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Russia Debates Dirigist Credit-Creation Plan  
Restore American Principle: Fusion Power/NAWAPA XXI  
Build a Eurasian Union from Vladivostok to Lisbon

## Obama Flops in Asia; Faces Revolt at Home



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# EIR

## From the Editors

As the increasingly irrelevant President Obama hobbled back from his Asian trek, to Japan, South Korea, Malaysia, and the Philippines—all targets of the Obama-British imperial “Asia-pivot” scheme—he was barely able to muster his signature smile, as, one by one, each of his objectives met stiff resistance from his hosts. The snubbing of China—the region’s economic and military superpower—did not go unremarked. As EIR’s Mike Billington reports, Obama’s blundering into the heated dispute between Japan and China over islands in the East China Sea, provoked a pointed response in a *New York Times* op-ed, from a Chinese scholar, who charged that Obama’s U.S. has been a “destabilizing force” in the region.

But things aren’t any better for Obama on his home turf, as Lyndon LaRouche pointed out in his webcast April 25 (*Feature*); the President’s bellicose stance against Russia, is provoking a backlash among the top U.S. military circles. “Obviously, the relevant military institutions of the United States are not going to condone the President’s going to general warfare. That is not going to happen,” LaRouche stated.

In her analysis of the crisis in Ukraine, and resistance in Europe—Germany, in particular—to the insane U.S./EU/NATO provocations against Russia, Helga Zepp-LaRouche reveals what is driving the world to the brink of World War III (*International*): “It is this impending collapse of the trans-Atlantic financial system, dominated by London and Wall Street, that is the real reason for the acute danger of war.”

In “Russia Debates Dirigist Credit-Creation Plan,” EIR Russia Editor Rachel Douglas provides an evaluation of the intense discussion in Russia over economic policy, forced by both the punitive EU/U.S. sanctions, and by domestic economic problems. In response, Putin advisor Sergei Glazyev has put forward a proposal to protect the Russian economy.

Looking at the U.S. economy, LaRouchePAC’s Megan Beets presents a detailed view of what NAWAPA XXI will mean for the parched Western states, especially California and Texas; and Marcia Merry Baker examines the impact of the drought in those same “food bowl” states as shortages threaten to bring soaring food prices.

In Texas, Kesha Rogers is posing a challenge to the “Bush Democrats” who have been bought off by her Wall Street-owned opponent in the contest for the Democratic Senate nomination, moneybags David Alameel (*National*).

## Cover This Week

*The Philippine LaRouche Society banner shows Presidents Aquino and Obama (sporting his mustache), at the center of protests against the Philippines being turned into a U.S. military base*



Philippines LaRouche Society/Ver Archivado

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President Barack Obama returned from his April 22-29 Asia tour having failed to accomplish any of the objectives that were spelled out on the eve of his four-nation excursion. He failed to arm-twist the Japanese into significant economic concessions aimed at pushing ahead with the Trans-Pacific Partnership (TPP) free-trade scheme; he failed to get Japan to sign off on new U.S. sanctions against Russia; and he failed in his efforts to bridge the conflicts between Japan and South Korea, two key Asian nations which are part of the Obama scheme to build a containment alliance against China. As his "Asia-pivot" scheme falls apart, Obama faces collapsing support at home as well.

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Lyndon LaRouche gave this weekly webcast address on April 25, at [www.larouchepac.com](http://www.larouchepac.com). Given the global economic and financial crisis, he said, “there is no chance for the United States, now, unless we are going back to a higher energy-flux density per capita, which means, going into *thermonuclear fusion* as the leading driving point for the United States and others. If we do not shift to a thermonuclear fusion orientation, the United States is not going to make it!”

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# Obama's Failed Asia Trip: Nothing Left But War

by Mike Billington

April 28—President Barack Obama will return from his April 22-29 Asia tour tomorrow, having failed to accomplish any of the objectives that were spelled out on the eve of his four-nation excursion. He failed to arm-twist the Japanese into significant economic concessions aimed at pushing ahead with the Trans-Pacific Partnership (TPP) free-trade scheme; he failed to get Japan to sign off on new American sanctions against Russia; and he failed in his efforts to bridge the conflicts between Japan and South Korea, two key Asian nations which are part of the Obama scheme to build a containment alliance against China.

According to several Asian officials, both Japanese Prime Minister Shinzo Abe and South Korean President Park Geun-Hye were well aware of President Obama's sinking support back home, the building Democratic Party revolt against his failed policies, and most of all, his defeat in attempting to push through Congressional fast-track authorization for the TPP. In short, Obama's domestic meltdown is impacting his shrinking global credibility, and widespread news coverage in the U.S. of his failures in Asia will drive his further political demise.

Lyndon LaRouche, Obama's leading domestic critic, noted, over the weekend of April 26-27, that Obama's Asia failures, combined with the fact that Russian President Vladimir Putin continues to call Washington's bluff over the Ukraine conflict, have accelerated the prospects of Obama being dumped. "This

does not mean that Obama is finished, but it does mean that the preconditions are now apparent for his early demise," LaRouche told colleagues.

Having turned American policy in Ukraine over to Assistant Secretary of State Victoria Nuland (a former employee of Dick Cheney, and wife of rabid neocon Robert Kagan), who proceeded to finance and support neo-Nazi thugs in a coup against the elected government of Ukraine, and provoke a confrontation with Russia, President Obama has now carried out a tour of Asia under the direction of his National Security Advisor Susan Rice, the British-trained expert on imperial regime change, pushing forward the timetable for a thermonuclear confrontation with China on behalf of Wall Street and the City of London.

There are two prongs to Obama's confrontation with China. One is economic, in the form of the TPP, which aims to impose supranational dictates which prevent sovereign control of a nation's trade and productive processes. The TPP is also directly aimed at the isolation of China, to restrain its crucial and expanding role in the extraordinary growth taking place in East and Southeast Asia, even while the West is in a terminal breakdown crisis.

From the standpoint of the intended economic warfare, Obama failed totally, and instead, was told by Japan, South Korea, and Malaysia that they had no interest in committing economic suicide.

But on the second prong—the buildup of an expand-

ing U.S. military presence in Asia along China's borders, centered on Japan, the Philippines, and Australia, thereby creating the capacity to impose Obama's currently operative first-strike policy known as Air-Sea Battle—on this front, Obama was quite successful, if success is measured according to the British Empire's commitment to global war and depopulation.

### Storm Over Asia

Even before landing in Tokyo April 23, Obama conducted a written interview (almost certainly drafted by Susan Rice) with the *Yomiuri Shimbun*, which broke from the official U.S. doctrine that Washington does not take sides in territorial disputes, and from its intentional ambiguity in regard to U.S. military commitments over the current heated conflict between Japan and China over the Senkaku/Diaoyu islands in the East China Sea, by declaring that: "The policy of the United States is clear—the Senkaku Islands are administered by Japan and therefore fall within the scope of Article 5 of the U.S.-Japan Treaty of Mutual Cooperation and Security."

Thus any conflict over the contested islands, whether provoked by Japan or China, or even by the U.S., will serve as a justification for U.S. military operations against China.

China responded immediately. Foreign Ministry spokesman Qin Gang reported that China had issued a "solemn representation" to both the American and Japanese ambassadors in Beijing, saying: "We urge the United States and Japan to give up the Cold War mindset, earnestly respect the interests and concerns of other countries in the region, and refrain from further disturbances to regional peace and stability."

The head of the Center for American Studies at Fudan University, Wu Xinbo, wrote an op-ed in the *New York Times*, saying that the U.S. has been a "destabilizing force" in the dispute between China and Japan, and noting that the U.S. created the problem in the first place, in 1971, by turning administrative control over



White House video

*President Obama's disastrous trip to Asia began in Tokyo, where he managed to offend China, while failing to win Japan's support for sanctions against Russia. Shown: Obama and Prime Minister Abe at their press conference April 24.*

the islands to Japan, rather than returning them to China as called for in the 1945 Potsdam Declaration, which specified that all territories seized by Imperial Japan (the islands were absorbed by Japan in its 1895 war with China) be returned to the original sovereign.

Wu went on to denounce Obama's backing of Abe's effort to reinterpret the country's post-World War II pacifist Constitution (drafted in collaboration with Gen. Douglas MacArthur), in order to end Japan's self-imposed ban on foreign military operations. In fact, Obama praised Abe's militarization plans during their joint press conference on April 24, saying that he "enthusiastically welcomed Japan's desire to play a greater role in upholding international security . . . including by reviewing existing limits on the exercise of collective self-defense," a euphemism for the right to conduct offensive warfare in support of the U.S.

Wu's *Times* op-ed concluded: "These policies suggest that the United States, while claiming to be neutral, not only supports the Japanese position over the islands, but, more importantly, prods Japan to be more aggressive toward China."

In the Obama-Abe press conference, when AP asked Abe about his December visit to the Yasukuni Shrine (which glorifies the Japanese role in World War II and honors Japanese war criminals, along with other soldiers), Abe unabashedly defended his visit, despite the obvious fact that this is one of the most provocative acts a Japanese leader can take in regard to the painful mem-

ories in China and Korea of the war crimes committed during the Japanese occupation. Although the Obama government, and most Japan institutions, condemned Abe's visit to the Yasukuni Shrine at the time, as an unwelcome provocation, Obama made no objection during the press conference—a tacit approval under diplomatic protocol.

Although not reported in the world press, Japanese sources told *EIR* that Susan Rice also tried to strong-arm Abe to join in the next round of sanctions against Russia. Japan had earlier given verbal support to the sanctions imposed by the U.S. and EU after the Crimea referendum in favor of secession, and Russia's annexation of its former territory, but Japan refused to impose any sanctions of its own, conscious of the crucial relationship between Japan and Russia in regard to the development of the Eurasian Far East, as well as the need to settle outstanding territorial issues. The source reported that on this issue, Abe refused to capitulate.

### **Philippines: One Big U.S. Military Base**

Today, just hours before Obama's arrival in Manila April 27, Philippines Defense Secretary Voltaire Gazmin and U.S. Ambassador to the Philippines Philip Goldberg signed an Enhanced Defense Cooperation agreement, which has essentially turned the Philippines into a massive U.S. military base, with ground, air, and sea-based capacities at multiple basing sites, and with ample storage facilities. That this is intended to serve as a primary base of operations for a war on China is quite openly acknowledged by all sides.

Obama, in a joint press conference with Philippines President Noyon Aquino, described the agreement as “a terrific opportunity for us to work with the Philippines to make sure that our navies, our air forces are coordinated, to make sure that there's information-sharing to allow us to respond to new threats, and to work with other countries—ASEAN countries, Australia, Japan.” The Philippines has essentially no air force or navy, so the intention is clear.

The irony of this move by Presidents Obama and Aquino, is that the Constitution of the Philippines explicitly forbids the basing of any foreign military forces on its sovereign territory. No one is fooled by the subterfuge that the U.S. bases are not bases at all, but only “guest facilities” within existing Philippine military bases, and that the soldiers, military aircraft, and war-

ships are merely “rotating guests,” despite the fact that they will be stationed at permanent, newly constructed, U.S.-run facilities. President Aquino announced that he will not seek Congressional approval for the agreement—yet another breach of the Philippine Constitution.

The deal was barely reached in time for Obama's visit, since the U.S. has insisted that Filipinos would be forbidden access to the “guest facilities” within their own Philippine military bases, which was simply too much for many leading Filipinos to swallow, especially within the military.

Although the details of the agreement have not been released—and may never be—it is reported in the press that the agreement will allow the base commanders from the Philippines military to have access to the U.S. facilities. How that will play out is not certain.

President Aquino's election was based primarily on the fact that he is the son of former President Cory Aquino, who was placed in office in 1986 by the U.S.-run coup against the Philippines' last nationalist leader, Ferdinand Marcos. Cory Aquino dutifully followed the dictates of then-Secretary of State George Shultz and his deputy Paul Wolfowitz to shut down the completed nuclear power plant built under Marcos (the first such nuclear facility in Southeast Asia), threw out the rice self-sufficiency policy of the Marcos government, and closed the 11 industrial development programs initiated by Marcos—a process which turned the nation into an impoverished hell-hole, which has only gotten worse each year since then. Now, it has been essentially re-colonized and turned into potential cannon fodder in a rapidly approaching U.S. thermonuclear war against China and Russia.

### **Korea Rejects Anti-China Posture**

Obama's brief visit to South Korea April 25-26 was intended to consolidate an effort begun in the Hague in March, on the sidelines of the Nuclear Security Summit, where Obama strong-armed the Korean President to meet with him and Prime Minister Abe. Relations between Japan and South Korea have been extremely tense over Abe's attempts to roll back earlier Japanese apologies for crimes committed during the Second World War, and the nearly half-century of Korean colonization by Japan. Obama and his neocon backers have tried desperately to drag South Korea away from its increasingly strong relations with China, and to ally with



White House video

*In Seoul, Obama ignored President Park's efforts to forge a solution to the North Korea crisis, repeating instead his belligerent demand that Pyongyang give up its nuclear weapons program, with nothing offered in return. Obama and Park are shown here at their joint press conference April 25.*

the U.S. and Japan against both China and North Korea. The meeting in the Hague accomplished little, and Obama's visit to Seoul (thankfully) accomplished even less.

Only days before Obama's arrival April 25, President Park held a 40-minute phone call with Chinese President Xi Jinping, discussing Obama's coming visit, as well as the North Korean issue. While calling on China to encourage North Korea not to carry out its threatened fourth test of a nuclear weapon, Park also discussed the necessary positive solution to the North Korea problem—regionwide development projects engaging the North in a mutually beneficial program for peace through development.

Even more of a poke in the eye to Obama, President Park deployed the head of the Korea Railway Corporation (KORAIL), Choi Yeon-hye, to Pyongyang, traveling by rail from Beijing, to attend a meeting of the Organization for Cooperation between Railways, an annual meeting of Eurasian countries dedicated to expanding international rail development. Explicitly on the agenda: cooperation among Russia, China, South Korea, and North Korea on connecting South Korea to the Trans-Siberian Railway by restoring the long-dormant rail connections through North Korea.

When Obama spoke to the press with President

Park, he ignored her efforts to forge a feasible solution to the Korea crisis, repeating instead his usual belligerent demand that Pyongyang give up its nuclear weapons program, with nothing offered in return. Obama stated the obvious—that North Korea is the most isolated country in the world—and that more sanctions would be imposed if it did not submit.

While it is true that North Korea is isolated, Obama himself is increasingly isolated from most of the world outside of the trans-Atlantic nations, and from a growing number of sane leaders in

the U.S. as well. Amb. Stephen Bosworth, a distinguished senior U.S. diplomat, who played a leading role in the successful peace process among the U.S., South Korea, and North Korea, reached under President Bill Clinton in 1994-95 (the General Framework, sabotaged by Dick Cheney in 2002), and who was appointed as Special Representative to North Korea (2009-11) by Secretary of State Hillary Clinton, spoke in Washington on April 24, the same day that Obama was in Seoul, on the crisis in North Korea. Asked by *EIR* to comment on Obama's threats to Pyongyang, contrasted with the development efforts being discussed among Russia, China, and the two Koreas, Bosworth did not hide his disgust with Obama's current confrontational approach:

"I believe strongly that by focusing as exclusively on the nuclear issue as we are now, we're ignoring long-term considerations that are of great importance. I come back to the question that was raised about railways between South Korea, North Korea, Russia, etc. And there was an allusion in there to the flow of natural gas, perhaps, along the Korean Peninsula. My view is that in the longer term, starting now, the best way to deal with North Korea is not to focus just on their nuclear capability, although that is obviously a grave concern, but to focus on what I think is the underlying problem of great seriousness, which is the inherent



weakness of North Korea. And as long as they are as weak as they are, and perceive that they're as weak as they are, in their calculus, the only way of dealing with that is to be able to pose a threat to the other countries in the region. And my answer to that would be, all right, let's tie them into a meaningful network of regional economic engagements. If you could tie them in through their own self-interest into a network involving the flow of natural gas down from Russia into the Korean Peninsula, I think the benefits from that in the medium and longer term could be quite substantial, because it would give them a stake in stability. And now they really don't have a stake in stability."

If Obama were not owned by Wall Street, such words of wisdom might have an impact.

### Malaysia—Another Rejection

Obama's one-day visit to Malaysia April 26-27—the first by a U.S. President since Lyndon Johnson's visit in 1966—was reduced to a public relations ploy, since it was already clearly understood that Malaysia was not about to capitulate to U.S. demands regarding the TPP. Therefore, the visit was dominated by an amorphous agreement to upgrade diplomatic ties to a comprehensive partnership, while the media emphasized that relations are "Oh, so much better" than under the long reign of Dr. Mahathir Mohamad, who in fact defended Malaysian sovereignty, and still plays a key role from his retirement in defending the nation.<sup>1</sup>

The most important part of the Malaysia visit was not entrusted to Obama, but was handled directly by his controller, British agent Susan Rice, together with Rice's cohort Daniel Russel, Assistant Secretary of State for East Asian and Pacific Affairs. Rice and Russel met with the leading British-Saudi agent in Malaysia, Anwar Ibrahim, together with Anwar's opposition party co-leaders, after Obama left Malaysia. According to the *Malaysia Chronicle*, Anwar "suggested the United States create a Working Group on governance and human rights that included representatives from civil society and opposition as one critical way to strengthen the comprehensive partnership announced during President Obama's visit." This would indeed be music to the ears of Rice, who helped dispense the \$5 billion allocated by the U.S. to set up the anti-Russian

(and pro-neo-Nazi) NGOs in Ukraine over the past years.

While the opposition leaders whined that the current government stole the last election, and that "Anwar Ibrahim should be the rightful Prime Minister of Malaysia right now," the core of the meeting clearly took place in the unrecorded 20-minute private discussion between Rice and Anwar after the larger meeting. Under discussion there was likely the proposal which Anwar, who is the head of the Muslim Brotherhood in Malaysia, presented in an op-ed to the *Washington Post* on April 26, as Obama was arriving in Kuala Lumpur. Anwar argued that Southeast Asia needs its own "Arab Spring." This would unleash the radical jihadists across Malaysia, Indonesia, and the Philippines, to destroy these nations as the Middle East has been destroyed by the British/Obama backing of al-Qaeda-linked opposition to secular governments there.

Indeed, Anwar has been funded, and worked closely with, the Saudi sponsors of Islamic jihadists throughout his career, which will fit in nicely with Susan Rice's support for al-Qaeda in Libya and Syria, and for neo-Nazis in Ukraine.

### Only Solution—Impeach Obama

LaRouche noted recently that Obama is finished—hated by the U.S. citizenry for multiple crimes against the Constitution and the livelihood of the people, and no longer tolerable to his Wall Street and British Empire sponsors, as he has failed to implement their instructions to force Russia to back down to the NATO onslaught in Ukraine, and has now failed in his instructions to force the economic suicide of the TPP down the throats of the Asian nations. The preconditions of Obama's impeachment are now in place—to take his finger off the button, to stop his bail-out and bail-in of the bankrupt Wall Street banks, and to allow the launching of America's cooperation with the Eurasian nations in vast economic and infrastructural development projects.

His Asia trip demonstrates that his oft-promoted "pivot to Asia" offers nothing of benefit to the people of the United States, nor those of Asia, but is simply a mobilization for a war which, together with the simultaneous push for war on Russia, would mean extinction of civilization. His removal from office is urgent.

1. See [EIR](#), March 25, 2005, for an interview with Dr. Mohamad.

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# Rogers Campaign Breaking Bush Stranglehold on Texas Dems

by Harley Schlanger

April 29—To fully understand the significance of the insurgent campaign being run by Kesha Rogers for the Democratic nomination for U.S. Senate in Texas, a little history is helpful. In the late Spring of 1980, Lyndon LaRouche, who was then a candidate for the Democratic nomination for President, addressed the Texas Democratic Party, at its convention in San Antonio. LaRouche's presence there was the result of significant support from farmers and ranchers, who had been fighting the Greenie and free-market policies of the Carter Administration, as well as backing from scientific, industrial, and entrepreneurial layers, which were still involved in the Party.

LaRouche warned the Democrats, in his short address, that if they did not shift away from the anti-science, anti-technology, free-trade direction which was being pursued by the Wall Street-based Trilateral Commission controllers of President Carter, they would become a minor player in Texas politics. At the time, the Democrats held nearly every statewide elected office. But the arrogant Party leadership ignored LaRouche's warnings.

That was a big mistake. The next decade saw the complete collapse of the Texas Democratic Party, as the Bush machine, and opportunistic former Democrats such as the corrupt windbag Phil Gramm, steamrolled over them. Since 1994, only one Democrat was elected to statewide office in Texas.

While Democrats in the past had fought against the Wall-Street-dominated GOP—as in the case of Sen.



*Kesha Rogers (right) campaigns in Houston, March 1, 2014.*

EIRNS/Sylvia Spaniolo

Ralph Yarborough's defeat of George H.W. Bush in 1964, in which he ridiculed Bush as a Connecticut-born, Wall-Street-controlled, anti-government aristocrat—by the new century, the leadership of the Texas Democratic Party had surrendered to Wall Street. The generation of New Deal and JFK Democrats, such as Speaker of the House Rep. Jim Wright and Rep. Henry B. Gonzalez, who had fought for a government role in advancing scientific and technological progress, in the tradition of Alexander Hamilton, was gone. It was replaced by mostly small-minded technocrats, who tried to make up for their lack of big ideas by adopting pro-Wall Street policies, such as anti-science environmentalism, free-trade agreements, and deregulation of banking, hoping that this would open the door to a flood of funds from Wall Street.

## Slaves on the Bush Plantation

With the election of George W. Bush as Governor in 1994, the Texas Democrats took a further leap into an



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*The LaRouche Presidential campaign rolls into town in San Antonio, Tex., June 20, 1980. Lyndon LaRouche addressed the Democratic Party convention there.*

embrace of Wall Street. During the next two decades, while there was much talk of “competing” with the GOP, the results speak for themselves: not only no statewide victories, but a significant decline in the size of the Democratic Congressional delegation, and Democratic members of the state legislature. As the Democrats became increasingly impotent, trying to counter the fascist “anti-government” rhetoric of the GOP, with Al Gore-type blather about “smart government” and “pay-as-you-go” schemes, combined with virulent Greenie nonsense, not only did the decline accelerate, but the Republican Party, under Bush and Cheney, became more aggressively fascist.

It was during this electoral collapse that Kesha Rogers burst onto the scene, in her 2006 campaign for state party chairman. Running as a LaRouche Democrat, under the slogan “Out of the Bushes, into the Future,” Rogers attacked the Party’s anti-growth environmentalism and free-trade orientation, blasting Texas Democrats for be-

coming a “Bush League” party. She called on party delegates to return to the legacy of Presidents Franklin D. Roosevelt and John F. Kennedy, who inspired Americans with their vision for an unlimited future, with advances in science and technology that offered the possibility of a better future for all Americans. Her challenge made a definite impression on delegates, but the collapse continued, with “business-as-usual” in 2008, when Party rules were bent to give the majority of the state’s delegates to Barack Obama, despite a victory in the primary by Hillary Clinton. Obama’s near-sweep of delegates in the state’s caucuses had been funded by Wall Street, augmented by dirty money from drug-legalization finan-

cier George Soros’s operations.

Obama’s Presidency has not helped the popularity of Texas Democrats. In fact, Obama’s full support of Bush-Cheney policies of wars for regime change, NSA spying, drone killings, Wall Street bailouts, etc., and his expansion of the use of “Executive privilege” to cover up crimes of the Bush-Cheney Administration, as well as his assertion of the “Unitary Executive” concept, in violation of the Constitution’s system of checks and balances, has made him extremely unpopular in Texas, leading to a further desertion of Democratic voters.

This was underlined by Rogers’ victories in Democratic primaries in 2010 and 2012 in the 22nd Congressional District, during which she campaigned for the impeachment of Obama. These victories resulted from grassroots support among Democrats, as she received over 50% of the vote, despite slanderous opposition from the Party leadership, in defense of the indefensible Obama.



EIRNS/Sylvia Spaniolio



## Alameel: Wall Street Shill

The opposition to Rogers from the losers running the Texas Democratic Party continued into 2014, when they decided to promote a Wall Street shill, David Alameel, to run against her for the U.S. Senate. Alameel's appeal to Democratic Party leaders is that he is a multi-millionaire, committed to spend "whatever it takes" to win the nomination. While masquerading as an anti-Wall Street Democrat, his history tells a very different story.

Alameel, formerly a dentist, made his fortune in a deal with a hedge fund, Black Canyon Capital, which paid tens of millions of dollars to purchase his dental clinics. Black Canyon, which is a part of Canyon Partners LLC, a \$19 billion hedge fund, was founded by two protégés of convicted swindler Michael Milken, in 1990, not so coincidentally the same year that the firm through which he ran his junk bond swindles, Drexel Burnham Lambert, was forced into bankruptcy, and not long after Milken's indictment for racketeering and securities fraud.

Though Milken went to jail and Drexel was shut down, the model he created, to use debt to take over firms and then milk those firms for every last penny, remains operative—aided by the deregulation of financial markets supported by both parties. There have been serious questions raised about how hedge funds can make money by taking over dental clinics, and investigations into possible Medicaid fraud involved in such takeovers continue in Texas.

Not only was Alameel's fortune directly the result of a deal with a hedge fund, but his history of campaign contributions includes very generous gifts to Republicans, including \$75,000 to Bush's successor as Governor, Rick Perry, as well as several large contributions to Gregg Abbott, who is now the GOP candidate for Governor, and to Sen. John Cornyn, whom Alameel hopes to run against! He tries to explain away his past by saying that the GOP is now "too extreme" for him, and has tied himself to Obama, apparently hoping no one



EIRNS/Sylvia Spaniolo

*David Alameel, the Wall Street shill running against Kesha Rogers for U.S. Senate.*

will notice that Obama is owned by the same corrupt financial interests of Wall Street which made him, Alameel, a multi-millionaire.

After spending \$3.5 million in losing a Democratic primary race for Congress in the Dallas area in 2012, in which he finished fourth (!), he bought his way into the good graces of the Texas Democratic Party leadership, by making a contribution to the Wendy Davis gubernatorial campaign. As for Alameel, he is running a shadow campaign, rarely appearing in public, refusing to debate Rogers, lamely saying

she is "not a Democrat."

As for the life-and-death issues confronting the population—the danger that Obama will bring the U.S. into World War III against Russia and/or China, the crippling drought, concerns over the continuing economic collapse, which has deprived people of jobs, livable wages, homes, health care, etc., Alameel has nothing to offer but an empty slogan, that he is "for the middle class"!

That his campaign is nothing but a financial operation, designed to derail Rogers, is made clear from looking at his campaign funding. As of the filing of his Federal Election Commission Campaign Finance report on March 31, Alameel has contributed \$4,319,368 to his own campaign, while raising only \$23,794 from others!

Rogers has produced a radio ad exposing his Wall Street ties. The 60-second ad, which will go out statewide this week, concludes by reminding listeners that Presidential advisor Valerie Jarrett told *Politico* that Obama has "a complete alignment of interests with Wall Street." The ad continues, "No wonder Alameel thinks Obama is doing a great job fixing the economy! A vote for Alameel is a vote for Wall Street thievery."

It concludes, "For the May 27th Democratic runoff election, vote Kesha Rogers for U.S. Senate. She's fighting to cancel all Wall Street bailouts and restore FDR's Glass-Steagall Act, to protect our pensions, Social Security, Medicare, and veterans' benefits from being cut."



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# National News

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## How U.S. Switched Sides In the War on Terror

April 26—The Citizens' Commission on Benghazi, composed mainly of retired U.S. military and intelligence officers, issued its Interim Report on April 22. Entitled "How America Switched Sides in the War on Terror," the report states that the U.S. facilitated the delivery of weapons and military support to al-Qaeda-linked rebels in Libya. The rebels had made no secret of their al-Qaeda affiliation, yet the White House and senior Members of Congress deliberately pursued a policy that provided material support to terrorist organizations to topple a ruler who had been working with the West to suppress al-Qaeda. Al-Qaeda-linked guerrillas killed U.S. Ambassador Christopher Stevens and three other Americans in 2011.

The report also notes:

- The war in Libya was unnecessary, served no articulable U.S. national security objective, and led to preventable chaos regionwide.
- The rebel forces were dominated by the Libyan Muslim Brotherhood and al-Qaeda.
- Muammar Qaddafi had expressed his willingness to abdicate shortly after the beginning of the 2011 Libyan revolt, but the United States ignored his calls for a truce.

The Commission reiterated its call for a Select Committee to investigate Benghazi, and urged the release of then-Deputy National Security Advisor for Homeland Security and Counter-terrorism John Brennan's recommendations on overthrowing Qaddafi.

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## Court Orders Release of Papers on Drone Killings

April 21—Three judges of the Second Circuit Court of Appeals today 21 unanimously ordered the Obama Administration to re-

lease a copy of a Justice Department memo ostensibly creating the legal basis for authorizing the Executive Branch to order drone strikes to kill Americans. This reverses the ruling made in the government's favor by a lower court over a year ago, on Jan. 2, 2013.

The court stated, as part of its ruling, that it was primarily because of the administration's arrogant behavior that the court had ruled against it. In the weeks following the 2013 decision, the DoJ had paraded its justification for the assassination program, in the form of a 16-page "White Paper," which it leaked to NBC News. Taking this new "evidence" into consideration, Judge Jon O. Newman, wrote for the panel, "Whatever protection the legal analysis might once have had has been lost by virtue of public statements of public officials at the highest levels and official disclosure of the DOJ White Paper." The ruling additionally cited speeches by Attorney General Eric Holder, CIA Director John Brennan, and others.

The new ruling allows the Administration to redact the documents before their release, and does not specify a date by which they must be released.

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## Federal Prisons Are Full to Overflowing

April 26—The U.S. Federal prison population far exceeds the capacity of the prison system to properly house and maintain it, according to a report from the Congressional Research Service on the Bureau of Prisons. "The number of inmates under the BOP's jurisdiction has increased nearly eight-fold (790%) from approximately 24,600 inmates in FY1980 to nearly 219,300 inmates in FY2013."

Federal Prison Industries, Inc., aka Unifcor, a government-owned corporation that is part of the Bureau of Prisons, employs thousands of Federal inmates to work at prison factories and workshops that produce over \$900 million in goods for various contractors, including military clothing. Many pris-

oners are paid between 12 cents and 40 cents an hour.

The Justice Safety Valve Act, S.619, a bill co-sponsored by Sens. Patrick Leahy (D-Vt.) and Rand Paul (R-Ky.), would allow judges to impose sentences below the mandatory minimum in many cases, including drug-related sentences. This could alleviate some of the overcrowding in the prisons. But RepublicReport.org notes that the Correctional Vendors Association, which represents companies that use prison labor to produce everything from furniture to clothing, spent \$240,000 on lobbying over the past year, and is interested in shaping the outcome of the bill.

It has been in large part due to the lobbying of the CVA that the prison labor program has survived the many legal challenges to it over the years.

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## NASA Cooperation with Russia Is Restored

April 26—In response to widespread criticism in the United States, and in recognition that every other space-faring nation has ignored the Obama Administration's attempt to halt cooperation with Russia, the National Security Council, which promulgated the sanctions against Russia, has apparently had to exempt nearly all space programs from its suspension of cooperation.

While initially the International Space Station was the only project specifically exempt, due to absolute necessity (it cannot function without both major partners), now NASA scientists have been cleared to attend an international space conference in Moscow this Summer, to continue joint experiments with the Curiosity rover on Mars, and to supply mirrors for the Russian Spektr-RG astronomy satellite. At this point, only one or two joint science projects are not yet exempt.

Space analyst Jim Oberg observed after the sanctions were announced: "Outer space is a severe punisher of foolishness and pretense and posturing, and people who operate there all understand this."

INSTEAD OF WORLD WAR III

## Build a Eurasian Union From Vladivostok to Lisbon

by Helga Zepp-LaRouche

April 25—If we are going to eliminate the threat of a civil war in Ukraine, which could escalate quickly into a regional war, and even to a thermonuclear World War III, concrete solutions must immediately be placed on the agenda. The abduction of the OSCE (Organization of Security and Cooperation in Europe) observers today in eastern Ukraine underlines that time is running out.

Especially given the escalation of violence in eastern Ukraine, the OSCE and the signatories of the Geneva Declaration on Ukraine must return to the agreements of Feb. 21 and April 17, according to which all illegal armed groups have to be disarmed, and all illegally occupied buildings, streets, squares, or other public spaces must be vacated.

The interpretation of the Geneva Declaration by U.S. Assistant Secretary of State Victoria Nuland (infamous for her expletive “F—k the EU!”), that this only refers to the “separatists” in eastern Ukraine, but not to the Nazi occupiers in Kiev, who meanwhile have received “permits” and are no longer illegal, is as outrageous as it is arrogant. The interventions in Kiev of Vice President Joe Biden and CIA Director John Brennan, under whose patronage elements of the neo-Nazi Right Sector, interspersed with the “Ukrainian Army,” are militarily attacking the population in eastern Ukraine, shows that a different combination must be put together to solve the crisis. There is no reason why the Obama Administration should be a leading participant, since Ukraine is not a member of NATO. Further-

more, the United States has no strategic interests to defend in Ukraine, as U.S. Chairman of the Joint Chiefs of Staff Martin Dempsey told President Obama, according to informed sources. The EU and Russia must bear the main responsibility instead.

Natalia Vitrenko, a Ukrainian economist and chair of the Progressive Socialist Party of Ukraine, proposed in TV interviews this week, that Ukraine be temporarily placed under foreign receivership, jointly by the EU and Russia, since the current transitional government in Kiev is obviously too weak and also unwilling to enforce the Geneva Declaration.

Russian Foreign Minister Sergei Lavrov and German Foreign Minister Frank-Walter Steinmeier, speaking by phone today, agreed that the OSCE should play the central role in facilitating an understanding among all Ukrainian forces, to achieve de-escalation and an end to violence and the Army’s deployment—i.e., by disarming illegal units and fostering a dialogue between these forces about constitutional changes.

It is now obvious that the conditions simply do not exist to successfully conduct the presidential elections that are scheduled for May 25. Instead, a referendum on federalization of Ukraine and constitutional reform should be the immediate priority. Then the circumstances could be created for a presidential election that does not tear the country apart, but rather, creates the possibility of either retaining its territorial integrity, or proceeding with orderly ordinary partition, as occurred



Vice President Joe Biden in Kiev, April 22, trying to bolster the illegal and unelected Ukrainian government, which includes neo-Nazis from the Svoboda party in Cabinet positions.



4vlada.com

One of Biden's and Brennan's former friends: Aleksandr Muzychko, a leader of the Right Sector, which has now been incorporated into Kiev's "security services." In 2007, Muzychko pledged to fight against "communists, Jews, and Russians" for as long as blood flows in his veins. Muzychko was shot dead in March.



CSIS

CIA Director John Brennan made a secret visit to Kiev in April. Our sources have not yet disclosed what disguise he wore.

## Geopolitics vs. Development

Even more important than these specific steps for de-escalation in Ukraine, however, is to change the strategic parameters that provide the backdrop for this crisis. It is not only Ukraine—where the average monthly income has shrunk from EU400 to less than EU300—that is economically at a dead end. The entire trans-Atlantic financial sector is bankrupt. Neither most of the American "systemically important" too-big-to-fail banks, nor a majority of European banks, which are currently undergoing a stress-test by the European Central Bank and the European Banking Authority, will be able to survive without continued bailouts—hyperinflationary money-printing and quantitative easing (QE). Meanwhile, the now-adopted law allowing "bail-ins," meaning the expropriation of deposits of ac-

count holders and the owners of bank shares and loans, would lead to the catastrophic collapse of the real economy.

It is this impending collapse of the trans-Atlantic financial system, dominated by London and Wall Street, that is the real reason for the acute danger of war. The same geopolitical impulses that led to the First World War are now reigning in London and New York. Just as the geopolitical ideology of an allegedly irreconcilable dichotomy of interests between the Eurasian "heartland" and the Atlantic "rimlands," propagated by Halford Mackinder and Lord Milner to prepare the chessboard upon which the First World War was

then fought, so the current imperial financial oligarchy sees Asia's relative growth as a threat.

The need for this financial empire—also known as globalization—to devour more and more parts of the world for the purpose of primitive accumulation of local resources, is ultimately also behind the continual eastward expansion of NATO and the EU, as well as the encirclement of China with a network of military alliances in the Pacific region.

The only way to effectively overcome the threat of war is therefore to put a stop to the casino economy of London and Wall Street. In the United States, a broad movement is building in favor of the reinstatement of the Glass-Steagall bank separation law, which was Franklin D. Roosevelt's response in 1933 to the criminal excesses of Wall Street that had been responsible for the Crash of 1929 and the Depression of the 1930s. The LaRouche movement is at the forefront of this fight. Several U.S. Senators and Congressmen have announced at public events in the last few days that they will be launching a coordinated initiative for Glass-Steagall in the coming week.

They are being supported by “Americans for Financial Reform” and more than 200 other Democratic grassroots organizations that together are circulating an e-mail, titled “Help Elizabeth Warren Change Wall Street and Pass the 21st Century Glass-Steagall Act,” which calls for “closing the Wall Street casino.” The AFL/CIO and numerous civil rights organizations are also part of this campaign. If Congress enacts the Glass-Steagall standard, as these Congressmen are determined that it will do, then Europe too, since the global financial system is tightly integrated, will have no choice but to do the same thing, and to say goodbye to the casino economy.

Meanwhile, Russia is preparing for tougher sanctions, which Gen. Harald Kujat (ret.), the former Chief of Staff of the Bundeswehr, rightly called “political bankruptcy” that would hurt Germany more than Russia. He was speaking yesterday on the talk show Berlin-Mitte with Maybrit Illner [see *Documentation*]. Indeed, Russian economist Sergei Glazyev, an advisor to President Putin, described the sanctions as manna from heaven, because they would force Russia to turn away from monetarist premises. Glazyev also presented a comprehensive proposal for a Russian credit system, which would aim at tripling of production, growth of approximately 6-7% of GDP, and stronger trade with Asia. [See article in *Economics*.]

In this period of greatest danger and the disruption of “business as usual,” Germany is confronted with more fundamental questions than has been the case since 1945. Germany can and must play a decisive role in overcoming the threat of war, by a courageous policy of dialogue and negotiations with Russia. The majority of German institutions are wrestling with this issue.

The West should accept the offer that President Putin has often made and has now repeated, at the height of the crisis in Ukraine. The vision of a unified Eurasian economic and humanitarian region, from the Atlantic to the Pacific, in which all EU nations and future participants in the Eurasian integration process will cooperate to their mutual benefit, is now within reach.

Chinese President Xi Jinping has put on the agenda the project for a New Silk Road and its complement, the Maritime Silk Road. This is a very important component of the Eurasian Land-Bridge program for economic integration of the Eurasian continent, which the Civil Rights Solidarity Movement (BüSo) has campaigned for in Germany ever since the collapse of the Soviet Union.

We have two options. Either we escalate the sanc-

tions against Russia, shooting ourselves in the foot economically and ending up in a third world war that will mean the end of humanity; or we choose the alternative: Together with United States, we put an end to the casino economy by Glass-Steagall-style bank separation; replace monetarism, which is impoverishing and killing the world’s people, with a credit system that will rebuild the real economy; and build the World Land-Bridge, which, in the tradition of the ancient Silk Road, will connect peoples and nations on a higher level.

That’s the only way the crisis in Ukraine can be overcome!

*Translated from German by Susan Welsh*

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## Documentation

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### Putin Speaks on Ukraine, Crimea with Constituents

*In the annual “Direct Line with Vladimir Putin” TV town meeting on April 17, a four-hour call-in question-and-answer session, the Russian President laid out his position on the situation in Ukraine and Crimea, among many other topics. We excerpt highlights. The full transcript is available in English at <http://eng.news.kremlin.ru/news/7034>.*

*Asked about developments in eastern Ukraine, Putin replied:*

Before I answer your question, I’d like to go back a little to review recent events in Ukraine. As you know, President Yanukovich refused to sign the Association Agreement with the EU. No, he did not refuse to sign it, but said that he could not sign it on the EU conditions, because it would dramatically worsen the socio-economic situation in Ukraine and affect Ukrainians. Yanukovich said that he needed more time to analyze the document and to discuss it with the Europeans. This provoked public unrest that eventually culminated in an unconstitutional coup, an armed seizure of power. Some liked it, and some did not. People in eastern and southeastern regions of Ukraine were worried about their future and the future of their children, because they saw a rapid growth of nationalist sentiments, heard threats, and saw that [the new authorities] wanted to



invalidate some of the ethnic minorities' rights, including the rights of the Russian minority. On the other hand, this description is relative, because Russians are native persons in Ukraine. But an attempt was made to invalidate all decisions regarding the use of the native language. This alarmed people, of course. What happened next?

Instead of starting a dialogue with these people, Kiev appointed new governors—oligarchs and billionaires—to these regions. People are suspicious of oligarchs as it is. They believe that they earned their riches by exploiting people and embezzling public property, and these oligarchs have been appointed to head their regions. This only added to the public discontent. People chose their own leaders, but what did the new government do to them? They were thrown into prison. Meanwhile, nationalist groups did not surrender their weapons, but threatened to use force in the eastern regions. In response, people in the east started arming themselves. Refusing to see that something was badly wrong in the Ukrainian state and to start a dialogue, the government threatened to use military force and even sent tanks and aircraft against civilians. It was one more serious crime committed by the current Kiev rulers.

I hope that they will see that they are moving into a deep hole, and that they are pulling their country along. In this sense, the talks that will start today in Geneva are very important, because I believe that we should get together to think about ways out of this crisis and to offer people a real, not sham, dialogue. The current Kiev authorities have travelled to the eastern regions, but who do they talk to there? They talk to their appointees. There's no need to go to Donbass for this, because they can summon them to Kiev for a meeting. They should talk with the people and with their real representatives, with those whom people trust. They should release the arrested [opponents], help people to express their opinion in an organized manner, suggest new leaders and start a dialogue.

People in the eastern regions are talking about federalization, and Kiev has at long last started talking about decentralization. But what do they mean? To be able to understand what they mean, they should sit down at the negotiating table and search for an acceptable solution. Order in the country can only be restored through dialogue and democratic procedures, rather than with the use of armed force, tanks, and aircraft. . . .



Russian Presidential Press and Information Office

*President Putin during his four-hour discussion with citizens on April 17.*

## Coup d'État in Kiev

**Yury Abisov, commander of Crimea's Berkut riot police:** . . . Our squad was in Kiev when the Maidan took power from [President Viktor] Yanukovych. They burned us, threw stones, and opened fire at us. Dozens of fighters were killed, hundreds were wounded, but we had an order not to shed blood. After that we were betrayed.

You have known Mr. Yanukovych for a long time. Has he always been such a wimp and a turncoat?

**Putin:** You know, there is a Russian saying: "Heavy lies the crown of Monomakh." The burden of responsibility on the shoulders of a head of state, whether large or small, is great. In critical moments, one relies on his or her own personal experience and moral values.

As for Mr. Yanukovych, he fulfilled his duty in the way he considered possible and appropriate. Certainly, I spoke with him many times during the crisis and after he arrived in the Russian Federation. We talked about the possibility of using force, among other things. There can be different attitudes to this, but the essence of his answer was that he thought of using force many times but he said that he did not have the heart to sign the order to use force against his citizens. . . .

*Another caller asked why Yanukovych fled the country.*

**Putin:** First, I don't agree that Yanukovych fled. He had to leave, but he did not flee from Kiev; he was on a regional trip while the presidential administration and government buildings were taken over in Kiev in breach of a signed agreement.

When Yanukovych signed the agreement on Feb. 21, which was guaranteed by three European foreign

ministers, from Poland, France, and Germany, he believed that this agreement would be honored. Under it, Yanukovych pledged not to use the Army or other armed force against protesters, and to pull the Interior Ministry units, including the Berkut, out of Kiev, while the opposition was to withdraw from the occupied administrative buildings, dismantle the barricades, and disarm its fighters. Yanukovych agreed to hold early parliamentary elections, to return to the 2004 Constitution, and to hold presidential elections in December 2014. Had they wanted it, he would have agreed to hold presidential elections in a month or a month and a half, because he was ready to agree to anything.

But as soon as he left Kiev and pulled the Interior Ministry units out of the city, the opposition renewed its attacks, seizing the presidential administration building, among other government buildings, and accomplishing a coup d'état in the full and classical meaning of the word....

### What Will Happen in Eastern Ukraine?

*Irina Khakamada, a Russian politician who ran against Putin in the 2004 elections, asked whether a compromise between the U.S. and Russia could prevent war over Ukraine.*

**Putin:** Is there a possibility of Russia reaching a compromise with the U.S. on Ukraine? A compromise should be reached by the various political forces *in Ukraine*, not third parties. This is actually the key issue here. We can only support and accompany this process.

Regarding the question of what should come first: a constitutional referendum followed by elections, or elections first to stabilize the situation and then a referendum: The essential issue is how to ensure the legitimate rights and interests of ethnic Russians and Russian speakers in the southeast of Ukraine....

I would like to remind you that what was called Novorossiia (New Russia) back in the tsarist days—Kharkov, Lugansk, Donetsk, Kherson, Nikolayev, and Odessa—were not part of Ukraine back then.... Russia lost these territories for various reasons, but the people remained.

Today, they live in Ukraine, and they should be full citizens of their country. That's what this is all about. The issue is not whether the referendum on decentralization or federalization is followed by elections or the elections come before the architecture of the state is changed. The key issue is providing *guarantees* to these people. Our role is to facilitate a solution in Ukraine, to

ensure that there are guarantees. People from southeast Ukraine will ask you, will ask us, and the current authorities in Kiev: Fine, the elections will be held on May 25, but do you want us to recognize their outcome? You will forget your promises the very next day and send new oligarchs to Donetsk, Kharkov, Lugansk, and so on. What about guarantees? We need answers. I hope that an answer will be found....

*A caller from the Irkutsk Region asked whether Putin plans "to send a limited contingent of troops to southeastern Ukraine to protect its Russian-speaking population."*

**Putin:** Despite the events in Crimea, we should not lose our heads, but should proceed from realities. First, we must admit that the ethnic composition of Crimea differs from that of southeastern Ukraine....

The ethnic composition of the population there is approximately 50-50. I have already mentioned that the final decision to return Crimea to the Russian Federation was only based on the results of the referendum. When I saw these results, and saw for myself that almost all residents voted for joining Russia, I repeat, we had no other choice and there could have been no other decision.

As for what is happening in southeastern Ukraine, we don't know for sure. But we believe that we ought to do everything we can to help these people defend their rights and determine their fate on their own. This is what we will fight for. Let me remind you that the Federation Council of Russia gave the President the right to use the Armed Forces in Ukraine. I very much hope that I will not have to exercise this right and that, through political and diplomatic means, we will be able to resolve all the pressing, if not to say burning, issues in Ukraine....

### From Lisbon to Vladivostok

*In reply to a question from German analyst Alexander Rahr, from Berlin, about shared values between East and West:*

**Putin:** Russia's values do not differ dramatically from European values. We belong to the same civilization. We are different, and we have some features that are unique to us, but we have the same ingrained values. I believe that we must certainly strive to create a greater Europe from Lisbon to Vladivostok, as I have said more than once, including today. If we accomplish this task, we will be able to take our rightful place in the future world. But if we choose a different path, if we divide

Europe, European values and people, if we promote separatism in the broad meaning of the word, this will make us all insignificant and mediocre players who will have no influence over their own development, let alone global development. . . .

## German Gen. Kujat: Talk to Russians, Not About Them

*April 25—Former Bundeswehr Chief of the General Staff Gen. Harald Kujat (ret.) has been very outspoken about the Ukraine crisis in recent weeks, urging Germany to reject sanctions and work with Russia to find solutions. He told Bavaria 2 Radio on April 16:*

Before the Crimea annexation, NATO offered no contribution to calm the situation. NATO could have done this. And, after the Crimea annexation, with certain statements, it actually added to the escalation of the crisis rather than to de-escalation. We heard too many different voices from the Western camp that talk about Russia but don't talk with Russia. No. NATO should have, from the beginning, from the first day, should have become active, because NATO has a strategic partnership with Russia and in the Fundamental Principles Treaty, upon which this Partnership is based, it is stated explicitly that in situations where the security interests of both sides come into question or differences of opinion come up, the NATO-Russia Council must convene to solve this problem through consultation. That can take place at the level of the foreign ministers, it can be at the level of the heads of governments. And that is what NATO didn't do.

*General Kujat participated in a round-table discussion on the Maybrit Illner TV talk show on April 24, challenging the German government, as a NATO member, to demand the immediate convening of the NATO-Russia Council. He pointed out that NATO is comprised of its member-states, and that defending its*

*own members is one thing, but everything else is “escalation rhetoric”—a reference to recent provocative remarks by NATO Secretary General Anders Fogh Rasmussen. Here is an excerpt from the discussion.*

**Illner:** Will Putin and the West wait for internal solutions [in Ukraine]?

**Kujat:** No. The longer the West temporizes and does nothing, and certainly, the longer it tries to control this crisis with sanctions or by “showing the fleet” in the Baltic Sea, the more time Putin has to let things

ripen and to use it for his own purposes. The West must come out concretely with proposals for what a solution would look like. It must declare that Ukraine is in no condition to become a NATO member, and won't be for a long time, nor can NATO accept it as a member, as it is in no position to guarantee the security of this country.

We are also prepared to talk about the future of Ukraine. Naturally there is a solution, as we have seen in the past. Czechoslovakia was separated into two states, voluntarily and without difficulty, without civil war. Why shouldn't that be possible in Ukraine? Or why couldn't there

be a federal system? Why isn't a federal system that is good for Germany not also be good for Ukraine? Why should it not function in Ukraine? And above all, in such a federal system, it must be clear that minority rights must also be guaranteed, and not only for Russians. There is a strong Polish minority in Ukraine, and other minorities that are not so big. . . . Why shouldn't that be possible? But above all the West has to finally pry itself out of its armchair, and stand up and approach Putin, and with proposals.

If we proceed further with sanctions, then we are only hurting ourselves. A country like Russia can much more easily deal with sanctions than we can, and at this very moment we are in the process of destroying all the economic connections with Russia which we have built up over many, many years, the trust we have developed, and threatening jobs in Germany. This isn't crisis management, it is a declaration of political bankruptcy!



*Retired Gen. Harald Kujat, former head of the Bundeswehr.*

ZDF

## ASYMMETRIC RESPONSE TO SANCTIONS

# Russia Debates Dirigist Credit-Creation Plan

by Rachel Douglas

April 28—A proposal by Academician Sergei Glazyev, advisor to President Vladimir Putin, for measures to protect the Russian economy in the face of U.S.-EU sanctions, surfaced in the financial daily *Vedomosti* on April 25, and quickly became the subject of intense discussion in Russia. The 15-point plan, as is apparent even in the summary given by *Vedomosti* (see box), goes beyond short-term protective steps. It implies an escalation of Putin's announced policy of moving Russian finances out of offshore jurisdictions, and raises the possibility of new, state-guided approaches to generating credit for real economic investment—an idea whose time has come for every country, not only Russia.

According to *Vedomosti*, the proposal took the form of a letter from Glazyev to the Ministry of Finance, requesting deliberation on it by the National Financial Council—Russia's so-called financial mega-regulator, operating under the Central Bank. The daily reported that Minister of Finance Anton Siluanov had instructed his staff to prepare a response.

Within Russia itself, the situation is ripe for a proposal such as Glazyev's for two reasons. One is the specter of financial warfare in the form of punitive sanctions, imposed against Russia by the USA and the EU over the conflict in and around Ukraine, which was precipitated by the U.S./NATO-backed violent coup there in February. Secondly, the Russian economy, especially manufacturing, was already slowing drastically before the Ukraine crisis, and is in danger of slip-

ping into negative growth. Capital flight in the first quarter of 2014 was in the range of \$60-70 billion, equivalent to the average annual level in recent years. How to revive economic activity is currently the subject of fierce debate within the Russian government, although the approaches of the sparring Ministry of Economic Development and Ministry of Finance both remain in the universe of monetarist techniques.

But, in a larger sense, this is a moment when all mankind stands to benefit from the sudden attention to Glazyev's proposals. In view of the utter bankruptcy of the trans-Atlantic financial system dominating the globalized economy, there's not a single nation on Earth, which is not in need of a credit policy to make the real economy flourish.

There are multiple ironies here. The bankruptcy of the trans-Atlantic system is driving the danger of war. One of the foremost among an array of geopolitical motives for the demonization of Russia and Putin, is the potential for Russia to play a leading role in the emergence of a pro-growth Eurasian counterthrust to that collapse. Sergei Glazyev, personally, is on the Obama Administration's first-round sanctions hit-list, because of the role the Ukraine-born economist, whose roots are in the high-tech industry of that country's Dnieper Bend region, had played in seeking to bring Ukraine into closer economic cooperation with Russia and the nascent Eurasian Union, thus potentially saving what survives of Ukraine's industrial design and pro-



duction capacities, which are otherwise slated for annihilation under a free-trade pact with the EU. Yet, the attacks on Glazyev, Putin, and Russia as a whole, have propelled Glazyev's most advanced proposals to the center of attention.

## Targeted Lending

The most open-ended and potentially momentous of Glazyev's proposals (Point 12), is for the Russian Central Bank to issue money, channeled through the large state-owned VEB Bank, to enable Russian companies to replace their foreign debt with ruble-denominated Russian loans. The bulk of Russia's \$723 billion external debt (a little more than half of which is sovereign debt and the debt of state-owned banks and corporations) is in the form of private and state-owned corporate obligations, on which payments constantly fall due. In recent weeks, Russian corporations have been unable to roll over their borrowings on foreign markets. Since Jan. 1, Bloomberg reported April 22, there have been only two Eurobond issues by Russian companies: one by Gazprom and one by Sberbank, the country's biggest bank, for \$1 billion each, compared with \$13 billion in such issues in the same period of 2013.

Russian entities have canceled several Eurobond issues, because the interest rates likely to be demanded were too high, and the issues could have failed. Russian borrowers are in a position of having to pay off their debts, rather than roll them over. The country thus faces a situation similar to that which President Abraham Lincoln's U.S. administration faced in 1861, when it began to implement the greenback sovereign currency and credit policy.

So far, Russia has refrained from steps equivalent to Lincoln's. But on April 25, following a week of high-level deliberation on these issues, the Central Bank did announce "a new mechanism for refinancing credit institutions": three-year loans, to be available to banks for lending for purposes that qualify for state guarantees.

Glazyev's proposal goes further than either the Bank of Russia moves or even *Vedomosti's* summary of his points. The daily *Moskovsky Komsomolets (MK)* reported that, on April 24, Glazyev addressed an expanded leadership meeting of the Business Russia group, a forum much promoted by Putin, with a "programmatic speech" in which he expounded in more



www.glazyev.ru

*Economist and Putin advisor, Academician Sergei Glazyev, with President Putin, at a July 2013 conference in Kiev.*

detail his ideas on the sources of "long-term and inexpensive internal credit." In this presentation, *MK* reported, Glazyev said that domestic credit availability should be doubled or tripled. The proposed mechanism is one Glazyev has promoted before: Central Bank refinancing of the banking system, earmarked for lending to real-economy sector companies.

The designation of a special role for VEB Bank, the large state-owned institution used for bailout operations during the 2008 phase of the global crisis, is noteworthy in connection with recent proposals by Russian Federal Drug Control Service (FDCS) head Victor Ivanov and his colleagues. At a March 25 conference on a crash development plan for Afghanistan, to wipe out the narcotics-based economy, FDCS Deputy Director Oleg Safonov called for a Central Asia Development Corporation to carry out large infrastructure projects and industrialization in that region, with VEB Bank as the obvious choice for financing it (*EIR*, April 4, 2014).

Glazyev, *MK* wrote, is a type of economist scientifically termed a "dirigist." Such people "are not against the market, but they believe it must be strictly regulated, and the state comes first." Indeed, Sergei Glazyev has campaigned for the revival of a national economy approach for 20 years. In June 2001, he sponsored State Duma hearings on protecting the national economy under conditions of global financial crisis, at which American economist Lyndon LaRouche was the primary foreign guest witness (*EIR*, July 20, 2001).

## Dedollarization and Deoffshorization

Several of Glazyev's proposals, as reported by *Vedomosti*, come under the heading of "dedollarization," which a broad array of Russian officials have called for in the weeks since Washington began to impose sanctions against Russian officials and financial institutions. These include the transfer of Russia's own assets and dollar-denominated accounts from NATO countries to banks in neutral countries (Point 1); selling off the government bonds of NATO countries (Point 3); rapid reduction of Russian reserves held in the currencies of countries party to sanctions against Russia (Point 11); and a public campaign on the disadvantages of holding

funds in dollar accounts (Point 13).

Especially important is Point 8, for restrictions on the foreign currency operations of Russian banks, especially targeting non-trade-related (i.e., speculative) transactions, and a requirement that large currency trades be announced in advance. These measures constitute capital and exchange controls, which are classic protectionist measures. In 2008, a large portion of the bailout funds issued to banks from the government's Stabilization Fund disappeared into currency speculation by those banks.

When the first round of U.S. sanctions against Russia was announced in March, for allegedly "annex-

### Vedomosti's Summary of 'The Glazyev Plan'

1. Move dollar- and euro-denominated state assets and accounts from NATO countries to neutral ones.
2. Repatriate all state-owned valuables (precious metals, works of art, etc.) to Russia.
3. Sell the bonds of NATO countries before the imposition of sanctions.
4. Halt the export of gold, precious metals, and rare earth elements.
5. Arrange a credit and currency swap with China in order to finance critical imports and shift to settlement in national currencies.
6. Create our own interbank information exchange system, analogous to SWIFT, for payments and settlements within the Customs Union<sup>1</sup> and the CIS,<sup>2</sup> and with other partner countries.
7. Create a payment system for bank card settlements within the Eurasian Economic Community,<sup>3</sup> which would incorporate and fully process settlements made using Visa or MasterCard.<sup>4</sup>

1. CU: Belarus, Kazakstan, Russia

2. Commonwealth of Independent States: Armenia, Azerbaijan, Belarus, Kazakstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan (associate), Uzbekistan

3. EurAsEC: Belarus, Kazakstan, Kyrgyzstan, Russia, Tajikistan

4. In a March 26, 2014 interview with the Russian News Agency (RSN), Sergei Glazyev explained this function as analogous to China's UnionPay system: "You adopt a law requiring all bank card settlements within a country to go through a national operations center. Visa and MasterCard can't do anything about it. That is,

8. Limit the foreign currency positions of banks and require prior declaration of major non-trade currency transactions. Subsequently introduce a tax on capital export and financial speculation.

9. Shift to settlement in national currencies in trade within the Customs Union and with other countries. Denominate new hydrocarbon export contracts in rubles.

10. Arrange credit and currency swaps with individual countries to finance trade.

11. Rapidly reduce the portion of our reserves held in dollar-denominated instruments and bonds of countries supporting sanctions.

12. Replace the dollar and euro borrowings of state corporations and state-owned banks with ruble loans on the same terms, making a targeted monetary emission for this purpose and utilizing VEB Bank to float the loans.

13. Conduct a publicity campaign on the advantages of shifting euro and dollar deposits into rubles. In the event that Central Bank and state-owned bank assets are frozen in the USA and the EU, freeze dollar- and euro-denominated bank liabilities.

14. In response to a trade embargo, carry out critically important operations through Belarusian and Kazakstan companies.

15. Bring the ownership of strategic enterprises, subsurface resource operations, and real estate, currently registered in offshore locations, under Russian jurisdiction.

within China those cards function as Chinese cards. Abroad, they work as international cards."

ing” Crimea, one of the targeted institutions was Bank Rossiya, the 15th-largest bank in Russia. Immediately after the announcement, Putin ostentatiously went to a local branch of Bank Rossiya and opened an account, where he said his salary would be deposited henceforth. On March 28, Bank Rossiya announced it would now conduct business in rubles only. A statement on the bank’s website said that American and other foreign banks were being informed of the closing of correspondent accounts at Bank Rossiya. This decision was featured on Channel One Russia TV’s nightly news, which said that Rossiya had “made a strong move in a difficult situation,” adding, “The sanctions aimed to weaken the bank, but it turned them into a plus.” Speaker of the Federation Council Valentina Matviyenko was interviewed in the segment, posing the shift as a matter of national security: “This is important, in order to get away from strict dependence on foreign countries, to minimize risks for our companies and citizens, including our core strategic industries.”

The Channel One Russia story said that the term “dedollarization” is being used ever more frequently. It broadcast a comment from Alexei Kostin, CEO of the state-owned banking giant VTB Bank, who said, “It seems to me that we arrived some time ago at the idea of dedollarizing our financial sector, our payments, and using the ruble more widely for settling accounts. The ruble, after all, has been a fully convertible currency for some time. Today the changes taking place at Bank Rossiya are, broadly speaking, a step in the direction ahead towards our economy and our banking sector becoming truly a national-currency sector.”

Glazyev’s proposals also mandate a shift of the ownership jurisdiction of strategically significant Russian companies from offshore zones to Russia. This refers to a bane of the Russian economy since the wild plunge into a globalized free market in the 1990s: The



Russian Presidential Press Service

*A late-night economic advisors’ meeting at President Putin’s residence, April 22, at the height of the conflict over Ukraine. Left to right: Central Bank head Nabiullina, Finance Minister Siluanov, Deputy Prime Minister Shuvalov, Prime Minister Medvedev, Putin, Kremlin Chief of Staff Ivanov, Presidential Aide Belousov, Economics Minister Ulyukayev, and former Finance Minister Kudrin.*

newly minted “oligarchs,” owners of newly privatized former Soviet industries, would register them offshore, in British Overseas Territories like the Cayman Islands or the British Virgin Islands, or other tax havens like Cyprus, Lichtenstein, or Luxembourg. (See Lyndon H. LaRouche, Jr., “The Case of Arkadi V. Dvorkovich: Free Russia from the Pirates of the Caribbean!,” [EIR](#), April 30, 2010).

## A Late-Night Meeting

On April 22, Prime Minister Dmitri Medvedev delivered his annual report to the Russian State Duma on the performance of the government in 2013. He took stock of the “rather difficult situation” of the Russian economy, which he attributed to three factors: the instability of the global economy, the “hostile attitude of several leading countries” (the sanctions), and “our own structural limitations.” The Prime Minister acknowledged that all the parties in the Duma wanted to know whether the Government “deems it necessary to change our economic policy under these conditions.”

Medvedev’s answer was that it’s not. He said, “I do not believe it is correct to change it in any fundamental way. It would also be incorrect to start to flip-flop, trying to think up some new principles of development for our economy. Russia, of course, may have its own

pathway with regard to national consciousness and values, but the laws of economics remain universal, and in the face of this unprecedented challenge, it is extremely important for us to calmly, without hysteria, continue the economic strategy we have chosen.”

The business daily *Kommersant* reported the Duma’s response: “The deputies sat in silence.”

That night, at 10 p.m., a small-group meeting was convened at President Putin’s Novo-Ogaryovo residence. Present were Medvedev and First Deputy Prime Minister Igor Shuvalov; Finance Minister Siluanov and Economics Minister Alexei Ulyukayev; Kremlin Chief of Staff Sergei Ivanov, and Putin’s chief economic aide Alexei Belousov, the former Economics Minister; Central Bank head Elvira Nabiullina; and former Finance Minister Alexei Kudrin, in his capacity as a member of the Presidential Economics Council. The reason, according to *Kommersant* and other informed sources in Moscow, was that Medvedev had not addressed a controversy initiated by the Ministry of Economic Development (MED) in March.

Ulyukayev, despite his background as a member of the initial team of radical neoliberals in the Yegor Gaidar government in 1992, and years of working at Russia’s Central Bank, has shown serious concern for Russia’s real economy, since his appointment to the MED in June 2013. Last November, Ulyukayev rang the alarm bell about the economic slump, forecasting that 2013 growth targets would be missed by one-half—which is exactly what happened, with 1.3% growth for the year.

In March 2014, the MED proposed a set of measures, amounting to a typical monetarist stimulus package, but even these flew in the face of the radical fiscal conservatism, instituted under former head of the ministry Alexei Kudrin (2000-11), and continued under current Finance Minister Siluanov. The devaluation of the ruble in 2014 has produced 900 billion rubles (~\$25 billion) in unanticipated revenue, because taxes on dollar-denominated oil sales translate into more rubles. The MED proposed to allocate these funds for economic project development. In addition, the MED proposed to relax the strict Budget Rule, adopted in 2012, which holds federal spending to 1% of GDP—thrice as austere as the EU’s notorious Maastricht ceiling of 3%. (Putin himself, at a certain point, was sold on a goal of achieving a zero-deficit budget by 2015.) The relaxation would allow increasing the disbursement side of the federal budget by 3.25 trillion rubles (\$90 billion)

over four years. The MED published an outline of target areas for the spending: development of Russia’s new region, Crimea; transport infrastructure; health care, housing, and fire-protection programs; industry-specific investment support; and support for small businesses and innovation clusters.

*Kommersant* reported that Siluanov presented the April 22 meeting with dire calculations, on the basis of which he termed any increased spending to be “a national security threat.” He said that the current Budget Rule must be obeyed, or else Russia would lose all its reserves by 2017. If the price of oil were to drop to \$91/barrel, Siluanov warned, the Reserve Fund would be wiped out by 2016. Moscow sources report that Ulyukayev had the support of Putin’s aide Belousov, while Nabiullina, Shuvalov, and Kudrin lined up with Siluanov.

Ulyukayev on April 23 said tersely, “No decision was taken,” *Kommersant* reported. On April 24, *Vedomosti* leaked the Glazyev memorandum. On April 25, the Central Bank hiked its benchmark interest rate 50 basis points to 7.5%, in an attempt to curb capital flight and inflation, but also took its baby step of the new “re-financing mechanism” for earmarked three-year loans.

Shuvalov was quick to tell Itar-Tass that “what Academician Glazyev set forth in his letter is not the agenda of the Russian government”—although Shuvalov himself, earlier in April, had advised Russian companies traded on the London exchange that they should consider shifting their listings to Moscow as “a question of economic security.” Kudrin tweeted that “Glazyev’s measures would pinch tighter than the West’s sanctions,” while Nabiullina declared that a total exit from the dollar was “something out of science fiction.” But *Vedomosti* cited a Kremlin source who said that “Glazyev’s ideas are used to test whether the liberal bloc, like Siluanov, [Sberbank CEO German] Gref, or Kudrin will be able to find convincing counterarguments, so one should not overestimate Glazyev’s influence, but not underestimate it, either.”

## A Eurasian Summit

The ideas under debate in Russia will have a chance to be tested in the broader Eurasian and global context when Putin visits China on May 20. Glazyev’s 15 points include not only a shift to using national currencies in trade with several countries, but specifically the establishment of currency and credit swap arrangements with China, in order to ensure financing for critical categories of trade.



# NAWAPA XXI Will ‘Bend’ the Water Cycle; Save Calif., Texas

by Megan Beets

*April 23—At present, 63 million Americans, living in Texas and California—20% of the U.S. population—are in daily worsening conditions from drought, and continuation of the economic policies and thinking which created the vulnerability to this kind of devastation to begin with. The Western states water crisis is a national emergency. The perspective to solve it was presented in detail for Texas and California, by Megan Beets, of the LaRouchePAC Science Team, on the April 23 LPAC-TV weekly New Paradigm for Mankind program (<http://larouchepac.com/>). She discussed, with illustrations, the impact of NAWAPA XXI on the continent. The discussion included Lyndon LaRouche, joined by Jason Ross, also of the Basement Science Team. We begin with the conclusion of Ross’s introductory remarks, followed by Beets’ presentation.*

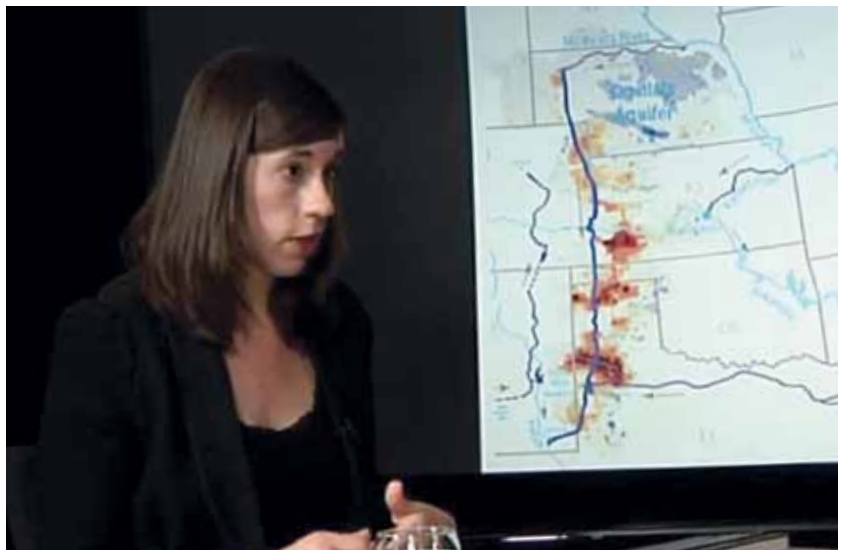
**Jason Ross:** ...Today, to really be safe from these vagaries of nature and long-term droughts, we need to be able to modify the weather, we need to be able to control the continent, and the urgency of this is made even more clear by the fact that while some people might think that eventually this drought will end, it might not. I mean, really, how much time had modern civilization existed in California, to measure water flows and things like this? A few hundred, a couple hundred years? How old is the Earth? How long are the long-term cycles of water, of rainfall? Some scientists in California believe that actually, the most recent couple of centuries were the wettest in the past 7,000 years. If this is true, the drought is not something that will go away, and we have no

alternative, except for the very wonderful chance to reshape the continent to our needs.

I think we should get into some more detail on that.

**Megan Beets:** Okay. I just want to pick up on the point you made, Jason, about the natural action of life: that throughout the period of biological evolution taking place on the planet, life has developed as a system to higher and higher degrees of complexity, and has exerted its independence from the surrounding environment, which is dominated by the principle of non-life, or the lack of the principle of life. You had the moving of life onto land, developing new biological systems, to actually be independent of the impingement of nonlife on it.

Human beings do this too. Human beings exert the principle of creative discovery, to reshape the environment, and reshape both the nonliving and the living. That’s natural, and that’s exactly what NAWAPA, or the North American Water and Power Alliance, was de-



*Megan Beets of the LaRouchePAC Science Team elaborated the NAWAPA XXI concept for California and Texas, on the April 23 LPAC Weekly Report.*

FIGURE 1

**The NAWAPA System: Overview**

LPAC-TV

signed to do. And I can just show our viewers the concept of the North American Water and Power Alliance that was developed in the early 1960s (**Figure 1**). This was a decade when you had Kennedy in the Presidency; you had the idea that man can, and should exert power and take action to change nature, to make the conditions of life more suitable, not only for himself, and those now living, but the perspective was to do this for decades, or even longer, into the foreseeable future, for the generations yet to come.

Why was that the idea with Kennedy? Well, you see the legacy of what was done with Franklin Roosevelt and the Four Corners projects [the TVA, Grand Coulee Dam, Hoover Dam, and future projects for the Northeast]: Man had just proven that he could do this on a larger scale than ever before in history. You also see something funny, which was the [atomic] powers exerted during World War II, where, although it was for destructive causes, you had the most enormous powers exerted by man ever before in history, and the idea, moving into the decade of the 1960s, was that these enormous powers at mankind's fingertips, could actually be utilized for the good of all of mankind.

**Continental Water Cycle**

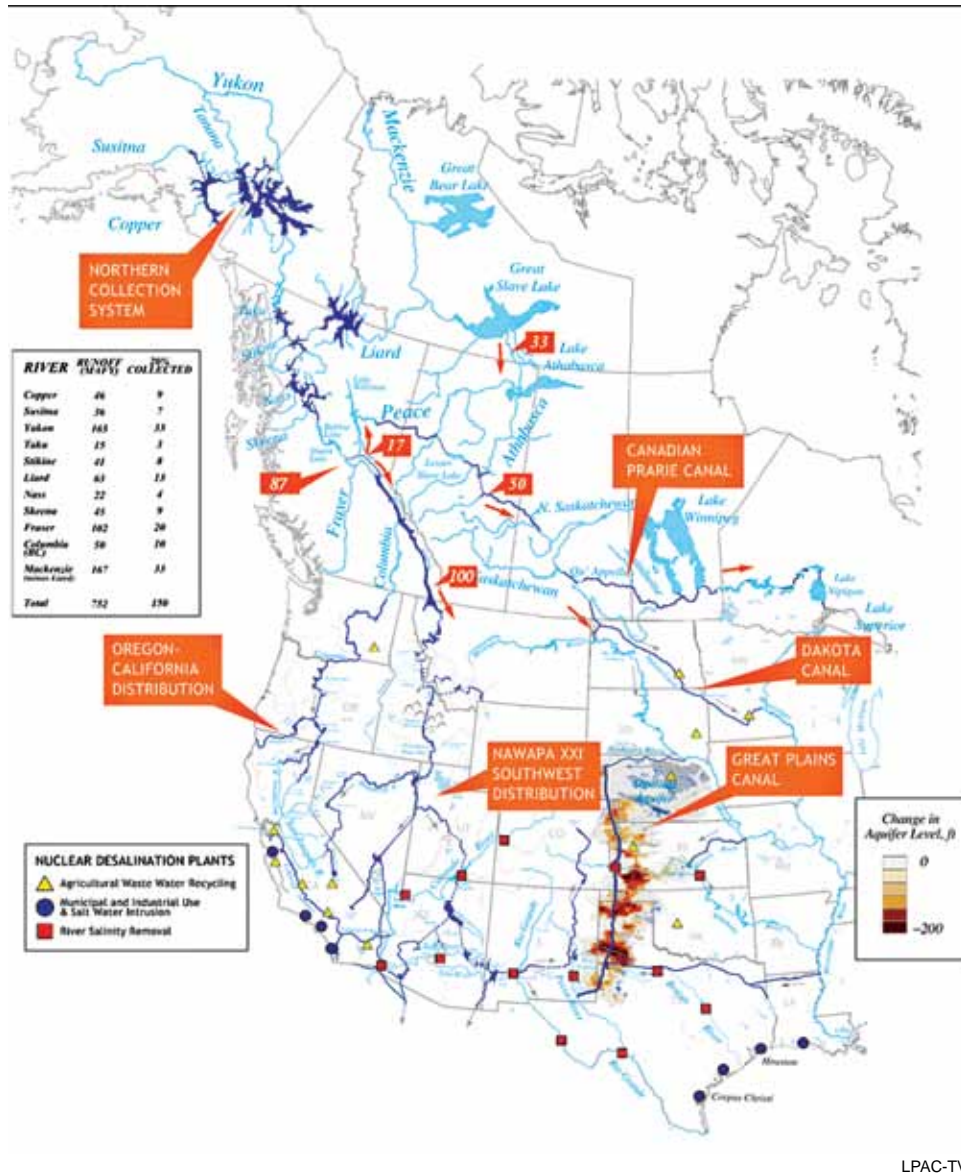
And so you had the conception of the NAWAPA project, which was designed to address the fact that we had great developments taking place in the Western states of the United States: We had new dams being built, we had created the Imperial Valley and the great agricultural potential of southern California and the West, throughout the period of the Depression and FDR's Presidency. But it was recognized that if man continued to develop and grow in this region, at the rate that he could, that he had the potential to do, there was simply not enough water in the Southwest to support this. There would be no re-allocation of water within the region, that could possibly meet the needs of a growing and expanding mankind.

And so, the original project said, okay, we're not going to look at managing the water cycle of the region.

You take one evolutionary step forward, and you look at the water cycle of the entire continent. So, if we look at the water cycle of the continent, we see a couple of things. One is that the water, as it's distributed across the North American continent, is actually in a great imbalance. The design as given to us by nature is actually very poor. And that's for a couple of reasons: One of which is that if we take the run-off from the Western part of the North American continent, it runs off into the Pacific Ocean. Roughly two-thirds of this, when it falls again as rain on the continent, doesn't fall in the "Lower 48," but falls up in Alaska, Yukon, and along the coast of British Columbia. So the water that had come from the continent now falls again up in the north, where it falls as rain or snow and remains frozen up there, or, in the Spring melt, runs back off into the ocean. That's one imbalance.

The other imbalance is that if you take the amount of water which exists in the different regions of the continent, there's roughly eight times as much water per square kilometer on the land of the Northwest, going down in Washington State and Oregon, *eight* times as much water per square km, in that part of the land, when compared to the Southwest, including California, New

FIGURE 2  
The NAWAPA System: Detail



Mexico, Arizona, Texas, Colorado, and so forth.

Now, there's another imbalance, which the NAWAPA project actually utilizes to our great advantage, and that comes up in the issue of the productivity of the water. So, if we look at the water that exists on different parts of the continent, it doesn't always do the same amount of work, and we can measure this in a term called "net primary production," and what that measurement looks at, is, what is the rate at which the biosphere, the plants, are actually using the process of

photosynthesis to create new biomass? So it is a measure of the upshift of the energy potential on the continent, because you're measuring how much life is taking the nonliving elements, and turning them into a higher chemical potential by creating new biomass out of them.

So, if we look at how much water is participating in the process of photosynthesis on different parts of the continent, the water which exists in the Southwest region, even though there's much, much less of it, each drop of water is more than *five times* more productive, than the water up in Alaska and Yukon. So you have an incredible discrepancy in the power of the water which exists in the Southwest, but there's not much of it.

So what we do with the NAWAPA program, is we take the water cycle of the entire continent, which mankind has never done before, and we bend it: We actually build a single infrastructure system, to bend the water cycle, bring the water from where it's abundant, down to where it will be much *more*

productive, and we raise the productivity of the water on the continent as a whole.

## The NAWAPA System

Now, what I'd like to do, is just look very briefly at how this project is going to impact, specifically, Texas and California. This is another view of the project (Figure 2). The NAWAPA system stretches from the far northwest of Alaska and the Yukon Territory; we collect roughly 20% of the run-off of the major rivers up in this



area, and we reverse the flow of that run-off, which wants to go out to the Pacific Ocean, without doing any work, and we make it do work. We reverse the flow of that water, which is roughly 180 million acre-feet per year [MAFY]. And we bring it down through British Columbia, and we hook it into a natural reservoir, called the Rocky Mountain Trench, which is hundreds of kilometers long, and we make that water come down into the continental United States. Now, some of it does get diverted to move east across Canada, which I'll get to in a moment.

This gets pumped up to very high elevations, using very high energies, when it enters Montana and then down into Idaho in the Sawtooth Mountains; now it's at an elevation where it can flow by gravity and be directed via a series of canals and tunnels, down into the Southwest.

## California

Let's look more specifically, for a moment, at California (Figure 3). We have the water, coming down across the Canada-U.S. border, up into the Sawtooth Mountains in Idaho, where it's pumped up to high elevations. Now, it can flow down, and what I'm going to talk about here, is how we're going to get the water into California. With the NAWAPA project, California stands to gain 220 MAFY of new, permanent supplies of water, which means that, per year, we're augmenting the amount of water that can be involved in agriculture and industrial activity in California by more than 50%. So this water gets directed through Idaho; we direct it into a new, manmade reservoir on the eastern border of Nevada, just east of Elko. We direct that water west, via

FIGURE 3  
NAWAPA: California-Nevada



the Humboldt River, where it turns south, servicing parts of Nevada. We direct it south, and begin tunneling across the Nevada-California border, into the Owens River Valley, which is potentially, and formerly, very productive agricultural land, which is now very much dried up. The water begins to refill the Owens Lake, over time.

The second way we're going to get it into California, is again, coming down through near the eastern Nevada-Utah border; we're going to tunnel it down,

FIGURE 4

**NAWAPA: Arizona/Southwest**

and create a new reservoir, called Lake Vegas, which currently doesn't exist. It would be positioned north of Las Vegas, and it would be a reservoir which is larger than Lake Mead. So we're going to create this. The water is then going to flow, via tunneling, through the mountains; it's going to flow south into southern California; we're also going to allow it to flow south into Baja California, and then tunnel back up into San Diego.

Now, the third way we're going to get water into California is via the Northwest, via the Columbia River Basin. This is the high-energy-consumption part of the project, but we have the potential, by coming down through northern California and hooking into the Sac-

ramento River system, to bring 10 MAFY of water to California.

**Texas**

In Texas, we're going to utilize the Colorado River [the multi-state river, not the Texas river of the same name]. Now, back in the 1950s and '60s, you had agreements of the states of the Southwest to allocate the water of the Colorado River, and we're at a point now where the Colorado doesn't have enough water to meet all those agreements. There just simply is not enough water there, and so you have water-rights fights. What we're going to do is use the water from the NAWAPA system to replenish the Colorado River and make it flow once again (**Figure 4**).

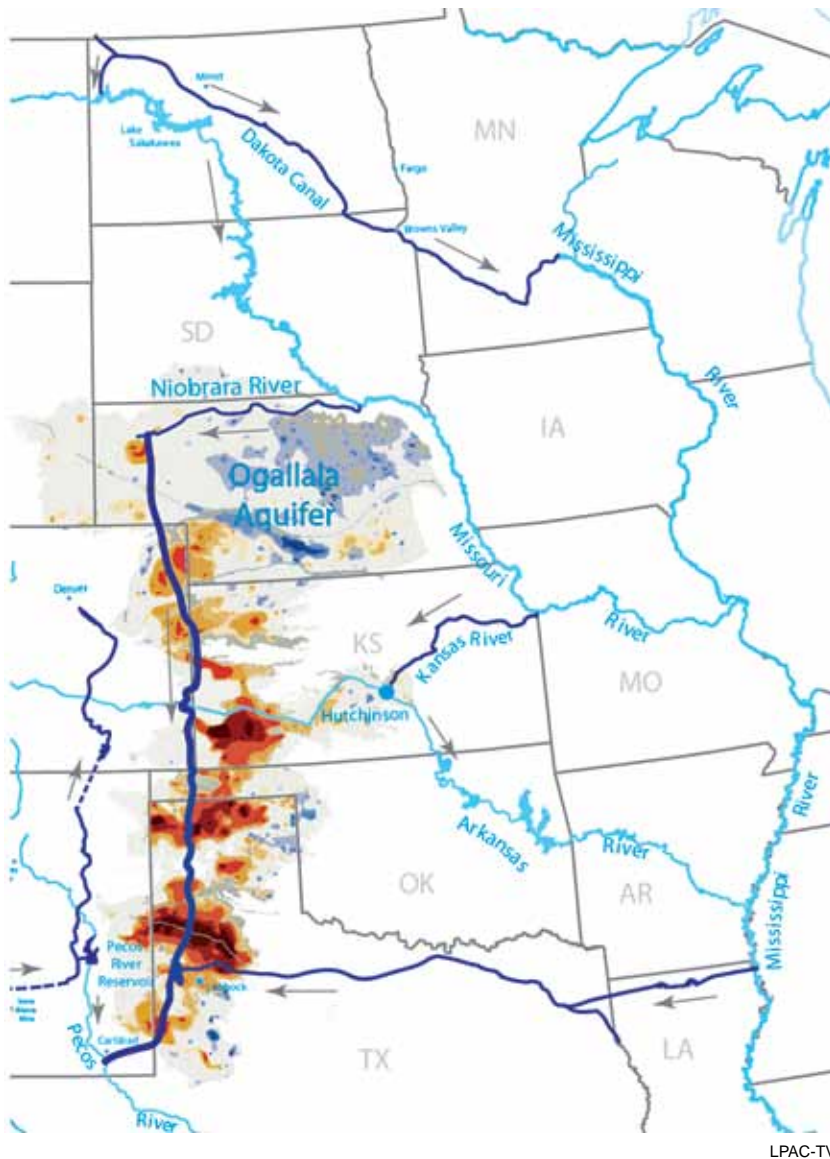
The water's going to come down through Utah, south by Lake Powell, into the Colorado River system; we're going to tunnel down east of Flagstaff, Ariz., we're going to

hook into the Salt River and the Gila River, which runs in the southern parts of Arizona and New Mexico, and we're going to begin to bring this water east.

We'll bring it east via the Gila River, and Las Cruces; we're going to tunnel into the Rio Grande system. Now this is going to service Texas (**Figure 5**). From there, we tunnel east, underneath the Sierra Blanca Mountains, and we tunnel east to the Pecos River Reservoir, which is going to be augmented to be larger than Lake Mead. This hooks into the Pecos River and flows southeast, servicing basically the whole northwestern and western part of Texas, which is currently incredibly, incredibly dry, which is wracked by the additional crime of all these fracking wells. We're going to turn this



FIGURE 5

**NAWAPA: Mississippi/Ogallala Aquifer**

again into productive farmland.

We get 12 million acre-feet, which is most of the water we're going to bring to Texas. Texas, from the NAWAPA project, is going to receive 14 million acre-feet more water per year, which is a 78% increase over current supplies. So you're getting somewhere in the range of doubling the amount of water that's available to Texas, just through this single project. So that's where most of it comes from.

Now, if we look back, as I mentioned, to the original project (Figure 2), most of the water is going to come

down from the North and flow directly west, via the Rocky Mountain Trench. Some of it, in British Columbia, will be diverted east into what would be a new, manmade, navigable Canadian Prairie canal, and will bring, with some additional collection, 50 million acre-feet east, via the Peace River, across the Canadian Prairie, entering the United States in the Dakotas. And so, we'll have about 20 million acre-feet that's going to be made available via the Dakota Canal, to the Missouri and the Mississippi River systems.

One possibility for getting even more water to the Great Plains states, including Texas, is to bring the water via the Dakota Canal into the Missouri River system, west over the Niobrara River through a series of reservoirs and dams on that river, and we'll bring it west into the newly created Great Plains Canal, which basically runs the entire length of the much-depleted Ogallala Aquifer. So we bring that water into northwestern Texas, near the Panhandle.

The other possibility, is to bring water via the Dakota Canal into the Mississippi River system, which some years floods—so giving us the possibility to utilize that excess water, to bring it west across northern Louisiana, and then down into eastern Texas, where it can be distributed along the north and eastern coastline of Texas.

**Desalination—Go Nuclear**

The NAWAPA project will take a number of years to complete. We're probably looking at something like 25 years for the whole project. You can have parts of that online sooner, in something like 10-15 years. But we need water immediately, and we need to begin gearing up the energy densities available to us, to continue to build the NAWAPA project. So we also have a proposal, which we laid out in the Nuclear NAWAPA XXI pamphlet, which goes through this program in more detail, to bring more than 40 desalination plants to the United States, most of them concentrated in this region of

Texas, the Southwest, out to California; which would be a series of many, possibly nuclear desalination plants along the coastline, along rivers, to clean up and recycle the water that's flowing through rivers, and also through heavily farmed areas, to clean up the run-off and excess water from agricultural sites so, that it can be used again.

So by having an accelerated program to build this series of desalination plants, number one, you begin gearing up the nuclear industry again. Many of these probably should be nuclear. And you have the potential to add much, much more water into the NAWAPA system, but in the immediate period.

What we're proposing is a program which is immediately available to be implemented. We're proposing a program, where, for the first time, man is operating on the basis of controlling a system of an entire continent, taking an evolutionary step that should have been taken decades ago. But what we're also discussing is making a complete revolution in the way that people think about economics and life. Because what you're discussing—this project is *very expensive*. Not monetarily, but what we're talking about is a project that is incredibly energy-intensive and energy-expensive. We're

going to be bringing in more farms and more people to this area. The amount of power, that's going to be applied in the building of this project, in the maintenance of this project, and in the expansion of life in this area, means that every human being living in this area is going to be consuming and applying magnitudes more power than they do today.

Now, this is the complete *opposite* of what's claimed today to be the direction we should be headed. What's claimed by everybody is that, oh, if you want to survive, you have to "conserve" energy; you have to decrease your footprint on the environment around you, and basically do the best you can to disappear. Well, that's the hallmark of civilizations which have collapsed, as *we are today*, as you see happening right now in California and Texas. That system, that ideology, brings death.

## The Natural Condition of Man Is Progress

What we need to do, is reassert the natural condition of man, which is to go for the application of higher and higher amounts and forms of power applied to change nature. And what that means for us today, is that we have to immediately return to a serious program for the implementation of nuclear fusion.

Nuclear fission we have. We have to immediately lift the restrictions, and move with that, today. But the only way to sustain this is to move for the early discovery and implementation of nuclear fusion. The United States has, and has had for 60 years, a serious nuclear fusion research program. This came out of same scientists that worked on bringing to the world the power of nuclear fission; they immediately moved to make the breakthrough for fusion. The United States had it classified, but then an unclassified crash program, in the 1950s, bringing the best minds in the nation together, to make the breakthrough in fusion. We had serious investment programs.

We had a plan, which you see represented in this chart (**Figure 6**); we had a plan, which was laid out in 1976 with very detailed studies, how we would actually go from the experiments being done in the national labs, to having a demonstration fusion reactor that put power on the grid and could be used for industrial uses. And you see, different possible timescales, the most conservative of which would have had fusion online in 2005! But we could have had it as early as 1993!

So this is the direction we need to go. Now, if you

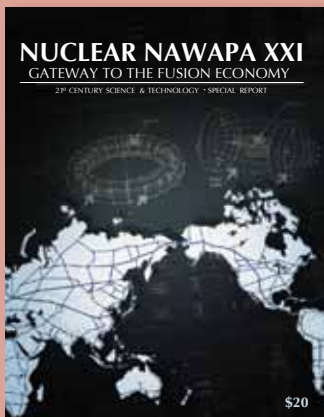
## Nuclear NAWAPA XXI Gateway to the Fusion Economy

A 21st Century Science & Technology Special Report

By the  
**LaRouchePAC Scientific  
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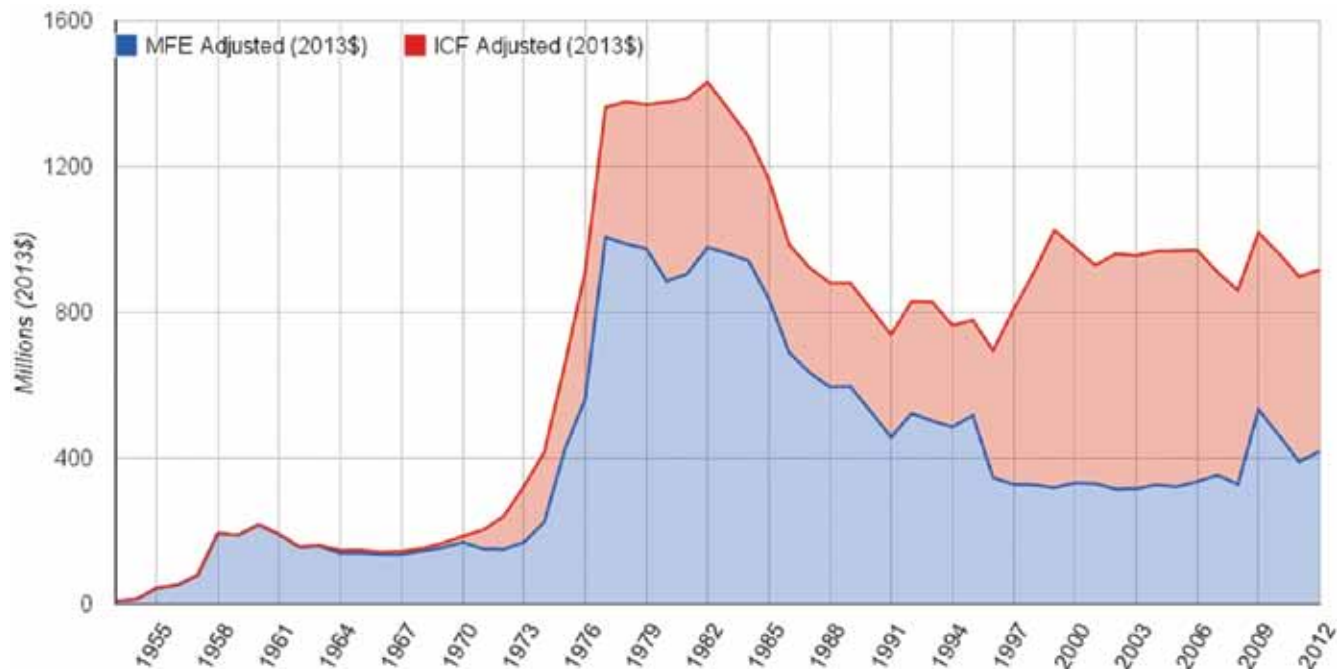
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FIGURE 6

**U.S. Fusion Funding 1963-2012**

(2013\$)



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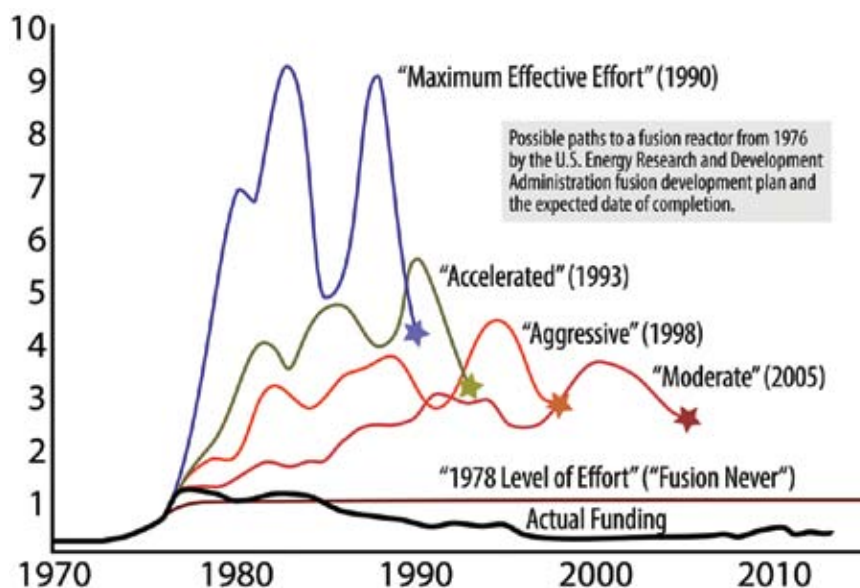
look at the current funding of fusion, as it's actually occurred, as opposed to what should have happened, you look at the levels, which peaked in the early 1980s—fusion funding peaked in the early 1980s, and we've been collapsing ever since (**Figure 7**)! This President has done *nothing* but cut the fusion budget, and the budget which was submitted a few weeks back, again, slashed the budget to, really, levels which would destroy the entire program! So this has to be reversed.

And this is what people need to join us in fighting for, is this vision of mankind, this representation of human reality and human nature. And once again become a species which is representative of this creative, noetic power in the universe.

FIGURE 7

**Annual Budget for Fusion**

(Billions/\$2012)



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# Already Rising Food Prices Are Now Set To Soar

by Marcia Merry Baker

April 28—Already rising U.S. food prices are now set to soar as U.S. agriculture deteriorates. A summary report, as of Spring planting time, is given below, by food type.

The impact of the drought on the California “fruit & vegetable bowl” (the nation’s largest) and on the Texas cattle herd (also the largest) is obvious and worsening. Added to this are many other factors playing out after decades of destruction in the U.S. economy. For example, chaos is hitting Northern Plains farmers from shale-oil-from-fracking rail shipments, preventing timely hauling in of fertilizer and propane, and hauling out of last year’s grain, beans, sugar, and other crops. The worst, proximate factor, is the continuation of Barack Obama in office, whose administration is furthering the catastrophe.

None of the U.S. agriculture/food crisis is attributable to a “concidence” of drought and unfortunate happenstance. Key figures and powers are deliberately implementing devastation, as part of their evil portfolio for the British Empire, operating through its Wall Street/City of London networks. Their intention is depopulation.

Obama-backer Warren Buffett, for example, through his Berkshire Hathaway, owns the BNSF (Burlington Northern Santa Fe) Railway Co., the largest rail carrier in the Central States, which is giving priority to hauling oil from fracking in the Bakken and other shale regions, from North Dakota to Texas, and giving the shaft to agriculture (see *Editorial* in last week’s issue).

This month, the Fertilizer Institute, representing U.S. fertilizer manufacturers, stressed how bad it is, in a letter to the Surface Transportation Board: The Institute is “genuinely concerned that the fertilizer industry will not be able to deliver the fertilizer needed for crop production, particularly in major agricultural areas served by BNSF [see map/Figure 1, in *Feature*], and CP [Canadian Pacific Railroad, serving the north-central states]. If the necessary supply of fertilizer is not avail-

able, those crops, and thus food production, will be reduced. That, in turn, can lead to high food prices for consumers.”

The letter was overly polite. Higher food prices, and also scarcity and mass suffering, are a sure thing, unless there is a rapid and abrupt change.

## Texas, California: Rogers, Steger

Two candidates for Federal office in Texas and California are conducting their campaigns as a team, to force such a national change. Kesha Rogers for U.S. Senate in Texas (May 27 Democratic primary), and Michael Steger for the U.S. House from San Francisco (C.D. 12, June 3 Democratic primary), are demanding actions to break with the Wall Street/London devastation policy, beginning with impeaching Obama, who is criminally furthering the disaster in every way. What must happen is the reinstatement of Glass-Steagall, and of a credit system to start a nuclear NAWAPA XXI (North American Water and Power Alliance XXI) production regime. The same mentality committed to do that, can also, in the interim, figure out the very short-term measures to weather this water and food crisis, which otherwise appears hopeless.

The White House response to the food crisis? On Feb. 14, Obama made a look-at-me visit to drought-stricken California. He announced a palliative aid package—a \$300 million package of pretense measures—and announced a proposal for a new, green \$1 billion “Climate Change Resilience Fund.” On March 28, the White House issued a “Strategy To Cut Methane Emissions,” outlining action to reduce “cattle flatulence.”

Obama calls for still more of the “green” Bush-Obama mandatory biofuels regime, under which over 40% of the U.S. corn crop is now going into ethanol.

Obama calls for still more “free trade,” meaning, for the food chain: globalized agriculture and food processing, under the domination of the cartel wing of the



Table 1

### Expect Produce Prices Up 13-34% from California Drought

Item	Percent Price Increase
Lettuce	34%
Avocadoes	28
Broccoli	22
Grapes	21
Tomatoes	19
Melons	18
Peppers	17
Berries	14
Corn	14
Salad greens, packaged	13

Source: Prof. Timothy Richards, Arizona State University, April 16, 2014.

Table 2

### Percentages of Consumption, from Imports, of Selected Fresh Produce as of 2011

All Fresh Fruit—49% imported

Grapes	50%
Plums	25%
Melons	29%

All Fresh Vegetables—25% imported

Asparagus	89%
Cucumbers	62%
Garlic	60%
Peppers	53%
Tomatoes	53%

Source: Congressional Research Service, "The U.S. Trade Situation for Fruit and Vegetable Products," by Renee Johnson; Jan. 15, 2014.

Meantime, the produce cartels (Dole, Del Monte, Green Giant, et al.) are cranking up imports from poor nations, in need of food and water. In particular, Mexico, Dominican Republic, and Chile, as well as China and other Asian countries.

The import-share of U.S. consumption of fresh fruits and vegetables, had already reached unprecedented percentages, even before the fierce Western drought had set in. The percentages of consumption, from imports, of selected fresh produce as of 2011 are shown in **Table 2**.

**Pork.** Production is in decline.

Hog slaughter could fall by 12% over the next two years; pork output could drop by 7%. The year-over-year output decline from 2013 to 2014 is running about 2% at present.

The decline reflects, in particular, the impact of the PEDv (Porcine Epidemic Diarrhea virus), which causes losses of young piglets. The first U.S. case was officially found in May, 2013, and the virus is now in 20 states and 4 Canadian provinces, plus several areas of Mexico. Federal capacity to deal with this—research, veterinary aid, etc.—has been cut way back.

Prices to hog farmers for the April-June period are expected to rise 22% from a year ago. Retail pork prices can soar by more than 30%.

The U.S. national hog inventory (market animals) is nearly 4% lower, as of March 1, than the same time last year (57.048 million head now). The pig crop from December-February was almost 3% lower than a year ago; this will show up in lower slaughter numbers from July-September, and onward.

**Beef.** Retail prices have risen continually in 2014, and are set to soar. The average retail price for beef in March was \$5.36 a pound, up more than 33 cents just since December 2013. The U.S. cattle inventory fell to a 63-year low as of January. At the same time, cartel exports continue to rise.

### Drought Intensity

The April 22 U.S. Drought Monitor map (**Figure 1**) highlights the worsening intensity of the Southwest drought, especially in California and Texas. For the first

British Empire. The various commodity cartels conduct international "sourcing," which makes scarcity and costs worse all around. They decide which foreign nations to screw for imports into the U.S., and which nations to screw for exports from the U.S. For instance, the U.S. is the world's largest exporter of pork; nearly one-third of U.S. output goes abroad. One-quarter of the U.S. soybean crop goes to China, which is dependent on soybean imports for 60% of its national soy consumption.

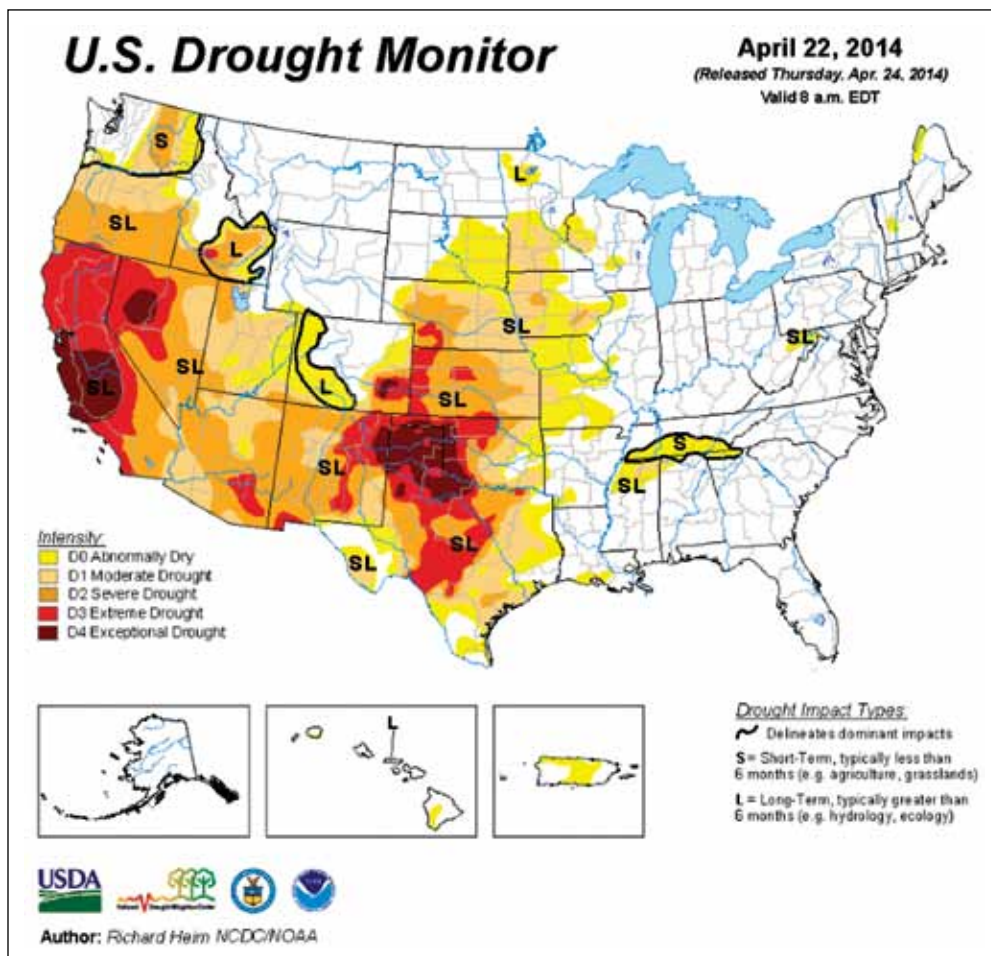
### Food Scarcity, Hyperinflation

The dynamics of scarcity and hyperinflation are underway across all food types.

**Fresh Produce.** Price increases for selected fresh fruits and vegetables grown in drought-afflicted California will range from 13 to 34%, at least, in the coming weeks, according to study results released April 16 by Arizona State University. California is the largest producer of the 10 items analyzed. **Table 1** shows the study's results for 10 vegetables and fruits, ranging from over 34% for lettuce, to at least 14% for berries and corn.

These prices were calculated for the Arizona market by ASU Prof. Timothy Richards, but are indicative nationally. He stressed that 1 million acres of intensive cropland are affected by drought, so 10-20% of production of certain crops will be affected, especially, of course, those most water-needy, or irrigation-dependent—grapes, berries, peppers, and avocadoes.

FIGURE 1



Earlier this year, water deliveries for 2014 were set at zero by both the State Water Project (supplying 24 million people and agriculture districts) as well as the Federal Bureau of Reclamation's program. This week, the State Water Project said they will change it, and commit to delivering 5% of contracted water, but only beginning on Sept. 1—after the prime farming season is past! This came about after a small amount of rain fell in February and March, and farmers and a few politicals screamed for release of some water from the projects.

Of the nearly 9 million agriculture acres irrigated in the state, fully 3 million will get no water deliveries this year.

Unplanted acres, and lowered yields on inadequately watered crops,

time in the history of the Drought Monitor, 100% of California is now experiencing moderate to exceptional drought, with 77% of the state in extreme or exceptional drought, the two most severe categories.

Since the April 1 announcement of the annual snowpack survey in the Sierra Nevadas, which found that it contained only 33% of the average amount of moisture usually there at this time of year, that snowpack has been further dramatically reduced by temperatures in the mountains that have been as much as 12 degrees above normal. So the river and stream flow required for the Summer is already being used or flowing to the ocean unused.

Several small cities in the past week have declared drought emergencies, announcing that they will exhaust all water supplies in the next few months. The latest is Cambria, a small town on the coast that has no access to any of the state's water delivery systems.

will bring down California's output drastically. A recent report by the U.S. Department of Agriculture forecast a 20% decline in California's rice crop and a 35% decline in this year's cotton crop, compared to last year. The California corn crop is expected to be 28% smaller, and wheat to be down 15%.

Prices are spiking within the agriculture system. Hay prices as of two weeks ago were at \$330 per ton, up from \$280 per ton in February, and some forecast it may hit \$400 per ton this season. With milk prices at record levels, California dairymen are attempting to increase their output, to make up for past losses, but this only adds to the hay hyperinflation. California milk production in February was 5.3% higher than February, 2013. There is acute pressure to find fodder; prices are skyrocketing for livestock feed.

*Patrick Ruckert contributed to this article.*

LAROUCHE WEBCAST

## Restore the American Principle: Fusion Power For NAWAPA XXI

*Lyndon LaRouche gave this weekly webcast address on April 25, 2014 ([www.larouchepac.com](http://www.larouchepac.com)). LaRouchePAC's Matthew Ogden hosted, joined by Dennis Mason.*

**Matthew Ogden:** Good evening. . . . I'm just going to begin with our institutional question, and let you answer it as you may. It reads as follows:

"Mr. LaRouche, today it has been reported that European Union officials are preparing a stress test of European banks, designed to subject them to the toughest simulated recession that they have ever faced in such a stress test. This so-called 'adverse scenario' is premised on an assumption that the European Union's economy undershoots official EU growth forecasts by a far greater margin than in similar stress tests that were run in 2010 and 2011. Those previous tests have been widely criticized for failing to uncover the underlying weaknesses of several banks that later ended up failing.

"This time around, the so-called 'adverse scenario' is predicated on estimated economic output that falls below the European Commission's official growth forecasts by 2.2 percentage points in 2014, 3.4 points in 2015, and 1.4 points in 2016. One of the requirements to pass this test is that banks must be able to maintain a capital pass mark of 5.5% of risk-weighted assets.

"This stress test is being run on 128 different banks,

including Deutsche Bank, which was featured in a front-page article in yesterday's *Financial Times*, which asked: 'Will Deutsche Bank be the next Lehmann Brothers?'

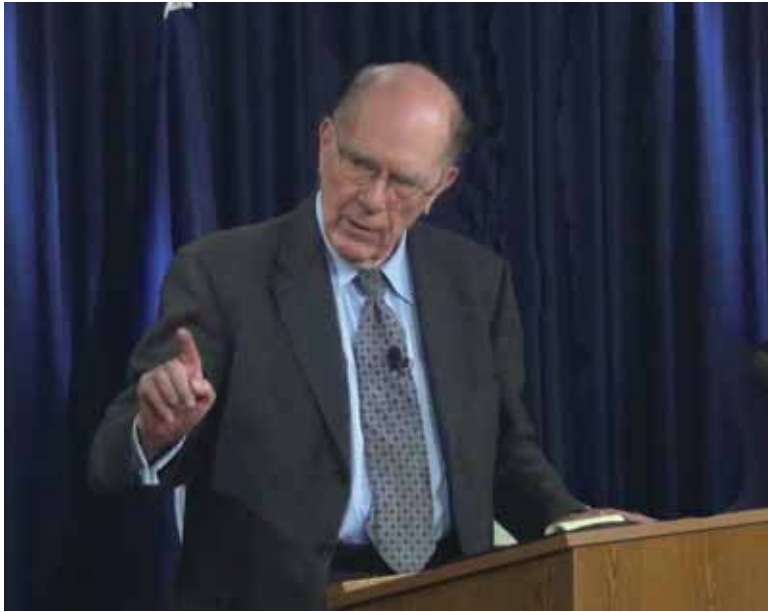
"With the ECB preparing to assume full oversight over all European banks this coming November, the overarching concern among European officials is to prevent a repeat of the financial crisis which threatened to splinter the currency bloc apart in recent years.

"In this context, our question for you, is how do you see the state of European banks at this time? Thank you."

**Lyndon LaRouche:** Well, the Russian banks are probably in the relatively best position, actually, because Russia has actually taken provisions to insulate itself significantly against the susceptibilities coming in from Western Europe.

Probably, in this whole area, there's a big coverup in general, but there are also certain general things we know are true. First of all, Europe is going bankrupt at an accelerating rate, and the bail-in process is going forward. So, whatever they're going to do, they're going to try to manipulate the story. They're not looking for truth under any condition. They don't care what the truth is; it's what they're going to try to sell people to believe in, which is going to be the matter.

So, there is an inherent accelerated rate of crisis



LPAC-TV

*Lyndon LaRouche responded to questions posed to him during the webcast on: the EU's financial crisis; the conflict in Ukraine, and the West's response to President Putin's refusal to concede to its demands; a multiple question from a Crimean citizen living in Los Angeles; and the killer fracking policy of billionaire Warren Buffett and friends.*

throughout the trans-Atlantic region. In other words, that includes the United States as well as Europe, especially western Europe. So therefore, what we do know is, that there is a crisis point coming up fast, and what happened is the defeat of the British, but especially President Obama has taken a great defeat. All the strategic assumptions made about “handling Russia” are defeated, and Russia will now take actions again: They will take prudent actions, or what might be considered prudent actions; they will not trigger something unnecessarily. But there’s a limit to what they can put up with.

Now, the most recent thing is, we have a crisis inside the Presidency, because the Secretary of State and the President are speaking with different voices—at least what’s being said publicly. So, I would say that what’s happening right now, is the big coverup is in process.

What we get on the Russian side, and the Russian precautions which are occurring: Remember, this is not a *good* situation for Russia; that’s not the point, not some “who’s succeeding.” Russia is, however, in a better position to defend itself, than any part of western continental Europe. And the British system is not secure either. The New York City system is not safe either.

So again, we’re on the tightening belt, shall we say. Things are getting worse all the time. Some people are

doing less bad than other people, and I think at this point, the silence that’s coming from these circles is, they themselves either don’t know what’s happening, or they don’t want to tell anybody what’s happening.

## The Ukraine Crisis

**Ogden:** Let me give a little bit of context of the situation in both Ukraine, and also Obama’s trip to Asia. He is currently in Asia as we speak. Earlier today—people may have heard this—the [Assistant Secretary of State] Victoria Nuland-installed Prime Minister of Ukraine, Arseniy Yatsenyuk, accused *Russia* of wanting to start World War III. I think he got it backwards, because meanwhile, it’s the Obama Administration which is continuing to escalate the confrontation in Ukraine, as well as now heating up the situation with China, and who is *actually* to blame for intending to start World War III.

With Vice President Biden visiting Ukraine, and Obama now in Asia, the reality of what you’ve been warning about, with the British Empire’s encirclement policy of all of Eurasia—not one nation or another—is now undeniable. Ukraine’s fascist-dominated government, with the encouragement of Washington, of Obama, is continuing to escalate the violence in eastern Ukraine, breaking the Geneva agreements of last week, attacking check-points, attacking unarmed Ukrainians, killing several people over the course of this week, while the Right Sector, the Banderists, have announced that they are re-locating their headquarters to eastern Ukraine, so they can be closer to the action.

Dmytro Yarosh, the fascist leader of Right Sector, issued an explicit statement yesterday, declaring that Right Sector coordinates all of their actions with the National Security and Defense Council of Ukraine, the Ministry of Internal Affairs, and the Ukrainian Security Service, confirming that the paramilitary fascist militias are being directly deployed top-down from the coup-installed government in Kiev.

And yesterday, in an interview with RT, Sergei Lavrov, the Foreign Minister of Russia, stated that Russia *is* reserving its right to respond, in the event that its legitimate interests are attacked directly—as they did in South Ossetia.

Now, meanwhile, Obama is in Asia, escalating his



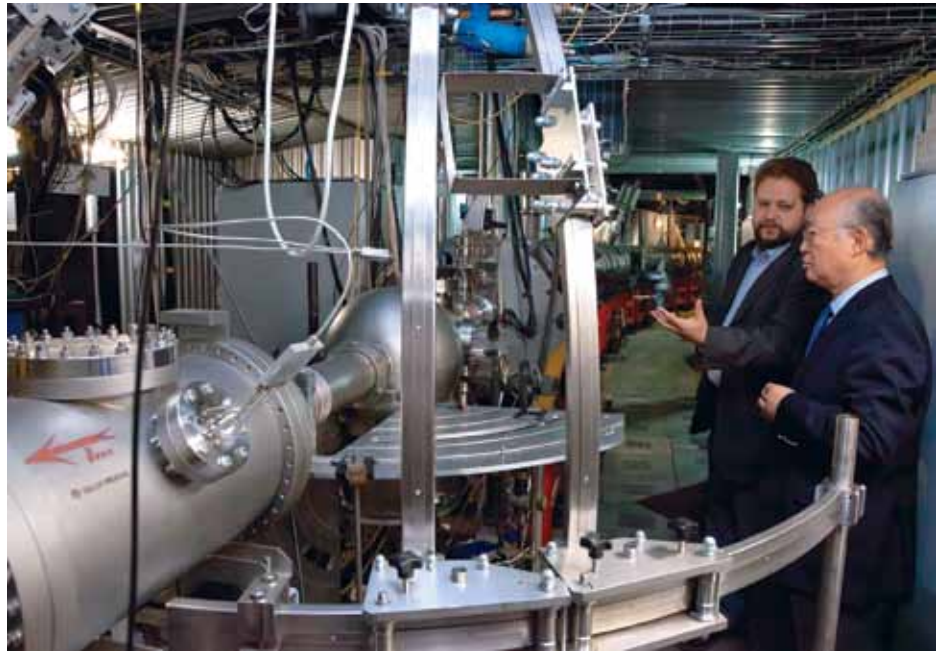
threats against China, explicitly. He delivered a press conference in Tokyo yesterday, with Japanese Prime Minister Shinzo Abe, and declared that the United States would invoke the U.S.-Japanese Mutual Defense Treaty in the event of a conflict between China and Japan over the disputed islands in the East China Sea [Diaoyu (China)/Senkaku (Japan)]. And this is a significant change from previous U.S. policy, which had been to stay out of the territorial dispute, and to offer American mediation to avoid conflict.

Now, Lyn, yesterday you put out a statement calling for Congress to immediately launch impeachment proceedings against Obama, and you said that these latest provocations should make it clear that Obama must be impeached immediately, that he's bringing the world closer to thermonuclear war, and that Russian President Putin has got this figured out—he's got Obama figured out—but that somebody in Washington had better get onto this, and get Obama out of office, before we have a war.

You also gave an interview this week with Iran's Press TV, and you stated that Putin's refusal to concede, and the relatively stronger position that Putin is holding, is now causing Obama to face serious credibility problems; and that his position inside the Presidency, inside the U.S. government, is very delicate, and by no means secure; that the crisis is, that with Obama being used up, the British Empire now is forced to come into this in an even more explicit way, to push the situation to the next step, to thermonuclear war, and that the British Empire would be perfectly willing to unleash this sort of warfare, since their stated policy is to reduce the population from 7 billion to less than 1. So, I'd like you to say more on this.

### Russia Will Take Protective Measures

**LaRouche:** Well, the big question here goes with the United States. Obviously, the relevant military in-



Joint Institute for Nuclear Research

*Russia will take protective measures against U.S./EU sanctions, LaRouche stated. "Russia has a very strong position in terms of its central security, economic security. And therefore, if somebody tries to blackmail them by a European operation, it'll be Europe that will go down, because the European system is much more fragile than the Russian economy."*

*Shown: IAEA Director General Yukiya Amano tours the Joint Institute for Nuclear Research, Dubna, Russia, May 2013.*

stitutions of the United States are not going to condone the President's going to general warfare. That is not going to happen. And that is the key point at which Obama gets impeached. He's already highly impeachable, and these conditions on the Florida report [regarding Saudi involvement in 9/11—see below] also puts him in the scope of being impeached, because if he doesn't respond to this, that's another impeachable offense, and you're going to find the Democratic Party leadership is going to come in again on this issue. And so the 9/11 issue is about to break out, one way or the other. So, that's key here.

The other part is that, first of all, Russia has a capability which, in terms of the continent of Europe, is unmatched. So, Russia will not take aggressive actions, but it will not *tolerate* what Mrs. Nuland is pushing—that fascist lady who's now put herself, in terms of a function, with the Ukrainian fascists; she's a fascist, and they're fascists. So, this is not a very good thing, and the best thing would be that somebody would go out and take these fascists and tell them to quit. Get their swastikas, and get out of the area, right? We don't want 'em around!

Russia will also take protective measures which will not help Europe at all. Russia has a very strong position in terms of its central security, economic security. And therefore, if somebody tries to blackmail them by a European operation, it'll be Europe that will go down, because the European system is much more fragile than the Russian economy.

So, you're dealing now in the realm of: Predictability is lessened by the fact that the people you have to consider are increasingly insane, and insane people are not very predictable, because they have no direction they're going in.

Look, this is intrinsic in the whole process. Remember, going back to the year 1900, when the change from science to mathematics occurred as a trend set forth in France, set forth in Britain. And this thing has been the trend. People no longer are competent. People who are in official positions in scientific work in the United States—and important ones—generally are not allowed to be functional. Therefore, you have mathematicians, who are using mathematical theories which have no relevance whatsoever to physical principles. That's the point.

In other words, we have thermonuclear fusion capabilities in the United States. That is, they're on the charts, so to speak; they're not being pushed. These capabilities could lead, within 15 years or so, 15 to 20 years, to a great breakthrough in the United States, in terms of economy. They're not so easy to start right now; there are things that we can do.

But the general picture is the trans-Atlantic area is in a desperate situation. It's ready to collapse. A chain-reaction collapse could be triggered at any time now. There's no time you will say, "Forecast the future." You're already *in* the future. You're in the collapse period, and you don't know which part of the collapse period you're exactly in, because the facts are not always given too well.

So, we're in a situation where Russia is going to be strengthened relatively speaking, by the very fact of the follies of what Obama has done in his foolishness, and this playing around with Nuland. And you see the difference between him and his Secretary of State. The Secretary of State made an agreement; *Obama* turned around and denied it.

So, you've got a real crisis, and coming up today, the 25th. The 25th is now a crisis time. I'm sure that everybody around the world who's watching, is going to be watching over this weekend, from today through Tuesday.

## On the Verge of a Bail-In Crash

**Ogden:** Mr. LaRouche is referring to an injunction that was issued to the Florida FBI office, that they now have to release 36,000 pages of documents involved in the background to what really happened in Florida leading up to 9/11, which have heretofore been covered up.

Now, let me ask the next question, which comes from one of our viewers. This is a question from Tatyana Potarina, who is from Crimea, and she sent this question in to the website today.

"Hello, Mr. LaRouche. My name is Tatyana, and I am from Crimea. I now live in Los Angeles. Thank you for telling the truth to the American people. As I can see, the majority of newspapers and TV channels are telling lies, not only regarding the situation in Ukraine and Russia, but also Syria as well. The *Wall Street Journal* is the major provider of fake news. Also, I think it is unacceptable how the United States government treats Russia. And the fact that the United States government and the EU are so much involved in ruling Ukraine, and supporting the illegal junta government, and Nazis, is also unacceptable. So, I have a few questions for you.

"Number one: As you offer to impeach your President, who do you think would be the best candidate to replace Obama? I hope you have one, because it may bring to power an even worse person. And do you think that changing the President would change the whole system and the real masters?

"Number two: What is your plan for bringing the United States back to prosperity?

"Number three: What do you think the southeast of Ukraine must do to get what they demand?

"Number four: I can deliver your message to my people, if you have anything to say to them."

And then she also asks what can she do to be involved and be activated in the location where she is presently.

**LaRouche:** Okay, well we have to look at the situation. I'm not too concerned about the Russian problem now. I think that what Russia is doing under Putin's direction, and with his associates, who are playing a leading part in this, is that Russia has shown a strength, a will and capability, which was greatly underestimated by some wishful thinkers in the United States and Western Europe. One has to realize what Russia is, and Russia's territory and history, and you have to think of the duration of that.

You also have to think that Russia is a key ally of

China, and that India is involved in this business, too. The Japanese games against the islands, the fishing islands, is Japanese insanity, which some people in Tokyo, in a certain political faction, push. And the United States is pushing Japan to support those actions.

So in one sense, calculations are clear.

You also have a lack of the ability to calculate. The present world monetary-financial system, especially in the trans-Atlantic region, is not capable of surviving. That presently includes the United States itself. The United States, at present, is crashing. Now, this crash has been brought on willfully, chiefly by the British Empire, but also by our political parties. The political parties themselves have brought this on.

Since the end of the last century, when we increasingly cancelled science, and replaced it by mathematics, we have not had functioning scientists in key policy-shaping positions. We do not have corporations, major corporations, that are competent in terms of producing things. We don't have it. It's been shut down. The green has taken over; and the green has turned brown.

We are now on the verge of a bail-in crash. All of Europe, western Europe, is in a bail-in crash. It's a question of just what moment it will happen, because when it starts, it'll go. We're on the edge of a bail-in crash. Under bail-in crash conditions, almost anything can happen, because panic is possible—all kinds of desperation moves are possible. So those are the conditions we live in.

### **A Fresh Start for the American System**

The way I look at it, is from the positive things. I would partly key on China and Russia. These are absolutely key. Germany is playing a good role in large part as well, an exceptionally good role in terms of Western Europe. But all our hopes depend upon the Eurasian side of the operation, not the trans-Atlantic side. The trans-Atlantic side, as long as it continues under this policy, has a hopeless situation. You could have mass death-rates in the United States as a result of the current



White House/Pete Souza

*We have a young generation, which is not fit for anything, LaRouche declared. They've been destroyed by what's happened to them since the election of Bush Jr. "Look at their entertainment. Look at their modes of existence," etc. Here they are, swooning over Obama at Georgetown University, March 2011.*

economic conditions, very readily.

So you can't forecast on the basis of policy formation. You must forecast on the basis of knowing that they're going to throw Obama out of office. Don't worry about who else might be President. Don't worry about that. Getting Obama out will change everything. If he's out as President, what you will have—remember, three-quarters of the U.S. citizenry is opposed to Obama. *They hate his guts.* They are afraid to take him on, but they hate his guts, and they hate his guts every day more, and more, and more. So therefore if Obama is thrown out, don't worry; don't worry. They may try a dictatorship, but it won't work. We've got a free choice here. If we get Obama out, we can get a change in government inside the United States. Don't worry about who's going to be the next President. Let's worry about getting rid of the present one. And you will find miraculous things will occur, because there will be a transition from the Obama Administration, a transition to chaos. And chaos will try to find a new government by cleaning out the old one.

Look, we've been under for two Presidencies now. And this time, we have an American people, a young generation, going into about 18 years of age, 18, 20 years of age, and so forth, and they're not fit for anything. Very few of them are fit for anything. They've been destroyed by what's happened to them since the

election of Bush Jr. Look at the condition of life. Look at what their practices of life are. Look at their entertainment. Look at their recreations in general. Look at their modes of existence. Look at their drug habits. Look at their sex habits. This is 18 years, or 20 years, full of useless people. People are barely salvageable, and becoming less and less salvageable by the moment.

So it's the people who are of the older generations, which are in revolt against Obama and what he represents: That's your future. And you have a revolt in the Democratic Party; you'll have revolt among the Republican Party as well. Under these conditions, if we do our job, and particularly if I do my job inside the United States, if I do my job in respect to our relationships with countries outside the United States, I think we have reason for confidence. As long as I can keep myself on the job, do what I'm doing, and they don't shoot me, I will be here to take charge of my part of what I have to do, to defend this nation. That's where we stand.

We're on the verge—this thing is going. It's gone one way or the other. It's gone straight to Hell, or it's gone in its present form, it's a shambles. We're going to have to start a new system. And that's what I'm working on.

We have an economic policy in the United States which has been stinking ever since the George Washington Administration. It was that bad, because what happened was, on the question of states' rights, the states'-rights policy, which was dragged in, in violation of the Constitution, was the thing that destroyed the United States from the inside. It was the source of the corruption which the British have exploited against the United States, ever since.

And you have only a few, a handful of Presidents of the United States, who actually effectively fought against that. James Monroe, John Quincy Adams, Abraham Lincoln, and so forth. You had a handful of Presidents who actually fought against treason. Because after George Washington, until Monroe, the Presidencies were all treasonous in their behavior on economic policy. And then you got the same thing again and again and again.

So therefore, from my standpoint, a crisis is a good thing. Not because it is a good thing to have a crisis, but the crisis may mean we have a chance to turn over the policies that are in place now. And that's the best thing. There are no simple choices of select solutions for these problems. What you have to do is, you have to get a fresh start for the American System! Which means

dumping the garbage, dumping the rubbish. And it won't take much. You've got three-quarters of the population, of the citizens of the United States, who *hate this President*. That's a very good thing! Even though they haven't got the guts to do much about it, that's a very good thing. It means that there's an overpowering potential for the American people to demand a sweeping change. If Obama goes out, they'll probably sweep the Vice President out, too.

## **The Fracking Trains Are Running on Time**

**Dennis Mason:** I have something on the economic question, particularly on fracking. We've issued a report this week, "Impeachable Offenses—Fracking Kills," which details the deadly economic consequences of the hydraulic fracking, and makes clear that if we don't change the policy soon, we are finished as a nation. The infrastructure which is required to carry out fracking, is the same infrastructure on which the nation's agriculture depends, namely water and rail. Now at this point, we are fracking at the expense of the current crop. A lot of it is literally rotting in silos and grain elevators because there are no freight cars available to move it. And at the same time, we're harming the future crops because the inputs—the nitrogen, the phosphates, other field preparations—are in the same situation, they can't be moved.

Now Burlington Northern Santa Fe, which is the main railway in the Midwest, is owned by Warren Buffett's Berkshire Hathaway, and unless compelled by law, they're not all that concerned about meeting the needs of getting the current harvest off the farm, to say nothing about ensuring the materials for the next harvest. In fact, it took action by the Surface Transportation Board, which issued a directive to Burlington Northern, to arrange for special shipments of fertilizers, and to provide weekly status reports for six weeks, beginning today, on how that's going.

Now, Buffett, along with David Rockefeller and Bill Gates, had hosted a gathering of the world's richest people in 2009. This included George Soros, a big funder of Obama, Pete Peterson, Michael Bloomberg, Oprah Winfrey, Ted Turner—all told, the nominal worth of all of the people in the room was over \$130 billion. Now, the purpose of that meeting was for the super-rich to rally their philanthropic resources behind a single cause. And according to news leaks from that meeting and subsequent meetings throughout the United States, that cause was, and is, the promotion of



population reduction, as per Thomas Malthus. Ted Turner called for the imposition of a 100-year period of a global one-child policy, which would bring the population down to a billion people.

Now, if this sounds familiar, it should: I invite you to go back and review, among other things, the speech given by David Attenborough at the Royal Society of Arts, and the dialogue between him and Prince Philip. This was the RSA's President's Lecture in 2011; it's not too hard to find on the Internet [<http://www.thersa.org/events/audio-and-past-events/2011/rsa-presidents-lecture-2011>]. There, he hails Malthus as a prophet. Later he makes an appeal for everyone in the room to break the taboo on population reduction, in whatever capacity you can, but *especially* if you're in the Catholic Church, because, in his words, "Its doctrine on contraception is a major factor in the problem." And he concluded his remarks there saying, "Every one of these global problems, environmental as well as social, becomes more difficult and ultimately impossible to solve with ever more people."

Getting back to Mr. Buffett. At the hearing on his Burlington Northern which led to the Transportation Board's directive to get the fertilizers moving, it was reported from the North Dakota Farmers Union, that 85% of the 2013 corn crop is still in on-farm or warehouse storage. There's a good chance that the crop won't be moved, before the next needs to be stored. And the Agriculture Secretary of South Dakota reported that at least 11,000 railcars had been delayed for grain shipments, that many grain elevators are full, and that some of the grain elevators are having problems with spoilage, that food is rotting in storage for want of the railcars to move it.

Meanwhile, the trains for fracking are running on schedule.

This fracking policy is having widespread policy consequences now and into the future, from taking the economically valuable water, shoving it into the earth at an economic loss, in the most parched region of the country, to tying up the rail grid with the inputs and the products of the fracking boom, at the cost of the logistics of the food supply, the reports of seismic activity, earthquakes in the Dakotas as a consequence



*Über-investor Warren Buffett (right), and his billionaire pals, including Bill Gates (left), along with George Soros, Ted Turner, Michael Bloomberg, and Oprah Winfrey, are promoting the reduction of the world's population to a mere 1-2 billion people. They call this "philanthropy."*

of fracking; all of this, to extract an energy source which is far less energy-dense, than what we could be producing if we were to expand our resources on nuclear fusion instead. Everything about the policy is death.

So, I know that this was part of the discussion on the Wednesday New Paradigm for Mankind report [<http://larouchepac.com/node/30585>], and we're producing the main presentation of that as a standalone on the website (see also, *Economics* this issue). But I would like it if you could address this question more directly here.

## The Sun Has Intervened

**LaRouche:** We sort of have to change the subject, because the problems can be enumerated, but that won't do you any good. You have to get the remedies, and the remedies have nothing to do with any of these problems. None of these remedies can be remedied. You can't remedy the remedy.

The point is, we have the fact that the Sun has intervened. Now, we've said this on a number of occasions. The point is, that the United States west of the Mississippi is a basket case. And *there's nothing you can do, west of the Mississippi, or in the United States today, under current U.S. policies, or current U.S. perspective policies. There's not a damned thing you can do, to help those parts of the United States!*

There are some things that could be done, and we are involved in doing those. Now, first of all, Texas is going arid. Matter of fact, the whole Western part of the United States, except for the near-Canadian-border areas, is going to through a period of morbid decay, desiccation. This will go on for *generations* to come! Under present policies, the loss of life of the population of the United States *will be monstrous*, unless we change all of these policies. So fracking is an immediate problem, because the lives that are threatened are immediately threatened. *That's it!*

There is no long-term alternative by eliminating fracking. Because the problem is, that you don't have an alternative to the effect of fracking—it doesn't make any difference. *You're going to die anyway* if you continue under these policies!

Now, the one thing we can do, is what you have in that Wednesday program. The essential solution is there: We put it on the record.

We have a policy for the state of Texas, which depends upon Kesha Rogers being designated as the next Texas Senator [see *National*, this issue]. If she's not elected Senator, *kiss Texas goodbye!* And if she doesn't win, or is not allowed to have a victory in Texas in this term, then California will have no chance, either. And all of the western states will have no chance of survival.

So, in these terms, you have to change the subject. You have to go to the solution, because there are no options! Stop talking about options; idiots talk about "options." What happens when there are no options, except solutions? And solutions mean changing policy to go in a direction directly opposite to the way policy has been going, especially, since the young Bush Administration. And in fact, the United States itself has not showed a nickel's worth of progress, of actual net progress, since the beginning of the 1970s, end of the 1960s!

*There has been no net progress in the United States economy, for the entire population since the end of the 1960s.* The downturn came on with the assassination of John F. Kennedy, and was aggravated by the extended Vietnam War, so that by the beginning of the 1970s, with the 1971 crash, the U.S. economy has been on death row ever since.

Now, that period, the period when I led an effort, with the support of the [Reagan] administration at that time, a planning group of the incoming administration, I led the thing which was called the Strategic Defense Initiative (SDI). If the Strategic Defense Initiative, which had been supported publicly, by Ronald Reagan,

if that had been done, we would not have a major problem today! But when my recommendation was turned down in the way it was done, then the United States was *screwed*, as a result.

So that the point is, in periods like this, there are *no choices*, there are *no options*. The option is to replace the stinking policy, not to take an optional alternative.

You must, for example, take the nature of the human species. The human species is something that nobody understands, really, to speak of. They don't know what the human species is. The human species is absolutely unique. The human species has the characteristic of reaching *higher energy-flux density in its existence*. No animal species can do that! No animal species ever did that. Only the human species does that.

So it's a voluntary process of creativity.

### No Options; Only Solutions

What happened is, of course, with the assassination of John F. Kennedy, the energy-flux-density policy was crushed. So the United States has not been engaged in energy-flux-density net growth—that is, there has been some growth, but the growth has been matched by greater losses, greater deterioration. So therefore, there is no chance for the United States, now, unless we are going back to a higher energy-flux density per capita, which means, going into *thermonuclear fusion* as the leading driving point for the United States and others. If we do not go, and shift from this policy to a thermonuclear fusion orientation, the United States is not going to make it!

And the people of the United States are not going to make it. Because the water crisis we're facing, for probably several generations to come, under present conditions there is no way you can save the lives on the territory of most of the states of the western part of the United States. You can't save it. You're going to wipe out California, you're going to wipe out all the Prairie States, you're going to wipe out Texas—and these are the biggest food-growing areas—you're going to wipe them out! Where are you going to get your food?

Well, this goes with the 1 billion people policy, doesn't it?

In other words, intentional genocide is the policy of the United States government against the people of the United States! And fracking was introduced as a part of this operation. So these people are no fracking good.

So the problem does not lie in debating issues so-called. The problem now, the issue is to get the bums

out. We don't want to give the power of options on issues, to these clowns, because they will still go with the zero-growth policy, the British zero-growth policy, the genocide policy! You have a President of the United States who's committed to genocide! He's practiced genocide, for one and a half terms of his Presidency, and [Bush Jr. for] the two terms before that. So you have three and half terms of the recent Presidency committing genocide against the American people! And you want to talk about options? The option is simple: Get rid of those Presidents.

Get rid of the administration and the policies they represent.

Go back to the kind of policies that I had, when I was the pilot of the Strategic Defense Initiative, a project which would have saved humanity, which was supported by the President of the United States at that time. And by his key advisors, as well, all of them. And many of these had been key advisors of Presidents all the way since the Franklin Roosevelt Presidency! What I was backed by, in pushing SDI, was those forces, which were then rallied around the Reagan Administration itself, not the Bush component of it. And the SDI would have saved all this from happening!

So what they did is, they shut it down, they changed the policy to a Bush-league policy, they destroyed the United States, and set into motion a total destruction of the United States. That policy was treason, that policy was genocide. The policy was dictated by the British Empire.

So there are no options, there are only solutions, and the solutions are, *throw this bum out of the Presidency, right now*. You'll cause chaos in the administration, but

*BNSF, owned by Warren "Fracking" Buffett's Berkshire Hathaway, has made the trains run on time for the frackers, while cutting off farmers and ranchers from urgently needed supplies, and shipping of produce off the farms. Figure 1 shows how Buffett's railroad has a lock on both the fracking areas and the agricultural heartland.*

FIGURE 1

## Burlington Northern Santa Fe (BNSF) Railway System



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they'll have to face the rage of three-quarters of the American citizens, who haven't got the guts right now to fight, but once this guy is thrown out of office, they will go for his *hide* politically! And under that kind of change, a sudden change the agenda—and of course, you've got to control the Republicans; they're crazy. But

you have to tell them to feed on themselves; if they want to reduce things, they can eat their toes or whatever it is they like to eat!

But the point is, we are in a situation, where we have the political potential, if we throw this President out of office, we have the potential *to get our nation back again!* Now, the way we'll get that done is not by waiting for it, but by going out and creating the policy for it. Nothing else is worth talking about.

## The Zeusian Principle

**Ogden:** ...Now, Lyn, I just got to read the first few pages of the newest report that you're working on, called "The American Principle: Return to the Actual Constitution." And you're emphasizing here, that this was the original principle of the Hamiltonian constitutional system, but that we're lost this conception, under the influence of the corruption, of opening ourselves up to the European system, and this, you call it, "international valuation of the financial markets that are run by the British Empire."

I would like you to discuss more of what you call

this “American principle,” in your newest paper, from the standpoint of natural law, as opposed to what you call “the British system,” which is identical to the Roman system, which has no body of law which corresponds to the Constitution of the United States.

**LaRouche:** Well, first of all, politicians today are useless. That’s the fact of the matter! Because, what happened in France, in 1900, was the introduction of a policy to eliminate science, and replace it by arithmetic, mathematics! This was then followed through by Bertrand Russell, who was the virtual incarnate Satan of an entire century, of the 20th Century. And they set forth a process in education, in music, in terms of Classical music, and everything else on which civilization has depended.

So, the result of that, was that we now have a situation, we *no longer have any highly productive industries in the United States*. The auto industry’s gone, all these industries are gone, the food industry is gone, food production is gone, the supporting system for the existence of the United States *is gone!*

*It is gone, forever.* For as long as the British Empire says so, because the intention is, to reduce the human population from 7 billion people to less than 1: That’s the British Queen’s policy. And everything that is being done, by Wall Street, under the influence of government under Wall Street influence, under the British Empire, all that is done, is, in name, *genocide!* This is called, the Zeusian principle. This is exactly what happened in the Roman Empire, the “Decline and Fall of the Roman Empire,” was the same kind of process. We’re going through a plan which was based on the Roman Empire, the decline and fall of the Roman Empire: Reduce the human population by gross amounts, for a period of two centuries; and then let the survivors start to re-habit the planet!

That’s the policy now! That is the policy of Obama. That’s the policy of the Queen of England. That’s the policy of the entire green movement, inside the United States. In other words, these are your enemies. These are not your rivals, these are your enemies, the enemies of civilization.

But what’s the other side of the thing? The problem is, the scientific knowledge of most people, including scientists, is they don’t have any such knowledge. That was killed, effectively, by what was done in France, with that policy of replacing science with mathematics. And you have people who are mathematicians, who are incompetent, intrinsically incompetent! No mathemati-

cian is capable of making competent discoveries. But the mathematicians are dominating our industries, they’re dominating our entire cultural life! And you have this cult formation!

So therefore, we’ve come to a point where we can’t do anything about this western lands area right now. You have to have something else there. You can’t do it with NAWAPA, because NAWAPA needs power to drive it, and that power is thermonuclear power. Otherwise, you can’t make this thing work. You can do some good things: You can build a structure, you can design the structure, which is going to cost a lot of money in terms of work, to build the components of what this NAWAPA system is. And we’re going to have to extend it beyond what the original design is. Because if we don’t, we won’t be able to get enough power to maintain the population of the United States in its western territories—it won’t exist. It won’t exist.

## On to Thermonuclear Power

So therefore, we have to go to thermonuclear power, and we have to take all the technologies that go as supporting to thermonuclear power as applications, we have to put them to work. We cannot sustain the western states without a program which starts with a NAWAPA effort, and other kinds of efforts together with it; and if we then put in, with the limited number of people who we have who are qualified, to build thermonuclear programs, high-technology programs, then we can begin to generate water resources, in a quantity and quality of effect, which will enable us to create a synthetic source of a water system of a type which was presented this past Wednesday, in the report then. So therefore, everything that was discussed on Wednesday in that report, including my own remarks, these are the methods which must be brought to bear, otherwise you have no solution! It doesn’t exist: All you have is death!

And that’s what happened to the Roman Empire, that’s what happened to many other societies that died in a similar way, the oligarchical system. We’re living under an oligarchical system. There is no way, under an oligarchical system, you can recover a society. In other words, a society which follows the policy of the recent Presidencies, for the last dozen years. For a dozen years, it has been absolutely impossible to do anything to help solve this problem, even ameliorate it.

We lost, essentially, when John F. Kennedy was assassinated, and that was the reason he was assassinated. John F. Kennedy was assassinated by the British Empire, and he was assassinated by Americans whose known products in



the postwar period, were British. By one of these guys who actually got rid of Mussolini: Mussolini was there, with his car, and he had a little tow vehicle behind it. He and his mistress were going up toward Switzerland, to meet with people at the Swiss border, to negotiate favorable terms for Mussolini, and Mussolini had brought with him a container on wheels with all this information about all the crimes he'd committed, scandals about everybody possible, to try to buy his way into good favor for survival.

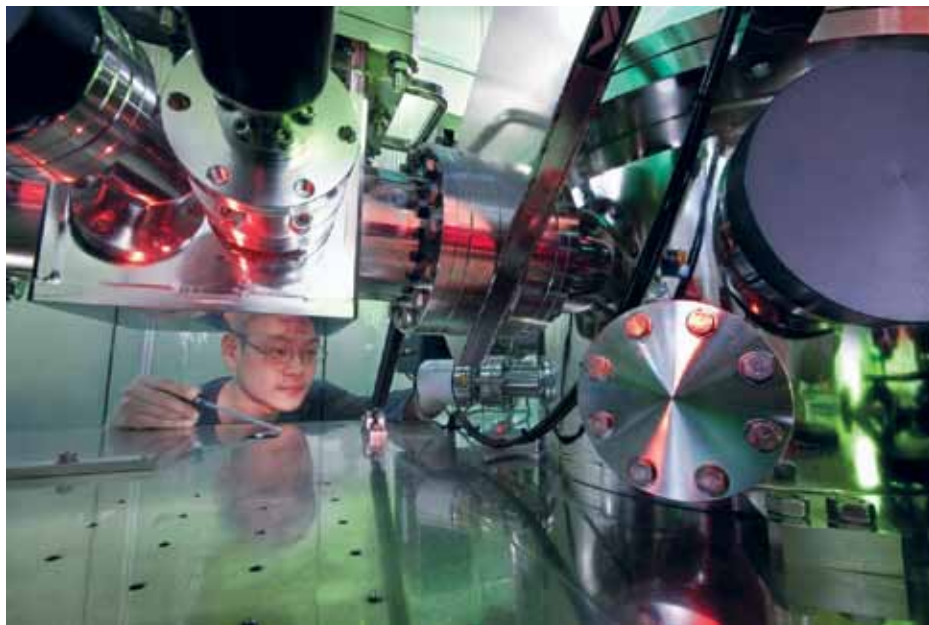
And what happened? He disappeared that night. But then, in the morning, they found him, Mussolini and his girlfriend, were hanging upside down at a gasoline station near Milan.

And these were the people who did that job. They did it! He was going up there to meet them. They did it—Americans. Dulles, the Dulles boys. And these were the same people that really set up the killing of John F. Kennedy.

So these forces within our own midst, created this kind of thing, because they were agents of the British Empire! And the problem in our country is, that Wall Street, which *is* the agency of the British Empire, typifies this. So don't tell me about how we're going to reform something, when you have the people who are running the government, now, as Wall Street. As long as they're running the government, you're not going to do anything good for anybody. So don't come up with proposals.

Come up with a proposal that can be delivered. And the first thing to do, is throw Obama out of office. If he's out of office, then the *anger* of the American people, which runs to about three-quarters of them, can then be activated! Because they will get their guts back! What you're seeing in Texas, now, with Kesha's campaign: What is happening, the campaign was starting slowly, especially among the Hispanic population. But gradually, they began to see that this was *real*! That this was *meant* to work! This was not a propaganda thing, this was reality! And they began to respond, and they are responding.

Now, the danger there, of course, is that since crook-



ITER/Peter Ginter

*NAWAPA cannot begin to solve the water crisis—unless we go to thermonuclear fusion power as rapidly as possible. Find the people who are qualified to build thermonuclear programs, and then we can begin to generate the water resources so desperately needed in our Western states, LaRouche said.*

ery and thievery, and murder are the characteristics of the Republican Party and much of the Democratic Party as well, naturally, the problem she has is not winning votes. It's getting survivors from among the election rolls. But they just take all the votes, and they'll burn them. Destroy them! That's how they win an election in Texas. They steal the vote. They destroy it, they burn it. They just deny it existed.

And therefore you need a little more than just good measures and good votes. You need a political movement, which is *against* what Obama represents, and what all the Obama ass-kissers represent. You have to eliminate that—if you can eliminate that, then you get a new option, because you know, that three-quarters of the U.S. population's citizens *hate Obama*! Therefore, if you remove Obama, you have a new option, and you can get rid of the Vice President, too, because he's committed, himself, so many crimes, that he, too, is not credible.

And that's what the chance is. We have to define the program that is required: That's the first thing you have to do. Don't say, "What's going to be accepted?" If it's accepted, probably, you wouldn't want it anyway. Only by overturning the power of a corrupt government, are ever going to get the program of a good government.

# A Constitution Worth Fighting For

Today, April 30, 2014, is the 225th anniversary of President George Washington's Inaugural Address, given at Federal Hall in New York City. It should be a top priority for all Americans, as well as policy-makers internationally, to read this extraordinary short message to the American people (<http://www.archives.gov/exhibits/american-originals/inaugtxt.html>).

The event was historic in several ways. First, that Washington, who had commanded the American Revolutionary Army, had refused to take power in the wake of the American victory, choosing to consign the fate of the nation to the deliberations of his fellow citizens. Second, that, as Washington's closest advisor, Alexander Hamilton, had noted in *Federalist No. 1*, "it seems to have been reserved to the people of this country, by their conduct and example, to decide the important question, whether societies of men are really capable or not of establishing good government from reflection and choice, or whether they are forever destined to depend for their political constitutions on accident and force."

With the ratification of the Constitution, a process led by Hamilton, the first step was taken toward answering that question in the affirmative. But the actions of the enemies of the republic had already convinced Hamilton that Washington was the only person who could conceivably bring the American population together into a unified nation which would establish a lasting basis for prosperity and freedom.

Thus, the General, who had retired like Rome's Cincinnatus, to tend his family farm, was prevailed upon by his close young collaborator, to accept the Presidency. At the age of 57, Washington had looked forward to a private life, but he responded to the call of duty. His Inaugural Address reflects that

struggle within himself, and his hopes that the new government would proceed in the spirit of the process that brought the Constitution itself into being.

Washington, like Hamilton, and the great Presidents of the United States, like John Quincy Adams, Abraham Lincoln, and Franklin Roosevelt, who followed them, understood that the aims of the Constitution, as laid out concisely *in principle* in the Preamble, were threatened by sectionalism and sectarian thinking. Such localism was a key tool for the Empire against which the Revolution had just been won—and national unity through economic development and scientific progress, true freedom, could only be achieved by defeating it.

Hamilton and Washington, dedicated their lives to this objective, which Washington thus described in his Inaugural speech:

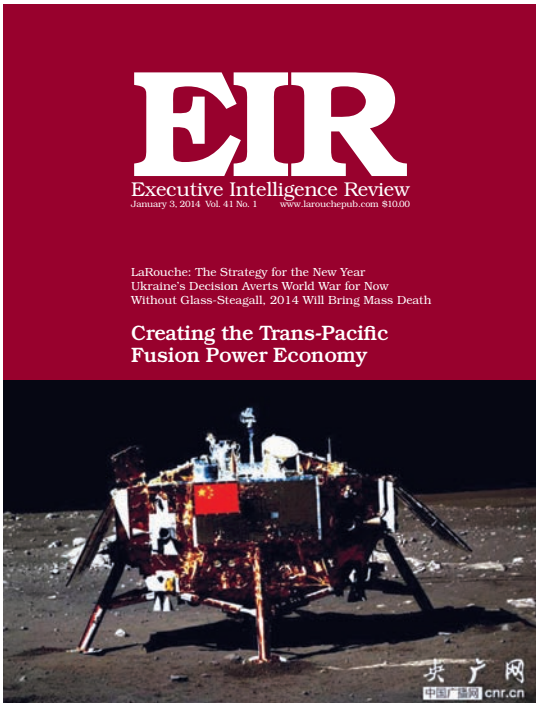
"[I rely on the] surest pledges, that as on one side, no local prejudices, or attachments; no separate views, nor party animosities, will misdirect the comprehensive and equal eye which ought to watch over this great assemblage of communities and interests: so, on another, that the foundations of our National policy will be laid in the pure and immutable principles of private morality; and the pre-eminence of a free Government, be exemplified by all the attributes which can win the affections of its Citizens, and command the respect of the world.

"I dwell on this prospect with every satisfaction which an ardent love for my Country can inspire: since there is no truth more thoroughly established, than that there exists in the economy and course of nature, an indissoluble union between virtue and happiness, between duty and advantage, between the genuine maxims of an honest and magnanimous policy, and the solid rewards of public prosperity and felicity...."

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