

## Flood Catastrophe Shows Need For New, Just Economic System

by Helga Zepp-LaRouche

*The following statement was issued by Helga Zepp-LaRouche, founder of the Schiller Institute, on Dec. 29, 2004.*

The biggest aid operation of all times is now beginning, to face up to a gigantic task: to recover over 100,000 bodies, in order to prevent the spread of diseases that would multiply the number of victims; to supply about 2 million homeless; and to reconstruct 60,000 villages, infrastructure, and agricultural areas. Just to restore the conditions existing before the flood, will require minimally billions of dollars in the double digit range. The initiative of German Chancellor Schröder for a debt moratorium for Indonesia and Somalia is a step in the right direction.

But something much more fundamental is needed, if a repetition of catastrophes of this magnitude is to be prevented. We have to distinguish between those aspects of natural disasters that cannot be prevented, and the effects of the inadequate development policies of the recent decades. Before the present flood wave, the most dramatic tsunami in history was that which was caused by the explosion of the volcano Thera on what today is called Santorini Island, in 1628 B.C., destroying the Minoan culture. Therefore, we have to assume that more tsunamis, as large as that one, or as the one just suffered in Southeast Asia, are possible. An early warning system for the threatened areas can be installed relatively simply, and is not very expensive. Not to mention that a phone call from the U.S. State Department—which had been informed of the quake as soon as it happened—to the governments of the countries threatened by the tsunami, would also have been very cheap. What, for heaven's sake, prevented the U.S. government from sharing this information with the relevant governments? This question will preoccupy the world intensely!

But the decisive point, for which the leading international financial institutions bear a massive guilt, is the scandalous dimensions of the neglect of development in recent decades. The tourist boom in countries like Thailand, Sri Lanka, or the Seychelles, which has granted a windfall of profits for tourism enterprises and international resort chains, cannot cover up the reality that the living conditions of the indigenous populations have not really improved, and that the countries involved have not really developed economically. Quite the contrary, especially the “holiday paradises” have proven themselves to be death traps for many so-called “natives,” and for tourists.

The fact that under the system of globalization, one-third of humanity is permanently undernourished; that a billion of those are children living in poverty; that every day, 50,000 human beings die of starvation and preventable diseases; and that whole continents are threatened in their very existence, is proof of the absolute failure of the present world order. Just because the G-7 governments—Germany, France, Great Britain, the United States, Canada, Italy, and Japan—have submitted to the dictates of the international financial oligarchy which profits from globalization, and because the majority of the population demonstrates an unbelievable moral indifference toward the poverty of 4 billion people, does not mean that the present world order has not failed.

The entire scope of the moral failure becomes obvious, when this attitude is compared to the totally different attitude predominant in the 1950s and 1960s. Then, it was a general axiom of thought, that the undeserved underdevelopment of the developing countries, which was regarded as the result of centuries of colonialism, must be overcome, as soon as possible, by development programs. In the UN, people talked

about “development decades,” within which a certain progress, raising the standards of living and life expectancy, was to be accomplished. And for Pope Paul VI, underdevelopment was so unbearable, that he lashed out against poverty in his ardent appeal to the world population, his encyclical *Populorum Progressio* (“On the Progress of Peoples”), as a situation “whose injustice cries to heaven.”

But with the paradigm change that has, since the late 1960s, turned societies in the G-7 nations away from being producer societies into consumer societies—away from the production of real goods, and toward speculation and a pure money economy, away from the common good, and toward a society that is egotistically competitive and rampantly pleasure-seeking—with this shift, the attitude toward the so-called “Third World” changed, too. Now, it was considered good, if everything there were as cheap as possible, because a stay at a five-star resort on the beach was less expensive, since these “natives” got oh-so-wonderfully-low wages.

In more than one way, the fantasy world of our consumer and pleasure-oriented society has suffered a reality shock. In its typically cynical way, the *Frankfurter Allgemeine Zeitung* asked, on Dec. 29, what an Indian fisherman and a German tourist have in common? Normally, nothing—but now, they share the same mass grave. . . . If we can read any meaning at all into this horrible flood catastrophe in Southeastern and Southern Asia, then it is only by viewing it as a sign from heaven that man cannot violate Creation’s order, for a long time, by treating the larger part of humanity as a second class of human beings, without provoking Nemesis.

The system of globalization is presently in the end phase of its systemic collapse. The free fall of the U.S. dollar is only one symptom of this. When the leading “analysts” speak of a Hiroshima for the financial system, these days, of an Armageddon, of a coming avalanche, of the end of the system—then, everyone should know what hour has been rung: The great crash of 2005 has come.

But, there is a way out.

1. The G-7 nations must, together with Russia, China, India, and other nations of the world, effect a total reorganization of the hopelessly bankrupt global financial system, and replace it with a New Bretton Woods system in the tradition of Franklin D. Roosevelt.

2. Not only the debts of Indonesia and Somalia should be eliminated, but those of the whole developing sector—because they cannot be paid anyway.

3. The derivatives and currency speculation, which, according to the most recent report of the Bank for International Settlements, has reached the unbelievable volume of \$2,000 trillion, must simply be wiped out, and be made illegal by agreements among governments. Fixed exchange rates must be introduced, in order to make speculation against currencies and national wealth impossible.

4. The creation of new credits for productive investments

must be taken away from the control of supposedly “independent,” i.e., private, central banks, and brought under the control of sovereign governments.

5. Part of the New Bretton Woods agreement, must be the creation of some \$2 trillion in new, productive credits for the G-7 nations, to provide for full employment in the context of the building of the Eurasian Land-Bridge, i.e., the infrastructural integration of Eurasia.

6. In order to embark on the urgently needed overcoming of the underdevelopment of vast parts of the developing sector in Asia, Africa, and South America, in the context of the building of the Eurasian Land-Bridge as an engine for the reconstruction of the world’s economy, an “International Development Bank” must be part of the agreement, which will provide at least 500 billion euros annually for clearly defined development projects.

7. Lyndon LaRouche and the international movement named after him, have, since the early 1970s, worked out concrete development programs for Africa, South America, the Pacific Basin, India, Southwest Asia, and for Eurasia, programs which, taken together, could provide a concrete basis for a New and Just World Economic Order—immediately!

Only if the interiors of the nations of Africa, Asia, and South America are developed to a dignified level, will we be able to reduce the effects of future natural disasters to a minimum.

When you think about these questions, which will decide the future of the 21st Century, don’t think just about yourself. Think about that which you can contribute, so that humanity becomes worthy of its name!

Join our movement for a New and Just World Economic Order!

## Tsunami Hits a Stupefied Washington

by Laurence Hecht

As the worst natural disaster in our lifetimes, perhaps in all human history, struck the Indian Ocean Basin Dec. 26, no one in the government of the world’s largest superpower was able to give effective warning to the nations lying in the path of the deadly tsunami. How is it possible that a nation which is capable of conducting a remote-controlled assassination of its enemies by drone aircraft from a military command center in Florida, 6,000 miles from the target, was not capable of warning its friends of this looming disaster?

In truth, at least three U.S. government agencies, and al-

## Warning Systems Cost Peanuts

“It wouldn’t take much” to set up a tsunami warning center in the Indian Ocean basin, like the one for the Pacific, said Dr. Gerard Fryer, a geophysicist at the University of Hawaii, and Tsunami Advisor to the State of Hawaii. Already, the Hawaii center has become a global center, he told *EIR* Dec. 28.

“To set up a minimal system would not be a big expense,” Fryer said. “Maybe \$100,000 to set the system up, and \$250,000 yearly to operate it. . . . All the research is done. The seismometers exist, also the tidal gauges. . . . Setting up such a system would be one-tenth the cost of building one hotel.”

Such a system, Dr. Fryer said, wouldn’t be as advanced as the Pacific one, which uses special buoys, which register small shifts in ocean pressure and transmit data via satellite

to the monitoring system. But adding buoys is also relatively inexpensive. “The buoys used in the Pacific System cost \$150,000 each, but our government could build and sell a few,” Dr. Fryer said. “What’s in place now in almost every port is a tidal gauge. That’s not the best, but it would be pretty darn good.”

Existing tsunami monitoring systems are coupled with standard civil defense measures: local warning systems, guidelines for the population, emergency operations centers.

The Deep-ocean Assessment and Reporting of Tsunamis (DART) stations that exist in the Pacific Ocean basin have a bottom pressure recorder anchored to the seafloor, and a moored surface buoy with an antenna that links to a GOES satellite, which relays real-time data to ground stations. The seafloor component can detect tsunamis as small as 1 cm. The system operates in a standard mode and an event mode. In the latter mode, when an event is identified, data are taken every 15 seconds.

—Marjorie Mazel Hecht

most certainly the Department of Defense as well, knew of the earthquake within a short time of its occurrence, and knew shortly after of the threat, or actuality, of the tsunami. Yet no one either could, or would, take effective action to warn the nations in its path.

“This is a *prima facie* case of negligence,” statesman Lyndon LaRouche said Dec. 28 after reviewing the evidence assembled by *EIR* investigative teams as of that time, that the U.S. government, and particularly the State Department, had knowledge of the potential massive disaster that was developing, but failed to act.

It has also since emerged that the governments of Japan and Australia had developed an early intelligence picture of the tsunami threat. After registering the quake, Australia’s federal Geoscience center in Canberra quickly determined that it was likely to generate a large tsunami, and within 30 to 33 minutes had informed the Australian Foreign Ministry and the national emergency office of the whole picture. No warnings or messages were sent to other governments for fear of overstepping protocol, according to press accounts.

This is the chronology of events leading to the paralysis and impotence on the U.S. side of this greatest of all fiascos, as *EIR* has been able to reconstruct them:

Within minutes of the undersea earthquake off the north coast of Sumatra, which triggered the deadly tsunami, two different U.S. government agencies went into action to determine the location and size of the quake. The first to locate it was the National Oceanic and Atmospheric Administration’s (NOAA’s) Tsunami Warning Center in Palmer, Alaska, which monitors seismic data from over a dozen sources

around the world. Within less than 15 minutes, scientists there had pinpointed the epicenter of the disturbance, and assessed it at 8.1 on the Richter scale—a major earthquake. (Within one hour, they had upgraded to 8.5. The final assessment was 9.0, a mega-event, the fifth largest earthquake in the world since 1900.) The Alaska center is connected to NOAA’s Pacific Tsunami Warning Center in Ewa Beach, Hawaii, which has responsibility for the entire Pacific basin.

Within 15 minutes of the onset of the quake, an information bulletin went out to the nations of the Pacific from the International Tsunami Information Center in Hawaii. The earthquake had registered on detection instruments at 00:59 Universal Time on the morning of Dec. 26 (or 2:59 p.m. on Dec. 25, Hawaii Standard Time). However, the earthquake was in the Indian Ocean. The nations of the Pacific basin were not threatened, and the Tsunami Warning System applies only to the 26 participating nations which border on the Pacific. The information bulletin would go only to those nations.

Within an hour, NOAA sent out another bulletin, upgrading its estimate of the magnitude of the quake to 8.5 on the Richter scale, and warning that “there is the possibility of a tsunami near the epicenter.” Indonesia and Australia, both part of the Pacific network, were among the countries that received the warning. It was already too late for Indonesia. By then, the sea surge had already struck northern Sumatra and other nearby locations, but it would be more than another hour before the shock wave, travelling at speeds up to 500 miles per hour, would reach the coasts of Sri Lanka, Bangladesh, and India, and several hours longer to reach east Africa.

The U.S. Navy's Diego Garcia base in the Indian Ocean also received the warning, as the Navy was on the contact list. Reportedly, the tsunami caused no damage there.

As the seriousness of the earthquake became apparent, researchers at NOAA's Hawaii center tried on their own to alert officials in the Indian Ocean region, according to scientists contacted there. But they didn't know the phone numbers. "We don't have contacts in our address book for anybody in that part of the world," said Charles McCreery, a geophysicist at the warning center who was paged from his Christmas dinner. He arrived as the second advisory was sent out. By that time the danger was clear. As geophysicist and tsunami expert Dr. Gerard Fryer told *EIR*, "It's a no-brainer. When an earthquake is 8.5, you know a tsunami is generated."

There was contact between the Pacific Warning Center in Hawaii and Sri Lanka, but only after the tsunami had hit. At 5:45 p.m. Hawaii Standard Time, the warning center received a call from a Sri Lanka Navy Commander inquiring about the potential for further tsunami waves from aftershocks, according to NOAA's chronology of the events. Fifteen minutes later, the U.S. Ambassador in Sri Lanka called the warning center to set up a notification system in case of a big aftershock. At 10:15 p.m. Hawaii time (five to six hours after the tsunami had devastated the highly populated coastal regions of Sri Lanka and India), NOAA's Pacific Warning Center spoke with U.S. State Department Operations, and advised them about the potential threat to Madagascar and Africa. They set up a conference call with the U.S. Embassies at Madagascar and Mauritius.

That is all that is known of contacts of any U.S. government official with the affected nations as the event unfolded.

But did the whole weight of averting the world's worst human catastrophe, rest on the shoulders of a few scientists who did not have the right telephone numbers?

### **The State Department Knew**

In Denver, at the U.S. Geological Survey's earthquake monitoring center, specialists were also hard at work. Within 20 minutes of the onset, the location of the earthquake epicenter had been determined. (Forty minutes later, an assessment of its rating on the Richter scale "in the upper 8s" was made.) According to a spokesman at the Geological Survey's Denver regional office, a clear protocol exists for such eventualities. The first step is to notify the U.S. State Department. A 24-hour contact number is posted in the office for that purpose.

That the State Department Operations Center received such a notification call, within approximately 20 minutes after the quake, was verified by a State Department spokesman, who spoke with *EIR*. Exactly what they did with it is very difficult to determine. No one will say much, and the answer appears to be that they did not do very much.

The first notification from the U.S. Geological Survey would have come in at approximately 8:18 p.m. Washington

time, on Christmas eve. Personnel were on duty in a round-the-clock operations center. But at that point, according to a spokesman at the State Department Press Office, no one in the Operations Center was aware of the tsunami danger, only the earthquake.

The first knowledge of the tsunami danger came after receiving wires that flood waves had struck Indonesia and then Thailand. At that time, there still would then have been more than an hour, perhaps as many as two, to notify the governments of Sri Lanka, India, and other nations. According to a National Public Radio report of Dec. 30, a resident of Sri Lanka said that there exists an alert system used for cyclones, and the radio is also used for warnings. People would have moved if they had been given a warning, but no alert was sounded.

Why not? What went wrong at the State Department and other U.S. agencies that our nation's knowledge could not be effectively spread to others?

### **The Stink From the White House**

According to LaRouche, the failure would not have been a willful act. Rather, he said, concurring with the analysis of a disaster specialist, it was a "screw-up." But the underlying problem, said LaRouche, "is the stink from the White House."

This White House is a "source of pollution," LaRouche said. The White House is creating demoralization throughout the Executive Branch. The demoralization factor is caused by the government not functioning at the White House level. There is a bureaucratic tendency to kiss ass, not kick ass, and that's a major institutional problem. The Bush Presidency is polluting all the institutions of the Executive branch. Look at the CIA, the uniformed military, the State Department. People are leaving in disgust. Purges are going on from the White House. The Republicans in the Congress are polluting the Legislative branch. People like Supreme Court Justice Antonin Scalia are polluting the courts.

What we need is an FDR approach, LaRouche said. This will force some Republicans to think more forcefully. The country is being destroyed by bureaucratic pollution, LaRouche said.

The President himself was silent on the human catastrophe for three days, clearing brush and relaxing at his Texas ranch. His weak pledge of U.S. support for relief and reconstruction, which he finally delivered on Dec. 29, can be usefully compared to the sweeping call for fundamental reform issued by Helga Zepp-LaRouche on the same day.

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