

Is Cyprus the Trigger For World War III?

by Jeffrey Steinberg

April 2—The verdict is in. The Cyprus “bail-in”—grabbing depositors’ funds beyond the EU100,000 insured limit to bail out the hopelessly bankrupt trans-Atlantic banking system—is the long-planned model for saving the present British imperial financial system, on both sides of the Atlantic. A number of policy papers, prepared by the U.S. Federal Deposit Insurance Corporation (FDIC) and the Bank of England, the European Commission, and the European Central Bank (ECB), all make clear that, beginning no later than 2010, plans were in place to loot depositors’ savings in the biggest grand larceny in modern history.

The consequences of that policy decision are now playing out in Cyprus, and in all of the other European countries under Troika (IMF, ECB, and European Commission) receivership/bailout. At some point in the immediate days or weeks ahead, you can expect an exodus of foreign capital from all of the European banks, triggering a much deeper banking meltdown, as well as social chaos.

For years, Lyndon LaRouche has been warning that the policies of the ruling Western financial oligarchy are driving the world toward a moment when the entire money system will evaporate, leaving hapless citizens with no ability to buy food, pay for housing, or even get to work, if they are lucky enough to have a job. One pathway for such a shock is the ongoing hyperinflationary “quantitative easing” (QE) policies of the Federal Reserve, the U.S. Treasury, the ECB, and the IMF. The other pathway to social disintegration is the “bail-in”

policy that was maliciously imposed in the Cyprus fiasco over the past few weeks.

Europe now stands on the edge of the kind of social chaos that can erupt when people find their savings looted, their bank accounts frozen, their very ability to survive, taken away.

It is impossible to say whether steps will be taken to slow down the social disintegration now confronting much of southern Europe and beyond. The timing may be unpredictable, but the directionality is not. Europe is headed for absolute Hell, and the United States is facing the same fate as Europe—unless Glass-Steagall is passed through both Houses of Congress right away, before the social chaos erupts.

As LaRouche has been warning for years, Europe’s only hope for survival, ever since the 1992 signing of the Maastricht Treaty, has been for the United States to return to the sanity of Glass-Steagall and a restoration of the Bretton Woods system.

Thermonuclear War

There is no coincidence in the fact that, at precisely the moment that Europe is going through a death spiral of hyperinflation, austerity, and social chaos, there is also the threat of global thermonuclear war.

While the Persian Gulf and Eastern Mediterranean region is being torn apart by internecine religious warfare within Islam, a crisis has erupted on the Korean Peninsula that poses an immediate danger of a new world war.

The North Korean leadership under Kim Jung-un continues to make bellicose threats against its neighbors and the United States, as the Obama Administration escalates the crisis with counter-provocations, rather than sane diplomacy. Instead of responding positively to a series of recent diplomatic approaches, including a request that President Obama make a telephone call to the young North Korean leader, the U.S. has threatened thermonuclear reprisal, under the cover of ongoing annual joint maneuvers between U.S. and South Korea.

In just the past two weeks, the U.S. has deployed long-range B-2 bombers to fly over South Korea, and drop dummy bombs. The B-2 is a long-range strategic bomber, normally armed with thermonuclear weapons. A similar deployment of B-52s from the U.S. base in Guam flew over Korean airspace, in a clear message that the U.S. is prepared to retaliate with massive nuclear strikes against any North Korean nuclear attack on the South.

According to U.S. intelligence sources, the U.S. has also established a permanent presence of submarines

equipped with nuclear weapons in the waters off the Korean coast. It is no secret that the Obama Administration is considering other “deterrent” options, including the basing of U.S. tactical nuclear weapons in South Korea.

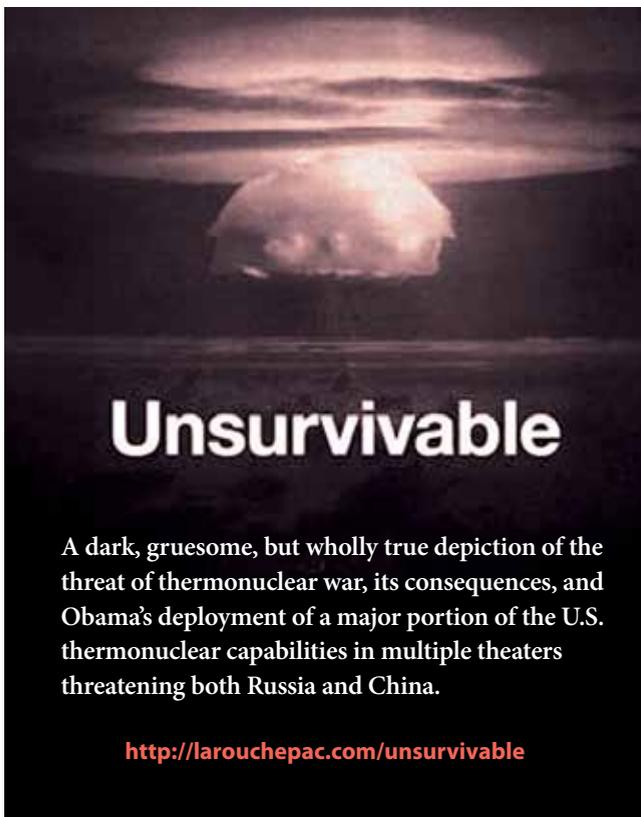
While Defense Secretary Chuck Hagel cast all of the blame for this hair-trigger situation on the North Koreans, during a recent Pentagon press briefing, Gen. Martin Dempsey, the Chairman of the Joint Chiefs of Staff, followed Hagel by declaring that there was nothing new in the actions of the North Koreans. Dempsey explained that every year at this time, when the U.S.-South Korean joint maneuvers take place, the North Koreans retaliate with heated-up rhetoric. “There is nothing new here,” the General asserted, clearly pushing back from any escalation of tensions.

Dempsey is scheduled to go to China sometime in April to meet with his counterparts in the People’s Liberation Army (PLA) and Central Military Commission (CMC). He is also scheduled to visit Moscow, at the invitation of Gen. Valery Gerasimov, Chief of the General Staff of the Armed Forces of Russia, and first Deputy Defense Minister, sometime in May. Dempsey is a leading figure in a war-avoidance faction of the U.S. institutions, which sees the danger of the present situation, and is intent on preventing an escalation to world war.

The Big Picture

What must be understood to carry out a true war-avoidance policy is that the trans-Atlantic financial disintegration is *the* driving cause for the war provocations.

For the past two years—since the overthrow of the Qaddafi government in Libya—LaRouche has been warning that the British imperial faction of radical Malthusians have been setting the stage for a global showdown between the United States and NATO on the one side, and Russia and China on the other. The objective of these provocateurs is not necessarily to blow up the world in a war of thermonuclear extinction from which they would not survive. Their goal is to get Moscow and Beijing to back down in the face of the lunatic provocations coming from the London-controlled Obama Administration and other NATO forces. So far, their efforts to get the Russians and Chinese to back off from the defense of the Assad government in Syria have



failed miserably.

Now the provocations have moved to North Asia, and to the threat to trigger thermonuclear war on the Korean Peninsula. Once again, the goal is capitulation, not extinction. Only if China and Russia cave in, and agree to make their vast resources available for the preservation of the current hopelessly bankrupt global financial system, can the inevitable total disintegration of that system be postponed beyond a matter of weeks or months.

A faction in and around the British Crown, on record as demanding the wiping out of 80% of the human race, is going for the ultimate bluff: Threatening thermonuclear extinction to force a capitulation by Russia and China. Such madness can easily lead to a succession of miscalculations, and thermonuclear extinction.

The Four Horsemen

The threat of thermonuclear war, whether on the Korean Peninsula, or in the Persian Gulf, is one road to perdition. There is another option, already playing out: The British Empire faction, aligned with Saudi Arabia, is pushing hard for a permanent war inside the Islamic world, pitting Sunnis against Shi'ites. With 1.6 billion Muslims in the world today, this conflict can lead to genocide, far beyond what has already been seen in Libya, Syria, Iraq, Pakistan, Afghanistan, and Iran.

London has also activated a new genocide on the African continent, as the direct outgrowth of the overthrow of Qaddafi in Libya, and the massive flow of weapons into the hands of Dark Age jihadists throughout the Maghreb and Horn of Africa.

The spread of endless “each-against-all” warfare is complemented by the fact that food production is being vastly reduced in many parts of the world—including North America—as the result of disinvestment in water-management and other vital infrastructure, and the consequences of World Trade Organization policy, which makes national food self-subsistence a crime.

Drug-resistant diseases, warned of by LaRouche and the Fusion Energy Foundation in the mid-1970s, are adding to the death count.

The greatest war-avoidance flank today is immediate reinstatement of Glass-Steagall in the United States. Ending the bailout of the oligarchy's massive unpayable gambling debts would constitute the biggest real transfer of political power in modern history. Then the tough task of rebuilding a desperate planet would commence.