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China Warns Against Obama Drive for World War III  
Fiscal Pact: Euro Crisis Continues as Nations Crumble  
NIE 'Water Security' Plan Threatens National Security

## LaRouche to Town Meetings: Rescuing the Future



Founder and Contributing Editor:

*Lyndon H. LaRouche, Jr.*

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e-mail: [eirns@larouchepub.com](mailto:eirns@larouchepub.com)

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Webmaster: *John Sigerson*

Assistant Webmaster: *George Hollis*

Editor, Arabic-language edition: *Hussein Askary*

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P.O. Box 17390, Washington, D.C. 20041-0390.

(703) 777-9451

**European Headquarters:** E.I.R. GmbH, Postfach

1611, D-65006 Wiesbaden, Germany;

Bahnstrasse 9a, D-65205, Wiesbaden, Germany

Tel: 49-611-73650

Homepage: <http://www.eirna.com>

e-mail: [eirna@eirna.com](mailto:eirna@eirna.com)

Director: Georg Neudekker

**Montreal, Canada:** 514-461-1557

**Denmark:** EIR - Danmark, Sankt Knuds Vej 11,

basement left, DK-1903 Frederiksberg, Denmark.

Tel.: +45 35 43 60 40, Fax: +45 35 43 87 57. e-mail:

[eirdk@hotmail.com](mailto:eirdk@hotmail.com).

**Mexico City:** EIR, Ave Morelos #60-A, Col Barrio  
de San Andres, Del. Azcapotzalco, CP 02240,  
Mexico, DF. Tel: 5318-2301, 1163-9734, 1163-9735.

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# EIR

## From the Managing Editor

Lyndon LaRouche's opening remarks to the March 31 webcast, with links to town hall meetings in Detroit and Boston—our cover story this week—were brief and to the point: We are on the verge of thermonuclear warfare, which would mean the virtual extinction of the human species. While war-avoidance efforts continue, the danger will exist, as long as Obama remains in office as a tool of the British Empire.

However, long-term war avoidance means a complete shift in U.S. economic policy, which was the focus of LaRouche's address: "We need an immediate action, which is to restore our economy to its original intention, to a fixed-exchange-rate system. . . . We will also put in Glass-Steagall. Glass-Steagall is absolutely essential to prepare the way for a fixed-exchange-rate system. . . . But the key thing that's going to make this work, is we're now in the process of launching a NAWAPA program. The NAWAPA program which we've now prepared, in terms of a design to go with, that program will be the recovery program of the United States. . . ."

*Strategy* this week brings you "NAWAPA XXI NOW! 'Water Security' Report Threatens National Security": the Malthusian crowd is promoting "water wars" over "fixed resources," when the solution is ready at hand, namely, NAWAPA.

The reality of the economic-financial collapse is examined in *Economics*, beginning with a report from Europe: "EU Fiscal Pact: Euro Crisis Continues as Nations Crumble." And in the "LaRouche (and Cheminade) were right" department: The Queen does push drugs, as you will find in, "Coutts & Co.: Queen's Bank in Cahoots with Drug-Traffickers." There is also a report from the BRICS—Brazil, Russia, India, China, and South Africa—meeting in New Delhi, to demand a just financial system; and speech to the February Schiller Institute conference on Arctic development by Ulf Sandmark.

In *International*, you will find further evidence that there is growing recognition of the danger of war, in "China Joins Russia: Warns vs. Obama Drive for World War." The British imperial troublemakers are also active in the "Heartland": see "Britain and Its Followers Cast a Crooked Shadow over Central Asia." Our coverage of Jacques Cheminade's courageous campaign for the Presidency of France continues this week with "Cheminade Presidential Campaign Shakes Up the Establishment."



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*LaRouchePAC organizers in San Francisco, March 3, 2012.*



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Lyndon LaRouche spoke by simulcast to two town hall meetings on March 31, in Detroit hosted by Michigan Congressional candidate Bill Roberts, and in Boston, where Rachel Brown is the national slate candidate for Congress.

LaRouche began on a sober note: “We’re on the verge of general warfare, thermonuclear warfare, which has to be prevented, because it would mean the virtual extinction of the human species—maybe not entirely, but virtually—which is about to be launched by Obama on behalf of the British monarchy.” But, he said, if Obama is removed from the Presidency, we can bring about a recovery of the nation and the planet, with a return to Glass-Steagall, a national credit system, and great projects like NAWAPA.

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## LaRouche Addresses Town Hall Meetings: Rescuing the Future

*Lyndon LaRouche spoke by simulcast to town hall meetings in Boston and Detroit on March 31. What follows are excerpts from his opening remarks and an edited selection of the questions and answers. Bill Roberts, candidate for the Democratic Congressional nomination from Detroit, hosted the event. The video is available at <http://larouhepac.com/webcasts/20120331.html>.*

The issue here is this: We're on the verge of general warfare, thermonuclear warfare, which has to be prevented, because it would mean the virtual extinction of the human species—maybe not entirely, but virtually—which is about to be launched by Obama on behalf of the British monarchy. That's the way it goes.

We need an immediate action, which is to restore our economy to its original intention, to a fixed-exchange-rate system, and on that basis, we can be assured that this nation will survive. We're now at the point if that does not occur, we're finished.

We will also put in Glass-Steagall. Glass-Steagall is absolutely essential to prepare the way for a fixed-exchange-rate system, and we are going to, in that way, eliminate the other kinds of problems.

But the key thing that's going to make this work, is we're now in the process of launching a NAWAPA [North American Water and Power Alliance] program. The NAWAPA program which we've now prepared, in terms of a design to go with, that program will be the recovery program of the United States, and be the assurance of the existence of our United States. . . .<sup>1</sup>

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1. See "NAWAPA XXI: The Crucial Agenda To Save the Nation," {EIR}, March 30, 2012; for the complete report, see <http://larouhepac.com/nawapaxxi>.



*Kesha Rogers, contender for the Democratic Congressional nomination in Houston (far right, with umbrella), leads a campaign team outside a stadium where President Obama was speaking on March 9. Unless Obama is removed from office, LaRouche said, there is no chance of implementing the necessary programs to reverse the economic crisis and save the nation.*

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Our leading six candidates will not be treated as individual candidates—they will be individual candidates in this coming election; but they will also, at the same time, be a team which puts through the reorganization of the national economic system of the United States, to a fixed-exchange-rate system, a credit system, and that will be the foundation.

In order to get the credit system into order, we have to first of all reestablish Glass-Steagall. That means we will eliminate the greatest part of the Federal debt of the United States, today, which is a gambling debt! And under Glass-Steagall, as under the original Constitution, the United States does not pay gambling debts of banks or anything else. That's a key part.

The other part of the thing, is that once we establish Glass-Steagall, we will eliminate the obligations to the banks, the swindler banks that are looting the U.S. population. Those forms of banking will be locked out of Federal responsibility, which means we will have banks which are functioning; under a Glass-Steagall system. Glass-Steagall will, by eliminating debts which should not be paid, which are contrary to our Constitution, will save the nation and prevent the general collapse which is now ongoing, the blowout.

However, it will not be enough. Therefore, we have to go back to a fixed-exchange-rate system as our inter-

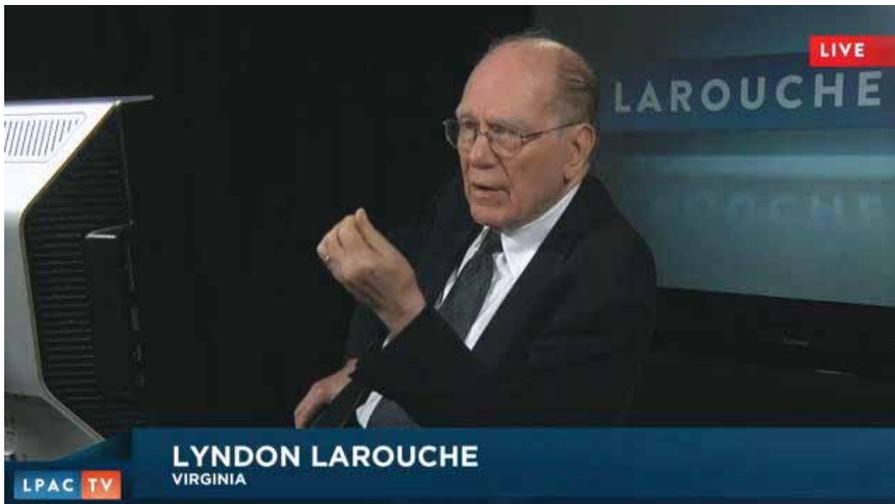
national policy, but we have to go back to the original system of our Constitution. That credit system will ensure our ability to launch major projects which will lead to an actual, general recovery. Without that reform, you can not have a general recovery of the U.S. economy now.

On that basis, then, we will launch a massive amount of credit, and the keystone of all this credit launching will be NAWAPA. The NAWAPA program will be the major prompting program for the recovery of the United States, under our Constitution.

Everything we're going to do should be centered on these two things. Glass-Steagall is constitutional in its character, and the cancellation of it was a crime against the nation. That's a part of our original Constitution. Going to a fixed-exchange-rate type of system, in terms of other nations, and going to the original constitutional system in the United States, would mean a general recovery for the United States.

These are the measures which must be taken. Without these measures this nation does not have a chance of surviving. With these measures, we can do just fine.

And so, I think, with that said, with this old geezer saying this, this is where we stand. You probably have a lot of questions to ask and I'll respond to them.



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Lyndon LaRouche addresses audiences in Detroit and Boston on March 31, by simulcast. "The United States Constitution does not pay gambling debts!" he said. "If you've got a gambling debt, kiss it goodbye."

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## Dialogue with LaRouche

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**Q:** Hello, Lyn. I have been talking with a lot of people about the need for Glass-Steagall and the Hamiltonian credit system and the National Bank, etc. Most people still follow the line that they get out of the news media. The news media does not talk about the "futures market," they use the term "speculators." A lot of people still believe that there's a stabilization in speculation, and I'm maintaining to them, that only through the credit system can farmers and manufacturers achieve parity. How can I get this cleared up in talking with them?

### We Will Not Defend Gambling Debts!

**LaRouche:** I don't think that any person who has any competence whatsoever in economy would have any defense against Glass-Steagall! It's impossible. *Not* restoring Glass-Steagall would be an act of insanity.

For example, look at our system now: Look at Wall Street! Do you realize that this whole system of the United States, as long as we do *not* enact Glass-Steagall, the United States is hopelessly bankrupt? Do you think that there's anything to cover the debt of the Federal Reserve System? There's nothing! Do you think that Europe, or the British themselves, have any margin for actually covering their debt? Do you think that situation of the United States and of Britain, and of most of

continental Europe, is any better than the case of Germany in 1923, with hyperinflation?

In the trans-Atlantic region, we're all living under the greatest rate of hyperinflation that the planet has ever known. These debts will never be paid, because they never *could be paid*. They're vast, and there's nothing to cover them.

The only way to do it, is to go to Mr. Speculator, the crooked banker, the Wall Street type, and say, "Gentlemen, you have your debts. *You own your debts*, but we don't pay any of them!" Now, that would mean, simply, a very practical measure: *The United*

*States Constitution does not pay gambling debts!* If you've got a gambling debt, kiss it goodbye. Or don't kiss it goodbye, probably a better idea; just get rid of it! Never pay it!

The United States is not to be destroyed by foreign debts which are gambling debts. So without Glass-Steagall this nation can not continue to exist. Anyone who is not putting Glass-Steagall foremost, is either insane or criminal, because there's no way this nation can continue to exist under those conditions.

Now, you say, these guys are going to go bankrupt. Well, not *all* are going to go bankrupt, because what we will do with Glass-Steagall, obviously, is divide the debts in banks into two categories. One category which is our traditional banking. Those accounts in those banks which are not this crooked type, those honest debts, will be covered by Federal guarantees, as under Glass-Steagall originally. But other kinds of debts, gambling debts, will not be covered by the Federal government. So that means that you go to these systems, we're not going to pay 'em.

We're going to defend the banking system, that is, the commercial banking system of the United States, as we used to under Franklin Roosevelt. We'll continue to do that. The problem is this: There will be not enough wealth left in the banking system, even after we clean it up and stabilize it; there won't be enough to keep the nation going.

So therefore, we have to do something else: We

have to go back to our original system, a credit system, under Alexander Hamilton's banking system, for example. Under those systems, we can issue credit—not banking deposit, but credit, U.S. Federal credit—and that Federal credit will be used to launch large-scale programs, of which the typical example would be what we're going to do with NAWAPA. We obviously are going to completely restore the intention of our space program, that must be restored. We need it, because we need defense against the things that threaten humanity from nearby space. We do have the knowledge of the technology which is required to do that. So we must defend NASA, restore it and defend it.

But the key thing is, we've got to create a project which is big enough, under a credit system, to save the U.S. economy and get the growth going again. You realize, most of you, that we no longer have any industry in the United States, to speak of. It's been shut down! When the auto industry went under, that was it! It blew everything out. We were working on this, at the time when the crisis came in the auto industry, back some years ago, and we counted all the space that was controlled by the automobile companies, all the potentialities there, and related companies, and we had a map, showing that with a Federal program designed for this purpose, we could have maintained a *diminished* auto industry—the debt was too much—but by transferring the production capability from the auto industry, where we had too much capacity, to other industries, which we need, for which we had the floor space, we had the people with the skills, and the technology skills who could be brought back into play, we could have had a revival of our industrial might in the United States.

*That has now been destroyed!* Under Bush and under this President.

So therefore, what we need is a project which will take us out of this whole problem. NAWAPA is the greatest project ever attempted by mankind! NAWAPA is fully designed; there are changes that would be added to the process, now, but NAWAPA would be a full revival of the industrial and related potential of the U.S. economy. It would also be a major focus of cooperation with other nations. It would mean the restoration of this nation. It would mean that the unemployment would stop! What's happening to our people will stop!

We're going back into a real economy, of the kind we used to have before John F. Kennedy was assassinated, and before bunch of characters up there covered up the assassination. And also, John F. Kennedy would not allow the war in Indo-China, nor would he have allowed the other wars into which we're throwing our citizens as cannon fodder, just to be *murdered* for perpetual wars, in Asia, Africa, and elsewhere.

We have in our power, as citizens, if we mobilize as citizens, we have the power to prevent the threatened thermonuclear war, which is hovering over humanity as a whole right now. We also have the understanding, the design, and the resources, which, if we mobilize, we can rebuild this nation and rebuild other nations in similar kinds of problems. This is a choice for us, as citizens, that we, as citizens, must mobilize to take charge of our nation once again by a popular demand for those measures which will solve this problem.

And, in NAWAPA, we have the greatest project ever attempted on this planet. It is essentially designed. It has been designed to go, for decades now, and it's been improved upon by our people who have been working on the improvements and the design necessary to bring the whole thing up to date. The greatest project that has ever been attempted on this planet is NAWAPA, and we're in a position, if we get this bum out of the White House, and get a different program going, where NAWAPA can be the key to economic revival, not only of the United States, but of other parts of the world, *which can solve the essential problem that faces us today.*

### **NAWAPA's National Reach**

**Q:** How is the NAWAPA going to affect Detroit and the Midwest? NAWAPA is benefitting the West Coast, but how does that benefit anyone here, who doesn't just pick up and move out West to work on the project?

**LaRouche:** How many train and railway systems do you think are going to be required throughout the United States, as in Detroit, for example, Michigan generally, Ohio, Indiana, Illinois? How many places that used to build automobiles and airplanes and things like that, machine-tool-design equipment? Do you think that NAWAPA, which is largely in the western part of the United States, up into Canada, and up into Alaska, do you think that they're going to do this all by themselves?

Where do you think they're going to get the machine tools? We've got people in Detroit, we've got people in Ohio, we've got people in other places, who are virtually running out of the age group that they can still do machine-tool design. But they're still there; and they may not be able to work as hard as they used to, but they have the brains and knowledge to know how to teach others how to do it!

What NAWAPA will be, over a period of say, 20 to 30 years, will be the greatest project you ever saw, and *every part of the United States will be involved in it*. There's no section of the United States that would not benefit immensely from the installation and development of the NAWAPA program. It's the greatest project which has ever been attempted by *any* nation, including our own! And it would mean the immediate revival of the United States, to what it once was . . . and better!

### Obama and Netanyahu: British Puppets

**Q:** You stated a couple of weeks ago, when Benjamin Netanyahu was here to see President Obama, that they had a secret agreement, that President Obama would back Israel. Just this week, I read in the *New York Times* that Netanyahu and Defense Minister Ehud Barak have come to an agreement that they do need to strike Iran. Could you elaborate on that?

**LaRouche:** There's no such need whatsoever. This was a British operation, these guys are British stooges, that's all they are. The majority of people who I respected in Israel—some of them are still alive, there—have opposed this nonsense as insanity. But the British interest which controls these guys, owns them—like Netanyahu, who is nothing but a puppet of the British.

So, he with the backing of various interests, including Saudi interests for example, are involved in trying to get this thing going. But the majority of the



*Alexander Hamilton, portrait by Daniel Huntington (1865). It was leaders like Hamilton, LaRouche said, who gave us the kind of credit system we needed to deal with our money problems after the Revolutionary War. "And it worked!" It will still work, and we have to revive it.*

leadership I know in Israel which is reasonable—they're not always reasonable, but they're reasonable on this question—know that this is insanity, the worst thing you could possibly do.

So, the point is: This should *never happen!* And we hope that they would throw Netanyahu out. The guy is no good anyway! He should have been thrown out by the Israelis, because, as many of them know, he's a threat to the average Israeli. His operation is a threat. They have no need to be involved in a *thermonuclear war*, and that's what this is. The Israelis may not have thermonuclear weapons—they have nuclear weapons—but they have *no interest* in such an adventure. They're only British puppets.

I don't know how hard some of the people I know about in Israel have fought against them, but I know they've fought against them. And this thing should not be tolerated, at all.

You can imagine, if this were to happen—and most of our leading generals know this, as well as other relevant people: If you were to make an attack on Iran, by Israeli forces, do you know what would happen? What countries would be involved? Do you know what kind of weapons would be involved, not just by the Israeli forces, but by others? Do you know what the alliances are throughout Asia? Do you know what happens if this will come as a surprise attack? In other words, somebody's not going to declare war, and then march troops in, and then start to act; they will *not tell you* when the attack is to occur. They will not tell you! You will have no control over it. You have a President of the United States *who's behind this*, under British direction; the British are running it. You will not be told.

What will happen then? You will have a concatenation, once the first weapons are fired, and they will be *thermonuclear weapons*, not just nuclear weapons, *thermo-*

*nuclear weapons*, and the United States has the greatest concentration of these thermonuclear weapons in submarines. When these things go off, they will go off against targets including Russia and China, and possibly India, probably India. What do you think is going to happen then?

The minute those things go off, and somebody detects that this is beyond what's controllable, then you're going to have a reaction by the targeted nations, including nations which are also thermonuclear powers. Do you know how much killing is done, in a war which the United States is involved in, where thermonuclear weapons are involved, and others? Do you know how much of this planet will survive, or maybe not survive, if that thing starts?

Do you realize what's being done by the U.S. military command in trying to postpone this, since last year? And they're not sure how long they're going to be able to hold out against precisely this operation, *which our President of the United States is behind*. And the intention is to get the United States, under this President, to support this war! Such a war, started, with thermonuclear weapons, may not leave many living human beings on this planet, *if any!* That's why people are concerned about this thing. They realize what the potential is.

And you see what happened in Libya, to Qaddafi. The Qaddafi model is the model for this kind of approach, and it was done by *this* President, who committed a crime in launching that war.

So those are the terms you have to consider: We have a President who is prepared to unleash unlawful warfare, putting the United States itself in jeopardy by that act; involving Israel in this, as a puppet, to set the thing off. If it's set off and the target is Russia and China, and also implicitly India, and also other places, if that occurs, then obviously the U.S. Naval forces and other forces are going to launch an attack on Russia and China, with thermonuclear weapons: The minute those weapons are detected as launched, Russia and China will respond, with thermonuclear weapons! The planet will explode with nuclear and thermonuclear weapons and other things.

*That's what's at stake with Netanyahu, as the trigger man for thermonuclear World War III.*

## Closing Remarks

**Bill Roberts:** Okay, Lyn. I think you've given people a lot to think about. Do you have any closing

remarks?

**LaRouche:** The key thing I would say, as a theme: We're now in possession of the knowledge of what has to be done. There are three things to bear in mind at this point:

Number one, we have to install Glass-Steagall. If you do not install Glass-Steagall now, kiss the United States and yourself goodbye. Because you don't have a chance, unless Glass-Steagall is installed.

Glass-Steagall has limited capabilities, now, because there's so little left of the legitimate banking system, even if we protect it, that it will not give us the means to restore the economy of the United States. And people will die of hunger and other problems as a result. Therefore, we can not stop with Glass-Steagall: We must *instantly* install Glass-Steagall and accept no opposition to it: If you care about your life, if you care about your nation, *you will insist*, that every politician of relevance will either support Glass-Steagall or run away and hide someplace. And not be seen again for a long time!

Because that will be the effect: You can have a general breakdown crisis of the United States economy, modeled on what happened to Germany in 1923, hyperinflation. That's ready to go. Therefore, this must be installed; anyone who is not supporting Glass-Steagall should be impeached for failing to do so!

All right, now Glass-Steagall has limited capabilities because we have limited surviving capabilities for handling this problem. The only way we can get enough money, or the equivalent of money, to save the United States economy under these conditions, is to go to a *credit system, which is what the original U.S. Constitution system was*. The reestablishment of a credit system means that we will be able to generate sufficient wealth, in terms of investment wealth, in order to revive the U.S. economy.

That would mean, largely, you have two things. NASA, obviously has to be restored, because it's strategically crucial. But the big project is NAWAPA. And the combination of a national credit system and NAWAPA, will be the *greatest surge for revival for the U.S. economy ever imaginable*.

So we have in our hands the things required: NAWAPA, going to the credit system as such, and the program of NASA, these projects will do it. We can save this nation. And there's nothing else much worth doing, unless that's done.

THE EU FISCAL PACT

## Euro Crisis Continues As Nations Crumble

by Claudio Celani

March 30—The echo of European Central Bank chieftan Mario Draghi's words, "The worst of the crisis is over," had not yet died out, when the euro financial crisis exploded again. The calming effect of the ECB "nuclear strike" of EU1 trillion, zero-interest, three-year loans to the banks, lasted less than four weeks. The sovereign debt crisis, the credit crunch, political instability, and social tensions are again up-front, as the real economy, brutalized by the insane ECB/European Union policies, has been crushed in all the Eurozone countries, rendering them unable to achieve their fiscal targets.

As of this writing, Italy is again becoming a hot spot of sovereign debt and social crisis, adding to the ever-deepening Greek crisis, as a new member joined the club: Spain. The economic performance of Spain is so bad that rumors are circulating that the government of Prime Minister Mariano Rajoy will be forced to ask for EU financial aid, thus defying all current EU plans for a "firewall" to prevent the collapse of the euro.

Spain's aggregated debt, as a percentage of GDP, is the highest in the Eurozone, second only to the U.K. in the European Union: 363%. Whereas government debt is "only" 71%, household debt is 82%, non-financial corporations is 134%, and financial corporations is 76%. The government deficit, a marker for new debt, is at over 6% of GDP. Consider that Spain, like all Eurozone members, has implemented austerity measures aimed at reducing that deficit to zero in the short term. The result is just the opposite.

At the beginning of March, the Spanish government announced a revision of growth forecasts, from 0.8% to minus 1.7%. Official unemployment in Spain is the highest in the Eurozone, at 23%. Every second youth is unemployed.

Despite the evident failure of the EU adjustment programs, Rajoy's government intends to proceed with the same therapy, and has announced a new austerity package of EU27.3 billion in budget cuts, tax increases, and a freeze on public-sector wages. Social tensions are rising. At the general strike on March 29, demonstrators applauded rioters who set fire to banks and shops, similar to what was seen in Greece, beginning a few months ago.

### Italy: It Can Happen Here

Italian observers are worried about what could happen in Italy, as the country, joining Greece and Spain, is entering a period of social tensions as a result of the Monti puppet government's imposition of the same level of brutal austerity under orders from the EU/ECB. Trade unions have called a general strike over Prime Minister Mario Monti's bill for deregulation of labor laws.

In recent days, anti-government protests have taken a form previously unknown in Italy: people setting themselves on fire, as has been seen in the North African revolts. Yesterday, an immigrant worker set himself on fire in Verona. The day before, a small businessman set himself on fire in front of the government debt



*“The worst of the crisis is over,” averred ECB head Mario Draghi (left) recently, but nothing could be further from the truth. In Italy, for example, led by the bankers’ toyboy Mario Monti (right), workers are setting themselves on fire, in despair over the austerity and joblessness.*

agency. In the last seven weeks, seven small entrepreneurs hanged themselves because of debts.

Similar to Greece and Spain, Monti’s made-in-the-EU “fiscal discipline” is destroying Italy’s physical economy, along with its ability to achieve those very fiscal targets demanded by the EU. Industry Minister Corrado Passera, a former Intesasanpaolo banker, said on March 29, in front of a Parliamentary committee, that the Italian economy will be in a recession “the entire year” of 2012. Industrial production is down 2%; industrial orders, 5.6%; applications for home mortgages have collapsed 44%; new car licenses have dropped 17.8%; air passenger and cargo traffic is 6.5% down; natural gas consumption, 4.3%,

The Monti double tax on gasoline led to a drop in gasoline consumption of 10% in the first two months of 2012, while gasoline prices have increased 10%, rising above the threshold of EU2 per liter, or about \$10 per gallon. (By comparison, in Germany, it is between EU1.6 and 1.7).

Despite all the bloodletting, Italy’s budget figures are worse than last year: The government deficit for January-February is EU10.7 billion (EU10.3 in 2011); public expenses from January 2011 to January 2012 have increased 2%.

The Monti government forced its 12th confidence vote, since coming into office last November, on an executive decree yesterday in Parliament. By contrast, the previous Berlusconi government, which was scolded by the media and the opposition because of its massive use of the confidence vote to force through government bills, had forced a confidence vote 53 times in 36 months.

Although Italy’s economy is not comparable to that of Greece (Italy has the second-largest manufacturing output in Europe), the path chosen by Monti on behalf of the EU/ECB is leading to a similar inferno. The oligarchical faction supporting Monti claims that Italy must accept the idea of losing 50% of its industry, because of globalization and outsourcing. This means mass unemployment and physical-economic collapse.

### **Greece: Back to a Peasant Economy**

The example of Greece is before everyone’s eyes. It is now reported that Greece is moving from an agro-industrial to a peasant economy because of the European Union’s depredations. More than 1.5 million Greeks, 15% of the population, are considering moving from the city to the provinces, according to a survey commissioned by the Agricultural Development Ministry which was made public yesterday.

The survey, conducted by the polling firm Kapa Research, based on a sample of 1,286 respondents in Athens and Thessaloniki, found that 68.2% have considered leaving the city, while 19.3% have already relocated. Three-quarters of the respondents who expressed a desire to move to the provinces are younger than 44. Around half said they were interested in going into farming, with most drawn to cultivating olives or producing olive oil.

The government is offering small parcels of farmland, 1 to 3 hectares (2.5 to 7.5 acres), for lease to would-be farmers. Many unemployed have taken advantage of the offer. There is now a trend in which urban Greeks, many of whom are unemployed or pensioners, are moving back to their ancestral homes in rural villages to eke out an existence through subsistence farming and barter trade.

According to some reports, the Greek government, led by former central banker Lucas Papademos, is now looting the bank assets of Greek universities and government hospitals to pay off private bondholders. *Athens News* reported that six of the country’s universities are facing immediate closure, the recent bond swap<sup>1</sup> having reduced their assets to zero. An emergency meeting of university rectors yesterday heard that only EU33 million remained out of EU120 million that 17 Greek universities had deposited with the Bank of

1. A deal reached with the government’s foreign creditors on March 9, to write down their loans by 53.5%, the biggest sovereign debt restructuring in world history.



swiss-image.ch/Remy Steinegger

*German Chancellor Angela Merkel has so far gone along with the insane Fiscal Compact, which will destroy Germany, along with the rest of Euroland. A referendum, as called for by Helga Zepp-LaRouche, could defeat it.*

Greece for their operating expenses, while six university accounts were now completely empty, and would soon be unable to stay open.

This report tends to confirm a report earlier this week on a Greek blog, called “The Slog,” that the Greek government had grabbed the assets of state universities and hospitals to the tune of almost EU1.5 billion in order to pay off foreign bondholders. The blog, citing a Greek health news site, wrote that just before midnight on March 8, the eve of Greece’s bond-swap, an average of 70% of public utility funds in various large, interest-bearing accounts at the Bank of Greece were raided. This included the regional hospital budget and at least one utility.

As a result, checks issued by these institutions bounced, and they were unable to pay salaries. They assert that the money was used to pay a group of bondholders the full face value of their bonds before the swap was finalized.

## **The Rush to Dictatorship**

Blind to the failure of the “fiscal discipline” policies, Eurozone countries are rushing to constitutionalize it, first in each member-state, and finally into the so-called “Fiscal Compact,” a new treaty which will shift full budget control to a supranational level.

The Fiscal Compact is supposed to be ratified by all national parliaments, together with the new permanent EU bailout fund, the European Stability Mechanism

(ESM), which should be operative by July. The decisive battle for this is being fought in Germany, where the Constitutional Court put limits on sovereignty transfer, in a ruling last year.

In order to bypass the Constitutional Court, the Merkel government has pulled the trick of leaving a blank space in the draft bill for the financing of the ESM, because it involves the delicate question of sovereignty over the budget, which, according to the Court ruling, must be held by the national Parliament. This blank space will be filled in by the Budget Committee, whose members, and only they, will deliberate on the complete text. The rest of the Parliament is excluded.

At the end, Chancellor Angela Merkel’s government might make some concessions to the opposition in order to get the necessary two-thirds majority in the Bundestag, but it is believed that the government will get the votes. However, constitutional challenges are being prepared, and the fight is still open. More and more prominent people have called for a referendum on the two treaties, similar to that which Helga Zepp-LaRouche has put forward.<sup>2</sup>

Among the opposition, Die Linke (The Left) party has also announced that it will challenge the constitutionality of the Fiscal Compact because it establishes a “European federation, the United States of Europe, by way of a fiscal union,” as spokesman Gregor Gysi stated in the Bundestag debate on March 29. The Treaty, furthermore, establishes an “eternity clause,” which contains no provision for an exit, so that under the Vienna Convention on the Law of Treaties, it can be invalidated or changed only if all signatories agree.

Thus, the zero-deficit provision included in the Treaty is stronger than the same provision which was previously inserted into the German Constitution, but which can be changed with a two-thirds majority. To change the Treaty will be almost impossible, except by violating international law.

Usually, Merkel leaves the room when Linke members speak, but this time, she stayed in her seat and listened, together with all the other parliamentarians.

The other pillar of the new Fiscal Union will be the permanent bailout fund, the ESM.

Originally, the ESM was supposed to be able to build a “firewall” of EU500 billion; eventually, this was increased to 700 billion. On March 30, Eurozone fi-

2. See Helga Zepp-LaRouche, “Feudalism or Nation-State: The Choice Is Ours,” *EIR*, March 30, 2012.

nance ministers came out of their meeting in Copenhagen with the announcement that ESM has been further increased to EU800 billion. But this looks like an illusionist trick: Half of the money has been spent, and the rest is not there.

The Eurozone illusionists added EU100 billion to the already agreed-upon 700 billion, by adding money already spent by the “small” EFSM (European Financial Stabilization Mechanism) (an EU60 billion fund set up in 2010 directly under the EU Commission) for Ireland and Portugal, and money already loaned by EU member-states to Greece under a bilateral agreement. It is about 50/50 each.

### A ‘Tower of Babel’

As for the bulk of EU700 billion, only 400 will be available in 2013: 200 billion is supposed to come from the EFSF (European Financial Stability Facility), but has already been spent under current bailout programs; and 200 billion will be the total amount of loans the ESM can generate in the first year, because its capital will be paid in installments: two installments in 2012, and one in 2014.

Thus, only after one year can the ESM reach its own

“firepower” of EU500 billion, plus the (already spent) EFSF quota of 200 billion. In order to compensate for that, it has been agreed that the money the EFSF could additionally borrow by statute (about EU240 billion), will be calculated as a potential “buffer” until the ESM reaches its full power, i.e., in one year.

Thus, the Eurozone ministers could write in the final communiqué: “All together, the euro area is mobilising an overall firewall of approximately EUR 800 billion, more than USD 1 trillion.” By pronouncing the words “1 trillion,” the EU illusionists hope perhaps to convince the IMF to add another “half a trillion” to the virtual firewall.

Even German central banker Jens Weidmann exposed the insanity of an ever-increasing bailout fund. Speaking in London on March 29, Weidmann compared it to a “Tower of Babel.” No matter how many bricks you add, you will never reach the heavens, he said.

What Weidmann forgot to say, is that even if the bricks reached to the sky, it wouldn’t be enough to bail out the system, because it is not a matter of one country, but of the entire bankrupt trans-Atlantic financial system. Only one thing will work: banking separation and destruction of the financial casino.

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## Queen's Bank in Cahoots With Drug-Traffickers

by John Hoefle

The British Empire sits at the center of the international narcotics business, organized crime, terrorism, and money laundering, all of which are facilitated by the imperial banking system. As we have shown repeatedly, significant parts of the imperial banking system were in fact created specifically to launder drug money and hide the proceeds of this illicit empire. It should come as no surprise, then, that one of the oldest banks in the empire has been caught red-handed in illegal activity.

The bank in question is Coutts & Co., which traces its roots to 1692, and is now a unit of the Inter-Alpha Group's flagship basket-case, the Royal Bank of Scotland. Coutts is also widely known as the bank of Queen Elizabeth II, and many other members of the British aristocracy.

Coutts is a "private bank," the term for banks which specialize in handling the accounts of very wealthy individuals, many of whom got their riches in ways which, shall we say, are not exactly legal. The Queen knows what we mean.

The U.K.'s Financial Services Authority (FSA) examined Coutts' activities from December 2007 through November 2010, and found "serious, systemic" failings in its "anti-money laundering systems" and its dealings with "high-risk" individuals.

"The failings at Coutts were serious, systemic and were allowed to persist for almost three years. They resulted in an unacceptable risk of Coutts handling the proceeds of crime," the FSA said in a statement posted on its official website.

Note that these violations occurred while the global financial system was blowing out, and the British Empire was—as it remains—in full survival mode. It was a time when the pretenses of ethics and legality were thrown out the window, and when everything that wasn't nailed down was thrown into the rescue attempt.

### 'The Only Liquid Investment Capital'

It was also a period in which Antonio Costa, the director of the UN Office of Drugs and Crime, warned that the proceeds of the drug trade and other illegal activities were being used to rescue the banks. Costa, in a January 2009 interview with the Austrian weekly *Profil*, noted that the drug trade was a "growth industry," which feeds an "imposing" volume of money into the banks.

"In many cases," Costa told *Profile*, "drug money is currently the only liquid investment capital, to buy real estate, for example. In the second half of 2008, liquidity was the biggest problem the banking system had, and therefore, this liquid capital became an important factor."

That the Queen's own bank would be caught breaking the rules during a period when dope money and the proceeds from other criminal activities were being used to rescue the Queen's own system, certainly raises some interesting questions. Perhaps that's why Coutts was so quick to settle with the FSA.

The Royal Bank of Scotland, in the form of its subsidiary Williams & Glyn's Bank, was a founding member of the Inter-Alpha Group in 1971, along with Kredietbank of Belgium, Banco Ambrosiano of Italy, Credit Commercial de France, Nederlandsche Middenstandsbank of the Netherlands, BHF Bank of Germany, and Privatebanken of Denmark. These banks were part of a network of "private bankers" who represented the family funds—or *fondi*—of oligarchic families, some of which trace their roots back to ancient Venice and Rome.

These funds were used to jump-start the financialization and cartelization of the global economy, creating the derivatives casino which blew up the world and the system of global cartels which now dominates the planet. Coutts may have been late to join Inter-Alpha, but as the Queen's own bank, it was always a blood relative and co-conspirator.

If Coutts is that powerful, why did the FSA go after it in the first place? In part, the answer is to maintain the fiction that the U.K. is a nation, rather than an imperial satrapy. And, most likely, the FSA acted to help cover up egregious crimes.

Iran's PressTV had some fun at the Queen's expense, noting that "the British queen's bank" had been fined, and citing *EIR*'s friend Jacques Cheminade telling French TV, "a part of the fortune of the Queen of England comes from drug trafficking." How true.

*johnhoefle@larouchepub.com*

# BRICS Leaders Demand Just Financial System

March 29—The leaders of Brazil, Russia, India, China, and South Africa (BRICS), meeting today in New Delhi, attacked the “aggressive” use of “excessive liquidity” by the central banks of “advanced countries” in expanding the world financial crisis, and warned that “the situation concerning Iran cannot be allowed to escalate into conflict.” The statement was issued after the final day of the fourth annual BRICS summit, one of the fora for meetings among the leaders of especially Russia, China, and India, over recent years.

There were bilateral meetings between the leaders, as well as the full meeting of Russian President Dmitri Medvedev, Indian Prime Minister Manmohan Singh, Chinese President Hu Jintao, Brazilian President Dilma Rousseff, and South African President Jacob Zuma. In another direct dig at the trans-Atlantic economic policy, the leaders also asserted that “the concept of a ‘green economy,’ still to be defined at Rio+20 [the UN Conference on Sustainable Development, to

be held in Rio de Janeiro, Brazil, on June 20-22] must be understood in the larger framework of sustainable development and poverty eradication and is a means to achieve these fundamental and overriding priorities, not an end in itself.”

They called “for a more representative international financial architecture, and the establishment and improvement of a just international monetary system that can serve the interests of all countries and support the development of emerging and developing economies. Moreover, these economies having experienced broad-based growth are now significant contributors to global recovery.”

The leaders discussed enhancing already rapidly growing trade by extending credit using their own currencies, and eventual creation of a joint development bank for infrastructure projects, all of which were discussed at the meeting of the five nations’ trade ministers in Delhi yesterday.

The trade ministers stated that they are “concerned over the current global economic situation. . . . [E]xcessive liquidity from the aggressive policy actions taken by central banks to stabilize their domestic economies has been spilling over into emerging market economies, fostering excessive volatility in capital flows and commodity prices.” They said it is “critical for advanced economies to adopt responsible macroeconomic and financial policies.”

## ‘Iran Has a Crucial Role To Play’

The leaders warned: “The situation concerning Iran cannot be allowed to escalate into conflict, the disastrous consequences of which will be in no one’s interest. Iran has a crucial role to play for the peaceful development and prosperity of a region of high political and economic relevance, and we look to it to play its part as a responsible member of the global community. We are concerned about the situation that is emerging around Iran’s nuclear issue. We rec-



*The leaders of the BRICS countries, meeting in New Delhi, made clear their intention to establish economic and strategic policies independent of the dying trans-Atlantic system. Shown (left to right): the leaders of Brazil, Russia, India, China, and South Africa.*

ognize Iran's right to peaceful uses of nuclear energy consistent with its international obligations."

Afghanistan, they said, "needs time, development assistance and cooperation," and they "underscore[d] the need for more effective regional and international cooperation for the stabilization of Afghanistan, including by combating terrorism." For Syria, they expressed "deep concern at the current situation," called for peaceful means to deal with the crisis, and gave their support to the initiative of UN-Arab League envoy Kofi Annan.

On the economic front, the Delhi Declaration states: "We have considered the possibility of setting up a new Development Bank for mobilizing resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, to supplement the existing efforts of multilateral and regional financial institutions for global growth and development. We direct our Finance Ministers to examine the feasibility and viability of such an initiative, set up a joint working group for further study, and report back to us by the next Summit."

Russia's *Expert* magazine reported recently that the

idea for setting up the new development bank came from India, and that it would be financed exclusively by these nations—many of which, especially China, have very large foreign exchange and gold reserves—to promote projects in those countries. The main emphasis will be on developing industry, *Expert* reported.

The China Development Bank Corp., Russia's State Corporation Bank for Development and Foreign Economic Affairs, India's Exim Bank, the Brazilian Development Bank, and the Development Bank of Southern Africa signed the "Master Agreement in Extending Credit Facility" in local currencies and the "BRICS Multilateral Letter of Credit Confirmation Facility Agreement."

### A New Model of Relations

The BRICS could become one of the key elements in the system of global government, President Medvedev said, and should develop a new model of relations beyond any established stereotypes and above "bridges" or "intermediaries." Brazilian President Rousseff warned that the economic crisis "will not be overcome simply through measures of austerity, fiscal consolidations, and depreciation of the labor force, let alone through quantitative easing policies that have triggered what can only be described as a monetary tsunami."

Hu Jintao and Manmohan Singh met to discuss economic and other relations. Joint trade has grown 20-fold since 2000, rising 20% last year alone, to almost \$74 billion. They also formally declared 2012 the year of Sino-Indian friendship, and decided to enhance political trust to resolve outstanding issues like the decades-old border dispute and what senior Chinese official Luo Zhaohui told reporters is "very sound momentum" in their bilateral ties.

Singh and Medvedev discussed scaling up civil nuclear cooperation and enhancing trade ties, which lag far behind Chinese-Indian trade levels. They reaffirmed their cooperation on the Russian-aided Kudankulam nuclear plant, where work has re-started after being held up by anti-nuclear protests<sup>1</sup> in Tamil Nadu. They also discussed the agreements for the units III and IV of the Kudankulam nuclear plant that will enhance the civil nuclear ties between the two countries. The pacts were "almost ready," Russian Amb. Alexander M. Kadakain said in an interview early this week.

1. See Ramtanu Maitra, "West-Based NGOs Stall India's Nuclear Program; But at Whose Behest?" *EIR*, March 23, 2012.

## A Strategic Defense of Humanity



Were the United States to eject Obama, and reciprocate Russia's offer for an SDE (Strategic Defense of Earth), we would not only avert the danger of thermonuclear war in the short term, but we would eliminate the reason for humanity to ever go to war again. Peace, is not the negation of conflict; it's an active commitment among all peoples to "the common aims of mankind."

An LPAC video presented by Natalie Lovegren (12 minutes).

<http://www.larouchepac.com/node/20616>

# Man in the Arctic—But How?

*Here is the speech of Ulf Sandmark, EIR's Stockholm Bureau Chief, to the Schiller Institute Conference in Berlin Feb. 25-26, 2012. (Coverage of other conference speeches has appeared in recent issues of EIR.)*

Have you heard about the international research expedition into the Canadian Arctic Sea, where the Russian participants brought maps of the area that were better than the Canadian Navy's? Think about that! Somebody was there before.

Have you heard about nuclear ballistic missiles, polar satellites, and civilian air traffic routes? They all pass over the Arctic.

Have you heard about Typhoon, the world's biggest icebreaker? It was a Russian submarine designed to break up the ice from below the Arctic. The technique was a strategic flank to launch missiles from hiding places under the ice.

Why were the military, space agencies, and air companies in the Arctic first? Because for them it is normal think outside the box.

Why do we normally not think about the Arctic space? Are not our dimensions formed by the land and the sea, i.e., whatever we see with our senses, as Bruce Director said yesterday?<sup>1</sup>

Why don't we normally think about this space? With science you can see new space.

Is the Atlantic part of the Arctic? If you look at the map from the Arctic (**Figure 1**), you can see where these parts of the Atlantic correspond to Alaska, Siberia, and northern Canada. If you draw a circle from Anchorage over the southern tip of Greenland, it goes through Oslo, Stockholm, Helsinki, and St. Petersburg. Because of the Atlantic Gulf Stream, a good chunk of Europe is settled in the Arctic, including Scandinavia, Ireland, Scotland, England, and the North Sea and Baltic Coast states. But except for shipping and fishing, we do not integrate the Arctic

space in our minds.

The Norwegians, since the first oil production started in the North Sea field Ekofisk in 1969, have been in a continuing rush into the Arctic Sea. Why? Because, they have to invest. They have an economic policy that says that if the income is not used for more oil and gas development, it will just be put into the giant Norwegian oil fund. (It is like a farmer who is making too much profit, and would be investing in more and more tractors for his farm.) The Norwegian policy makes the oil and gas development into an automatic machine, working itself more and more into the Arctic. Now they have the best technological skills in how to work in the Arctic Sea. They were the first to open pro-

FIGURE 1  
Arctic Region



1. See "Toppling the Tyranny of the 2nd Law of Thermodynamics," Bruce Director's speech to the Feb. 25-26 Schiller Institute conference, *EIR*, March 16, 2012.

duction in the very hostile conditions of the Barents Sea.

The Gazprom [Russia], Eni [Italy], Total [France], and Alaskan oil companies are involved in a similar rush into the Arctic, but more like raw materials companies which are stuck in their current way of doing business, they concentrate on more exploration. These are important drivers into the Arctic.

In addition to these, we have the Russian Vernadskian impulse for colonization of the Arctic to expand the Noösphere. This is expressed in the ambitious Russian Arctic plan presented by Prime Minister (now President-elect) Vladimir Putin in the International Arctic Forum in Archangel. The Russian nation is expressing this sovereignty with the expansion of its icebreaker capacity that will open the Northern Sea Route for year-round traffic. Russia is now the only country in the world that is in production of a floating nuclear plant, the first, which will provide electricity to the cities along the Siberian Arctic coastline. These are the necessary drivers into the Arctic: national state projects, military presence, and raw material companies.

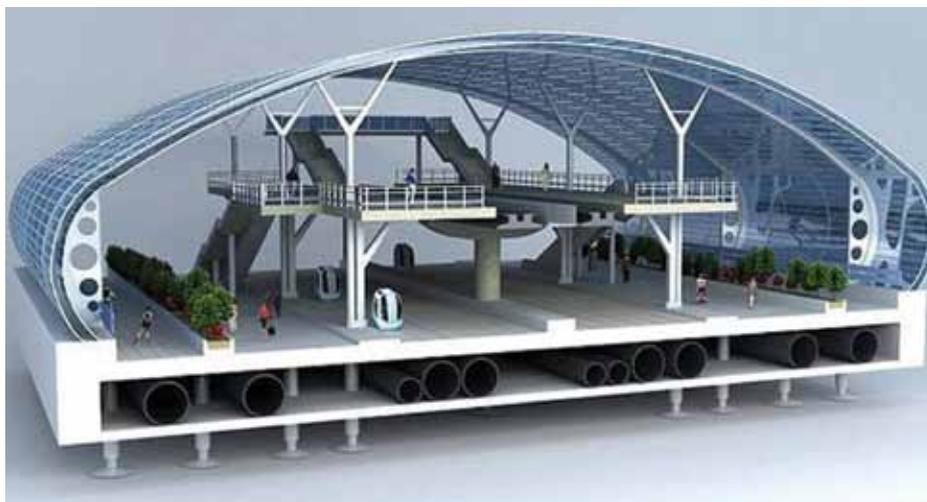
### A Dialogue of Cultures

However, there are problems here which Lyndon LaRouche had foreseen long ago, in “The Earth’s Next Fifty Years,”<sup>2</sup> in which he discussed the development of a true Eurasian culture. He wrote:

“Throughout this time, European civilization has been less populous, by a relatively great margin, than Asian. Yet the power expressed by European civilization has been greater, especially since the rise of Classical Greek culture since no later than approximately the Seventh Century B.C....

“This has to do, essentially, with the special nature of man, especially the related form of induced self-image of the typical individual member of the society. This portends a potential catastrophe in Asia, even in

FIGURE 2  
**Domed City of Umka**



those nations which are emerging as relatively great new world powers, unless the image of man as reflected in the condition of the great mass of poor, is upgraded from the status of cheap labor, to an intellectually enlightened, creatively innovative mass of the population. This task becomes, obviously, a crucial problem in the context of any global discussion of the matters of a dialogue of cultures.”

You can pose the question in another way: Where is the middle class in the Arctic development? Should the middle class transport itself and its goods through the pipelines?

The oligarchic problem in the Arctic is now a brutal, life-and-death issue. We see this now in the mining boom in Northern Sweden, in the lack of housing for the new workers. Look at the new Swedish mineworker in her mobile home in Kiruna. We see it in the lack of infrastructure development, where 6 million tons of iron ore per year, from the new mine in Pajala, will be hauled not by rail, but by 90-ton Caterpillar trucks every 6 minutes on the 9-meter-wide main road, 150 km between Pajala and Svappavaara, a 5-hour roundtrip. Even in the welfare state of Sweden, the mineworkers are treated like cattle, and infrastructure is not developed.

Have you ever heard of a human mining company? Are you longing for a job in the salt mines?

What about the indigenous peoples in the Arctic? Do you know where Greenland is? Is it in Oslo? It is the slum area close to the railway station! People are treated like cattle by the oligarchy in the Arctic.

Against the oligarchy, we have the science cities.

2. Lyndon H. LaRouche, Jr., “The Dialogue of Eurasian Civilizations: Earth’s Next Fifty Years,” *EIR*, Jan. 7, 2005.

The design for the city of Umka<sup>3</sup> (Figure 2) shows what the human needs are in the Arctic, that will make family life possible. But the Western European unique contribution to the Arctic must be to develop the scientific mind for all in the Arctic, not only for the typical East European class of intellectuals or specialists.

### The Necessary Measures

How should we upgrade the poor from the status of cheap labor? Supply the population with higher energy density and science.

1. Everywhere a new mine will be started, there will be a confrontation with indigenous peoples. As the safety infrastructure defines the space for human activities, recruit all indigenous peoples by bringing them helicopters, communication, and health-care services. Let them become the backbone for the rescue and safety service, as they are already the spearhead for populating the Arctic.

2. Moon mining: Organize the mining at the bottom of the sea, or the bottom of the pits, with the highest technology which forces the advancement of education, welfare, and salaries of the labor force. Where is the truckdriver in the new mine? He is sitting above ground. I do not know how many hands he has, but he is actually driving five trucks.

3. Build every mining city as a model science city, with decent housing and close communication with national educational and cultural facilities.

4. Promote research and knowledge for the raw materials processing and refining, as well as bio-prospecting, to develop a *Mittelstand* [small and medium-sized] industry. Populate the Svalbard University Center, Arctic universities in Tromsø, Norway; Akureyri, Iceland; Nuuk, Greenland; Umea, Sweden; Oulu, Finland, and Archangel, Russia, and the new



Statoil/Kim Laland

*The Langeled pipeline, a pipeline transporting Norwegian natural gas to the U.K., under the North Sea, is one of many projects underway or planned for development in the Arctic Region and environs. Shown: Statoil's pipeline-laying vessel; inset shows location of the pipeline.*



Russian science city Umka.

5. Organize transport not only for bulk, but for medium-sized industry. For this we need high-speed railways into the North. Use national control over the raw material exploration to develop the infrastructure inroads into the Arctic, like Norway does. Break the monetarist non-investment policy of Denmark, Sweden, and Finland. Open up the transport links north from Continental Europe, like the Fehmarn Bridge and high-speed trains on the Nordic Triangle, from Copenhagen to Oslo, Stockholm, Helsinki, and St. Petersburg, the Rail Baltica, the Tallinn-Helsinki tunnel, the Baltic Arc, the Rovaniemi-Kirkenes railway, the high-speed trains to St. Petersburg and Moscow, the Belkomur Railway between Archangel and Perm, and the new cargo transport corridor from China to the United States.

6. Answer the Norwegian, Russian, and Greenland invitations to participate in the projects. Cooperate with the Arctic projects of China, South Korea, Japan, India, Canada, and the U.S., according to the motto “High North, Low tension.” As Norwegian Foreign Minister Jonas Gahr Støre underlines, there is no race for the Arctic, as all borders are settled. There is therefore no rush for resources, but a common rush for knowledge.

Conclusion: The Kara Sea was ice-free this February for the first time! As our forefathers followed the retreating ice 10,000 years ago, let us get go beyond the Baltic coast, and finally, to the Arctic coast.

3. Umka is situated deep within the Arctic Circle, on the remote island of Kotelny, in Russia, some 1,000 miles from the North Pole. See “Economics for the Future of Mankind: Self-Developing Systems and Arctic Development,” by Michelle Fuchs and Sky Shields, *EIR*, Jan. 6, 2012.

# China Joins Russia: Warns vs. Obama Drive for World War

by Mike Billington

April 2—While President Barack Obama was in Seoul, South Korea for the Nuclear Security Summit in late March, he announced through the Defense Department that the U.S. intended to construct an anti-ballistic-missile (ABM) defense shield across Asia, creating a ring around China—exactly like the provocative ABM system he plans to construct along the Russian border in Europe.

Over the past months, *EIR* has reported extensively on the blunt warnings from the Russian political and military leadership, that the Obama Administration's deployment of these ABM systems constitutes a direct threat to the security of the Russian state, degrading Russia's capacity to defend against attack through a second-strike response, and thus requiring a significant upgrading of the Russian strategic capacities. This shift is already underway in Russia.

With Obama's new announcement, China has begun to respond in the same way.

With Obama threatening to go to war against Syria and Iran, countries with which both China and Russia share important strategic and economic interests, the encirclement of these great powers with ABM systems must be recognized as further confirmation of Lyndon LaRouche's warning that Obama and his British sponsors are preparing to unleash global thermonuclear war. While London may prefer that Russia and China capitulate to the dark age economic policies and colonial

"regime change" methods being implemented on behalf of the British-centered financial empire, it is increasingly evident that neither of these great powers will submit, and the Empire is thus marching the world into Hell.

The announcement of a U.S. ABM system for Asia came from Madelyn Creedon, Assistant Secretary of Defense for Global Strategic Affairs, speaking at a conference in Seoul. Creedon said that the U.S. plan included two sets of trilateral talks—one with Japan and Australia, another with Japan and South Korea.

China's response was immediate—and as blunt and unambiguous as that of the Russians. On March 29, the *Global Times*, an official paper of the ruling Chinese Communist Party, directed at foreign readership, published an editorial (see accompanying box) which stated that China's Asian neighbors "must seriously ponder the consequences" of their participation in the new ABM structure. "North Korea and Iran are named by Washington as the targets of the missile defense system," the editorial stated, "though it is clear the real targets are China and Russia."

The editorial says that China will have no choice but to "balance out the system's impact," which, it says, could include improving China's nuclear weapons "in both quantity and quality," and the development of "offensive nuclear-powered submarines."

The editorial also suggests that China may need to give up its "no first strike" pledge, noting that it is the



U.S. Navy/Mass Communication Spc. Brian A. Stone

*President Obama's announcement that the U.S. will construct an ABM defense shield across Asia has drawn blunt warnings from the Chinese, that "a strong response from China should be expected." Shown: the guided missile destroyer USS Howard conducts a drone exercise in the South China Sea, June 11, 2011.*

only nuclear power to have made such a pledge: "Installing a missile defense system in Asia disrespects China's nuclear policy. The U.S. is seeking to shift the regional balance. A strong response from China should be expected. An overarching missile defense system would force China to change its long-held nuclear policy."

### Obama's 'Pivot' to Confrontation

The policy to confront China militarily was officially launched during Obama's November 2011 tour of Asia.<sup>1</sup> The Obama plan to militarily encircle China was further elaborated in the past week, when it was announced that Australia will become essentially a U.S. military base, with multiple sites for military aircraft, warships, and troops: Darwin in the North, Brisbane in the East, and Perth in the West, as well as a drone base on Australia's Cocos Islands in the Indian Ocean—all out of reach of Chinese missiles.

Also, Philippines Defense Minister Albert del Rosario announced this week that his country welcomes the U.S.'s establishment of bases at five Philippine airfields, utilization of Philippine ports, and expansion of existing U.S. troop presence. This adds a significant U.S. mili-

1. See Mike Billington, "Obama's Asia Trip Had Only One Purpose: War on China," *EIR*, Nov. 25, 2011 ([http://www.larouche.com/eiw/public/2011/eirv38n46-20111125/37-40\\_3846.pdf](http://www.larouche.com/eiw/public/2011/eirv38n46-20111125/37-40_3846.pdf)).

tary presence on China's periphery, with U.S. bases already in Japan and South Korea. The Philippine deployment comes in spite of the fact that its Constitution explicitly prohibits the basing of foreign military forces on its territory.<sup>2</sup>

### North Korea's Satellite Launch

Obama's supposed justification for the addition of an enhanced ABM system across the region is the announcement by North Korea that it will attempt a satellite launch in mid-April, coinciding with the celebration of the 100th birthday of North Korea's former leader Kim Il-song. The Obama Administration is claiming that North Korea's pledge to postpone long-range missile tests as part of a U.S.-North Korea deal signed on Feb. 29, also precluded satellite launches, although that was not made explicit in the agreement. On those grounds, Obama cancelled the food shipment that had been

scheduled as the U.S. side of the deal.

However, the fact is that the satellite launch was not unexpected. North Korean leader Kim Jong-il notified the world of the plan before his death last year, and Western intelligence has closely monitored the construction of the new satellite launching site on North Korea's west coast—designed so that the rocket would not pass over Japanese airspace, but head south over open water—the same path used in several failed South Korean space shots.

Experts also point out that there are clear differences between rockets intended for a space shot, and those designed as long-range ballistic missiles—differences which can be detected in satellite photographs. North Korea has invited space experts (including from NASA) to observe the launch to confirm that the effort is directed at space, not military targets, noting that the development of a space program is an indispensable right and necessity for all sovereign nations.

Nonetheless, China has also expressed its opposition to the North Korean satellite launch, repeatedly calling on Pyongyang to postpone the event in light of the great effort extended by China and others to bring

2. See Mike Billington, "Obama's Plan for War on China Could Be Stymied in the Philippines," *EIR*, Feb. 24, 2012 ([http://www.larouche.com/eiw/private/2012/2012\\_1-9/2012-08/pdf/37-39\\_3908.pdf](http://www.larouche.com/eiw/private/2012/2012_1-9/2012-08/pdf/37-39_3908.pdf)).

about the agreement with the U.S., to move forward towards a peaceful settlement of the long-festering Korea problem—perhaps the last remaining “Cold War” hot spot, and one which the British imperial interests would gladly use as yet another potential spark to provoke a U.S. conflict with China and Russia.

### Japan’s Flight Forward

China’s appeal to North Korea to postpone the satellite test in no way lessens the severity of China’s warning against the war preparations underway by the U.S. and its Asian allies. Japan, in particular, has responded hysterically to the upcoming space shot, announcing this past week that it is preparing to shoot down the rocket, or any potential debris, if it passes over Japanese airspace. Defense Minister Naoki Tanaka announced on March 30 that Japan is deploying destroy-

ers equipped with Aegis missile defense systems to the Pacific and the East China Sea, as well as defensive Patriot missile systems in Okinawa and Tokyo—as if North Korea were preparing to launch a war.

Even worse, Japan’s *Yomiuri Shimbun* leaked a report from the Defense Ministry that F-15 fighter jets were to be deployed to protect the destroyers—not from a North Korean threat, but from Russia and China, whose aircraft may get too close to the destroyers!

Again, China’s response was immediate. The *Global Times* editorialized on March 31 regarding Japan’s threat to shoot down North Korea’s rocket: “There will be chaos if interception occurs and succeeds.” The editorial repeats China’s appeal to North Korea to postpone the event, “in consideration of the downsides to the launch,” but warned Japan against being part of the Western war plans: “Japan should not be disillusioned

## ‘US Missile Shield Fosters Asian Arms Race’

*China’s English-language edition of “Global Times” published this editorial on March 29, 2012, under the above headline.*

The US has announced that it is seeking to build a missile defense system in Asia and the Middle East, following a similar step in Europe.

This will no doubt create disturbance and tension in the region, as it has in Europe. Japan, South Korea and Australia, which are invited to join the system, must seriously ponder the consequences.

North Korea and Iran are named by Washington as the targets of the missile defense system, though it is clear the real targets are China and Russia. China should firmly oppose it.

This is not a fresh idea for the White House. The concept was raised during the Clinton administration. The impact it brings today is much worse than back then.

China needs to assess what long-term damage this system will impose on China’s strategic security. The system will be deployed on the soil of Japan, South Korea and Australia. It is widely agreed that

China has little chance to stop it. The pessimistic view holds that China can do nothing about it.

But China can balance out the system’s impact. North Korea’s plan to launch a satellite next month has been used by Washington to install a missile defense system. It is a wise move. China can copy it and upgrade its nuclear weapon capability due to the possible threats posed by the US system. Specifically, China can improve its nuclear weapons in both quantity and quality as well as develop offensive nuclear-powered submarines. China’s ballistic missiles should be able to break the interception capability of the US system.

Among the nuclear powers, China has the smallest number of nuclear weapons. It is also the only country to make a “no first use” commitment. Installing a missile defense system in Asia disrespects China’s nuclear policy.

The US is seeking to shift the regional balance. A strong response from China should be expected. An overarching missile defense system would force China to change its long-held nuclear policy.

If Japan, South Korea and Australia join the system, a vicious arms race in Asia may follow.

It is not what China wants to see, but it will have to deal with it if the arms race happens.

The US is creating waves in Asia. The region may see more conflicts intensify in the future. China should make utmost efforts to prevent it, but prepare for the worst.

into believing it can benefit from chaos in Northeast Asia. . . . If North Korean leaders insist on proceeding with the launch, China would then expect the North's neighboring countries to show some constraint. Pyongyang's launch should not be put on par with a long-range ballistic missile launch."

China also makes the obvious point that North Korea, long demonized and threatened with "regime change" by Western powers, need only look at the treatment meted out to Iraq and Libya when they abandoned their nuclear weapons program. A March 30 editorial in *Global Times* noted that "North Korea faces the worst security conditions in Northeast Asia. It is impossible for North Korea to make a strategic adjustment if South Korea, the U.S. and Japan continue their policies toward Pyongyang. The basis for enhanced security in Northeast Asia needs North Korea's security condition to be included."

### Economic Warfare against China

Further proof that the British/Israeli/Obama push for war on Iran is actually aimed at Russia and China can be seen in the policy declaration by Obama that sanctions will be imposed on any country which buys oil and gas from Iran. In March, Obama announced that

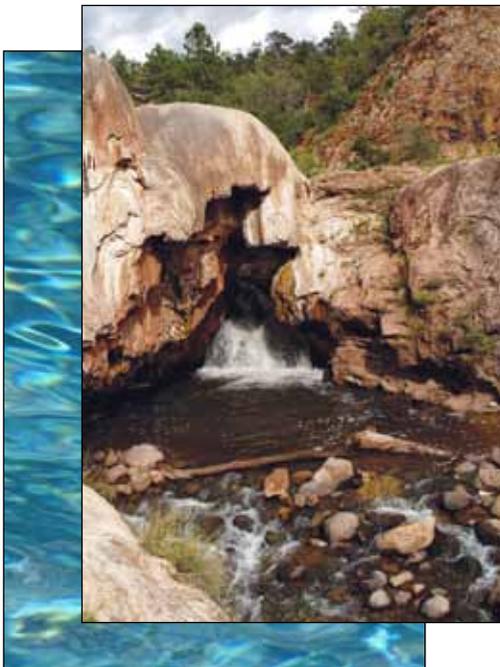
Japan and the European countries are exempted from these sanctions—but not China (nor India and others).

China responded to this economic warfare with the same urgency as it has to the strategic threats. Again speaking through a *Global Times* editorial, on March 22, the Chinese identified the economic attacks as having an immediate strategic intent: "If the U.S. is determined to stop China from importing oil from Iran and will do so at any cost, what shall China do? Is it worth starting a larger-scale conflict with Washington, even running the risk of sparking serious clashes? We believe so. The significance of Iranian oil trade to China is comparable to that of blocking Hormuz to the U.S."

The parent newspaper of *Global Times*, *People's Daily*, characterized Obama's imperial antics as follows: "One stand-out feature of unilateralism is this: that one's own rules become the world's rules. Everyone must respect them, and if you don't, then you will be punished," adding that previous unilateralism by the United States had led to the quagmires of Iraq and Afghanistan. The *People's Daily* commentary was published under the pen name "Zhong Sheng," meaning "Voice of China," which is often used to convey official views.

*mobair@aol.com*

## 21<sup>st</sup> CENTURY SCIENCE & TECHNOLOGY



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- **"How a 'Big Lie' Launched the LNT Myth and the Great Fear of Radiation."** This interview with Dr. Edward Calabrese, a well-known toxicologist discusses his startling discovery that the linear no-threshold or LNT hypothesis, which governs radiation and chemical protection policy today, was founded on a deliberate lie to further a political agenda.
- **IN MEMORIAM: Zbigniew Jaworowski (1927-2011)**, including an obituary, Dr. Jaworowski's extensive outline for his autobiography, and his curriculum vitae.
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# Cheminade Presidential Campaign Shakes Up the Establishment

by Christine Schier

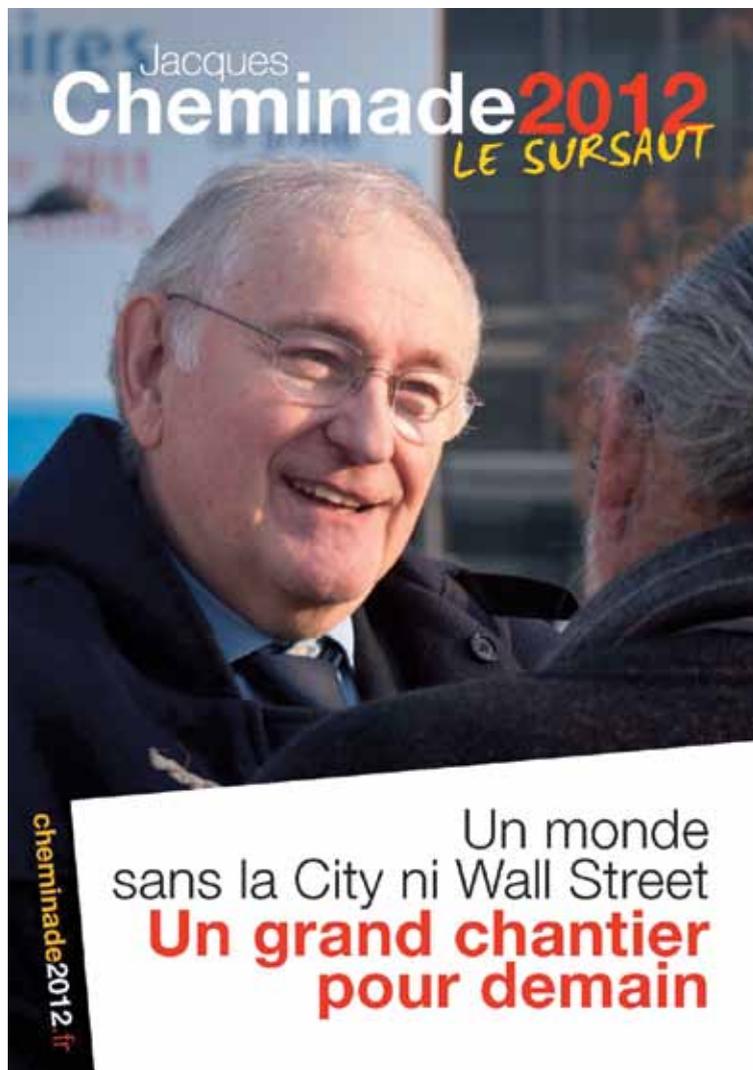
PARIS, April 3—When Jacques Cheminade formally launched his Presidential campaign in early March, he vowed to break through the “collective anesthesia” in France, represented by the failure of the “major” candidates to discuss the truly vital issues confronting the population, beginning with the financial crisis, the insane austerity policy in the European Union, and the danger of world war.

Four weeks later, he has largely accomplished just that, by catapulting those realities onto center-stage in his many interventions in the media. And he manages to do so in spite of the journalists who would rather harp on trivial anecdotes or worn-out and long-discredited slanders.

In those parts of the population able to think outside of the proverbial “box,” this is stirring tremendous excitement. “Oh, great, Cheminade is the candidate of science,” is an increasingly common reaction, when people meet his activists in the streets. “Hey, he’s the one who wants to industrialize the Moon,” or even more often, “He really has something original to say; it demands a lot of concentration.”

By stating the obvious—the trans-Atlantic financial system is hopelessly bankrupt, the euro system has already self-destructed, the social triage policy in the U.S. and Europe will awaken the worst monsters imaginable, France needs a vision for the future—Cheminade has the effect of saying “the emperor has no clothes.”

That is also true of other issues which the establishment is intent on covering up, such as the dangers of violent video games, drug-money laundering, the truth behind the Sept. 11 attacks, or Presi-



*Jacques Cheminade's campaign poster: “Take the leap” . . . “A world without the City [of London] or Wall Street: A great project for the future”*

dent Obama’s health-care policy. The initial reaction in the media and among their groupies is to portray Cheminade as a madman, but little by little, these

themes are sinking in, and the wall of silence is slowly falling.

### **‘Cleaning Out the Augean Stables’**

Otherwise, the “major” candidates are making a “balanced budget” the priority of their economic and financial policy, which means a firm commitment to austerity, while Cheminade has a completely different approach. He proposes to use massive amounts of productive public credit to build the real economy, once a Glass-Steagall-type banking reform has been put through (which he calls “cleaning out the Augean stables”). While socialist François Hollande has called for a separation of banking activities, he then turned around to reassure the City of London that it had nothing to fear from him. However, after years of interventions by Solidarité et Progrès (the LaRouche organization in France) activists, Glass-Steagall is a widely discussed issue in the Socialist Party itself (see

box, “A Roosevelt 2012 Collective Founded in France”).

Unfortunately, strategic and foreign policy is very little discussed in the campaign, and even Cheminade has had trouble putting it on the table. The Sarkozy government, taken in tow by London, continues to be gung-ho on an interventionist, regime-change policy towards Iran and Syria, and Hollande is not really much different.

Cheminade’s defense platform, however, is circulating in the relevant circles, where he calls for an end to all out-of-area military deployments.

Another major plank of his campaign is agricultural policy, which he presented at the 66th Congress of the National Federation of Farmers’ Union (FNSEA) in Montpellier on March 29. He was one of the seven Presidential candidates who accepted the invitation to speak, with each one having 15 minutes for the presentation, plus one or two questions; since

## **Today’s Dangers from the Standpoint of the 1930s**

Jacques Cheminade has stressed in his recent statements the need to consider the events of today through the eyes of those leaders in the early 1930s, who were not able to anticipate the dangers to come. At that time, the financiers of Wall Street and the City of London found it expedient to put Hitler into power in Germany, to impose the type of financial fascism necessary to save their system; and fascist regimes were set up in other European countries for the same reason.

At that time, the policy of social triage was just beginning, and a certain elite in France thought it would be better to deal with a Chancellor Hitler than to allow the left-wing Popular Front to come to power in 1936.

Journalists and many in the population react with shock and incredulity to the LaRouchePAC poster of President Obama with a Hitler moustache, and Cheminade is constantly asked to explain what it

means. In one interview, he stressed that the parallels cannot be understood “from the standpoint of 1946 and the abominations and the horrors of the Shoah [Holocaust], but from the standpoint of 1934-35. What did the Nazis begin to do? They began to massacre the mentally handicapped, and the weak. That was the beginning. And today, the policy of social destruction in the United States is starting to go in that direction, slowly.”

With the IPAB (Independent Payment Advisory Board) set up under Obama’s health-care reform, Cheminade said, “we begin to put a price on human life, and that is very, very serious. . . . It can lead to all kinds of excesses. For the moment, we have not gone that far, but the potential is created, under a policy which does not ensure mutual development in the United States, or in England, or in Europe. Look at what’s happening in Greece. We put the country in a stranglehold and then say: Now pay back the money! It’s impossible.”

On April 2, Cheminade’s campaign put out a statement again clarifying his position on this issue, which is often brought up as a way of avoiding the solutions he proposes, and saying that the candidate wants to be interviewed on the latter from now on.

## 'Roosevelt 2012 Collective' Founded in France

A group of 39 economists, politicians, artists, and others in France have issued a manifesto calling for a Franklin Roosevelt-type solution to the crisis. Among the main founders are ex-Prime Minister Michel Rocard and two economists close to him, Pierre Larroustou and Stephane Hassel, as well as a mixed bag of others. However, they all fear, as the manifesto says, that after five years of financial crisis, society is reaching a point of no return, where it is urgent to act to prevent an economic collapse, which will lead to chaos.

Such an FDR approach is exactly what Jacques Cheminade and Solidarité et Progrès have organized for for years: a Glass-Steagall law, a Pecora Commission, etc. So, it is very useful that others are taking it up.

While the manifesto was apparently written in February, with the aim of "biting the legs" of the Presidential candidates, it was in the news in mid-March because FDR's grandson, Curtis Roosevelt, who lives in southern France, joined the movement. Now, a series of public meetings with Curtis is being planned.

The manifesto states: "When Roosevelt came to power, he took over from Hoover who was nicknamed 'Do Nothing.' The Americans were in great despair. 14 million unemployed, industrial production down by 45% in 3 years. . . . Roosevelt takes immediate action, with a determination that rekindles confidence. Legislative action is amazing. In three months, Roosevelt has more reforms passed than Hoover in four years. The process is extraordinarily swift: Some laws are introduced, discussed, voted,

and promulgated in the same day.

"Roosevelt's purpose was not to reassure the markets, but to bring them to heel. The shareholders were furious and fought with all their might the law separating deposit banks and investment banks, just

as they fought taxes on the highest incomes or the creation of a federal tax on profits, but Roosevelt remained firm and had 15 fundamental reforms voted up in three months. The catastrophes predicted by the financiers did not happen. And the U.S. economy got along very well under these rules for half a century.

"Since 1993, the world has of course changed a lot. But the principles applied by Roosevelt remain completely modern: Tell the truth, appeal to the intelligence of the citizens, and ACT forcefully."

Denouncing the control of the financial world over governments, under the pretext that democracy takes too long compared to the everyday decisions of the "market," the collective attacks the austerity policy of the EU, as in Greece and Italy, which can only prepare the way for "authoritarian regimes."

And then: "We cannot accept that the oligarchy, which led us into the crisis, should now take advantage of it to increase its own power, by claiming that there is no alternative to austerity."

As Roosevelt did in his day, the Roosevelt 2012 Collective proposes 15 reforms, to be taken immediately, including a Glass-Steagall banking reform, reduction of the state debt to the banks, boycott of fiscal havens, a tax on financial transactions, preventing outsourcing, etc. There is also a dose of environmentalism in there.

The manifesto ends with an appeal to the citizens, noting that in 1989, the Berlin Wall fell, not because of diplomatic wheeling and dealing, but because citizens rose up to topple "a regime which denied the dignity of man."



*Franklin Delano Roosevelt*

they were taken in alphabetical order, Cheminade was number two. As noted by the press, his intervention was interrupted by applause several times, and warmly applauded at the end.

He denounced the obvious—for farmers but not for financiers—that it is perverse to consider food as a commodity to gamble on; therefore, speculation on food prices must be banned. He also hit at those who pit large producers against smaller ones, and insisted that they must all contribute to meeting the challenge of decently feeding a world population of some 9 billion people by 2050.

For that, he said, France needs a capital-intensive and energy-intensive approach to farming, all the more so, as France is a major agricultural exporter. If elected President, he said he would put research and innovation at the heart of his agricultural policy. He also went into the benefits that a space exploration program would have for agriculture here on Earth.

Rather than short-term management of food supplies, at the mercy of the markets and speculation, Cheminade proposed that all countries constitute sufficient public stockpiles, and that the EU adopt an intelligent policy of biotechnologies. Otherwise, he concluded, the Malthusian outlook of limited resources to be shared among a growing population can only lead to the law of the jungle and thus war.

The national president of the Crédit Agricole bank asked the first question, about the debt of different EU countries, and how Cheminade would protect the interests of France. The second question had to do with the “precautionary principle,” on forcing farmers to take measures to prevent environmental damage.

## Nuclear Energy Is Key to the Future

Cheminade today visited the nuclear power plant in Fessenheim, in Alsace near the German border. There has been a huge controversy over this plant, built in 1977, and the oldest in France, because the Nuclear Security Agency concluded at the end of 2011 that it was safe enough and modernized enough to run for 60 years altogether, rather than the 30-year lifespan originally scheduled. The greenies are enraged.

Cheminade first met with the director of the plant for about one hour, and then held an exchange with trade unionists for another hour, before visiting the non-nuclear part of the site. One trade unionist who attended said it was “the first time he ever heard a

candidate speak about fourth-generation nuclear energy.”

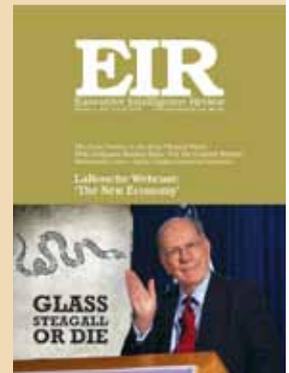
At the press conference following his visit, Cheminade said he thought the plant should not be shut down, provided that, at the same time, the needed research and development is carried out on the future forms of nuclear energy, such as the fourth-generation reactors, which are safer and better performing.

He was quoted by AFP and many newspapers, saying that “nuclear energy and space seem to be unrealistic for some people. But for me, they are reality. It means exploring places that man has been able to understand, and to master natural phenomena.”

This is indeed the key to Cheminade’s policy, of constantly pursuing conceptual breakthroughs. And it is perfectly legitimate that his space policy, presented as the best way of ensuring development and peace on Earth, is what most intrigues the population, and enrages the oligarchy and the “de-growth” lobby. Young people in particular, are electrified by it, and by Cheminade’s insistence on thinking about the future.

## Lyndon LaRouche On Glass-Steagall and NAWAPA:

The North American Water and  
Power Alliance



“The greatest project that mankind has ever undertaken on this planet, as an economic project, now stands before us, as the opportunity which can be set into motion by the United States now launching the NAWAPA project, with the preliminary step of reorganizing the banking system through Glass-Steagall, and then moving on from there.”

“Put Glass-Steagall through now, and I know how to deliver a victory to you.”

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# Britain and Its Followers Cast A Crooked Shadow over Central Asia

by Ramtanu Maitra

March 31—Great Britain and its followers have begun to exert a full-court press to extend control over Central Asia, north of Afghanistan and south of Russia. Joining the fray are the United States, Israel, London-steered jihadis, Salafi (ultra-radical Sunni) financiers from Saudi Arabia and other Persian Gulf countries, and various NGOs. As the war in Afghanistan winds down, and preparations for a military attack on Iran are building, the geographical location where Russia, China, and the Indian Subcontinent meet, and where vast resources have remained under the mostly barren earth, has

become the focus of the old British Empire-servers. They are now stirring up trouble in what the British geopoliticians call the “pivot region” of world politics—the five Central Asian nations of Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. The objective of London & Co. is to deny the major powers of the Eurasian landmass access to Central Asia and its resources.

Equally important is the British plan to keep the Muslim nations in a state of permanent war. The British objective in the so-called Arab Spring was not to usher



*The geographical location where Russia, China, and the Indian Subcontinent meet, and where vast resources have remained under the mostly barren earth, has become the focus of the old British Empire-servers.*

in democracy in Libya, Bahrain, Syria, Oman, etc., but to exploit the Sunni-Shi'a fissure within the Islamic community. This British plan was unleashed with the help of the Cheney-led neo-cons who ran the George W. Bush Administration. The British intervention in Iraq in 2003 was the continuation of the empire's effort to unleash Shi'a-Sunni violence, which began in post-World War I Arabia.

That process has already taken hundreds of thousands of lives in Iraq. A few thousands in Syria are now dead, and the bloodletting continues. An attack on Iran will unleash a catastrophic bloodbath throughout the Islamic world, drawing in outside countries, including Israel. The conflict will no doubt further deepen existing divisions within the Islamic communities, and further the differences among Muslims, Christians, and Jews in the oil-and-gas-rich Middle East, Maghreb Africa, and Central Asia.

While the divisions within these two sects were sharp, the exploitation of the Sunni-Shi'a divide was the modus operandi of the Britain Empire, which carved up the Arabian peninsula at the end of World War I, to perpetuate the endless conflict among various tribes, and between Shi'as and Sunnis within Islam. The "divide and rule" policy, pitching one sect against the other, and arming each, was the bread and butter of the Empire's expansionist policy.

While such was the *method* to create and prolong the despicable and murderous colonial system, the *purpose* was to loot Arabia's wealth to fill London's coffers. In other words, the British objective is to rule the Islamic world, with Saudi Arabia and other Sunni Gulf states, such as Qatar and Kuwait, as its foot soldiers.

Wherever in the Muslim countries the Shi'a-Sunni divide does not exist because of huge pre-dominance of the Sunnis, as in the case of Afghanistan, Balochistan within Pakistan, and even Pakistan as a whole, the British Empire-servers, following the old methodology of Britain's Empire-builders, exploit the ethnic and tribal divisions. By promoting one ethnic group, and promising the group an independent country (e.g., Balochistan), Britain and its satraps keep the pot of dissension boiling, keeping these groups in a state of permanent war.

In Central Asia, neither the Sunni-Shi'a divide, nor tribal or ethnic differences, are of any significance. What the British intend, is to dismantle the secular Islamic governments, using the Western bankers-controlled drug mafia, jihadi terrorists, and Salafi preachers funded by

Saudi Arabia and other Arab countries aspiring to lead the Muslim world on the shoulders of Britain and its followers. The process through which this can be achieved, the London-Riyadh-Washington nexus believes, is through bloodletting—Muslims killing Muslims.

## The 'Pivot Region'

Although the Britain-instigated undermining of the Central Asian nations had begun in earnest right after the collapse of the Soviet Union in the early-1990s, the last few years' developments in the region have inspired Britain and its followers to exert greater control over the area. A March 27 article, "NATO's Central Asia strategy: What next?"<sup>1</sup> by London's Transnational Crisis Project security analyst, Nima Khorrami Assl, made that abundantly clear. Assl pointed out that NATO is trying to establish a larger presence in Central Asia's energy sector to reduce Russian dominance.

"Dubbed as the 'pivot region' of world politics, the five Central Asian nations of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan have collectively gained an immense strategic importance over the last two decades, thanks to their geography and vast deposits of natural resources including gold, gas, oil and uranium," Assl wrote.

The Transnational Crisis Project is run by British intelligence. One of its senior advisors is Richard Barrett, who is a former diplomat and intelligence officer. He held positions in the British Security Service (MI5) and the Foreign and Commonwealth Office, a dumping ground of senior British intelligence officers. Barrett also served as Director of Global Counter Terrorism Operations for the British Secret Intelligence Service (SIS).

Explaining why the area has become the "pivot region" for the empire-servers, Assl wrote: "Today, China has its eyes on Central Asia as a source of energy and raw materials for its expanding economy, as well as a 'critical frontier' for its trade expansion and ethnic stability. Chinese state-owned enterprises have penetrated deep into the infrastructure and energy sectors across the region, especially in Turkmenistan, while the government has sought to increase its soft power by sponsoring a large network of Confucius Institutes in the region's capitals... Currently, Moscow exerts a great deal of influence over the politics of Central Asian states. It is also a crucial market for Central Asia's 'sur-

1. [www.nation.com.pk/pakistan-news-newspaper-daily-english](http://www.nation.com.pk/pakistan-news-newspaper-daily-english)

plus labor’ and therefore, a key source of remittances, which in turn make some regional governments extremely vulnerable to Moscow’s demands. . . . Preoccupied with Eastern Europe in the 1990s, NATO’s Central Asian strategy was limited to the expansion of ties with energy-rich Kazakhstan and prevention of a Russian monopoly over pipelines carrying oil from the Caspian Sea region. In the aftermath of the September 11, 2001 attacks, however, Central Asia’s proximity to Afghanistan elevated its strategic importance by offering a ‘natural’ force projection platform as well as a relatively safe exit gate from the Afghan theatre.”

### It’s Not the Great Game, Stupid

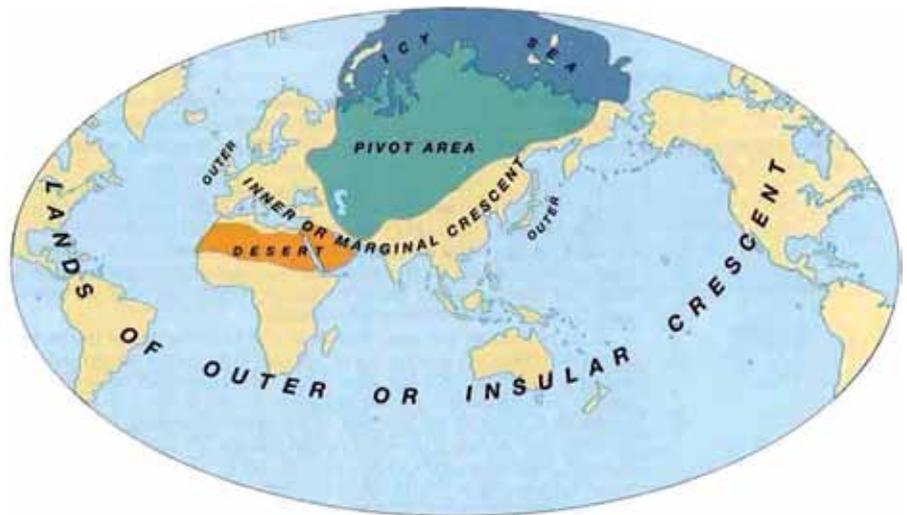
Some analysts point out that what Assl described is part of the old “Great Game” that was the center of geopolitics between Tsarist Russia and the British Empire in the 19th and 20th centuries. Halford Mackinder, the 20th-Century British geopolitician, coined the phrase “pivot region” in pointing out that the People’s Republic of China, situated at the gates of this region, or “Heartland,” and with access to the sea, possessed sufficient human and natural resources to make a bid for Eurasian mastery sometime in the 20th Century.

However, Mackinder’s 20th-Century definition of the “pivot region” does not hold much water in the present context. To begin with, Britain does not have a physical Empire, although its basic structure has remained intact. Great Britain is a financially dilapidated nation that depends chiefly on the usurious and fraudulent instruments created by the City of London-Wall Street financiers and by laundering drug and other dirty money through the offshore banks. More than 90% of those banks are located in Britain’s former colonies.

Also, Russia is no longer under a Tsar or Bolshevik rule, and is part of a vast Eurasian landmass where the populous nations of China and India, among others, have begun to cooperate closely with Moscow. Moreover, China has emerged as the second-most-powerful nation in the world, economically and, perhaps, militarily. India is no longer under the British Raj, and is rebuilding its economy and infrastructure to become a



*Halford Mackinder (1861-1947), the 20th-Century British geopolitician, coined the phrase “Pivot Region,” or “Heartland” (see map), pointing out that China, situated at the gates of this region, and with access to the sea, possessed sufficient human and natural resources to make a bid for Eurasian mastery sometime in the 20th Century.*



world power in the not-so-distant future.

But this time around, the empire-servers are operating differently than the geopoliticians of yesteryear, such as Mackinder and Alfred Thayer Mahan, had proposed. The present policy of Britain and its handmaidens is to undermine Russia by creating instabilities all over Central Asia, depriving Russia, China, and India of the ability to secure the region, and build physical infrastructure to link Central Asia with the three Eurasian great powers. In other words, this is not simply a policy of containment of Russia, or China, but is aimed at sabotaging their efforts to develop the Eurasian landmass and secure the area from the rapacious colonial forces whose crooked shadow has cast an ominous threat over the region as a whole.

In addition to the “threats” posed by Russia-China and India, Iran is considered by the British imperial forces as not only a threat, but a “perfectly acceptable” reason why they must take control over Central Asia. This policy mindset has infiltrated deep inside U.S. policymaking circles. For instance, Sen. Richard Lugar (R-Ind.) spoke his mind about the interests of the United States and NATO in Central Asia during visits he made to Kazakstan, Turkmenistan, and Azerbaijan in 2008. He confirmed that it is in the U.S. interest to establish a multilateral and effective system in the Caspian and Central Asian regions for supplying oil and gas to Europe and other markets, to reduce the dependence of European and Central Asian countries on the Russian energy monopoly.

### **Preacher-Terrorists in White Robes...**

Soon after the Soviet Union broke up, Central Asia became a target of the British imperial crowd, with Saudi Arabia providing the moneybags. Saudis funded the preacher-terrorists in white robes, the London-based terrorist group, Hizb ut-Tahrir (HuT). U.S. and British presence in Afghanistan, beginning at the end of 2001, saw a massive rise in opium production in that country. By 2005, opium was everywhere in Afghanistan, and opium and heroin became a major source of funding for the terrorists operating in Central Asia, undermining the neighboring nations—Iran and Russia, in particular.

According to the U.S. State Department’s 2008 Country Reports on Terrorism, the membership of the HuT, a group that the State Department says advocates “the establishment of a borderless, theocratic Islamic state [i.e., Caliphate—ed.] throughout the entire Muslim world,” grew three-fold in Kyrgyzstan between 2006 and 2008. The Institute of Ethnology and Anthropology of the Russian Academy of Sciences pointed out as far back as Dec. 31, 2001, that the HuT has, in effect, become the strongest political force in south Kyrgyzstan, where the drug traffickers were trying to trigger an ethnic riot. That riot indeed took place in 2010, and one of the principal drug-controllers of Kyrgyzstan, Maxim Bakiyev, one of the sons of deposed former President Kurmanbek Bakiyev, is now in Britain, under British Intelligence protection, advising the colonial geopoliticians on how to get control over Kyrgyzstan.

Meanwhile, the HuT has spread its tentacles all over Central Asia. The State Department report on terrorism in 2009 pointed out that the group was gathering

strength in Kyrgyzstan and Tajikistan, which is home of an unknown number of HuT members, primarily in the northern part of the country in the Ferghana Valley. Other Islamist groups, including al-Qaeda, are also active there, the report stated.

A Nixon Center research study, cited by Maj. Daniel J. Ruder, U.S. Army School of Advanced Military Studies, U.S. Army Command, and General Staff College, Fort Leavenworth, Kan., in his monograph *The Long War in Central Asia: Hizb-ut-Tahrir’s Caliphate*, disclosed in 2006, that the HuT’s secret headquarters is thought to be in Jordan, while its key deputies operate a London-based headquarters, and oversee HuT operations in Muslim countries. In addition to providing funds and educational material from its London base office, the HuT manages one of its main websites in London, as well as a publishing house. Also, the HuT receives financial support from wealthy patrons in Saudi Arabia who subscribe to the group’s radical Wahhabi message.

The party has had substantial success in recruiting members in Central Asia, predominantly in the Ferghana Valley. According to some estimates, there were 15,000 to 20,000 HuT followers in Central Asia in 2006, and this number has grown significantly in the years since. Interestingly, despite its non-violent strategy, HuT has been portrayed as one of the most destabilizing forces in the region.

### **...And Their Gunmen**

HuT’s strategy for Central Asia is to politicize the region’s extreme poverty, repressive political systems, and perceived social injustices, in order to radicalize the population. In doing so, the HuT convinces society that their problems are the fault of their governments, and that the current political structure must be destroyed, to be followed by a just and fair caliphate based on Islamic Sharia (laws). The HuT strategy is focused on radicalizing a dispossessed population and mobilizing them to overthrow the secular Central Asian governments.

The gunmen promoting the HuT’s goal are the terrorist-members of the Islamic Movement of Uzbekistan (IMU). Founded in the 1990s in Kabul by two Ferghana Valley terrorists, Namangani and Yuldeshev, the IMU works hand-in-glove with the Saudi and British-controlled HuT and al-Qaeda. Yuldashev met with Osama bin Laden before deciding to move IMU operations from the Valley to Afghanistan in 1997, when it



U.S. Defense Department/R.D. Ward



swiss-image.ch/Remy Steinegger

*London has unleashed its jihadi terrorists in Kazakstan to uproot President Nazarbayev (left), while its snake-in-the-grass agent Tony Blair (right) “advises” the Kazak President on economic issues.*

was facing a crackdown in Uzbekistan and Tajikistan. The organization is believed to have received funding from Saudi sources, including some close to Prince Turki al-Faisal, the then-head of Saudi intelligence.

The Ferghana Valley, where the Uzbek, Kyrgyz, and Tajik borders converge, is the main recruiting area of the HuT, and has long been the main area of IMU operations. According to security personnel in Uzbekistan, the IMU recruits directly from the HuT. According to Evgenii Novikov, who pointed out in his article in the Jamestown Foundation’s *Terrorism Monitor*, May 9, 2005, quoting Dr. Rafik Saifulin, that in the case of Tajikistan, “HuT military structures can develop quickly since the HuT branch in that country has had some contact with the violent Islamic Movement of Uzbekistan (IMU). It is in Kyrgyzstan that HuT has the greatest potential to develop armed capabilities not least because the party is developing a sophisticated infrastructure in that country.”

Kazakstan was free of the HuT during this period. President Nursultan Nazarbayev, who is close to Moscow, had banned the HuT, and has now become a target. *Asia Times*’ analyst Jacob Zenn pointed out in a recent article, “Rising terror group exploits Kazakh unrest,”<sup>2</sup> that a terrorist organization, Jund al-Khilafah

(JaK) is presenting Nazarbayev with one of the most critical tests of his 22-year Presidency. Jund al-Khilafah, meaning “Army of the Caliphate,” entered the international jihadi scene half a year after Nazarbayev won the Presidential elections in April 2011, with 95.5% of the vote. It is likely that, like the IMU, most of the terrorist warriors of the JaK are “former” HuT preachers.

### A More Direct Approach

It is abundantly evident that Britain has set its eyes on Kyrgyzstan. While the JaK has been unleashed to uproot Nazarbayev through terrorist operations from within, a leading spokesman and operator of the empire-servers, Tony Blair, has been offered \$12.7 million a year by Nazarbayev to provide his opinions on

economic issues of concern to Kazakstan. Some Kazakstan political analysts said Nazarbayev hired Blair to act as a high-profile international representative for the regime. The London *Daily Telegraph*, among other British media, in late September 2011, reported that Blair used contacts while acting as Special Envoy to lobby for millions of dollars of Middle Eastern business for his consulting company.

Of course, this is the same Blair, who embraced Muammar Qaddafi in 2010, became an advisor to Qaddafi’s son, Saif al-Islam, became in his own words a “personal family friend” of the Libyan leader, picked Qaddafi’s wallet clean and then directed the Libyan leader’s “revolutionary gunmen” to shoot him down like a dog on the streets of Tripoli.

Blair’s “economic advice” has borne fruit already. Britain has clinched a new defense cooperation agreement with Kazakstan, based on which it can transfer almost £4 billion worth of equipment from northern Afghanistan. The agreement, signed by Philip Hammond, the Defence Secretary, would enable the U.K. to ship its equipment out of northern Afghanistan, including tanks and armored personnel carriers. Hammond now hopes to open a new supply route through Central Asia following the signing of the pact with Kazakstan’s defense ministry, which guarantees Britain air transit rights over the massive Central Asian republic, a country,

2. [www.atimes.com/atimes/Central\\_Asia/ML21Ag01.html](http://www.atimes.com/atimes/Central_Asia/ML21Ag01.html)

which is equal in size to the whole of Western Europe.

On March 28, the *Daily Telegraph* reported that the British security services averted attacks on Nazarbayev's life "at the preparatory stage." These attacks were allegedly masterminded by a Kazakstan citizen named Alexander Pavlov. It said that Pavlov has, since 2005, headed the "personal security" of the exiled banker Mukhtar Ablyazov, an opponent of Nazarbayev, who is wanted by Kazakstan on charges of fraud, and has fled to Britain. Ablyazov, who once headed a Kazak opposition party, until 2009, was chairman of the BTA Bank, which ran into problems when the economic crisis struck. The state intervened and Ablyazov fled to London. The prosecutors said that the ringleaders of the plot planned on March 24, 2012, to set off a series of explosions in parks and administrative buildings in Almaty.

In other words, London, as its fallback option, is maintaining the potential assassins of President Nazarbayev, and would open up doors for them if, and when, Nazarbayev bucks London's terms and conditions.

Britain has also become visibly active in Central Asia, particularly in Kyrgyzstan, the hotbed of IMU terrorism. The Russian news agency RIA Novosti reported in early March that the British defense officials, led by Armed Forces Minister Nick Harvey, met with leaders in Central Asia to obtain transit agreements for the withdrawal of British troops from Afghanistan. Harvey said they discussed using land in Tajikistan as a staging area to allow the shipment of military supplies in and out of Afghanistan. He also discussed transit agreements with Kyrgyzstan officials, Kyrgyzstan's Defense Ministry reported.

In December 2011, Britain opened an embassy in Bishkek, capital of Kyrgyzstan. In May, Foreign Secretary William Hague announced that the U.K. would close a handful of consulates in Europe to help meet a £100 million budget cut. He also said he wanted to open new embassies and missions in areas of growing importance. One of those was Kyrgyzstan. The *Telegraph's* James Kilner wrote on Dec. 8, 2011 that opening a U.K. embassy in the Central Asian state underlines just how strategically important Kyrgyzstan has become to Britain.

### **The Followers in the Fray**

While London is developing its own networks within Central Asia to undermine Russia, and keep the

region in a state of tumult to deny all long-term developmental efforts, the followers of the British legacy of colonial geopolitics have become active. The Obama Administration, which has embraced the British geopolitical outlook with open arms as its own, is engaged in a brutal war in Afghanistan. What lies ahead for Washington in Afghanistan could be as complex as the last ten years' war in that country has been.

Instead of resolving the Afghan problem by engaging all regional powers—Pakistan, Iran, Russia, China, India, and the Central Asian five—the hapless Obama Administration is running from pillar to post trying to satisfy the British, the Saudis, and the jihadis, who are run top-down from London and Riyadh. The task in front of Washington is mammoth—it will have to first disentangle itself from Afghanistan in order to entangle itself later. The latter entanglement is to develop bases, to deny Russia its legitimate influence over Central Asia. That is an order that came right down the pike from London.

The U.S. air base in Manas, Kyrgyzstan, will remain important for NATO even after the U.S./NATO troops withdraw from Afghanistan in 2014. A neo-con State Department official, Assistant Secretary for South and Central Asian Affairs Robert Blake, is working on the Kyrgyz officials for the extension of base rights after 2014. Blake, whose role in undermining the sovereign rights of the Sri Lankan government has been noted with a great deal of anger in Colombo, is busy in Kyrgyzstan to extend those rights.

According to Ajit Randeniya, a Sri Lankan analyst, during the last two weeks, Blake has been busy coordinating the usual apparatus of intervention—the World Bank-IMF axis, the NGO networks, and in this particular case, a false front, the Vienna-based so-called Organization for Security and Co-operation in Europe (OSCE).<sup>3</sup> He said the template of the neo-con strategy of taking control of Kyrgyzstan is identical to the one they tried and failed to implement in Sri Lanka.

Randeniya says OSCE "managed the 'Orange Revolution' fraud in Ukraine in 2004, [prompting] Vladimir Putin to comment: 'They are trying to transform the OSCE into a vulgar instrument designed to promote the foreign policy interests of one or a group of countries. Decision-making procedures and the involvement of so-called non-governmental organizations are tailored for this task. These organizations are formally independent but they are purposefully financed and therefore under control.'"

Another important collaborator of Britain's empire-servers in the region is international drug lord George Soros, who would like to make the Ferghana Valley the next opium/heroin center. Once a British citizen, now an American, and a multi-billionaire currency speculator, Soros, identified in the mainstream media as a philanthropist, spends his ill-gotten money to fund campaigns for euthanasia, and to legalize illegal drugs. The May 1996 issue of *Organization Trends* reviewed Soros's extensive financial support for nonprofit organizations working for the legalization of drugs.

In Georgia, Soros's protégé Mikheil Saakashvili rules with the help of Soros and other followers of the anti-Russia crowd, and is busy instigating uprisings within Russian territory. The Russian Foreign Ministry's spokesman, Alexander Lukashevich, speaking to the local media on March 27, said weapons used by Georgian troops in Afghanistan should not be brought to Georgia. "We view it as a very significant issue that weapons used by Georgian troops in Afghanistan should not be supplied to Georgia," Lukashevich said, adding that Saakashvili's regime could use them against Abkhazia and South Ossetia, and Russian nationals re-

siding there, as well. Georgia has one of the largest contingents in Afghanistan among non-NATO states.

What made Lukashevich say that? President Saakashvili, was in Seoul attending the late-March Nuclear Security Summit. In his speech, he said the territories of separatist Abkhazia and South Ossetia are black holes occupied by Russia. As if on a cue, the U.S. Embassy in Tbilisi said in a statement that Washington "recognizes neither the legitimacy of the de facto elections held in the Abkhazia region on March 24, nor those in the South Ossetia region on March 25." "Georgia's large number of citizens displaced from their homes in Abkhazia and South Ossetia were unable to participate in the polls, nor are they able to return to their homes," the statement reads, reiterating U.S. support for Georgia's sovereignty and territorial integrity.

Lukashevich also warned against any military cooperation with Tbilisi, citing the grave consequences for global and Caucasus security that can be caused by Saakashvili's unstable and irresponsible regime. He said Russia had filed a note with the U.S. Embassy in Moscow in 2011, following a statement that the United States was planning to supply M4 carbines and armored Hummers to Georgia.

In Azerbaijan, another follower of the British colonial geopolitics, Israel, is reportedly developing a "secret staging ground" for a possible attack on Iran, according to an article in the March 29 *Foreign Policy*, "Attacking Iran: Did US just torpedo Israeli deal for a base in Azerbaijan?" by Brad Knickerbocker. Quoting unnamed senior U.S. diplomats and military intelligence officials, the article asserts that "Israel has recently been granted access to airbases on Iran's northern border." "The Israelis have bought an airfield," a senior administration official is quoted as saying, "and the airfield is called Azerbaijan."

Bases in nearby Azerbaijan (including abandoned former Soviet airfields) could be used for landing and refueling after any strike, allowing Israeli jets to carry more ordnance. Such airfields also could be a staging point for search-and-rescue helicopters that might be necessary to recover downed Israeli pilots. They also could be used to launch drone aircraft for bomb damage assessment once any strike is concluded. Israel and Azerbaijan have developed an economic and military relationship over the years. Israel buys oil from Azerbaijan, and Azerbaijan recently agreed to buy \$1.6 billion worth of military hardware from Israel, including drones, anti-aircraft, and missiles.

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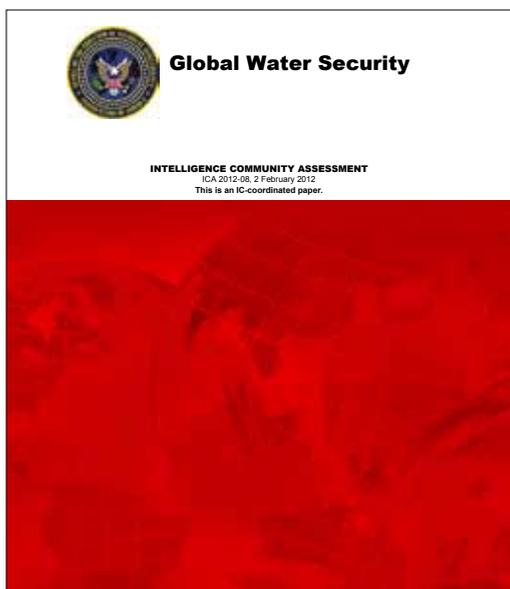
## ‘Water Security’ Report Threatens National Security

by Marcia Merry Baker

March 31—The urgency of immediate adoption by the United States of LaRouchePAC’s [NAWAPA XXI](#)—an action program to restore the United States and the world system of nation-states back onto the path of progress and security, and away from the present collapse and warfare, by creating massive new water resources—is dramatized by a new report from the highest intelligence institution in the United States on the question of water security.

The [Global Water Security report](#), issued in February by the U.S. Office of the Director of National Intelligence, is an assessment of the strategic implications of world water supply problems from now to 2040. It is an unclassified version of a National Security Estimate (NIE).

It proceeds from the premises which have been imposed on the world by British imperial greenie-ism and monetarism over the last 50 years. Rejecting the scientific and traditional American view that it is man’s intervention into the biosphere that *creates* resources, this report, like the Club of Rome’s now-discredited *Limits to Growth* of 40 years ago, argues that water resources



are fixed and can only be better “managed,” not expanded. Therefore, the report argues, “water wars” are inevitable and the United States must be prepared to deal with them.

### Faulty Assumptions

The principal drafter of the 30-page *Global Water Security* was the Defense Intelligence Agency (DIA), with contributions from the CIA, Department of Energy, State Department/Bureau of Intelligence and Research, the National Geospatial Intelligence Agency, and others. The report was commissioned by

the State Department, and done under the auspices of the Director of the Strategic Futures Group. (Intelligence Community Assessment 2012-08, 2 February 2012).

The report’s conclusion is: “We assess that during the next 10 years, many countries important to the United States will experience water problems—shortages, poor water quality, or floods—that will risk instability and state failure, increase regional tensions, and distract them from working with the United States on important US policy objectives. Between now and 2040, freshwater availability will not keep up with

demand. . . .”

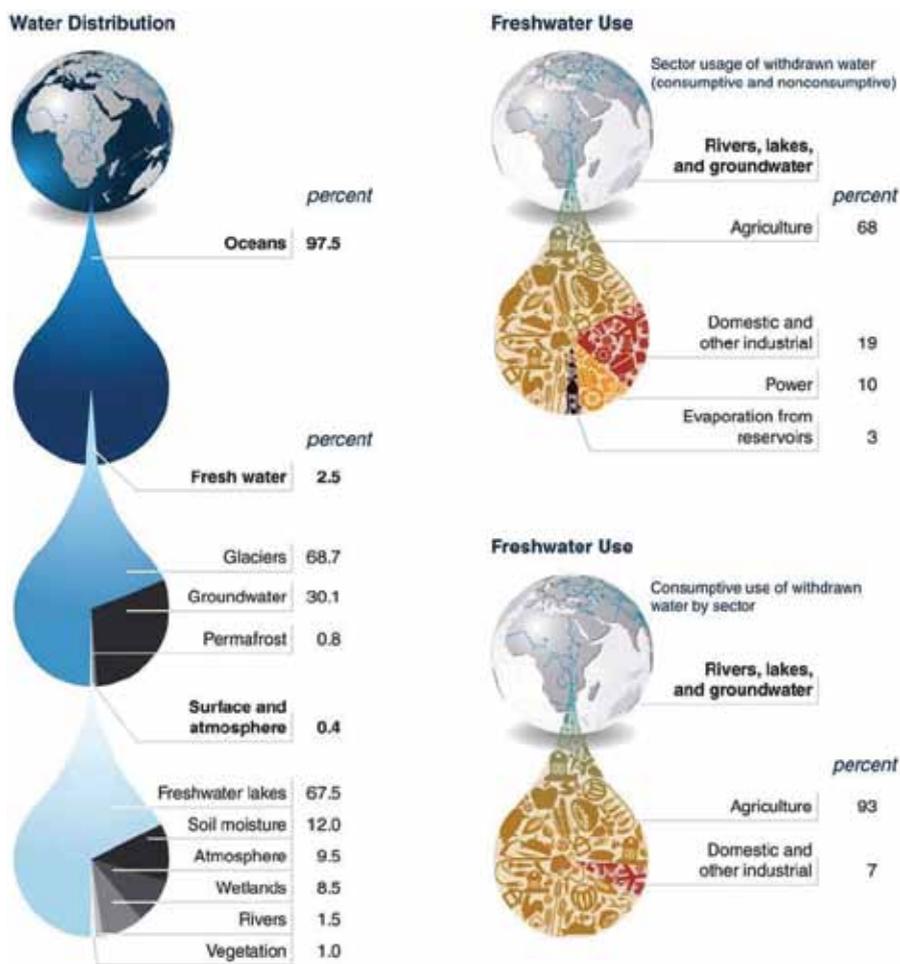
This doom-and-gloom assessment follows from the assumption that nothing can be done to increase the water resource base. “We assume that water management technologies will mature along present rates and that no far-reaching improvements will develop and be deployed over the next 30 years. . . .”

The study focuses on the geostrategic region stretching from Northern Africa through Southwest and Southern Asia, involving the nations along the seven principal river basins in the region. “For the core classified analysis—a National Intelligence Estimate—we focused on a finite number of states that are strategically important to the United States and transboundary issues from a selected set of water basins.” The seven river basins are the Nile, Jordan, Tigris-Euphrates, Indus, Amu Darya, Brahmaputra, and Mekong.

This is the very region where geopolitical interventions by the dying British empire, have fomented warfare and collapse in Great Game fashion, notably in Afghanistan, Iraq, Libya, the trans-Jordan, and Syria, and now threaten nuclear holocaust by new escalations on the borders of Russia and China (see “Britain and Its Followers Cast a Crooked Shadow over Central Asia,” in *International*).

In this context, incompetent assessments of water resources, based on an assumption of fixed and linear behavior, are unacceptable. The need for the NAWAPA XXI plan could not be more obvious. The National Intelligence Council, which coordinated the production of “Global Water Security,” is badly in need of education about the rudiments of the creative nature of man, and the unbounded potentials of resources, if human creativity is unleashed to solve problems like the global water crisis.

FIGURE 1  
The Earth’s Water



Note: When humans use water, they affect the quantity, timing, or quality of water available to other users. Water for human use typically involves withdrawing water from lakes, rivers, or groundwater and either consuming it so that it reenters the atmospheric part of the hydrological cycle or returning it to the hydrological basin. When irrigated crops use water, it is consumptive use—it becomes unavailable for use elsewhere in the basin. In contrast, releasing water from a dam to drive hydroelectric turbines is generally a nonconsumptive use because the water is available for downstream users but not necessarily at the appropriate time. Withdrawals by a city for domestic and industrial use are mainly nonconsumptive, but if the returning water is inadequately treated, the quality of the water downstream is affected.

Source: Multiple, as quoted by World Bank, 2010.

## No Limits to Water Supply

The diagram of “The Earth’s Water,” provided in the *Global Water Security* report, reproduced here as **Figure 1**, encapsulates the essential problem with the outlook of the report. The left column gives the standard representation of planetary “Water Distribution,” showing two apparent constraints. Over 97% of the Earth’s water is in the oceans; and of the remaining 2.5% which is freshwater, only only 0.4% is surface (rivers, lakes) and atmospheric. Groundwater is a much larger share of the planetary 2.5% fresh water, in the range of 30%.

This gives the general situation fairly enough, to un-

derscore the challenge for mankind to think about orienting present economic and scientific activity from the vantage point of continually providing for the future. This means, most simply, that additional freshwater resources need to be continually “created” through desalting seawater and brackish groundwater, and through redistributing water supplies—moving water from where it is plentiful, to where it has become scarce, by means of regional and even continental water-conveyance systems.

Mankind’s success in “manufacturing” and redistributing freshwater is one of the leading elements of the general process of human biospheric engineering, which will produce new patterns of water cycles and distribution, affected also by larger solar and galactic dynamics.

However, the NIE assessment of global water rules out any such biospheric activity, in favor of the geopolitical axiom that we are at the end of the line: Water scarcity is a given. Strife and warfare are inevitable.

Therefore, the right column, “Freshwater Use,” while presenting a useful snapshot of present-day categories of usage of freshwater, mostly for agriculture, implies that the relative volumes cannot be much changed, and thus, any problems currently experienced can only get worse. The best that can be done is improved management of scarcity.

### **Desalination and Water Diversion**

This crazed outlook pervades the report. There are two key aspects to it—desalination and water diversion.

First, large-scale desalination is not only not presented as an option by the authors, but there is no mention whatsoever of nuclear power, which is the key to making the several high-tech desalting methods work cheaply anywhere. For example, just one modern nuclear-powered desalination facility could provide enough water for the drinking supply of a city the size of Atlanta, Georgia.

Worse, when the report does mention that desalination methods exist, the authors raise as an obstacle, the “problem” of where the salts can be disposed of, which is an issue entirely within modern geological and engineering expertise.

Second, the same non-think prevails with respect to water diversion projects. The report makes scant mention, and mainly criticism, of large-scale water reorganization proposals—canals, aqueducts, inter-basin transfers, tunnels, and other conveyances. One of the

two explicit references to such water transfers is relegated to a footnote on page 6, which cites “development of water infrastructure (dams, levies, canals, water treatment facilities, etc.), the use of water infrastructure to control water flow,” as just one of several means of “water management,” alongside pricing mechanisms, transboundary water agreements, and increasing trade in “virtual water” (water in food and goods) from water-rich to water-poor nations.

The report mentions no such water diversion projects by name, but alludes to China’s grand South North Water Diversion program (**Figure 2**), by stating, “Engineering solutions to water shortages—including the transfer of water between rivers, are becoming increasingly common,” and then goes on to criticize this approach as “raising tensions,” hurting people who live there, and harming the ecosystem.

In this sense, the *Global Water Security* report is outstandingly ahistorical. As of the mid-20th Century, both desalination and large-scale water diversion programs were on the agenda on every continent. Then they were deliberately thwarted by the anti-nation-state policy of the financial power nexus that is best called the British Empire.

In the 1930s, under President Franklin Roosevelt, the Tennessee Valley Authority (TVA) approach, of full basin-infrastructure development, along with the Colorado and Columbia River Basins programs, and others, set the model. Looking over the horizon from these projects, engineers and policy leaders in the 1950s looked to the continental-scale North American Water and Power Alliance (NAWAPA).

The world over, on varying scales, plans were underway. In Eurasia, the Soviets began work on diverting some of the northward flow of the Ob-Irtysh river systems southward into the Aral Sea Basin. In Australia, the Murray-Darling Basin plan was implemented; and the Snowy Mountain scheme was built. In South America, TVA teams did initial planning work in Colombia and elsewhere. On the small island of Hispaniola, in Haiti, the U.S. Army Corps of Engineers deployed to build the Peligre Dam, part of the intention to fully develop the Artibonite River Basin, for nationwide electrification and expanded irrigation. In Africa, engineers associated with the 1970s TransAqua program mapped outlines for developing the Congo River, including diverting some of the flow northward to upgrade and regulate the Chad Basin.

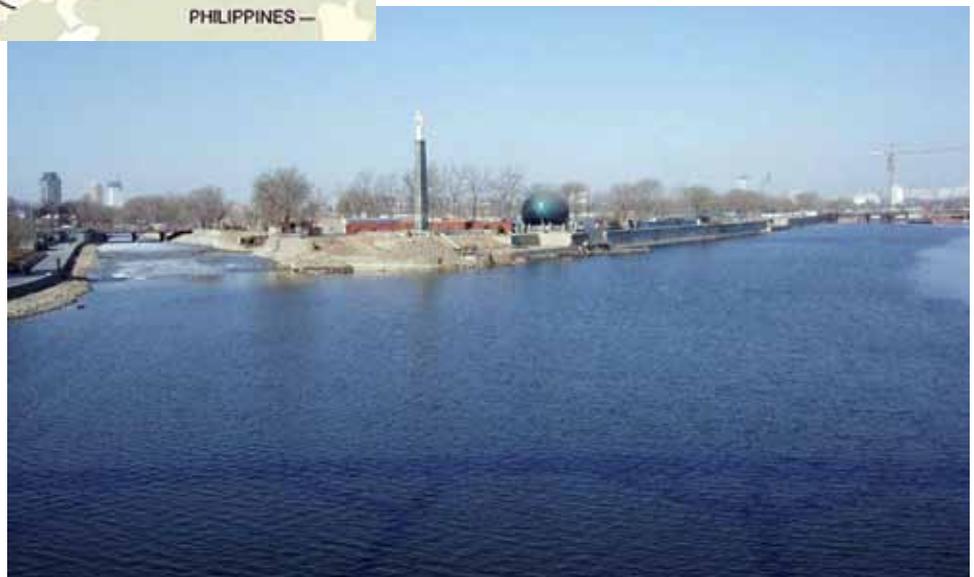
Alongside this was research for nuclear-powered

FIGURE 2  
**China's South-North Water Diversion Program**



*The Haihe River and the Grand Canal, part of the South-North Water Diversion program. The project is being built as a series of canals, reservoirs, huge underground tunnels, and pumping stations to take water from the Yangtze River Basin northward to the Yellow River Basin, to add to China's wheat, corn, and rice breadbasket. Two routes for the water diversion are under construction: one near the east coast, which uses much of the Grand Canal; and the other in central China. A third route, far to the west, nearer the headwaters of the Yangtze and Yellow rivers, is still in the planning stage. The project will link the Yangtze, Huai, Yellow, and Hai rivers. Engineers completed a huge double tunnel beneath the Yellow River on the eastern route this January. Water should start flowing to northern China by 2013; the central route will start to carry water north a year later. When finished in 2050, the whole project will bring 44.8 billion cubic meters of water a year from the Yangtze Basin to northern China.*

desalination, under the Atoms for Peace program. For example, Mexico and the United States had a joint study program based in their drylands cross-border area. In the 1960s to 1980s, the Metropolitan Water District of Southern California—one of the world's largest public water utilities—had intentions for Pacific coastal installations for nuclear-powered desalination.



Creative Commons/Fang Hong

### **The Empire Sets Limits**

It was this impetus of man's improvements on the planet—being led by the United States—which was slammed by decades of opposition from the British Empire, based on monetarism, malthusianism, and globalization, and deploying networks in academia, pop-culture, the United Nations, and other world organizations, including subverting U.S. government institutions with greenie insanity.

The point has been reached today, where allowing these operations to continue means backing genocide. Masses of people are being denied water, and the means of existence, under the pretenses of “conservation ... ecosystem preservation ... sustainability” and similar excuses.

The nature of the subversion can be seen in a short chronology of some of the leading moments in this onslaught, again taking the mid-20th Century as a benchmark.

**1950s:** The Conservation Foundation (CF) (set up in 1940s in Washington, D.C.) and other groups associated with European pre-war, master-race networks, such as the International Conservation Union, pumps out propaganda that “natural” resources are threatened by overpopulation.

**1960s:** The World Wildlife Fund (WWF) is established (1961). WWF co-founder Philip Mountbatten, the Royal Consort, calls for drastic population reduction. *The Population Bomb* (1968) by Paul R. Ehrlich, pre-

dicts inevitable mass death in the 1970s from starvation.

**1970s:** In 1972, *The Limits to Growth* is issued by the Club of Rome, presenting a hoked-up computer model to assert that population is outstripping natural resources. *The Greening of America* (1970, by New Left guru Charles A. Reich) deploras “uncontrolled technology ... and destruction of the environment” by overpopulation.

**1980s:** The WWF starts an international campaign (1982) to stop Third World development projects, in order to “protect the environment.” The 1980s GATT talks result in the WTO in 1995, imposing globalization in agriculture, instead of upgrading all nations’ water resources base.

**1990s:** The Rio Earth Summit, the UN Conference on Environment and Development (1992), decrees that water and other resources are limited, and only “sustainable” practices of water use are permissible. The concept of Integrated Water Resource Management (IWRM) is promulgated, to vanquish the concept that mankind can create new resources. Also in 1992, the International Conference on Water and the Environment publishes the “Dublin Principles,” of how water is limited, and use must be cut, in order to be “sustainable.” In 1996, the Global Water Partnership (GWP) is founded, in conjunction with the World Bank and London-centered financial interests, to police the world to limit water projects.

**2000s:** The World Summit on Sustainable Development (WSSD), 2002, calls for all countries to set up IWRM by 2005; the target date is set for 2013.

**2012:** Rio+20 is scheduled for June. One of its official issues is “sustainable management of scarce water resources.”

On cue, Hollywood has a new movie out, “Water-shed” (Robert Redford, director), on the inadequacy of the Colorado River, to say that all you can do is cut your personal use of water.

The *Global Water Security* assessment follows this scarce resources/genocide vector in every way. In its section on the “Use of Technology and Infrastructure,” the emphasis is on reducing water use. “The use of existing technology for conservation and efficiency—particularly in agriculture—offers the best hope to increase human security and facilitate economic growth.... Simple and inexpensive water amangement improvements in agriculture, including improved irrigation practices and land-leveling (to obtain an even distribution of water), are often the most straightforward way

to compensate for increased demand and stretch existing water supplies....”

It promotes “point-of-use” methods of water treatment, a polite reference to such primitive practices as putting water into bottles in the sunlight for solar purification, as is advocated for low-tech use in poverty-stricken parts of Africa.

Otherwise the report advocates three major pathways for the future: 1) pricing of scarce water high enough so that “the markets” will ration it among competing demands; 2) treaties among nations to share the scarcity, where nations are in the same river basins; and 3) seeking to obtain imported virtual water, in the form of food and other goods, if yours is a water-short region.

On this last point, the report lauds food import-reliance in the western part of the seven river basins: “The Middle East and North Africa have partially addressed their water shortages by purchasing high-water-content food commodities whose virtual water content is equivalent to having another Nile River flowing into the region....” But, the report demurs, “Increasing water shortages and rising food prices will present growing challenges for all but the wealthiest countries in these regions....”

Equally venal on the face of it, is the fact that this report extols world water and food shortages as a potential trade advantage for the United States. “The United States, Russia, and Canada, as major agriculture exporters, can benefit from an increased demand for their products, as water shortages increase in various parts of the world.” And the report calls for more free-market trade in virtual water.

The sick joke, is that it is the United States itself that is relying more and more on large flows of food-imports from water-short nations. For example, Mexico, now suffering desperate food shortages from drought, is the source-nation for mega-food cartels to ship large tonnages of fresh and frozen produce to the United States and Asia, including avocados, onions, melons, tomatoes, citrus, cauliflower, and many other forms of virtual water. What this means is an epic world food shortage—famine, in the making—thanks to the genocidal share-the-scarcity policies in force.

## A ‘Second’ Jordan River

Just one example—the Jordan River Basin—gives the lie to the entire thrust of the NIE’s world water assessment.

# LaRouche's 1991 Call for Middle East Development

*In January, 1991, the first Iraq War began, with U.S. bombing raids against that nation. In April 1991, Lyndon H. LaRouche, Jr., through his Presidential campaign committee, Democrats for Economic Recovery, LaRouche in '92, issued a mass-circulation pamphlet: "Demand Development in the Middle East! Stop Bush's Genocidal New World Order." LaRouche's statement in the pamphlet warned of a new Thirty Years War in the Mideast, and called instead for "A Peace Plan in the True Interest of Arabs and Israelis," in which he said to look broadly "at the tactics of economic geography." Build up the resource base with high-technology intervention, to involve all peoples in a productive, growing economy, and create an economic platform of hope and growth for the future. LaRouche presented his Oasis Plan, for nuclear-powered, high-tech creation of water resources, and agro-industrial capacity.*

*LaRouche capped off his proposal by stressing, "The essential underlying principle is the relationship of man to nature. Man is unlike any other creature, in that man's relationship to nature is defined by the potential for creative reason in man."*

*The 30-page document ended with the section, excerpted below, by Marcia Merry Baker, reviewing the economic-geographic projects urgently required in the greater Southwest Asian region at that time. These projects were all blocked over the past two decades, in line with the outlook made explicit at the 1992 Rio Earth Summit, that water scarcity is inevitable, and can only be managed. This is, in effect, an outlook associated with strife, as has been promoted by British geo-strategists in the Mideast, in particular since the Sykes-Picot Treaty that divided up the area among imperial powers after World War I. Allowing this to continue today, puts us on the edge of World War III.*

*This 1991 report embodies the radical shift in outlook we must force through today, which can be done with the LaRouchePAC NAWAPA XXI action plan. The particulars of the Mideast situation have only become more extreme since this survey was written. There are more people, but less water, less hope, and more suffering and desperation.*

There is no basis for asserting a need to restrict, share, manage, or otherwise do without water in the Jordan Basin. Instead, a man-made "Second Jordan River" can be brought into being! Just 20 nuclear power plants, with desalination facilities, could duplicate the entire water resources available in the Jordan Basin, as of 1990.

This calculation was made and published as part of the "Oasis Plan" perspective put out by Lyndon LaRouche since the 1970s (see *Documentation*), and reiterated in 1993 at the time of the historic Oslo Accords between Israel and the PLO. Creating new water resources for for the entire trans-Jordan was a critical part of mutual-interest geographic engineering for new resources and new agro-industrial capacity in the region.

The parameters are straightforward. Begin with the baseline: As of several decades ago, all the available surface water in the Jordan River Basin was being drawn off, plus groundwater is being overpumped at a rate causing increased salinity and depletion. The flow of the Lower Jordan River itself (below Lake Tiberius, also called the Sea of Galilee or Lake Kinneret) declined from 1,200 million cubic meters (mcm) a year in the 1950s, down to barely 100 cmc in the 1990s, which makes it just a ditch—and even less today. In the early 1990s, the volume of water used from all sources (surface and underground) was in the range of 3,500 mcm. And of that, Israel takes the lion's share.

Using the metric of freshwater available from designs for nuclear-powered desalination plants<sup>1</sup> and the specifications for modular high-temperature gas-cooled reactor (MHTGR) model plants, building installations at strategic sites could duplicate the "natural" Jordan surface water in short order, by adding increments of new water in the range of 146 mcm each.

Look at the results, in terms of the few tributaries of the Jordan River system. Just one such nuclear-deal plant, for example, would exceed the annual average discharge rate of the Hasbani River on the Lebanon-Israel border. Five nuclear-desalination plants could produce more water than the Dan and Yarmuk rivers combined. Ten plants would double the volume of the Upper Jordan River. And with 20-25 plants, a new Jordan Basin flow would come into existence.

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1. See "Introduction to Nuclear Desalting: A New Perspective," by S. Golan et al., in *Fusion Technology*, December 1991.

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## Development, Not War, In the Mideast; Build Rivers And Lakes in the Desert

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The central development issue in the Mideast is water. The Persian Gulf region is situated in the center of the vast expanse of desert stretching from leeward of the Atlas Mountains in west Africa, all the way across the Sahara and the Arabian Deserts to arid west India. The land area of the Mideast—taken to comprise Libya and Egypt, through to Iran, and including Turkey—amounts to 3.5 million square miles, or more than the 3.0 million miles square of the lower 48 states of the U.S.A. There are 246 millions of people in the Mideast, comparable to the 250 millions in the United States.

However, precipitation is almost non-existent in most of the Mideast. Even if the crazed Anglo-American leaders had not begun their genocidal warfare, the lack of sufficient water per capita in the Mideast was leading to crisis conditions. The cause of the problem has not been the desert itself, but years of obstruction of infrastructure projects by the same evil forces now making war. . . .

There are three sources of increasing fresh water to the Mideast: 1) Moving surplus water southward from the Anatolian highlands in Turkey, and better utilizing the run-off from the Iranian slopes; and moving surplus water northward from the upper Nile in the Sudan, and from the Congo and Lake Chad basins; 2) utilizing underground water and aquifers; 3) desalinating sea water and building a Dead Sea Canal and similar channels, utilizing modern nuclear power and desalinating technologies.

By these high-technology means of geographic engineering, you could picture new man-made “Great Lakes” in northern Africa, and corridors of green in the desert—all of which approaches LaRouche describes as the “Oasis Program.” Water volumes equivalent to a New Euphrates River could be created. For comparison, the Euphrates is about the same length as the Danube River (1,700 km). The average discharge at the mouth of the combined Euphrates-Tigris and Karun Rivers—called the Shatt-al Arab—is equivalent to the Po River of Italy.

Though the costs are relatively high to provide water in the desert, compared to the cost-free rainfall in many other regions, there is the offsetting benefit here of growing three or four crops a year. The climate is similar to southern California, and farm potential is analogous to the fabulous output of the Imperial Valley and Arizona “garden” agriculture. Much of what is con-

sidered hopeless desert void, is really potentially soil with the provision of water, nutrients, and humus.

The map [Figure 1] summarizes the major types of geographic engineering needed to expand water in the region.

### Moving Water from Surplus to Deficit Regions

**I. Congo-Lake Chad Basins Project.** The Congo River carries millions of gallons of fresh water out to the Atlantic Ocean, lost to man. The Congo is second only to the mighty Amazon in volume of water. A canal, or link tunnel, could be constructed to divert water from the Ubangi River—a tributary of the Congo—into the Lake Chad drainage basin to the north. This would expand and stabilize Lake Chad, from which canal and irrigation systems could be constructed to water the drylands of the five nations on its shores.

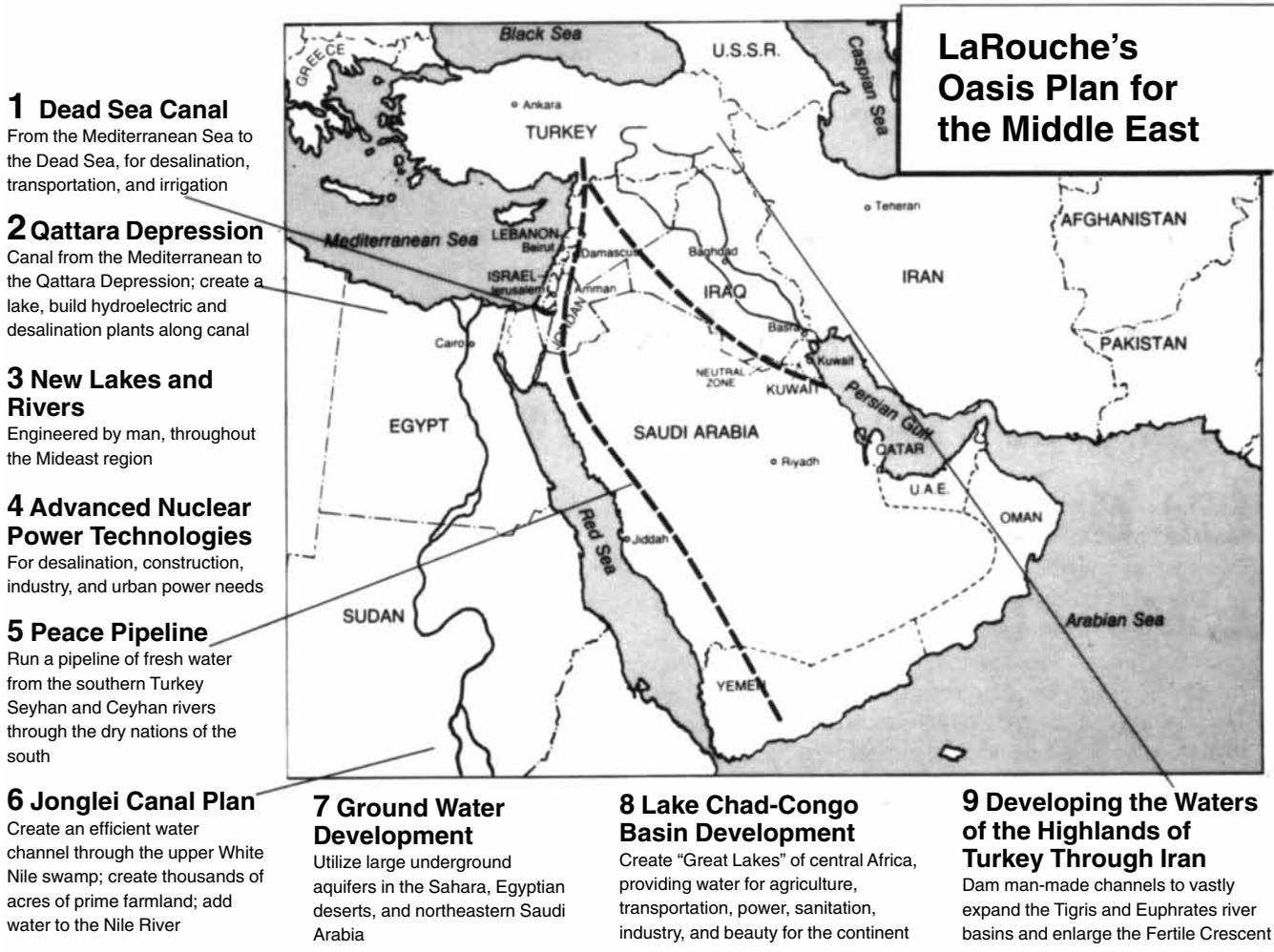
**II. The Jonglei Canal plan.** A canal to create a straight channel for the upper White Nile, which meets the Blue Nile at Khartoum, the capital of Sudan, and creates the Nile, would capture millions more gallons of water for the benefit of the 25 million Sudanese and 60 million Egyptians downstream. As it is, the upper White Nile is a swamp in southern Sudan—the breeding grounds for malaria and parasites, and a barrier to travel and communications. Called the Sudd (which means barrier or swamp in Arabic), this marshland loses millions of gallons of water to evaporation. The waters of the Nile could be increased by 5 percent by capturing more of this water. Construction on the Jonglei Canal—named for the locale, began in 1978. . . .

However, in 1983, all work on the canal ceased because of rebel action, and opposition from the International Monetary Fund, the World Bank and the World Wildlife Fund. Excavation has been completed on 240 kilometers out of 360 total, but now all work has stopped.

**III. Developing the Waters of the Highlands of Turkey Through Iran.** The famed Euphrates and Tigris Rivers rise in the mountains of Turkey, and flow into the Persian Gulf through Iraq. In ancient times, the runoff from the slopes arcing through Lebanon, southern Turkey, Syria, Iraq and Iran formed a belt of lush agriculture known as the Fertile Crescent. With today’s technology, dams, man-made channels and storage lakes could be created all along the watersheds to vastly expand the fertile agricultural zone in this region, and also serve industrial processing. . . .

**IV. Utilizing Groundwater.** Eleven distinct basins of underground rivers and lakes have been charted

FIGURE 1



LaRouche in '92 (published in 1991)

under the deserts of northern Africa, and also aquifers under the northeastern Arabian Peninsula, and points west into India's Deccan Plateau.

Limited utilization of these has shown the fabulous results that are possible. Saudi Arabia has over 2 million acres of wheat cultivation watered from aquifers under the desert, making it self-sufficient in wheat. Pilot projects in Egypt have created new "oasis towns" in the East Egypt Desert. . .

Washington and London officials have intervened to prevent development of underground water, issuing all variety of rationalizations, including the imperial assertion that "fossil water" (the name for old water trapped underground) simply should not be used, because it is old.

**V. Dead Sea Canal, Qattara Depression Lake.** A canal could be run from the Mediterranean to the Dead

Sea, to serve as a development pathway for the region. This Dead Sea Canal could be lined with new agroindustrial centers, each drawing power from a nuclear plant. One of the main industries would be desalination—producing fresh water from sea water, using power from the nuclear plant. The water course thus becomes a corridor for urban growth and a location for industries and farming in the adjacent region. There have been many proposed routes. The idea of Prof. Haim Ben-Shara, former president of Tel Aviv University, was to stress power generation rather than water, based on creating a series of waterfalls going into the Dead Sea in its southern end. Originally, there were protocols envisaged to involve Jordan in the development benefits. These intentions have all been dashed in the sequence of wars and crises of the past 20 years.

Development of the Jordan River basin for the

mutual benefit of Syria, Lebanon, Israel, Jordan and the Palestinians has likewise been obstructed. In the mid-1950s, the men who had successfully established the Tennessee Valley Authority (TVA) worked up a plan for the Jordan Valley Authority which they presented to the nations of the region and the UN. During the 1930s and 40s, the TVA built 20 dams, improved channels and did other work in the Tennessee River Basin, and the Jordan project involved many dams on feeder rivers and other plans that were never acted upon. Now water usage has reached the maximum in the Jordan basin.

In northern Egypt, only 35 miles south of the Mediterranean Sea, is a huge, dank sinkwell, 185 miles long, called the Qattara Depression. A water channel could be cut to within a few miles of this depression, then water could be transported to the steep escarpments, creating man-made waterfalls with great hydro-power potential. A German engineering plan estimated that 2.7 billion kilowatt-hours of electricity a year could be realized. The Qattara Depression is only 140 miles west of Cairo, making the transmission of electricity easy. In addition, hydroelectricity could be used to desalinate the sea, and create a huge, expanding oasis.

## New Desalination Technologies

About 60 percent of all the world's desalination plants are located in the Mideast. Turning salt water into drinking water requires reducing the parts per million (ppm) of dissolved solids (80 percent of which is sodium chloride or salt) from 35,000 ppm to less than 500 ppm, a reduction of 70 to 1. There are three methods of desalination: 1) distillation (evaporation using steam heat), 2) the reverse osmosis membrane system, and 3) electrolysis. Today, most of the plants utilize some form of the first method, using multi-stage, vapor-compression systems. The efficiency of most of the Mideast plants is low, which has been acceptable only because of the low cost of local energy, for example, flare gas from the oil fields, which would otherwise be wasted.

However, with the provision of nuclear power to the region, and also the development of more intensive, efficient desalination methods, vastly more water can be made available per capita. The route for R&D on desalination should include optical biophysics to study how water "behaves" differently in retaining salts in living organisms than in the surrounding medium.



## Breaking the Ice on Arctic Development

LPAC's Michelle Fuchs reports on two sides of a potential global perspective for Arctic development: One, Russia's planned Arctic City, dubbed "Umka," which will be modelled on the International Space Station; and two, the planned expansion of the River Shannon Estuary, which will make Ireland a lead player in deep-sea science.

(27 minutes).

<http://larouchepac.com/node/20614>

# *The Malvinas War and the U.S. Presidency*

Thirty years ago, on April 2, 1982, Argentina's military re-occupied their Malvinas Islands in the South Atlantic, which had been illegally seized by the British Empire in the first half of the 19th Century. Aware of the actual strategic intention of the British gambit in provoking the Argentine action—to seize control over the U.S. Presidency and degrade the U.S. into a “cockboat in the wake of a British man-of-war”—Lyndon LaRouche moved quickly to try to prevent the U.S. government from siding with the British colonialists. On April 5, he called on the Reagan Administration to apply the Monroe Doctrine, and use American military force, if necessary, “to prevent European military action in the hemisphere.” LaRouche warned: “If we permit British military action in this matter, there is no credibility remaining anywhere in the world for either the foreign policy or the strategic posture of the United States.”

LaRouche explained that the British goal was to set a precedent for NATO “out-of-area deployments” for debt collection, to keep their bankrupt financial system afloat. And he presented Argentina and its allies with a strategy to win the uneven war which had broken out: Drop the “debt bomb” on the British Empire!

On May 27, 1982 LaRouche emerged from a 40-minute meeting with Mexican President José López Portillo to tell an overflow press conference that Ibero-America should take the current crisis as an opportunity to turn the “debt weapon” against the British and force a restructuring of the world financial system.

Fourteen years later, in April 1996, LaRouche wrote about the Malvinas:

“Shamefully, the government of the United States violated its treaty obligations to the states of the hemisphere....”

But the Malvinas War was only one of a number of battlegrounds where the *war for control of the U.S. Presidency* was being waged, with the British Empire's forces arrayed on one side, and patriotic forces loyal to the American System principle—under LaRouche's leadership—arrayed on the other.

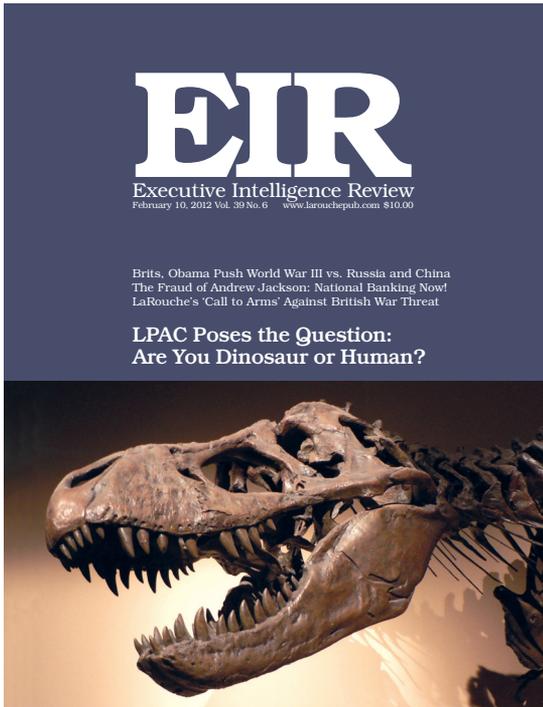
That strategic war continued throughout 1982, when LaRouche and López Portillo collaborated on a policy of global financial reorganization which LaRouche had set forth in August 1982 in his report *Operation Juárez*, and which the Mexican President had taken up with force in an historic address to the UN General Assembly on Oct. 1, 1982.

And it reached a turning point in March 1983, as the British were dealt a strategic defeat when President Reagan adopted LaRouche's policy for cooperation with the Soviet Union around the Strategic Defense Initiative (SDI)—a policy which, ironically, the Russian government is today proposing as a basis for global peace, against the war-provoking insanity of British-puppet Barack Obama.

Today, 30 years after the Malvinas, we are again met on a great battlefield of that same war: to cleanse the U.S. Presidency, once and for all, of control by the British Empire, and to retake that institution for an American System policy of a credit system, both in this country and internationally. Today, our first step is to constitutionally remove Obama from office, as the only secure means of preventing the British Empire from unleashing global thermonuclear war. Then, through the organizing activity of the LaRouche Congressional campaigns, we can make sure that our Presidency is returned to the policies and principles under which it was created.

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