

Obama Pimps for London's War Scheme To Avert Bail-In Doom

by Jeffrey Steinberg

April 7—President Barack Obama has moved forward with war provocations against Russia and China on behalf of a desperate London-Wall Street apparatus that faces imminent wipe-out through its own bail-in scheme. With world financial leaders gathering in Washington this week for the annual Spring meeting of the International Monetary Fund and World Bank, the trans-Atlantic financial system is doomed. Since European finance ministers adopted the bail-in scheme to loot bank depositors and shareholders last month, the entire Anglo-Dutch monetarist financial system is on the brink of disintegration. The only way that the London-centered system can avert an inevitable default is by provoking a war, which, according to their delusional calculations, will allow the winners to write off the mass of unpayable debt in a post-war shake out.

It is for this reason that the NATO alliance has broken off many channels of collaboration with Russia, thus accelerating the prospects of a military showdown. At the same time, President Obama is moving to provoke similar conflict with China.

The simultaneous escalation of the war of words and actions against both Russia and China tells the story. On behalf of London, Obama is driving the United States into a head-on confrontation with the two other major thermonuclear-weapons powers—against all genuine American strategic interests.

Ring Around China

In Congressional testimony last week, Assistant Secretary of State for Asia-Pacific Affairs Daniel Russel threatened China with retaliation if Beijing takes any steps to apply the “Crimea model” to disputed islands in the South China Sea and the East China Sea. Secretary of Defense Chuck Hagel, under White House orders, announced that two new U.S. Navy destroyers equipped with Aegis ballistic-missile-defense systems will be deployed to Japan by 2017, thus tightening the containment noose around China’s neck. The deployment is ostensibly targeted at North Korea, but Beijing will clearly read the U.S. action as an acceleration of the scheme to create an Asia-Pacific alliance against China. (See article in this section.)

Targeting Russia

At the NATO meeting last week, following President Obama’s visit to European capitals, many cooperative ties with Russia were cut off, including the NATO-Russia Council. In Washington, President Obama announced that all strategic cooperation with Russia on the military-strategic level has been shut down, including consultations on NATO’s deployment of ballistic-missile defense in Europe. Even NASA’s cooperation with Russia on such vital issues as asteroid defense has been severed.

To underscore the war plans, an American destroyer

with Aegis BMD systems is being deployed into the Black Sea not far from the Russian naval base at Sevastopol in Crimea. Russia has already said that such a deployment could be in violation of longstanding treaties between Moscow and the West. And following meetings in Europe, Defense Secretary Hagel made clear that Washington will favorably reply to demands for forward-based U.S. military systems and personnel from Poland and the Baltic states. A new combat brigade is likely to be announced for Poland or the Baltic states in the coming days.

In the clearest signal of readiness to respond to such American and NATO provocations, on March 29 Russia's Strategic Missile Forces carried out a massive three-day exercise involving 10,000 soldiers and 1,000 pieces of equipment from more than 30 units. The major purpose of the drill, according to a report in *Nezavisimaya Gazeta*, which cites multiple senior Russian military officers, is to ensure that Russia's Strategic Missile Forces have sufficient readiness to conduct offensive operations involving the massive and simultaneous use of nuclear missiles. The strategic maneuvers by the nuclear weapons units involved more than 10,000 specialized forces.

Russia is also continuing diplomatic efforts to derail the war drive. Foreign Minister Sergei Lavrov has offered a proposal to Secretary of State John Kerry to de-escalate the Ukraine crisis. This involves a Russian pledge that there will be no further incursions into Ukraine, following the Russian absorbing of Crimea; new Ukrainian elections; a more decentralized Ukrainian state assuring the rights of Russian and other ethnic minorities under a new constitution; and a United Nations Security Council resolution embracing the compromise. The proposal offers the Obama Administration an opportunity to pull back from the war threat.

But President Obama is not about to accept such a reasonable diplomatic solution. As an agent of the British monarchy and its City of London-Wall Street apparatus, Obama is plunging headlong toward war. There is no other conclusion to be drawn from the step-by-step shutdown of diplomatic channels. And the fact that the Obama White House has escalated its diplomatic barrage against Beijing at the same moment, lets the cat out of the bag.

A Bankrupt System

Lyndon LaRouche has made the case: If the British system goes into disintegration through bail-in/bailout

prior to war, the oligarchical system that has dominated world affairs since the death of President Franklin Roosevelt and the launching of the Churchill-Truman Cold War will crash, and along with it, the power of empire will be wiped out—provided that Glass-Steagall and other appropriate measures are put into effect. As LaRouche put it:

“If the British can not pull off a successful war operation, military operation, against the planet, they are screwed. *And that's what the issue is: That's what the war is all about.*

“See, if the British came out, tattered and battered and so forth, of the crash, during a war period, they don't owe anything! What kills them is the debts they owe! The only way they can cancel the debts they owe, now, under bail-in conditions, *is by going to war!* And it is the British Empire, not anybody else who is starting this war.”

The Empire's outlook was highlighted in hysterical statements by European Central Bank head Mario Draghi and IMF Managing Director Christine Lagarde last week. Both demanded immediate massive quantitative easing to avert a blowout of a single “too big to fail” European bank. If even one bank goes under in Europe and triggers the bail-in mechanism, looting depositors' funds and shareholders' assets, the whole system blows. The rating agencies Fitch and Moodys announced that they will downgrade bank ratings, on the basis that the taxpayer bailout is no longer sacrosanct.

For now, the efforts to build the wall of containment around both Russia and China are moving forward. This will only tend to drive Russia and China closer together—perhaps in an alliance with India.

A key advisor to Russian President Putin on Eurasian policy, Sergei Glazyev, has challenged the West over the sanctions policies. Glazyev wrote that many Western European countries are heavily dependent on Russia for oil and gas shipments, and there are simply no alternatives. It is they that will suffer the most if trade is cut off. The bellicose NATO-U.S. policies are driving the intensification of cooperation among the Shanghai Cooperation Organization nations. More immediately, they are driving the world to a thermonuclear confrontation among the leading powers (see *Documentation*).

The race against the bail-in is in its final stretch. And there is one simple war avoidance option: Remove Obama from office! His impeachable offenses offer more than enough grounds to do so.

Russia's Glazyev: 'On the Brink of World War'

April 5—Academician Sergei Glazyev, an advisor to Russian President Vladimir Putin on Eurasian integration, yesterday warned of national bankruptcy for several European countries, a blow-out of the banking system, and a “game on the brink of world war,” if full-scale economic sanctions against Russia were to be pushed through. His interview with the Russian-language service of RT was also distributed by RIA Novosti.

“If the Americans try to implement the model used in the case of Iran,” said the Russian economist, “meaning virtually total disconnection of the country from the world financial system, that is, from its dollar and euro segment, then our calculations show that losses in the European Union could reach EU1 trillion. If our payments are blocked, the European banks will feel it very palpably, because hundreds of billions of liabilities will be frozen.” If such measures were to be pushed further by the United States, destabilizing the entire European financial system, in parallel with attempts to hurt Russia, he added, “then this would turn out to be a big geopolitical game, on the brink of world war.”

Glazyev noted that while potential damage to Germany's economy from total sanctions against Russia may be estimated at up to EU200 billion, “the strongest damage, in relative terms, strange as this might seem, would be felt by Ukraine—whose interests they're so concerned about—and the Baltic countries, which have behaved the most aggressively. Losses for the Baltic countries would be almost equivalent to their GDP, since the economies of these countries are almost entirely involved with transit services to and from Russia. Thus, for Europe the sanctions are economic suicide. European businessmen understand this very well. But I'm struck by how much the European media are like a branch of the American, or, rather, not even of the American, but of some very vicious hawks.”