

EDITORIAL

OBAMA IS A FAILURE

The World Needs a New Financial Architecture Now!

Aug. 26—Obama must be ousted, regardless of how much time is left, if there is to be any functioning New Presidency in the United States during the period ahead. His Presidency has been a failure, one which is wreaking havoc, death, and chaos on the United States and the world through illegal wars, bailouts, drone attacks, the destruction of healthcare, drug-related deaths, unemployment, and Obama's personal psychotic pathology. As the nations of Eurasia, under the leadership of President Putin, construct a new strategic and economic system, Obama must be condemned for what he is: an abject failure and a servant of the dying British Monarchy.

It is the ongoing collaboration between the leadership of Russia and China on a new economic system and urgent structural changes to the global financial system, which is of the utmost importance. This is the critical flank to avoid nuclear world war and financial chaos—the results of Obama's failed Presidency—and this is the leading topic of discussion among world leaders during the many international summits over the months of September and October.

President Xi Jinping of China intends to put the critical issue of a new world economic and financial system on the agenda of the upcoming G-20 Summit in Hangzhou, China. The offi-

cial China media, joined by top Russian analysts, have made clear that any such new and viable system must include the United States—which means that the United States must abandon its delusions of ruling a unipolar world, which no longer exists, and begin collaborating with major nations for a new and just economic system.

This was highlighted in an Aug. 24 wire of China's official Xinhua news agency, titled "Interview: Russia, China should Cooperate within G-20 to Tackle Challenges." Andrey Kortunov, the Director General of the Russian International Affairs Council, which is close to the Russian Foreign Ministry, said "The longer those reforms are postponed, the higher the risk of new crises and instability in the world economy." He added later, "If today Beijing and Moscow offer their concept of sta-

bility to the international community, it is not just empty words, but proposals based on many successful experiences." He noted that the United States can be "a complex, and sometimes unpredictable partner," but nevertheless, "Both Russia and China should consistently seek common ground with Washington, and avoid crises, without making concessions on matters of principle."

A Xinhua commentary on the same day, also regarding the G-20, assailed "over-reliance on monetary policy" and the focus on "markets" as opposed to "nations"—at the expense of policies

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aiming for real physical-economic growth, and based on technological innovation. “China will use the conference to spur dialogue among developed and developing countries around the potential to foster growth through reforms and innovation.”

The *Wall Street Journal* has suggested that it was at the request of China, that the Bank of International Settlements issued a recent report warning that there are no mechanisms in place at this time which can prevent a blow-out of the \$600 trillion-plus global financial derivatives bubble, if any major party defaults. *Business Insider*, in what could be described as a painful understatement, was forced to admit that the results of this survey “are slightly terrifying,” because if derivatives clearing-houses fail to handle a crisis, then derivatives become “unexploded nuclear bombs nestling deep in the financial system.” The *Wall Street Journal* goes on to note that China has placed the safety of central clearing houses “high on the agenda” of the upcoming G-20 summit.

There is now an increasing and widespread belief among top officials of the trans-Atlantic region, that Europe and the United States are on the very edge of a financial blowout, whose magnitude is equalled only by their own denial both of its global consequences, and of the collapse of western dominance. Bloomberg reported Tuesday, Aug. 23, that Deutsche Bank, Barclays and Credit Suisse are sitting on a combined \$102.5 billion in “Level 3” assets,— i.e. assets which are illiquid, without market value, and which cannot be dumped in a crisis. The *Economist* headlined its Aug. 20-26 issue,

“Nightmare on Main Street,” warning that the \$26 trillion U.S. housing market, which underlies a mountain of derivatives and other bank and non-bank securitized gambling paper,— is again ready to blow.

With the entire political and financial class of the West increasingly discredited, the only remaining option is the immediate reinstatement of [Glass-Steagall full bank separation](#) in the United States, and identical implementation throughout Europe. Glass-Steagall, followed by a jubilee debt write-off for the developing nations (in line with [Alfred Herrhausen’s policy](#) in 1989), and the extension of long-term credit for industrial and scientific development, are just some of the first, indispensable steps towards the creation of a new global financial architecture, and are the prerequisites for a new cultural paradigm, a new Renaissance for all mankind.

The foundations for such a new global financial and economic architecture are now well-established through the growing integration of Eurasia, being woven through cooperation among the Eurasian Economic Union, the Shanghai Cooperation Organization, the BRICS, ASEAN, and other groupings. It is China’s “One Belt, One Road” initiative, based on Lyndon and Helga LaRouche’s original mid-1990s concept of the Eurasian Landbridge, which is the principle upon which this Eurasian and potentially global development is premised.

As Mexican President Jose Lopez-Portillo once said, “It is now time to listen to the wise words of Lyndon LaRouche!”