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Will Our U.S.A. Survive?:
A Deadline in Destiny
by Lyndon H. LaRouche, Jr.

June 4, 2011—Increasingly, over the course of passing decades, my role in the life of our nation and also that of our world, has been that of a strategic character, a role which I have sometimes performed from the standpoint of what has been my unique function as, in effect, a conspirator against the British empire's role as a certain kind of reincarnation of the ancient Roman empire. It is philosophers who sometimes play the kind of role which I had seemed to have fallen into over the course of my adult lifetime, philosophers who have been able, in their past, as I do now: philosophers, who, sometimes play a crucial strategic role in confronting a threatened, great existential crisis of the planet. Such, for example, was my role in creating the proposal for an SDI during the late 1970s and 1980s, and, again, in the threat of a global form of terminal sort of rising economic crisis of Summer 2007 and beyond. In such a time of great world crisis as now, consider the following case, as being of the type of strategic crisis presently reaching a terminal state in world affairs, one defined as follows: Had U.S. military forces not arrived in France at about the time they did, what has been named ``World War I" would have concluded with a German victory. Had the British Royal family not succeeded in expelling Chancellor Bismarck from office when they did, what is called ``World War I" would not have begun, because Russia would not fall into the Balkan trap which the silly old Austro-Hungarian Kaiser had set into motion....

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This Week's Cover

- **Will Our U.S.A. Survive?:**
A Deadline in Destiny
by Lyndon H. LaRouche, Jr.

The solution to the crisis lies, LaRouche writes, with a 'commitment to a credit system, rather than the likeness of a European monetarist system.' This commitment to a credit system 'has been the legacy which informed the leadership of our republic under President Franklin D. Roosevelt, the legacy on which the design for Glass-Steagall was premised in our constitutional system. Both Alexander Hamilton and his collaborator Isaac Roosevelt, the latter the ancestor of President Franklin D. Roosevelt, are to be identified with the establishment of our republic's constitutional tradition, on that account.'

Economics

- **LaRouche Emergency Call:**

- **Food Price Controls Now! Cancel Bailout Genocide!**

Without food price controls, there will be guaranteed farm/ food breakdown and famine, resulting from the processes now underway from the combined impact of weather extremes, out-of-control speculation, and non-action from Washington, D.C.

- **FDR'S 1942 Declaration on Price Controls**
- **U.S. Gave Food Sovereignty, Reserves to GATT/London**
- **FAO Food Outlook:**
Grain Stocks Plunge as Prices Skyrocket

International

- **Europe on the Brink:**

- **No to Bailouts, Deindustrialization**

- **by Helga Zepp-LaRouche.**

In the face of the global crisis, Germany does not need more bank bailouts and a green nuclear phase-out policy, but rather energetic measures against financial speculation, like a Glass-Steagall-type banking system; food price controls to protect the world's population from a wave of price increases; and major building programs based on high energyflux density.

- **Resolution for Immediate Dissolution of the WBGU**

The report of the German Federal Scientific Advisory Board for Global Environmental Changes (WBGU), 'World Transition— Social Contract for a Great Transformation,' is a British-steered program for genocide. Dozens of leading figures from around the world have signed the resolution.

- **European Revolution Comes to Stockholm**

- **Pakistan Caught in British-Saudi Plan To Dismember the Country**

The ongoing disintegration of Pakistan is the direct result of British-Saudi collusion.

National

- **Obama Fiddles While the Nation Burns**

Firefighters and others tasked with protecting the general welfare, in communities all over the country, are trying to fight back against the Obama Administration's devastating budget cuts; but without taking on the Wall Street looting policies behind the economic collapse, it is a losing battle.

History

- **America's Historic Mission:**

- **1776 & 1936**

- **1776 to Today:**

- **Mobilizing for Independence**

- **FDR:**

- **This Generation of Americans Has a Rendezvous with Destiny**

President Franklin Roosevelt's acceptance speech, upon being nominated as the Democratic Party candidate for President in Philadelphia,

Editorial

- [Labor Goes for Glass-Steagall](#)

Editorial Statement

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[by Lyndon H. LaRouche, Jr.](#)

This Week's News

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U.S. Economic/Financial News

[Food Stamps, the Last Defense Against Hunger for 45 Million Americans](#)

[Public Sector Job Loss Is Heart of Middle-Class Employment](#)

[CBO Says Fannie/Freddie Bailout Is Double Administration Figure](#)

Food Stamps, the Last Defense Against Hunger for 45 Million Americans

June 8 (EIRNS)—During President Obama's watch, the number of Americans receiving food stamps has risen by a stunning 60%, from 28 million (9.2% of the population) in March 2008, to 44.6 million today (14.4% of the population). Those nearly 45 million people on average get a paltry \$134 per month in food stamps.

What will happen if the proposed drastic cuts in the food stamp program, known as SNAP, also go through? The

Republican plan of Rep. Paul Ryan (R-Wisc.) would cut the SNAP budget by 20%. And that Obama's proposal is to fund his wife Michele's anti-obesity campaign by taking money from the food stamp program!

It's not just the elderly and incapacitated who need food stamps these days. The percentage of total recipients who have jobs—i.e., the *working poor*—has leapt from 25 to 40% in the last two years.

Public Sector Job Loss Is Heart of Middle-Class Employment

June 7 (EIRNS)—Since the days of the New Deal, public sector jobs have been the instrument for elevation of the very poor—especially women and minorities—out of poverty. After a "normal" recession, it has been public hiring which has led the way in the "recovery." One analyst estimates that every public sector job generates 1.3 in the private sector. Under Obama, that trend has been reversed. Without Glass-Steagall, and food price controls, it may be permanent.

In the wake of the disastrous May unemployment figures, various sources are facing up to the significance of this loss.

"Public schools alone accounted for nearly 40% of the nation's total public sector job losses in the last year," said Robert Reich today, bemoaning the lack of Federal action on this front. A report from the California Budget Project indicates that the recession erased more than half the jobs that single mothers had gained in the state in the last 10 years. Nearly 21% of the nation's working black adults hold (or held) government jobs, with public agencies being the single largest employer for black men, and the second largest for black women.

CBO Says Fannie/Freddie Bailout Is Double Administration Figure

June 6 (EIRNS)—In a stinging rebuke to President Obama, the Congressional Budget Office filed a report on June 2, saying that the government's bailout of Barney Frank's "housing" pets, Fannie Mae and Freddie Mac is \$317 billion, more than twice the Administration's oft-repeated figure of \$130 billion. In testimony before Paul Ryan's House Budget Committee, CBO financial analyst Deborah Lucas confirmed what *EIR* has claimed all along, that the Office of Management and Budget was accounting for only the immediate payments that the Treasury made to the GSEs, and conveniently overlooking the reality that they still had more loan subsidies to which they (the taxpayer) could be held accountable for.

In an acknowledgment of the continuing collapse, the CBO's report noted that, in August 1999, it had found that this "fair market value" figure was only \$291 billion, increasing \$26 billion in a mere 18 months. Within the next ten years, CBO expects these costs to increase another \$42 billion. The reality is, that even this \$359 billion projection is vastly understated, since there is currently no "bottom" to the housing market.

Global Economic News

[World Bank To Try End Run Around Kyoto Collapse, Impose Global Fuel Taxes](#)

[Santander's Disaster Bond Offering Flops](#)

[EuroMetals Attack EU Deindustrialization Policies](#)

World Bank To Try End Run Around Kyoto Collapse, Impose Global Fuel Taxes

June 6 (EIRNS)—With the Kyoto Protocol cap on greenhouse gas emissions expiring in 2012, and virtually no chance to renew or expand the green fascist agenda at the current IPCC Bonn Conference or anytime soon, the World Bank wants to impose a levy on shipping and jet fuels. The Bank's climate nazi Andrew Steer said: "We are looking at carbon emissions-based sources ... including bunker (shipping) fuels and aviation fuels, that would be internationally coordinated albeit nationally collected."

Steer acknowledged that climate talks have essentially collapsed, and that "an overall deal is not really on the cards right now," speaking on the sidelines of a new round of climate talks from June 6-17 in Bonn, Germany. The EU already plans a levy on the emissions of most flights that land or depart from Europe, beginning January 2012, regardless of airline, a measure the head of the International Air Transport Association (IATA, the association of nearly all the airlines) declared to be illegal on June 5.

Santander's Disaster Bond Offering Flops

June 10 (EIRNS)—Now it is out in the open that the Inter-Alpha Group's Banco Santander is a dangerous investment, and leads the pack of European banks about to go down the drain along with the rest of the Inter-Alpha banking system. According to the *Wall Street Journal*, "A crack opened in Europe's credit markets last week that could portend deeper trouble for the region's banks and governments."

The crack is in fact a canyon. Last week an EU1 billion bond offering by Banco Santander SA flopped, leaving fellow Inter-Alpha banks Commerzbank and Société Générale, as well as Her Majesty's HSBC Holdings PLC, who managed the bond offering, "holding the bag" for EU500 million they could not sell. Other banks initially involved in the Santander bond issue jumped ship when they saw it was going badly; but the Inter-Alpha "brothers" got stuck with the trash. One source described it as a "disaster." By Friday this afternoon Bloomberg.com was reporting that the cost of insuring bonds sold by Santander rose to their highest level in three months.

The failure is directly related to the financial disasters that are lurking on the books of Spanish cities and regions. This offering was in fact a "covered bond" backed by debt the bank holds of regional and local governments across Spain. Despite offering to pay a high interest rate and receiving a triple-A rating from Moody's, Santander only managed to sell half the bonds.

The head of the opposition PP party, Mariano Rajoy, last week charged that there was a hidden deficit of EU7 billion on the books of just one region, Castilla-La Mancha, and that his party was calling for an audit of all the regional books. This so alarmed the Spanish government, that President Zapatero called Rajoy, demanding that he display "prudence, seriousness, and responsibility"—i.e., shut up—in light of how the markets might respond.

Commenting on Santander's "disaster," a well-informed financial specialist contacted by *EIR* in Europe said that Santander's troubles are the talk of the town everywhere in the European financial sector. Santander, he confirmed, is totally connected to the *cajas* (savings banks) and the *cajas*, Santander, and the State are all interconnected and it's all on the verge of general implosion.

EuroMetals Attack EU Deindustrialization Policies

June 7 (EIRNS)—In a lengthy interview with the *European Energy Review* published yesterday, Robert Jan Jeekel, energy policy spokesman of the Eurometals federation, attacked the European Commission's climate policy for causing the deindustrialization of the continent: "The EU's inward-looking unilateral climate policy is endangering our industry. Many of our factories are closing, and investments in the EU have come to a standstill. Yet the European Commission is

continuing to use its artificial and flawed macro-economic models as a basis for decision-making. Even our global competitors are asking what on Earth the EU is doing."

The existing Emissions Trading System (ETS) and the new Roadmap 2050 plan, presented in March, for the "decarbonization" of Europe's industries, is making electricity so expensive that production cannot be continued here, Jeekel said. Already, the cost of electricity per ton of aluminum, which is \$645 on the so-called free-market "world scale," is \$1,195 dollar per ton in Germany. Production is migrating to other parts of the world which don't have these excessively discriminating, climate-related regulations as the EU. Europe is losing jobs massively: In the non-ferrous metals industries alone, the future of 400,000 jobs is at stake, Jeekel warned.

"As I see it," Jeekel added, "the fact that EU emissions were reduced because smelters have already been closed and investments put on hold, can hardly be called a success for EU policy. Or are we following a policy of deindustrialization in the EU?"

Industrial representatives have tried to talk to the EU Commission about its dangerous nonsense, "but they have simply ignored all protests"; instead they told the protesting industry that "cost impacts" were "negligible," and that if there were problems, the Eurocrats simply expect national governments to compensate industry. But the governments have no money to compensate industry, said Jeekel: "Many government budgets have already been spent. They saved the banks with that money, so there may be little left for us. If support does not come, it could spell the end of the EU's production of aluminum and other non-ferrous metals. Once a smelter closes, it never comes back. The process is irreversible, given the current investment climate in the EU."

United States News Digest

Deadly Third-World Disease Hits Joplin Tornado Survivors

Obama Planning New Attack on FDR's Social Security System

Fiscal Year State Budget Massacres Underway

Opposition Growing to Obama's IPAB Rationing Board

Obama Cheers Merkel's Anti-Nuclear Policy

Deadly Third-World Disease Hits Joplin Tornado Survivors

June 11 (EIRNS)—President Obama was in the air en route the British Isles when, on May 22, the deadliest tornado in U.S. history struck Joplin, Mo. Rather than return, he continued on for days of celebrations with the British royals.

While Obama was wining and dining at Buckingham Palace, survivors of the Joplin tornado were beginning to succumb to mucormycosis, a rare but deadly fungal disease, usually limited to severely immune-compromised individuals, including victims of extreme malnutrition or uncontrolled diabetes. Eight cases have so far been found in Joplin, three of whom have died.

A Centers for Disease Control (CDC) spokesman said that clusters of cases are extremely rare. The December 2004 Indian

Ocean tsunami, which killed one-quarter million persons, produced a handful of known cases of subcutaneous mucormycosis, the rarest form of what is already a rare disease in the United States. In both Joplin and that tsunami, the likelihood is that untreated diabetes or immune-compromised conditions more characteristic of Third World conditions combined with traumatic wounds to render the victims susceptible to the disease.

Since only rapid diagnosis and treatment can sometimes avert near-certain death for victims of this disease, Obama's dallying in London rather than rallying U.S. emergency resources to Joplin, has assured otherwise preventable deaths. And his blocking of the re-enactment of Glass-Steagall insured that Third World conditions would grow and fester in Joplin and elsewhere in the U.S. before this latest disaster.

Obama Planning New Attack on FDR's Social Security System

June 10 (EIRNS)—President Obama's advisors are discussing a "temporary" cut in the payroll taxes that businesses pay on wages, Bloomberg reported yesterday. "A hiring stimulus based on a tax break for employers may appeal to Republican lawmakers, many of whom have called for measures to help businesses," the Bloomberg said. "The idea of a cut in the employer contribution to payroll taxes also has recently been under discussion among Republican members of Congress."

Last December, Obama cut a deal with the Republicans for a "payroll tax holiday" for the employees' portion of the tax. *EIR* said at the time that this was a foot-in-the-door for an all-out assault on Social Security, and we quoted spokesmen for the National Committee to Preserve Social Security and Medicare, saying that this shows that Obama does not understand FDR's scheme for Social Security—to make Social Security a self-financing insurance program, and thus to keep the Trust Fund inviolate—and that it was part of a long-term GOP plan to destroy Social Security by mixing it with the general Federal budget.

FDR himself stated: "We put those payroll contributions there so as to give the contributors a legal, moral, and political right to collect their pensions and their unemployment benefits. With those taxes in there, no damn politician can ever scrap my Social Security program."

Yesterday, the same National Committee said in a statement: "Just six months ago, Washington promised the \$112 billion diversion of payroll taxes from Social Security would be a temporary stimulus. Now, it appears some leaders who are negotiating a debt ceiling deal are proposing not only to extend this stimulus measure but actually expand it—diverting even more money away from Social Security.... American workers have successfully funded the Social Security program for 75 years and that critical linkage between contributions and benefits is what keeps Social Security a self-funded program. Proposals to divert workers payroll taxes way from Social Security threaten the program's independence, forcing it to compete for already limited Federal dollars."

Fiscal Year State Budget Massacres Underway

June 9 (EIRNS)—With all but four states facing the start of their new fiscal years on July 1, state legislatures are scrambling to do the impossible: balance their budgets in the middle of the general breakdown of the Trans-Atlantic financial system.

Typical is the case of California, where, because there is still no state budget, local governments are being forced to make horrible choices. Today, the Sacramento County Board of Supervisors voted to cut \$30 million from their 2011-12 budget, mostly from law enforcement.

In Ohio, where Republicans have control of state legislature and governorship, the state Senate yesterday rammed through

the budget championed by Gov. John Kasich, which cuts nearly \$2 billion in payments to local governments and schools, \$470 million from nursing homes, and mandates the privatization of six state prisons, state liquor operations, the state lottery, and the state turnpike. The vote ran along straight party lines. State Sen. Nina Turner (D-Cleveland) warned that hundreds of city workers will be laid off under this budget.

The budget still has to go through conference committee with the Republican-dominated House, which has different preferences for cuts, but the general contours are the same.

Kasich demanded that people in Washington look at what Ohio is doing: We wiped out a deficit (\$6 billion) and still cut taxes (estate taxes). "This is a big, big deal."

Opposition Growing to Obama's IPAB Rationing Board

June 9 (EIRNS)—The National Committee to Preserve Social Security and Medicare, which supports Obamacare overall, is the latest organization to come out in active opposition to Obama's Independent Payments Advisory Board, joining almost 150 Members of Congress and numerous medical advocacy organizations.

The IPAB, like Hitler's T4 euthanasia program, will decide who lives, who dies.

"IPAB turns Medicare into a scapegoat," said Max Richtman, executive vice president and acting CEO of the National Committee to Preserve Social Security and Medicare. "Medicare will be forced to make reductions without addressing the rest of the health care costs." Richtman said that the National Committee is also concerned about the provisions in the Obamacare law that make it exceedingly difficult for Congress to overturn any decisions by the board, since Congress is required to come up with an equal amount of savings from another source, to block the board's decisions.

IPAB "is facing a groundswell of opposition from unexpected corners," *Politico* reported on June 8. Seven House Democrats have signed on to support H.R. 452, the House bill to repeal IPAB, joining 117 GOP co-sponsors. The latest Democrat to join the opposition is Rep. Kathy Castor (Fla.). Sources tell *Politico* that other Democrats have also indicated privately that they will support repeal if it comes to the House floor.

The House Energy and Commerce Committee will hold a hearing entitled "IPAB: The Controversial Consequences for Medicare and Seniors," on June 14.

Sen. John Cornyn (R-Texas), the sponsor of the corresponding Senate bill, said he doesn't expect IPAB to be repealed in its first Senate vote. "We're getting very close. I think this is one of the most obnoxious parts of the health care bill that we passed in 2010," he said. "Nothing's easy around here, so it may take a couple of votes."

Obama Cheers Merkel's Anti-Nuclear Policy

June 7 (EIRNS)—President Obama said, in an interview with *Berliner Tagesspiegel* Washington correspondent Christoph von Marshall, which appeared in that daily and in *Wormser Zeitung* yesterday, that "Germany's commitment to the environment is admirable, and there are things we can learn from Berlin about how becoming greener can actually push economic growth." He said that he was greatly impressed by German Chancellor Angela Merkel's "focus on green jobs and new technology—things we're focusing on in the U.S., too." The interview was arranged for publication on Merkel's arrival in the United States yesterday. She is accompanied by her foreign, defense, finance, economics, and internal security ministers.

Obama's remarks were foreshadowed May 31, when U.S. Deputy Secretary of Energy Daniel B. Poneman, at a nuclear power conference, refused to criticize Merkel's plan to phase out all nuclear plants, saying instead: "I don't think it's for one country to second-guess the decisions that another country makes."

However, Sen. Jeff Bingaman (D-N.M.) yesterday said bluntly: "I do not agree with the decision the Germans have made to totally eliminate their production of power from nuclear sources." He said that nuclear energy is an essential part of a country's energy portfolio, because it is a low-emissions power source. "I think that is a step back from the efforts to reduce greenhouse gas emissions" to exit nuclear, Bingaman said. "By far the largest portion of power produced in the world that is not emitting greenhouse gases is the power produced from nuclear facilities. So, I think it is unfortunate that they've chosen not to continue with that."

Ibero-American News Digest

Soros Wins Another Round in Peru

Obama's Genocide: More Needless Deaths in Haiti

Argentine Spacecraft/U.S. Experiment To Measure Global Ocean Salinity

Turmoil in the Rim of Fire

Soros Wins Another Round in Peru

June 10 (EIRNS)—British imperial agent and moneybags George Soros, the world's leading drug pusher, has tightened Dope, Inc.'s grip over South America, with the victory of Ollanta Humala over Keiko Fujimori in the June 5 Presidential runoff election. Keiko is the daughter of former President Alberto Fujimori. Humala is a creation of the British monarchy's New Dark Ages project

Silly chatter, first that former Lt. Col. Humala's relationship with "populist" Venezuelan President Hugo Chávez makes him a danger, and now, that his "turn" towards Brazilian former President Lula da Silva, signals a "turn towards the center," is simply meaningless. The Humala Presidency was created as a British wrecking operation against South America as a whole, and it is only the narrowness of his victory (51% to 48.5%), and the momentous upheavals set to explode in the international system, which will determine how far that can play out.

EIR's Lima correspondent Luis Vásquez Medina nailed the real issue in an article posted, prior to the election, on his website, <http://luisernestovasquez.com>, warning that Humala is run by the Nazi-trained Soros, and among his assignments is to legalize coca and its derivative, cocaine. *EIR's* Lima office documented the European Synarchist roots of the Humala project, in its 2005 book, *The Return of the Beasts: The Neofascist International Behind the Humalas*.

Soros and his imperial backers, were determined to keep a Fujimori from returning to power. In 2000-01, Soros was the bagman for the operation to overthrow Keiko's father, and later imprison him. As President from 1990-2000, Fujimori demonstrated an exceptional quality of command decision in leading Peru's then-successful war against narcoterrorist groups such as Sendero Luminoso (Shining Path). Shortly before he was driven out of office, he had begun to shift away from his earlier economic pragmatism, denouncing the foreign debt as illegitimate usury, and calling for a United States of South America based on joint infrastructure projects. At the time of his ouster, the *Los Angeles Times* wrote that Fujimori's principal offense was that he was listening to the ideas of Lyndon LaRouche.

A promise that she would never grant her father a pardon from prison was extracted from Keiko Fujimori during the campaign, but her policy on drugs and narcoterrorism—both of which have made a comeback under ten years of Soros-run governments—was uncompromising. In her final campaign rally on June 2, Fujimori charged that her opponent "is also accused of having collected quotas from drug traffickers. This means that when he served in our highlands, he was working directly with drug traffickers. I request a prompt investigation and his comments to clarify his links with drug trafficking."

Soros associate and fellow drug-legalization champion, the degenerate Spaniard Marquis Mario Vargas Llosa, had earlier signalled that the oligarchy was backing Humala. Vargas Llosa, whose ties to the synarchist Humala family go back decades, announced last April that he would do everything in his power to get Humala elected. This was at a meeting of the ultra-free-market liberal Mont Pelerin Society in Buenos Aires, titled "Fighting Populism in Latin America."

Obama's Genocide: More Needless Deaths in Haiti

June 8 (EIRNS)—June 6 is now known as "black Monday" in Haiti, the day on which torrential rains caused untold damage in practically every province, killing 23 people. Hard hit was the capital of Port-au-Prince, described as "paralyzed," where rains flooded neighborhoods and refugee camps—flood water in the camps was sometimes as high as 4 feet—sweeping away tents and houses, and causing landslides in several districts. People are seen sitting on rooftops, waiting to be rescued.

The rains caused extensive flooding in the Dominican Republic and Jamaica, and the rainy season has only just begun. The Dominican government had to evacuate almost 12,000 people from regions threatened with flooding. The U.S. National Hurricane Center in Miami warns of "flash floods and mudslides over portions of Haiti, the Dominican Republic, Jamaica, and Cuba," in the coming days.

Thanks to NerObama's imperial policies, 17 months after the 2010 earthquake, Haiti is no better equipped to handle disasters than it was before the quake. Cholera cases are mounting, and the Pan American Health Organization (PAHO) warns that the situation is "deteriorating." Medical NGOs and aid agencies are straining to handle the number of sick showing up at cholera treatment centers (CTCs), not even attempting to track the number of people being treated.

There is a general health alert around the region to guard against cholera transmission. But governments also fear that the *E. coli* bacteria rampaging in Europe will show up in Central American and Caribbean nations. Nicaragua has declared a health alert and has ordered heightened surveillance at ports and airports, and inspection of produce imported from Europe. Other countries are expected to follow suit.

In Mexico, in response to a confirmed case of cholera in Sinaloa and another in Colima, several state governments have begun to test water samples for cholera and have also declared health alerts, to guard against transmission. Given the constant movement of people across state lines, governments fear that, were cholera to appear, it would spread like wildfire. In the state of Morelos, 500 people with "cholera-like" symptoms have sought treatment, but there has been no confirmed case yet in the state.

Argentine Spacecraft/U.S. Experiment To Measure Global Ocean Salinity

June 9 (EIRNS)—Scientists have only scant data on how the salinity of the world's oceans changes. Yet even slight variations affect the global water cycle, including precipitation, evaporation, and ocean circulation. The Argentine-built SAC-D satellite, carrying NASA's Aquarius instrument, and contributions from Brazil, Canada, France, and Italy, is

scheduled to launch June 10 from California. It will be the first satellite to provide global data on the salinity of the oceans.

Until now, ocean salinity measurements have been taken from ships and buoys, and are sparse and patchy. On average, the world's oceans are 3.5% salt, and while that varies only slightly, Aquarius will be able to measure changes as small as 0.2%, equivalent to an eighth of a teaspoon of salt in a gallon of water. The instrument will create global salinity maps every seven days, and will operate for at least three years. Other instruments aboard SAC-D will observe fires and volcanoes, map sea ice, and collect other Earth science data.

SAC-D, the Satellite for Scientific Applications, is the fourth in a series of satellites designed and built by Argentina's leading-edge technology company, INVAP, with NASA providing some scientific instruments and the launch vehicle. SAC-A, which was placed into orbit by Space Shuttle Endeavour in 1996, was a demo, to test satellite systems. SAC-B was designed to study solar physics, but suffered a launch-vehicle failure. SAC-C, launched in 2000, was a remote-sensing satellite, which collected data for more than a decade.

Turmoil in the Rim of Fire

June 11 (EIRNS)—The eruption of Chile's Puyehue-Cordón Caulle volcano chain, which began on June 4, continues to wreak havoc inside the country. But also, yesterday, as a result of volcanic ash that had been carried by winds to as far away as New Zealand and Australia, airlines in both those countries were forced to cancel many flights.

Several Argentine regional airports are still closed, contending with the volcanic ash that has severely affected the northern Patagonian region. Earlier in the week, the volcanic ash cloud had reached southern regions of Brazil and Paraguay, forcing airlines to ground flights.

Chilean geologists are warning that the volcano could keep erupting for several weeks, with unpredictable consequences.

Meanwhile, in the southeastern Chilean towns bordering the volcano chain, tons of hot volcanic rock, ash, and other debris that have fallen into the region's rivers have dramatically raised water levels, in some cases blocking the rivers at their narrowest points and causing them to overflow their banks.

Responding to the danger of landslides and flooding, authorities have ordered an evacuation of all residents in the Nilahue River valley. A court ruled today that, if necessary, security forces could evacuate citizens by force, enforcing the constitutional mandate to protect human life.

The hot volcanic material has caused the temperature of rivers and lakes to rise so much that fish cannot survive in them. The temperature of the Ranco Lake, for example, is normally 41°F at this time of year, but it's now 113°F. The Nilahue River is nine times its normal temperature. Observers say the rivers now look like hot springs, with steam rising from them.

This spells disaster for Chile's fishing industry, which generates significant export revenue. The head of the National Fishing Service reported that 4.5 million fish have been killed in the Nilahue River alone, and 5 million healthy salmon have had to be relocated to a safer place. Cattle-ranching, agriculture, and tourism are also threatened.

Western European News Digest

German Supreme Court To Hear Bailout Case

ECB 'Increasingly Vulnerable' on Debt

Crisis Sessions on Coming Greek Default

E. Coli Epidemic Devastating Euro Agriculture

German Hospitals Need More Funds

French Food Speculators on Defensive

Coverup of Dr. David Kelly's Death Persists

German Supreme Court To Hear Bailout Case

June 10 (EIRNS)—The German Constitutional Court in Karlsruhe announced today that it will hold a public hearing on three legal challenges against the Eurozone bailouts, on July 5. The challenges were filed a year ago; plaintiffs include Peter Gauweiler, a member of the German parliament, and the "four anti-euro professors"—Wilhelm Hankel, Joachim Starbatty, Wilhelm Noelling, and Karl Albrecht Schachtschneider—who went to court as long as 14 years ago against the euro, and again against the Lisbon Treaty in 2008.

The July 5 date indicates that a ruling will not be made before the Summer recess, more likely in the Autumn—which is bad for the bailout advocates, because the parliament is to debate and decide on the entire bailout package plus the rescue funds in late September. The announcement of the hearing, which has been anticipated for months, will enhance opposition to the bailouts, and, given the precarious situation of the Eurozone, one even rule out that the euro will be gone before the court rules.

ECB 'Increasingly Vulnerable' on Debt

June 7 (EIRNS)—A new report by the British think-tank Open Europe states that the European Central Bank is "looking increasingly vulnerable" and may face "hefty losses" as a result of the financial crisis. It calculated that the ECB has a total exposure of about EU440 billion in Greece, Ireland, Portugal, and Spain. The report, "A House Built on Sand?" asserts that the bank is now "23 to 24 times leveraged" as a result of bailing out these four countries—this is far greater than a "dodgy" hedge fund.

"Should the ECB see its assets fall by just 4.23% in value ... its entire capital base would be wiped out," the report states. "Hefty losses for the ECB are no longer a remote risk.... The ECB is ultimately underwritten by taxpayers, which means there is a hidden—and potentially huge—cost of the Eurozone crisis to taxpayers buried in the ECB's books."

Crisis Sessions on Coming Greek Default

June 9 (EIRNS)—The consensus among bankers who met in Koenigstein, Germany, yesterday, was that "Greece will not be able to avoid a restructuring of the debt," said Ingrid Hengster, CEO of the Germany branch of Royal Bank of Scotland. This will involve a certain "sharing of the burden by private creditors," added Michael Kemmer, president of the German Banking Association; an unnamed representative of JP Morgan said, "The banks and the creditors have to join in."

At a conference call yesterday, Eurozone finance ministers discussed the figure of "EU90-plus billion" in new bailout funds for Greece, as the German finance ministry's proposal for "soft" restructuring, including "haircuts" for private banks haircuts, accompanied by "new structural reforms in Greece."

***E. Coli* Epidemic Devastating Euro Agriculture**

June 7 (EIRNS)—The Copa-Cogeca, a farm lobby group based in Brussels, said in a report released today that up to 80% of vegetables are being destroyed in parts of the EU because the market has been destroyed by fears over the *E. coli* epidemic. Farmers' losses could be as high as EU400 million euros (\$580 million) a week, the group said. Vegetable growers in France, the Netherlands, Belgium, Portugal, and Germany are also taking losses.

Freshful, another farm lobby group, said that Spain alone could be losing \$292 million a week. Cucumber sales fell 80-100% in some EU countries, while tomato sales were down 50-80% and lettuce by over 50%. Prices are well below production costs.

One German farmer told the BBC that "customers aren't buying vegetables at all. And so farmers can't sell their products—every day we lose EU1 million" (\$1.46 million).

German Hospitals Need More Funds

June 7 (EIRNS)—German hospitals are struggling to cope with the thousands of people sickened by the *E. coli* epidemic, and the German Hospital Association (Deutsche Krankenhaus Gesellschaft, DKG) is calling for more funds to deal with the crisis, *Der Spiegel* reported today. DKG managing director Georg Baum said that DKG members were overwhelmed by the financial strain of the outbreak. "In light of the *E. coli* epidemic, I appeal to politicians to restore the financial cuts planned for hospitals," Baum told the *Rheinische Post*. The situation proves just how important it is to keep beds and personnel available at clinics, he said. Hospitals and other health-care institutions in the affected areas have only been able to cope because they are swapping staff. "The clinics are doing everything necessary for the care of the sick—without considering whether their services will be compensated by health insurers later," Baum said.

Doctors are having difficulty providing kidney dialysis to the more than 33% of patients who develop hemolytic-uremic syndrome (HUS), which can cause kidney failure. Hospital workers are reportedly working overtime to staff the institutions, and it is also feared that blood banks may run short.

French Food Speculators on Defensive

July 8 (EIRNS)—Nicolas Fragneau, manager of Amundi Funds Global Agriculture, gave a defensive interview to the French daily *Le Figaro* headlined: "We Are Not Taking Part in the Disappearance of Agriculture."

Fragneau lied that prices for food commodities are on the rise because world food production is lagging behind demand. Therefore, the solution is more public and private investment in agriculture, for which, of course, his Amundi fund is a key instrument.

Amundi, owned 75% by Crédit Agricole and 25% by Société Générale of the Inter-Alpha Group, manages EU690.5 billion in assets and has offices worldwide.

Coverup of Dr. David Kelly's Death Persists

June 10 (EIRNS)—U.K. Attorney General Dominic Grieve has ruled that there was no evidence that Dr. David Kelly, a British intelligence officer and specialist on nuclear proliferation, was murdered in 2003. Grieve also dismissed the charge of a cover-up, in a ruling on a request that the High Court order a hearing. Grieve told Members of Parliament yesterday: "I've concluded that the evidence that Dr. Kelly took his own life is overwhelmingly strong. Further, there is nothing I've seen that supports any allegation that Dr. Kelly was murdered or that his death was the subject of any kind of conspiracy or cover-up." Grieve produced a 60-page report, which purports to rebut 169 points made by those requesting an investigation.

Kelly was the covert source for the charge, reported on BBC before the Iraq War began, that the Tony Blair government had "sexed up" the facts to try to prove that Iraq's Saddam Hussein was developing a nuclear weapons program.

Russia and the CIS News Digest

Mankind Needs Nuclear Power, Say Russians

Russian Duma Speaker Urges Total War on Drugs

Russian Official Urges International Fight Against Afghan Drugs

Russia Keen To Develop Mongolian Railroad

Mankind Needs Nuclear Power, Say Russians

June 7 (EIRNS)—The third International Forum ATOMEXPO-2011 opened June 6 in Moscow, with representatives from international organizations, individual nations, and U.S. Energy Secretary Steven Chu, who is on a week-long trip to Russia. It is entitled, "Development of Nuclear Power: Pause or Continuation?"

In what AFP described as an "impassioned defense of atomic energy," Rosatom head Sergei Kiriyenko stated in his opening remarks: "In the next 10 years, nuclear power is a necessary condition for the safe and stable development of the world economy.... Nobody has the right to stop a country from gaining access to this reliable and stable source of energy.... Nuclear power is the locomotive of the innovative development of mankind."

Although there will be discussions during the conference on the safety and security of nuclear plants, as a fallout of the Japanese situation, Russian representatives stress that they have the most advanced nuclear technologies in the world. Kiriyenko said that the forum should recognize that it is "new technologies that will ensure security of nuclear power plants," and set guidelines for the development of the world nuclear industry. One roundtable session will discuss education, the problems the nuclear industry comes up against in machine building, and new uranium-production technologies.

On the last day of the Forum, it is reported, the Russian Foreign Ministry and Rosatom will sign an agreement to assign Rosatom envoys as diplomats to several Russian embassies.

Russian Duma Speaker Urges Total War on Drugs

June 8 (EIRNS)—A strong voice against drugs, the speaker of Russia's State Duma, Boris Gryzlov, said the country should declare a "total war on drugs." In a country of 141 million, there are 6 million addicts (1 in 25 people). Gryzlov stated that the drugs kill 100,000 every year. "We are standing on the edge of a precipice," he said. "Either we squash drug addiction or it will destroy us, because the problem threatens Russia's gene pool."

Gryzlov, along with Victor Ivanov, head of the Russian Federal Narcotics Control Agency, had been the strongest voice against the Afghan heroin that is flooding Russia and destroying its youth. In September 2009, addressing the Group of Eight meeting of parliamentary speakers at Rome, he had said: "I propose considering the issue and finding an acceptable format ... to address the UN to include tasks and responsibility to eliminate drug-containing crops as well as the drug production infrastructure in Afghanistan into the international forces' mandate." Gryzlov said Russian parliamentarians have to state that anti-drug efforts in Afghanistan are clearly not enough. "Moreover, there could be an impression that the effect is even inverse—in the past eight years opiate production in Afghanistan grew more than 40-fold," he said.

Under legislation promoted by the United Russia party and now being reviewed in parliament, drug addicts will be forced into treatment or jailed, and dealers will be handed heftier custodial sentences. "The barons of narco-business must be put on a par with serial killers with the appropriate punishment in the form of a life sentence," said Gryzlov.

The Soros-linked organization, such as Andrei Rylkov Foundation president Anya Sarang, immediately attacked Gryzlov, saying that "sending more people to prison will not reduce drug addiction or improve public health." "What we need instead of this harsh drug-control rhetoric is greater emphasis on rehabilitation, substitution treatment, case management for drug users, and protection from HIV," she added.

Russian Official Urges International Fight Against Afghan Drugs

June 10 (EIRNS)—Addressing the Asia-Pacific Security Summit at Singapore on June 5, Russian Deputy Prime Minister Sergei Ivanov said the international community should classify Afghan drugs as a threat to peace and security, because they have become an important source of funds for the Taliban and other insurgent groups

"We are not happy with what the world community is doing in the anti-drug war" in Afghanistan, Ivanov said. "The whole international community and, first of all, those who took the responsibility for ensuring peace and stability in Afghanistan, namely the International Security Assistance Force, should make a strong commitment to fight this drug threat," Ivanov said. Russia is ready to "make several counter-drugs rings around Afghanistan to intercept drugs," he said, without elaborating.

Ivanov said that while the Soviet occupation of Afghanistan in the 1980s may have ultimately failed, it did succeed in cracking down on the drug trade by burning the fields and providing economic alternatives to local farmers. He said today the international community should follow the Soviets' example.

"The Soviet Union invested money in cultivating normal agriculture and then buy the products, the agricultural products at a price higher than the market," he said. The Deputy Prime Minister's comments were seen by many at the conference as a criticism of the U.S.-led coalition of NATO states fighting the Taliban in Afghanistan.

Russia Keen To Develop Mongolian Railroad

June 10 (EIRNS)—Vladimir Yakunin, CEO of the Russian Railways monopoly OAO, stated that Russia is prepared to invest \$1.5 billion to develop a train network to help boost trade between Russia and Mongolia.

Mongolian President Tsakhiagiin Elbegdorj was in Russia recently, meeting with President Dmitri Medvedev and Prime Minister Vladimir Putin. One of the key issues under discussion was the development of an additional 5,700 kilometers of rail track, a project is now at the bid stage, but it is likely that Russia will be awarded the contract.

The planned network eventually will stretch directly from Tavan Tolgoi to China and Russia, and will extend the railroad west and north to link with untapped metals deposits, according to Eurasia Capital, Mongolia's biggest investment bank.

Russia is moving quickly into the Mongolian mining sector. Russian state atomic energy corporation Rosatom director Sergei Kiriyyenko told journalists that an agreement signed by the Russian and Mongolian governments to establish a uranium mining enterprise Dornod Uran is moving forward despite delays, Agentstvo Voyennykh Novostey news agency reported.

The landlocked nation's drive to lay 5,700 kilometers of track across the country and to Russia's Far Eastern ports, stands to benefit such companies as Australia-listed Aspire Mining Ltd. (AKM) and Canada's Prophecy Resource Corp. (PCY), said Richard Harris, chief executive officer of Hong Kong-based Quam Asset Management.

"The missing link in the Mongolian gold rush now is transportation infrastructure," said Roland Nash, who helps manage about \$150 million of Russian stocks at Moscow-based hedge fund Verno Investment Management Ltd. The key for the Mongolians is to attract investments from as many different countries as possible to lessen their dependence on China.

Asia News Digest

Indian Poor Devastated by Food Price Rise

Strong Chinese Warning of U.S. Default Danger

Philippine LaRouche Society Holds Ecumenical Conference To Defend Life

Pro-Nuclear Japanese Governor Wins Big in Quake Zone

Taiwan Candidate to Europe for Anti-Nuclear Agenda

Indian Poor Devastated by Food Price Rise

June 8 (EIRNS)—The ongoing price rise of basic food items in India is setting the stage for a life-and-death crisis for India's at least 400 million poor. Inflation has been above 8% for 16 months, with the wholesale-price index increasing 8.66% in April. Farm-product wholesale prices rose 7.47% in the week to May 7 from a year earlier, the Trade Ministry said in mid-May. Governor Duvvuri Subbarao of the Reserve Bank of India, the country's central bank, said on May 18 that inflation needs to be curbed in order to boost economic growth.

Food-price inflation in India, Asia's third-largest economy, may accelerate in the second half of 2011, as farmers are paying 20% more to grow crops, according to the commission that helps set minimum farm-product prices. "The cost of production is going up very fast," Ashok Gulati, chairman of the Commission for Agricultural Costs and Prices, said on May 18. "The labor cost has gone up dramatically in the past one year, and energy costs are also going up." A pickup in food prices would add to inflationary pressures in India, where the central bank has raised interest rates nine times since

mid-March 2010.

The food-price rise has affected the urban poor the most. With little skill and no land to fall back on, the urban poor in India are becoming increasingly involved in criminal activities in order to survive. The rural poor, with little plots of land, are surviving, but with prices rising all around, they do not have the cash to attend to the basic requirements, such as education for the children, medicine, or clothes for the family.

The Indian middle class, which had forsaken the poor, by embracing liberal economic reforms (free trade and globalization), and benefitting momentarily from the initial increase in its earnings, are now struggling with price rises of every item, including food.

The Manmohan Singh government, catering to the free-market economy, has allowed rapid rise in prices of the basic food items and such essentials as medicine.

Strong Chinese Warning of U.S. Default Danger

June 8 (EIRNS)—Peoples' Bank of China advisor Li Daokui made an unusually strong statement on the danger a potential U.S. debt-default poses for other nations, at a conference in Beijing today. He also emphasized China's commitment to cooperate with the U.S. to support the dollar.

Li, who is an academic member of the PBOC advisory board, is able to speak more bluntly than government officials. He told Reuters: "There is a risk that a U.S. debt default may happen. The result will be very serious and I really hope they would stop playing with fire.

"The Chinese government sincerely hopes that the U.S. government would look at the big picture," Li said. "If a default happens, the Chinese government should have a consultation with the U.S. government. China can promise that we will not sell our holdings of U.S. debt, but the United States must also promise that you will not hurt our interests by guaranteeing the safety of our investment," Li said. "I really worry about the risks of a U.S. debt default, which I think may lead to a decline in the dollar's value."

Philippine LaRouche Society Holds Ecumenical Conference To Defend Life

June 6 (EIRNS)—A Joint Christian-Muslim Conference was held today in Manila in defense of life, and opposed to the malthusian, imperial policies of depopulation, as they are being pushed onto the Philippines at a moment of existential crisis to the nation. Among the founders are: Butch Valdes, head of the Philippines LaRouche Society; Archbishop Oscar Cruz, former President of the Catholic Bishop's Conference of the Philippines; Dr. Mashur Bin-Ghaalib Jundam, Dean of the University of the Philippines Institute of Islamic Studies and an officer of the MNLF; and other political, religious and business leaders.

Convened in opposition to a "Reproductive Health Bill" being pushed through the Congress by President Noynoy Aquino and others, aimed at weakening the nation's restrictions against population control policies, the presentations at the conference targeted not only the local anti-life policies, but the imperial policy of depopulation internationally.

Archbishop Cruz specifically hit at Henry Kissinger's NSSM 200 policy from 1974, which named the Philippines (among others) as a nation whose population growth must be stopped in order to save the natural resources for the western oligarchy. He noted that the EU had promised to provide large sums to finance contraceptives and other population control efforts, while aid for development is being cut.

Dr. Jundam warned that the Islamic people of the Philippines would be driven to push for secession if the federal government pushed through anti-human policies.

Butch Valdes addressed the British imperial roots of the anti-population policies, from Malthus to Bertrand Russell and Prince Philip, and described Jonathan Swift's "Modest Proposal" as the proper means of exposing and ridiculing the evil policies. Butch emphasized that the Christian-Islam cooperation went beyond politics, beyond "anti-corruption" efforts, to the more fundamental issue of human creativity as the identity of man in the image of God, as opposed to the beasts. He identified the "Clash of Civilizations" myth, and the imperial war policies, aimed at turning Christians and Muslims against each other, as simply another aspect of the Imperial depopulation effort.

Pro-Nuclear Japanese Governor Wins Big in Quake Zone

June 6 (EIRNS)—The pro-nuclear incumbent governor of Aomori prefecture in Japan, Shingo Mimura, easily won reelection yesterday with 75% of the vote against two candidates running on anti-nuclear platforms. Aomori is in the region affected by the earthquake.

Mimura, an independent backed by the Liberal Democratic Party, pledged to set up a committee to review the safety of nuclear plants in Aomori Prefecture in the wake of the nuclear power plant crisis in Fukushima Prefecture, but remained completely committed to nuclear power.

Aomori is an excellent test case for the actual status of nuclear power with the population. While not among the worst damaged regions, it is in the March 11 quake zone. It currently has one nuclear reactor in Higashidori and also has the nation's only nuclear-reprocessing plant at Rokkasho. It was set to be the site of 4 of 14 new reactors Japan planned to be built by 2030, before Prime Minister Naoto Kan put a hold on further nuclear plans, at least temporarily.

Taiwan Candidate to Europe for Anti-Nuclear Agenda

June 6 (EIRNS)—Chairperson and Presidential candidate of Taiwan's Democratic Progressive Party (DPP), Tsai Ing-wen, left for the U.K. and Germany for her marching orders on ending nuclear power development in Taiwan. The DPP, besides having a pro-Taiwan (anti-China) independence stance, also flies a green banner. Nuclear safety, green energy, and international security are expected to be high on the agenda as Tsai makes her first trip abroad since being nominated as the party's Presidential candidate.

Africa News Digest

Horn of Africa Food Crisis Harbinger of Widespread Disaster

NATO Continues Air Strikes in Libya; Russia, China Seek Political Solution

Horn of Africa Food Crisis Harbinger of Widespread Disaster

June 8 (EIRNS)—The Famine Early Warning Systems Network, part of USAID, yesterday singled out households in pastoral and marginal cropping areas of Ethiopia, Somalia, and Kenya for particular concern, and said that large-scale emergency assistance was urgently needed "to save lives and treat acute malnutrition" in the region.

The report blamed the crisis on two years of "significantly below average" rainfall, thus ignoring the root cause of the problem: the lack of infrastructural development in the region, where people eke out a subsistence level existence. The statement said that "This is the most severe food security emergency in the world today," and that more than 7 million people needed humanitarian assistance. The crops have failed and the food prices are very high. As a result, "poor households are unable to access the basic food supplies needed for survival."

This worsening food crisis in the Horn of Africa, characterized by USAID as the "world's worst food security crisis," is a harbinger of the food shortages and exorbitantly high food prices that will continue to devastate the former colonial sector throughout Africa, at an accelerating rate. This sector has been set up to be victims of this developing crisis, by the globalization policies of the British financial empire, which leave countries unprepared for the current collapse of the imperial monetary system.

In Kenya, the government has declared the results of the drought and the food crisis (shortages and high prices) a national disaster.

In another indication of how serious the crisis is, it is being reported that farmers in the area are selling their scrawny livestock—their biggest asset—at low prices, out of desperation.

NATO Continues Air Strikes in Libya; Russia, China Seek Political Solution

June 9 (EIRNS)—Over the June 7-8 period, the NATO military operation seeking to overthrow Libyan dictator Moammar Qaddafi, carried out the largest number of strikes since the campaign began 80 days ago. During this onslaught, with 40 or more attacks carried out against the city, NATO defense ministers met in Brussels to discuss their campaign, while Russia and China sought to work out a political solution.

On the day of the meeting, NATO Secretary General Anders Fogh Rasmussen said NATO had conducted 10,000 air raids since March 31. At the meeting, pressure was put on those members of NATO who were not participating in the campaign, to join it. British Defence Secretary Dr. Liam Fox said that he "made the point that too many [allies] are doing too little." The British and French are taking the leading role in the attacks, with the Obama administration playing a strong role in logistical support such as fuel and midair refueling.

The NATO ministers said there would be no let-up in their war against the Libyan government "for as long as necessary," and that they would commit the "necessary means" to accomplish their goal which they avow is democracy. This raises the ultimate possibility of ground troops.

The June 7 escalation was carried out while a special envoy of Russian President Medvedev was visiting Libya. At the same time, Libyan Foreign Minister Abdul-Ati al-Obeidi was in Beijing for three days of talks. While both Russia and China have initiated contacts with the NATO-backed rebels, both want a political solution for Libya that will preserve a unified state, instead of the regime-change policy of the British financial empire, being implemented by the British, French, and U.S. governments.

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