortgage arrears at the bank continue to increase." The bank admitted it continues to be totally dependent on the European Central Bank's emergency unlimited liquidity window for funding where it receives short-term credits of no longer than three months' duration.

There is a direct British connection. The Bank of Ireland is in a joint venture with the British Post Office Bank which operates 11,500 branches and is used primarily by normal depositors. Also not widely reported this week is the fact that this subsidiary was reorganized as Bank of Ireland (UK) PLC as of Nov. 1, so as to allow the deposits to fall under Britain's deposit guarantee scheme. This was no doubt a preemptive move to avoid a run on the bank as the crisis worsens.

While Inter-Alpha's Allied Irish Bank's small banking operation in the U.K. also falls under the British deposit insurance scheme, the U.K. subsidiary of Anglo Irish Bank, now 100% owned by the government, is not covered by the U.K. guarantee, but only the Irish guarantee, which is good as long as the Irish government is solvent.

### **Chinese Rating Agency: 'U.S. Solvency Is on the Brink of Collapse'**

Nov. 9 (EIRNS)—The United States has lost its double-A credit rating with Dagong Global Credit Rating Co., the Chinese rating agency, due to the Fed's new round of quantitative easing policy, Chinese news agency Xinhua reported Nov. 9.

The Dagong report uses blunt language to describe the current state of the American economy: "In essence, the U.S. government's move to devalue the dollar indicates its solvency is on the brink of collapse."

When briefed on the report, Lyndon LaRouche said, "It's not strong language. It's an accurate description. When a guy is dead, you don't say he smells bad." LaRouche also noted that China is in a very serious conflict with Britain's Trans-Atlantic system.

The Dagong Global downgrade lowered the local and foreign currency long-term sovereign credit rating of the U.S. by one level to A+, from the previous AA, with "negative" outlook. The Chinese rating agency said the downgrade reflected the U.S.'s deteriorating debt repayment capability and drastic decline of the U.S. government's intention of debt repayment.

"The serious defects in the U.S. economy will lead to long-term recession and fundamentally lower the national solvency," Dagong said in a report. The Chinese rating agency said the Federal Reserve's new round of quantitative easing would further depreciate the U.S. dollar and was entirely counter to the interest of the creditors. "The credit crisis is far from over in the United States and the U.S. economy will be in a long-term recession," Dagong Global warned in the report, adding that a weakening greenback will cripple U.S. capability to attract dollar capital reflow.

### **Parasites Hoarding Commodities, Pumping Up Prices Even Higher**

Nov. 8 (EIRNS)—If the banks get their way, the prices of commodities will skyrocket even higher. JP Morgan, Goldman Sachs, and Deutsche Bank, among others, are putting together physically backed exchange traded funds (ETFs). These would be commodities funds backed by actual physical holdings of commodities. These funds will be hoarding commodities such as copper, lead, aluminum, and nickel rather than futures contracts, which would drive the prices up even higher. But the same banks will be trading in futures as well, promising to drive up prices at will.

The *Daily Telegraph* reports that several metal traders and experts have written to the City of London's watchdog not to approve the application, because it could be "approving the next financial bubble." They also say the obvious, that this will "distort" commodity prices, writing, "by allowing investors to hoard physical supplies is equivalent of allowing investors to sit on warehouses of wheat while Tesco (a supermarket) is short of bread."

## **United States News Digest**

### **Shinseki: Vets' Suicides Due to Wars and Economy**

### **Congress Plans To Fiddle While the U.S.A. Burns**

### **Shocking News: California Faces 'New' Devastating Budget Crisis**

### **Glenn Beck Takes a Page from LPAC Exposé of George Soros**

### **State Courts Hold Foreclosure Fraudsters Accountable**

## **Shinseki: Vets' Suicides Due to Wars and Economy**

Nov. 13 (EIRNS)—In remarks made on Veterans Day this year, Secretary of Veterans Affairs Eric Shinseki admitted that, indeed, the suicide rate among veterans is very high, and that suicides are on the rise among the new veterans produced by the long wasting wars in Iraq and Afghanistan. "It's compounded by the stress, the trauma that goes with the current operations, where we have a much smaller military being asked to do so much and then repeat it tour after tour," Shinseki told National Public Radio (NPR).

According to AFP, Shinseki had indicated that suicides by veterans account for about 20% of the 30,000 suicides that take place in the U.S. every year, almost three times the suicide rate of the U.S. population as a whole. A great number of those 30,000 suicides are actually of Vietnam War veterans, showing that the country is still suffering the effects of that long, wasting war, as well.

Shinseki also told NPR that the backlog of disability claims has jumped up to 700,000 from between 400,000 and 500,000 in 2009, and a great portion of those claims are from younger veterans suffering from PTSD (post-traumatic stress disorder).

## **Congress Plans To Fiddle While the U.S.A. Burns**

Nov. 13 (EIRNS)—The House Democratic "leadership" has decided to do nothing during the first week of the lame-duck session. According to the schedule released by House Majority Leader Steny Hoyer (D-Md.), last night, the Democrats have no plans to bring up any legislation that could not be passed with less than two-thirds vote of the House. The plight of

millions of Americans threatened with, or suffering from joblessness, homelessness, lack of medical care, collapsing communities, and so on, is nowhere to be found on an agenda that, among other things, includes the naming of several post offices and a resolution that calls for bringing the World Cup soccer tournament to the U.S.

The immediate measures that the Congress must take, without hesitation, are the restoration of Glass-Steagall, the extension of unemployment benefits that are about to expire for 2 million Americans, and the necessary adjustment to Medicare, so that doctors taking care of Medicare patients will receive fair reimbursements.

## **Shocking News: California Faces 'New' Devastating Budget Crisis**

Nov. 12 (EIRNS)—Just over one month after the fascist Governor of California, Arnold Schwarzenegger, announced that he had, once again, solved California's ongoing budget crisis, the Legislative Analyst's Office (LAO) announced new figures, showing an even bigger crisis looming for fiscal year 2011-12.

The warning from the LAO included the news that \$6.1 billion of the \$25.4 billion shortfall will occur in the present year's budget, which ends on June 30, 2011. This news prompted Schwarzenegger, who has been engaging, successfully, in the "creative destruction" of the state government, to call a special session, to begin on Dec. 6. The lying Schwarzenegger told reporters, "While California's economy appears to be showing signs of stabilizing, our job creation and revenues are still lagging."

Arnie has repeated virtually the same phrase each year since he assumed the office of Governor—yet revenues and job creation continue to "lag," or rather, collapse, as California leads the way in the complete unravelling of the U.S. physical economy, which is then reflected in the decline in revenues, and increased expenses to cover the costs of those who have lost jobs, homes, health insurance, pensions, etc.

The budget "deal" which Arnie rammed through last month included expectations that there would be at least \$5.4 billion in Federal aid for the state. In fact, Obama's so-called stimulus plan provided only \$1.9 billion.

It was further revealed that, as LaRouchePAC correctly pointed out when the "deal" was signed, nearly one-third of the expected revenues and "savings" which were incorporated in the new budget never materialized, thus adding to the "new" crisis.

In fact, Schwarzenegger has never, once, attempted to "solve" the budget crisis.

He was put in office by senior Austrian School fascist George Shultz, for the explicit purpose of the enacting the "creative destruction" of the state government of California. Each successive budget crisis has been "solved" by more cuts, each time more draconian, and more deadly, while ripping away chunks of the protective elements of the state's social service sector.

The state and local governments have, in the last year, been forced to enact savage cuts in police and fire protection, education, social welfare, infrastructure, and health-care expenditures, while waiting for the "recovery" to kick in.

Thus far, newly-elected Gov. Jerry Brown—a Democrat, who was voted in as a repudiation of Schwarzenegger—has offered no program, or ideas, for dealing with the continued crumbling of the state.

## **Glenn Beck Takes a Page from LPAC Exposé of George Soros**

Nov. 12 (EIRNS)—Despite a fatal flaw within it (see below), Glenn Beck's recent three-part exposé of George Soros is wreaking havoc among that Golem's numerous paid lackeys.

Beck ran the original Dec. 20, 1998 video of Steve Kroft's 60 Minutes interview, in which Soros voiced his "happiness" and "exhilaration" when he helped round up Jews for the Nazis in 1944, as a youth of 14, and viewers can see Soros's broad smile as he says this, and as he confirms he has "no regrets" for anything he did. Beck quotes from an old *New Yorker* profile in which the atheist Soros confesses what he calls his "Messianic," delusions: that he is "omniscient, omnipotent, and invisible."

There is more that is good and useful in Beck's onslaught against Soros.

The fatal flaw, the tragic (also comic) aspect comes when Beck covers Soros's student days at the Fabian London School of Economics. "Was he part of the freedom-fighters at LSE," Beck asks, those allied with Beck's idol, the anti-American Hapsburg fascist Friederich von Hayek? "No, alas," Beck answers his own question. Rather, he concludes, Soros was with the Fabian Society of (the actually Satanic) Tony Blair.

But in reality, von Hayek was also affiliated with the Fabian Society, just as LSE as a whole is a Fabian Society project. Just as comically, Beck properly demonizes another Vienna LSE denizen, Sir Karl Popper, presumably because Soros modelled himself on Popper. But the Vienna Aristotelean Popper was again no different from Beck's (and Rand Paul's) hero von Hayek.

## **State Courts Hold Foreclosure Fraudsters Accountable**

Nov. 10 (EIRNS)—State courts across the country have issued dozens of rulings to hold banks and their lawyers accountable for the massive fraud in foreclosure filings over the past two years. The Maryland state appeals court ruled that judges can "hire experts to scrutinize paperwork filed in foreclosures, and make lawyers swear that the documents are accurate." New York has threatened to use "penalties of perjury" against lawyers filing bad documents, even if they didn't know they were bad (i.e., the Nazi excuse that they were just "following orders" won't work).

Ohio's Cuyahoga County (Cleveland) court ordered last week that servicers of foreclosures have 30 days to ensure paperwork, or the cases will be dismissed. Dozens of other state courts have taken related actions, making things difficult for Wall Street to push the mess under the rug.

## **Ibero-American News Digest**

### **Mexican Conference: 'NAWAPA-PLHINO: A New Concept of Infrastructure'**

### **Haiti: Obama's Genocidal Neglect Is Leading to Holocaust**

## **Mexican Conference: 'NAWAPA-PLHINO: A New Concept of Infrastructure'**

Nov. 10 (EIRNS)—Shining a beacon of optimism into an otherwise desperate situation, the LaRouche Youth Movement (LYM) of Mexico held a successful day-long conference in the Mexican Congress's principal public auditorium today, on the North American Water and Power Alliance (NAWAPA) and the Northwest Hydraulic Project (PLHINO), and LaRouche's policy solution to the crisis facing humanity.

Over 180 guests, including high school and university students, professors, Congressional aides, engineers, and other professionals participated. The third panel heard from Sen. Alfonso Elías Serrano and Cong. Rogelio Díaz Brown, both of whom strongly restated their commitment to the PLHINO project, as part of an overall economic policy of returning Mexico to the path of development and sovereignty.

Opening the conference, LYM organizer Lourdes Montes addressed the need to provide a future fit for human beings to a generation of Mexican youth dubbed the *ni-ni* (neither-nor) generation, because they are neither in school, nor have a job. In her keynote which followed, Schiller Institute chairwoman Helga Zepp-LaRouche (via telephone hookup from Germany) called for an alliance of nation-builders who love their nations so, that they develop the programs which make possible the livelihood of the present generation and of generations to come.

Serrano, who had been the PRI party's candidate for governor of Sonora in the 2009 elections, running his campaign on a platform of implementing the PLHINO, gave a 30-minute presentation in which he said that the PLHINO was a project of national significance that is needed to change the overall economic direction of the country, with an eye to the future that must be created. He said that the Calderón government should certainly be pressured to support it, but more important is to educate the population to bring about the necessary changes.

Díaz Brown, who is also from Sonora, spoke for ten minutes, congratulated the LYM for its organizing and educational work, and also emphasized the significance of the PLHINO to help define an economic mission for the nation. He said that, with all due respect, the environmentalists have a different view of things, but they are wrong.

Other speakers included Meghan Rouillard and Sky Shields of LaRouche's Basement scientific team, who spoke by videoconference connection from Leesburg, Va. on the global and extraterrestrial implications of the NAWAPA project; Mexican engineer Manuel Frias, who has developed detailed specifications updating the original PLHINO project; engineer Rafael Basurto of the Union of Nuclear Industry Workers (SUTIN), and LYM organizer Manuel Romero, who presented the role of great projects such as the PLHINO in forging actual national security, using slides to present the history of the LaRouche movement's organizing for the PLHINO and NAWAPA.

## **Haiti: Obama's Genocidal Neglect Is Leading to Holocaust**

Nov. 15 (EIRNS)—With the death toll from cholera crossing the 1,000 mark (1,034 known dead as of Nov. 14) within weeks of the outbreak, the epidemic has now spread to every department (province) of Haiti, with medical sources predicting "hundreds of thousands" of infected. The fatality rate is running at over 6%, and the rate of severe cases between 30 and 40%, far higher than the "typical" outbreak because of the putrid conditions, extreme poverty, and that the disease has not been in Haiti for 40 years. Dr. Stefano Zannini of Doctors Without Borders, told BBC that the focus is on Port-au-Prince, "but from the north and northwest we are hearing of a catastrophic situation with bodies in the streets."

Medical facilities and personnel are overwhelmed, Haitians are panicking, and there is no U.S. military or other government relief effort even staging in the area of the stricken nation. This is the situation eight months after President Obama refused even to consider several feasible plans for relocation of Haitian earthquake survivors, and Lyndon LaRouche warned that Obama's neglect would bring mass death from disease to Haiti.

Dr. Ian G. Rawson, managing director of Haiti's Hopital Albert Schweitzer, speaking from Haiti on Nov. 12 in an international conference call for media, was asked by *EIR* if Haiti had requested that the U.S. government repeat its 1994 airlift of anti-cholera supplies into the Rwandan refugee camps in Goma, Zaire where a 24 hour/day airlift of 20 million salt rehydration tablets was done under President Bill Clinton, and waste-water purification equipment airlifted as well?

The speakers were aware of no U.S. plans to airlift aid. In fact, there are currently no U.S. ships in Haiti, the *USS Iwo Jima*,

which has substantial medical capacity, having been deployed away from Haiti on Nov. 9. Only NGOs and private corporations are bringing in aid, with a USAID team, and a CDC team on the ground to give advice.

Thomas Tighe, the CEO of Direct Relief International, answered *EIR*: "The resources of the U.S. government far exceed any other resources. We go through private channels because that's our model. I have to hope that all people in a position to help step up."

Cholera is preventable and treatable. It is not expensive to treat cholera: oral rehydration tablets cost pennies. Bleach, buckets, soap, sanitizers are all cheap materials. But Haiti produces none of these, and a national distribution network has never existed.

The UN is asking for \$163.9 million in aid over the next year to combat it. This is absurd when \$5-6 billion was supposedly already pledged to help Haiti recover, of which very little has arrived.

And the spread of cholera to the neighboring Dominican Republic, inevitable under current no-action policies, has now begun.

## Western European News Digest

[Italian FDIC Head Calls for Abandoning Euro](#)

[The Coming Irish Land Revolt](#)

[Italy: Rehearsal for a Government Crisis](#)

[50,000 British Students Protest Tuition Fees](#)

[German Daily Sees 'Austrian School' on the Rise in U.S.A.](#)

[One of Five French Youths Below Poverty Level](#)

[Greens Plan 'Ecologization' of Berlin](#)

### Italian FDIC Head Calls for Abandoning Euro

Nov. 11 (EIRNS)—Paolo Savona, a former government minister and current head of the Fondo Interbancario di Tutela dei Depositi (the Italian version of the FDIC), called for Italy to reconsider its membership in the euro monetary system, which has become a "rope tightening around its neck."

In a Nov. 10 letter to the editor of the daily *Il Foglio*, Savona wrote that, "Italy will be faced with one of those historic moments which require an important choice. The European noose is tightening around Italy's neck. The time has come to understand what is really happening in the reform of the [Lisbon] Treaty being discussed, and in the reality of European matters, taking the necessary decisions, including the decision of considering the opportunity to stay in the Union or just in the euro area alone, as the United Kingdom has done and is doing, independently managing its interest rate, its monetary

creation, and its exchange rate. If Italy decides to follow the UK—and this choice must be seriously studied—it would surely go through a serious adaptation crisis, with immediate but healthy effects...."

## **The Coming Irish Land Revolt**

Nov. 9 (EIRNS)—A leading Irish economist, Morgan Kelly, has warned that the onrushing Irish bank collapse, and the government bank bailout policy will lead to Irish mortgage holders refusing to make their payments, in an act of civil disobedience on the scale of the famous Irish land revolt of the 19th Century. This is where the term "boycott" comes from, referring to land agent Capt. Charles Boycott, who was ostracized by the tenants.

Kelly, who, in 2007, forecast a collapse of the Irish mortgage bubble, wrote, "The perception growing among borrowers is that, while they played by the rules, the banks certainly did not, cynically persuading them into mortgages that they had no hope of affording." This "gathering mortgage crisis puts Ireland on the cusp of a social conflict on the scale of the Land War."

## **Italy: Rehearsal for a Government Crisis**

Nov. 10 (EIRNS)—The Italian government went down three times yesterday in a Parliament vote on immigration questions involving a treaty with Libya. The end of the Berlusconi government is near, and much depends on Prime Minister Silvio Berlusconi's will to fight. He knows, as he said, that if he agrees to open a crisis in the Parliament, he will get into a tunnel whose exit is unknown. The alternative is to have early elections, but in order for State President Giorgio Napolitano to decide that, Berlusconi has to exhaust all parliamentary alternatives, and that is what he is probably trying to do now.

What nobody says, is that it was London in the first place, which called for dumping Berlusconi, using the arguments of his "dangerous" personal relations with Libya's Qaddafi and Russia's Putin.

## **50,000 British Students Protest Tuition Fees**

Nov. 11 (EIRNS)—Over 50,000 British students demonstrated today at Whitehall, the government district in central London, protesting the tripling of university tuition fees, to £9,000 annually. The strike could potentially trigger a government crisis between the Conservative and Liberal Democratic parties, because the backbenchers of the latter oppose the tuition hikes.

Led by the National Union of Students and joined by lecturers and one member of Parliament from the LDP, the demonstration started peacefully, with a march from Whitehall, past Downing Street and Parliament, when a group of what were reportedly anarchists broke away and attacked the Conservative headquarters, rampaging throughout the building, throwing furniture out the windows, pulling down the ceiling, throwing fire extinguishers off the roof and plastering the walls with graffiti, with slogans such as "Tory scum" and worse.

Tory Party workers had to lock themselves up in their offices, hoping they would not be thrown out the windows with the furniture. Effigies of Prime Minister David Cameron and Deputy Prime Minister Nick Clegg were burned. Fourteen demonstrators were hurt and 51 arrested, and demonstration leaders have vowed more action.

## **German Daily Sees 'Austrian School' on the Rise in U.S.A.**

Nov. 11 (EIRNS)—Introducing a review of a new book on the past 100 years of the Mises-Hayek school of economics

(*Austrian Economics in Transition*, by Harald Hagemann; Macmillan Publishers), the *Frankfurter Allgemeine Zeitung* writes: "America's Tea Party Movement has an important root in the Vienna coffee house. Most of the enraged citizens who presently fight with the Tea Party against too much state influence, do not seem to know that. Its main thinkers, especially the libertarian Congressman Ron Paul and his son Rand Paul, who has just been elected to the Senate, are, however, confessing 'Austrians' in the sense that they trace their radical free-market positions back to the great economists Ludwig von Mises and Friedrich August von Hayek. After TV moderator Glenn Beck a few weeks ago recommended Hayek's pamphlet, *The Road to Serfdom* of 1944, as an insider tip, it has become a best seller in American book stores once again."

## **One of Five French Youths Below Poverty Level**

Nov. 9 (EIRNS)—Close to a million 18-25 year-olds in France live below the poverty line, which is EU950 per month, according to Secours Catholique, part of the Church's Caritas International. This is a much larger proportion than in the older population: fully 21% of that age group is hit by poverty, as compared to 13% in the rest of the population. 11% of those who seek help from Secours Catholique are between 18 and 24 years old, and 7% of those served at the national network of soup kitchens "Restaurants du Coeur" are in that age range.

Youth unemployment in France has been above 18% for 30 years now, which is 7% higher on average than in other developed countries, said a May 2010 OECD report, which cites many reasons for this and not only the crisis. Among the other reasons mentioned, are the lack of a school diploma and the absence of schools that give youth a second chance at an education, if for any reason they were unable to graduate. It is no consolation for France that youth poverty in Italy, Spain, Sweden, and Ireland is worse.

## **Greens Plan 'Ecologization' of Berlin**

Nov. 9 (EIRNS)—Renate Künast was nominated as the Green mayoral candidate for the September 2011 elections for city-state parliament in Berlin on Nov. 6. Mainstream media propaganda and opinion polls (taken at the peak of the anti-nuclear riots in Gorbelen) give the Greens 30% of the Berlin vote, against 22% for the Social Democrats.

Künast's preliminary program includes the intent to plaster Berlin's rooftops with solar panels, and transform the municipal utility into a "Klima Stadtwerk" to provide citizens with electricity from renewables. She also promises to create 100,000 jobs in the "industry of the 21st Century," i.e., green economy, which is an agglomeration of alternative lifestyles and other such dangerous nonsense. Which brings to mind the notorious "scientist" at Swift's Lagado Academy, who collected farts until he had enough to make wind for his windmill.

## **Russia and the CIS News Digest**

[LaRouche Exposé of British Agents Breaks Out in Russia](#)

[China, India, and Russia Intensify Consultations](#)

[Russia, China Committed to Advanced Rail Infrastructure](#)

[Japan's Real Interests Lie in Cooperation with Russia](#)

**LaRouche Exposé of British Agents Breaks Out in Russia**

Nov. 12 (EIRNS)—A segment from Lyndon LaRouche's March 13, 2010 webcast, "The Ides of March," has electrified the Russian-language segment of the Internet, after being reposted by the military-linked KOB-TV channel on Yandex's video service. The excerpt deals with the history of the Strategic Defense Initiative and its rejection by Soviet leaders Yuri Andropov and Mikhail Gorbachov, whom LaRouche called members of "the British school of treason, from a Russian patriotic standpoint." Placing former privatization czar and current head of the state corporation Rosnano, Anatoli Chubais, in this same grouping, LaRouche said that their alliance with the British Empire's Inter-Alpha Group is "behind the major problem we have today."

While the Russian voiceover of the LPAC video of this webcast had been viewed on RuTube by around 10,000 people since its initial posting last April, attention to it exploded after the re-publication on KOB-TV. The KOB movement, its Russian initials standing for Concept of Public Security, was founded by the late Gen. Konstantin Petrov of Russia's Space Forces.

At least 20,000 viewers downloaded the LaRouche segment in the past six days. The surge coincided with President Dmitri Medvedev's participation in the G-20 meeting in Korea, where today he reiterated postures based on the Gorbachov-Chubais influence, saying that the world crisis is essentially over, and that Russia can proceed with its plan to make Moscow a "world financial center."

KOB-TV retitled the LaRouche segment, "On the Traitors to Russia." Scores of Russian Internet users have posted links to it in their blogs or sent the links out by Twitter. A selection of comments, some more accurate than others, includes these:

"Not everybody knows that the Americans were quite seriously planning a nuclear strike against the USSR in 1976. LaRouche lays bare the evidence. He names the names of the traitors within our country's leadership, who destroyed the USSR and are destroying Russia today. After watching this video, you will no longer wonder why disgraced oligarchs and politicians settle in London."

"The well-known American economist, ex-intelligence operative [sic], public figure, and former Presidential candidate, one of the best informed people in the world, tells about the traitors in the Soviet and Russian leadership and their collaboration with the West. He says that the last Soviet leaders, like those today, were and remain under the West's control."

"This should be seen even by schoolchildren, who need to know the truth!"

The 18-minute section republished by KOB-TV can be found in *EIR* of March 26, 2010, pages 26-30, from the subhead "The Genesis of the SDI," through to the section on Haiti ([http://www.larouchepub.com/eiw/public/2010/2010\\_10-19/2010-12/pdf/18-57\\_3712.pdf](http://www.larouchepub.com/eiw/public/2010/2010_10-19/2010-12/pdf/18-57_3712.pdf)).

## **China, India, and Russia Intensify Consultations**

Nov. 14 (EIRNS)—As the financial system continues to drag the world's population to the abyss, leaders of China, India, and Russia have intensified their consultations. The foreign ministers of the three nations are meeting in the southern Chinese city of Wuhan on Nov. 14 and 15. This 10th meeting of the three foreign ministers is attended by India's External Affairs Minister, S.M. Krishna, Russian Foreign Minister Sergei Lavrov, and Chinese Foreign Minister Yang Jiechi. On the sidelines of the two-day meeting, each minister is also meeting in pairs to conduct separate bilateral talks.

Chinese officials said that the RIC (Russia-India-China) grouping would continue to strengthen dialogue among the three,

and would make efforts to create a sound environment for the Asia-Pacific region and the rest of the world. Besides the strategic issues, they said, RIC discussions will focus on issues relating to disaster relief, agriculture, and public health, deepening communication among academic, industrial, and business circles, as well as promoting multilateral cooperation and democratic international relations.

The last meeting of the RIC foreign ministers was held in Bangalore in October 2009, during which the three countries discussed issues relating to terrorism, climate change, and reducing the impact of global recession, among others.

In December, Russian President Dmitri Medvedev and Chinese Prime Minister Wen Jiabao will visit New Delhi. Preparations are afoot to set up the agenda for their talks.

## **Russia, China Committed to Advanced Rail Infrastructure**

Nov. 11 (EIRNS)—Both Russia and China have just asserted their commitment to building advanced railway infrastructure. At the High-Speed Rail World 2010 international conference in Madrid, Russian Railways (RZhD) official Denis Muratov yesterday described the economic benefit of building the planned Moscow-St. Petersburg high-speed railway. Although Sapsan trains are already running on this route on conventional tracks, the new project will build dedicated tracks that will greatly increase speed, efficiency, and safety.

The total socioeconomic benefit of building Russia's first national high-speed line could reach 1.8 trillion rubles, Muratov, general director of RZhD subsidiary Skorostnye Magistrali, told the conference. The feasibility study projects costs at 1.2 trillion rubles, but that could be reduced 20-40%. "The draft project is being drawn up with the involvement of international financial, technical, and traffic consultants with extensive international experience in high-speed rail projects," Muratov said. Substantial increase in population mobility will benefit both cities and adjoining regions, he said, and increase rail transport in comparison to air and car travel, an environmental benefit. Travel time on the 660 km rail line will be cut to 2.5 hours, and the track will be able to carry 42 pairs of trains travelling at up to 400 km/h, and 14 million passengers per year.

Russia is also proposing international projects. Medvedev told South Korean media Nov. 8, that developing joint trilateral projects among North and South Korea and Russia will help normalize the situation on the Korean Peninsula. Projects include a gas pipeline, and linking the Trans-Korean Railroad with the Trans-Siberian Railway. RZhD and North Korea's Railways Ministry signed a contract to rebuild a 40 km rail connection in 2008.

In Beijing, the Chinese Ministry of Railways refuted a report this week in the *Financial Times*, which claimed that China's high-speed rail project is being reconsidered because it is "unaffordable and impractical." However, the ministry said that the huge national project requires strategic planning of ultra-high-speed line construction with other forms of transportation, the *Global Times* reported today. Ministry spokesman Wang Yongping told the *Legal Mirror* Nov. 9 that China is confident about its ultra high-speed railways and the program is developing in a healthy and promising way. The ministry had refused any comment on the *Financial Times* report.

## **Japan's Real Interests Lie in Cooperation with Russia**

Nov. 11 (EIRNS)—Political tensions between Russia and Japan will not seriously affect the two nations' economic cooperation, Prof. Oleg Bogomolov of the Russian Academy of Sciences, told China's national news agency Xinhua in an interview published Nov. 9. The two countries—which have still not signed a peace treaty to end World War II, although their actual combat was brief—are still divided by territorial disputes, but such divisions do not define either nation's fundamental interests; geopoliticians have recently been trying to play up "Russia and China against Japan" as the scenario of the month for the Asia-Pacific region. There is sufficient sanity in Japan, Lyndon LaRouche pointed out today, to ensure

that the potential for economic cooperation with Russia will overcome such tensions.

As LaRouche stressed, it is important that the countries involved go ahead with economic projects like the Bering Strait tunnel. Construction will be a physical asset. You can't lose if you go ahead. The world needs physical assets rather than monetary assets. Japan also depends on raw materials. Monetary values are worthless. You can blame the British for that.

"The economies of both countries [Russia and Japan] have not been in their best shape," Bogomolov told Xinhua. "Japan eyes Russia as a market for its car industry. Japan hopes to invest heavily in Russia's Far East, because those investments promise high return. Japanese business looks forward for participation even in such a science-fiction-sounding project like building a tunnel under the Bering Strait. Of course, Japan needs Russian raw materials, as always."

Bogomolov, who was director of the Institute for International Economic and Political Studies of the USSR (now Russian) Academy of Sciences from 1969-98, was strongly critical of the "wild" liberalism of shock therapy. He said that discussions at the APEC summit in Yokohama Nov. 13-14, will be tough, due to trade and currency conflicts, but Russia wants to reach its goal of better balancing trade with its partners in the region, particularly with China, the United States, South Korea, and Japan.

## Southwest Asia News Digest

[LaRouche: Netanyahu Plans To Provoke New Land War in Asia With Iran Attack](#)

[Netanyahu Promises Permanent Occupation of Palestinian Territories](#)

[Obama's Appeasement of Israel Can Only Lead to War](#)

[Iranian Press TV Video Features \*EIR\* Correspondent on Obama](#)

### LaRouche: Netanyahu Plans To Provoke New Land War in Asia With Iran Attack

Nov. 15 (EIRNS)—Addressing a private audience in Washington, D.C. today, Lyndon LaRouche warned that Israeli Prime Minister Benjamin Netanyahu is intent on launching an attack on Iran sometime in the near future, that will trigger a new land war in Asia, if he is not stopped. LaRouche issued the warning in response to reports from a recent visitor to Israel, who met with the Prime Minister and top military officials, and came away with the clear indication that Netanyahu was intent on provoking a new war.

According to the source, a New York-based former Israeli intelligence officer, Netanyahu believes that the Nov. 2 midterm elections have so weakened President Obama that he can count on U.S. support for an Israeli air strike against Iranian nuclear sites. Furthermore, French President Nicolas Sarkozy has quietly pledged French support for such an Israeli military adventure, in what amounts to a sharp break from the policies of other European countries, including Germany, which is intent on averting a confrontation, by working out a diplomatic solution with Iran.

The source described Netanyahu as adamant about the Iran attack, despite the fact that top Israeli military commanders oppose such an attack, and warn of serious consequences, including a possible military coup in Egypt, a possible Syrian military move into the Golan Heights, and serious Hamas and Hezbollah retaliation against many targets inside Israel.

LaRouche was even more blunt, citing a long history of British manipulations of land wars in Asia, and warning that a full-scale regional long war would result from an Israeli attack on Iran.

## **Netanyahu Promises Permanent Occupation of Palestinian Territories**

Nov. 9 (EIRNS)—Israeli Prime Minister Benjamin Netanyahu publicly released his promise to never withdraw Israeli troops from the Palestinian territories and the West Bank of the Jordan River, even if a "final settlement" should be reached in Israeli-Palestinian talks (which, of course, will not happen).

In a speech posted on the Prime Minister's website for delivery to the annual convention of the Jewish Federation of North America, Netanyahu said, "Israel also wants a secure peace. We do not want to vacate more territory only to see Iran walk in and fire thousands of rockets at our cities. That is exactly what happened after we left Lebanon and Gaza. We don't want to see rockets and missiles streaming into a Palestinian state and placed on the hills above Tel Aviv and the hills encircling Jerusalem. If Israel does not maintain a credible security presence in the Jordan Valley for the foreseeable future, this is exactly what will happen.

"I will not let that happen.

"We do not want security on paper. We want security on the ground. Real security."

The permanent "foreseeable future" occupation of the Jordan Valley that Netanyahu mentions is exactly what was promised in the letter reportedly drafted by White House advisor Dennis Ross, and leaked to the Israeli think tank in the U.S., Washington Institute for Near East Policy (WINEP) in September.

The rest of Netanyahu's speech is a war rant: On Iran, "the only responsible policy is to prevent it from developing atomic bombs in the first place. The bottom line is this: Iran's nuclear program must be stopped. Iran's nuclear program is the greatest danger we face." Containment, sanctions, are not enough.

Netanyahu, according to Israel press accounts, is emboldened by the Republican victory in Congress, and will now pursue his British-authored war plans with vigor, scuttling the talks with the Palestinians through repeated provocations, and ramping up the propaganda attacks on Iran.

## **Obama's Appeasement of Israel Can Only Lead to War**

Nov. 15 (EIRNS)—Mark Perry, a military historian and Middle East peace activist, penned a hard-hitting attack on President Obama's appeasement policies towards Israel in today's *Foreign Policy* online magazine. Under the headline "Not One Cent for Tribute: Obama's Embarrassing Gift to Israel," Perry attacked the Obama Administration for the announcement over the weekend, that the U.S. would give \$3 billion in Stealth fighters to Israel, supplementing 20 F-35 fighter jets that Israel will "purchase" from the United States with \$2.75 billion in military aid provided to Israel by U.S. taxpayers.

At the same time, the President pledged that the U.S. would veto any UN Security Council resolution, brought on behalf of Palestinian statehood, or denouncing Israel—all in return for a 90-day extension of the settlement freeze in the West Bank. "The administration's decision would be shocking were it not so predictable," Perry wrote, citing an Oct. 20 statement by State Department spokesman Andrew Shapiro, who announced a \$60 billion U.S. arms sale to Saudi Arabia by explaining, "Israel does not object." Perry reviewed a string of Administration actions, including by Gen. David Petraeus, all demonstrating a slavish capitulation to Israel and the Israeli lobby.

Perry used uncharacteristically harsh words to describe the latest Obama capitulation to Netanyahu: "The Obama Administration's newest promise to Israel is abject, embarrassing and gutless. Our country—our president—is rewarding a foreign leader who openly boasts that America 'is something that can easily be moved,' who urges a waiting game with the U.S. because he knows that Israel's friends in the Congress will defy a president who opposes him." After accusing Obama of caving in to extortion, Perry warned that the F-35 sales give Israel the capacity to strike Tehran. "The message, intended or not, will be heard by Iran: we're not interested in allowing Israel to defend itself, we're interested in having it attack others.... We have lost our way. It is not Israel's legitimacy that needs defending, but ours."

## **Iranian Press TV Video Features *EIR* Correspondent on Obama**

Nov. 11 (EIRNS)—The Iranian official English-language channel, Press TV, today posted a video with title "Obama's Approval Hangs in the Balance," in which *EIR*'s William Jones is prominently quoted. Jones identifies Obama's health-care policy, and his bailout of the Wall Street banks as the reasons behind the collapse of his approval rating. The video was among the top three videos on Press TV's front page.

## **Asia News Digest**

### **Obama's Remarks on Myanmar Irk India**

### **Obama Plans To Backtrack on Troop Withdrawal from Afghanistan**

### **Philippines Radio Hears LaRouche Webcast Message**

### **Chinese Official Warns of Inflation; Wants To Stem Speculation**

### **China Leads Defense Against Obama's Hyperinflation at G20**

## **Obama's Remarks on Myanmar Irk India**

Nov. 10 (EIRNS)—Addressing India's joint parliamentary session on Nov. 8 in New Delhi, U.S. President Barack Obama launched into an attack on Myanmar's military regime, attacking India in the process. That attack, and his comments about Iran, evoked sharp criticism from India's political and government quarters.

"When peaceful democratic movements are suppressed—as in Burma [Myanmar]—then, the democracies of the world cannot remain silent," Obama said in his 40-minute address, adding, "For, it is unacceptable to gun down peaceful protesters and incarcerate political prisoners decade after decade." He also called out India for not always speaking its mind, as it should, on "bankrupt regimes" like those in Myanmar. "If I can be frank," he went on, "India has often avoided these issues." Obama's comments on Myanmar came after the weekend national elections in the Southeast Asian nation, which, he had said, would "be anything but free and fair."

The statement was read clearly in New Delhi as a snub to India. A senior minister in the ruling UPA government said Obama's remarks on Myanmar were in fact a red herring, and that the real message was a cry for support on the U.S. position on Iran and its nuclear program. Some young Members of Parliament, who said the U.S. President should not have made this remark, elaborated, saying that India could not ignore its immediate neighbor, with which it shares a 1,500-km border. Coupled with facts like insurgency problems in the northeast, and the growing influence of China in Myanmar,

India had to look after its strategic interests in the region, they said, adding that Myanmar was a strategically important country in the Southeast Asian region. Another Member of Parliament pointed out that Myanmar was not a problem. It is not on the dark side of the Moon, but a reality existing on India's borders.

## **Obama Plans To Backtrack on Troop Withdrawal from Afghanistan**

Nov. 11 (EIRNS)—Today's *New York Times* pointed out that the Obama Administration is increasingly emphasizing the idea that the United States will have forces in Afghanistan until at least the end of 2014, a change in tone aimed at persuading the Afghans and the Taliban that there will be no significant American troop withdrawals next Summer. The White House is now in the process of reviewing the Afghan War situation, and will be coming out with the review-report next month.

It is evident that President Obama and his coterie are now listening closely to what London recommends on the issue. On Nov. 8, speaking before Britain's Foreign Affairs Committee, former British Ambassador to Kabul, Sherard Cowper-Coles, stated that the United States and NATO troops should stay in Afghanistan indefinitely, after handing over power to the Taliban through negotiations, the way the British Raj kept Afghanistan stable. The *Times* article also pointed out that last week, Defense Secretary Robert Gates, Secretary of State Hillary Clinton, and Adm. Mike Mullen, the chairman of the Joint Chiefs of Staff, who was addressing a security and diplomatic conference in Australia, all cited 2014, as the key date for handing over the defense of Afghanistan to the Afghans, themselves.

Listening to this likely shift in Obama's Afghan policy, Lyndon LaRouche pointed out that they have no money to transfer the troops. Crazier policies than this can be expected of this insane President, he noted.

## **Philippines Radio Hears LaRouche Webcast Message**

Nov. 7 (EIRNS)—Mike Billington appeared on the Philippines LaRouche Society radio show hosted by Butch Valdes tonight, presenting the marching orders issued by Lyndon LaRouche in his historic Nov. 6 webcast (see <http://www.larouhepac.com/webcasts/20101106.html>).

One question asked, was why the American people, who know that FDR's policies worked, are not leaping at the opportunity to implement them again today? Billington discussed the long-term destruction of the American cultural tradition, beginning with Truman's toadying for the British, the Boomer generation's self-destruction in the 1960s, and the environmentalists' assault on the idea of progress, all orchestrated from London.

## **Chinese Official Warns of Inflation; Wants To Stem Speculation**

Nov. 10 (EIRNS)—Zhou Wangjun, the deputy director of the National Development and Reform Commission, the chief planning body of the Chinese government, in an on-line interview today, warned of the increasing inflation risks for China. This, after it was reported that the consumer price index had reached 4.4%, with a whopping 10.1% year-on-year increase in the very sensitive food prices pushing everything upward.

Zhou pointed to a number of reasons for this situation. One, the excess liquidity in the system, aggravated by the recent QE2 decision by the Fed to flood the markets with dollars, which he said was a problem for the whole world. Two, there was a rise in vegetable prices, due to the severe weather conditions and drought in various parts of the world. Three, the rapid development and urbanization in China had reduced, relatively, the productive resources in rural areas and thus raised labor costs there.

Four, there was a dangerous speculation in commodities. The price rise in green beans, garlic, and cotton had led to rampant speculation on the commodities exchange, with particularly heavy trading on the cotton futures market on November 8 of more than 3 billion yuan in one day (!), far beyond what has ever happened before, Zhang said. Zhang also reported that there was considerable hoarding of commodities on expectations of further price rises.

## **China Leads Defense Against Obama's Hyperinflation at G20**

Nov. 12 (EIRNS)—China's President Hu Jintao led the international resistance to the Obama government's hyperinflationary insanity at the G-20 summit in Seoul today. Hu Jintao demanded that nations now "take responsibility to both history and the future," and that those nations which issue reserve currencies—the United States—should adopt "responsible policies" to keep exchange rates stable. Hu was stating—very clearly—what has long been China's financial policy. What is new, is that many nations have recognized the extreme dangers posed by the Obama/Ben Bernanke QE2 insanity, and, as at the Copenhagen climate change debacle, Obama isolated himself in Seoul.

In his speech, Hu emphasized that the profound impact of the international financial crisis is still reverberating. "We must adopt an attitude responsible to history and the future, bear in mind the common interests of mankind, build on what we have already achieved and continue to work in concert for strong, sustainable and balanced growth of the world economy," Hu said. Specifically addressing the hyperinflationary insanity, he asserted that the "major reserve currency issuing economies should adopt responsible policies, maintain relative stability of exchange rates and help enhance the resilience of emerging market economies and developing countries against financial risks, thus easing and gradually removing the fundamental problems behind foreign exchange liquidity risks." China's authority on these issues, Hu noted, is that it has been able to bring over 200 million people out of absolute poverty during the past 30 years.

A "thorough analysis" of China's view of G20, by Seoul *Xinhua* editor Na Haejung published today, was sharply critical of both the "quantitative easing of the U.S. pumping more hot money into global financial markets and causing volatile moves in small-sized emerging markets," and attempts by South Korean officials to proclaim the summit a success. There was "heated debate" on exchange rates and trade imbalances, and on the attempts from Washington to enforce its agenda, Na wrote.

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[top of page](#)

[home page](#)