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Argentina Tells Vultures: 'We Are a Nuclear Nation'
New Silk Road Is Creating a Just World Economic Order
Mankind Can Now Control the Global Water System

**The U.S. Must Again Become
A Paragon Among Nations**



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EIR

From the Editors

In response to the first question asked at the July 11 LaRouchePAC webcast, Lyndon LaRouche said, as conveyed by EIR's Dennis Small, that the purpose for removing Barack Obama from office by constitutional means, is to return the United States to "its rightful role in the concert of nations." "That would then set the standard for the honorable role that the United States must play today under the current conditions of crisis, bringing the nations of the world together around the common aims of mankind and our common mission towards the future of mankind on this planet and beyond, in the Solar System and the galaxy," he explained.

In this issue of EIR, we provide the full transcript of that webcast (*Feature*), which presents in some depth, the features of the crisis, and movement toward a solution, which portend precisely such a change in the United States. In it, the potential for the U.S. joining with the coalescing Eurasian partnership, the potential for impeachment, the imminence of a financial blowout, the global battle over Argentina, and much more, are analyzed in some detail, from the standpoint of what the U.S., and its citizens, must do.

In this context, it is appropriate that we also publish a full transcript of the latest LaRouchePAC New Paradigm show, which was devoted to "How Mankind Can Control the Global Water System," with the requisite upshift in energy-flux density (*Science*). In the face of the current killer drought in the American West, this dialogue presents clear prospects for a solution.

The rest of the issue is comprised of strategic news updates. Internationally, we see the British Empire's escalation toward confrontation with Russia, and perpetual genocidal war, the latter reflected vividly in the latest *pre-planned* Israeli war on the Palestinians. Helga Zepp-LaRouche presents the alternative in her article on the New Silk Road development path being offered by China to the West, with emphasis on her native Germany.

In *National*, we update the Congressional motion toward impeachment of Obama, with emphasis on moves to halt his illegal wars, and his threat to detonate a new one, if he is not removed.

The major economic/strategic news of the week is occurring as we go to print—the formation of a New Development Bank and Contingent Reserve Arrangement by the BRICS nations, which represents the germ of a new, just financial architecture. The latest developments in the fight between Argentina and the London-Wall Street vulture funds, which we cover in *Economics*, represent part of the process of that world-shaking event. Expect much more next week.

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In the LaRouchePAC Friday Webcast for July 11, 2014, host Matthew Ogden was joined by Megan Beets of the LaRouchePAC science team, Dennis Small of *EIR*, and Diane Sare from the LaRouchePAC Policy Committee. The key topics discussed were:

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IMPEACH OBAMA!

The U.S. Must Again Become a Paragon Among Nations

From the LaRouchePAC Friday Webcast for July 11, 2014. The video is at <http://larouchepac.com/node/31278>. Host Matthew Ogden was joined by Megan Beets of the LaRouchePAC science team, Dennis Small of EIR, and Diane Sare from the LaRouchePAC Policy Committee.

Matthew Ogden: We had a meeting with both Lyndon and Helga LaRouche earlier this afternoon at which the questions which will be asked tonight were presented to them. So, the answers that you hear tonight will reflect their comments.

We're going to begin, as we normally do, with our institutional question, which reads as follows: "Russian President Vladimir Putin called for better relations with the United States in a congratulatory message to President Barack Obama last Friday, marking U.S. Independence Day. He stated that he hopes that the ties between the two countries, which have a rich history, will continue to successfully develop on an equal basis, despite the current differences and difficulties. Vladimir Putin also highlighted that Russia and the United States, as countries carrying exceptional responsibility for ensuring and safeguarding international stability and security 'should therefore cooperate, not only in the interests of their own nations and for the benefit of their own peoples, but in the interests of the whole world.'

"So the question is, in your view, what type of cooperation between the United States and Russia can contribute to this international stability and cooperation in the interests of the entire world, as President Putin has called for?"



White House Photo/Pete Souza

Russia's President Putin, in an Independence Day greeting to President Obama, stressed the "exceptional responsibility" of the two countries for ensuring peace and stability. For that to happen, Obama's got to go. Shown here, Obama and Putin in Russia, July 7, 2009.

LaRouche: The First Step Is Impeachment of Obama

Dennis Small: What Mr. LaRouche said in response to this question, when it was discussed with him today, is that the United States essentially should be the paragon for this type of relationship among nations. And as the paragon, we must assume responsibility to insure that such a community of principle among nations actually is created. He said, to do that, the first and most immediate thing that has to be done, is that the United States has to return to its rightful role in the concert of nations.

To do that, Barack Obama must be impeached, removed from office by Constitutional means. In fact, Mr. LaRouche said, Obama should be impeached for that purpose. And that would then set the standard for the honorable role that the United States must play today under the current conditions of crisis, bringing the nations of the world together around the common aims of mankind and our common mission towards the future of mankind on this planet and beyond, in the Solar System and the galaxy.

Now, with that change in the United States, by re-

moving Obama from the Presidency—for reasons which we will discuss in the minutes ahead—we will be able to pull the world back from the brink of economic catastrophe and disintegration, and back from the brink of threatened thermonuclear warfare.

On the subject of wars, Mr. LaRouche said that the wars already unleashed by the British Empire, to try to bring the planet's population to heel, and to threaten Russia and China with thermonuclear extinction if they don't go along with the British Empire's gameplan, we now have—on top of Ukraine, on top of Syria, on top of Iraq and so forth—we now have horrors being un-

leashed by Israel in Gaza, on the instructions of the British Empire. Mr. LaRouche said, this is a hideous operation of Israel's, which is going on under British direction. It's murder; it's predominantly of innocent women and children, and we cannot allow this to happen. Their policy is simply to kill people, just as the British Empire's broader policy is to kill off 6 out of 7 billion of the people who are alive today on this planet.

Now once we return the United States to its Constitutional principles—with Obama out of the way and out of the White House, which is a necessary precondition of doing that—other nations will unquestionably join us in this effort for the benefit of the common aims of mankind. Not only Russia, as is fairly straightforward, as is evident in the way Putin has handled himself inclusively in this July 4th message to our President and our nation, but China as well—another one of the major Asia-Pacific powers that is moving forward today.

China is using all possible international fora to be able to discuss and call for the creation of a New World Order, based upon mutual respect among nations. The Chinese argue that nations have common interests, not interests that are absolutely, irreconcilably opposed one to the other, and that therefore what we must do as nations, is to defend the interests of others as well as our

own. China is making concrete economic proposals to bring this about. They are putting meat on the bones, by giving examples of how this thing should actually work—for example, with their plans for the building of the New Silk Road, which is already operational and underway, and which is an open-ended proposal with invitations for every country, not only on the route, but far off the route, to participate in this.

And the Chinese interest and the Russian interest in the Bering Strait Tunnel project, which the LaRouche movement has been promoting for many decades now, actually gives us an interesting idea of a way in which the Silk Road could actually be extended directly from the Eurasian Land-Bridge, across the Bering Strait into North America, and from there into South America through the Darien Gap, along with the necessary high-speed maglev train lines and so on and so forth.

So, there are projects of that sort, which the Chinese are proposing. They're inviting all nations to be involved in this. They are creating an Asian Infrastructure Investment Bank, which the United States has been invited to participate in. The United States government under Obama, the State Department, has expressed keen *disinterest* in this project, saying that it competes with the guidelines that have been provided and are being put forward by the World Bank and the Asian Development Bank—such as Green policies, which they say must be met; and transparency, which is another matter of great concern; and what they call “procurement,” which is something I thought had been monopolized by Dominique Strauss-Kahn at the IMF, but I guess not.

In addition to that, the Chinese have announced they are launching, with the Nicaraguan government, the construction of an inter-oceanic canal, a kind of new Panama Canal, through the isthmus of Central America in Nicaragua, which is going to create 50,000 jobs immediately in construction, and up to 200,000 jobs in an area which is currently blighted by the policies going



Courtesy of the Council for the Study of Productive Forces, Russia

An artist's conception of the proposed Bering Strait Tunnel from Russia to Alaska. Russia and China want to build it. What about the United States?

back to the Bush Administration, the policies of Wall Street, the policies of the drug trade, which the Obama Administration is promoting by fostering legalization across the United States.

The Chinese are going in instead with the idea of “let’s develop,” while the Russians are going into Central America, as we should be doing, helping those countries to fight the drug trade, instead of legalizing the damn thing. And you have the anti-drug czar of Russia, Viktor Ivanov, explaining repeatedly, that the only way to actually put an end to the drug trade is by applying the Glass-Steagall legislation internationally. That is to say, to separate commercial banking, productive banking on the one side, from speculative banking on the other, because it is the drug trade that is behind the speculative banking, and vice versa.

The Peace of Westphalia

So, these are the kinds of options being offered. Now this concept of society that the Chinese are presenting, and which Mr. LaRouche is talking about in terms of the paragon that the United States must be, is actually the concept of society and man set forth in the 1648 Treaty of Westphalia, which was against the empire’s idea of man as a beast, defending what the empire defines as his personal interest, usually his sectarian religious interests. How? By killing people from other sects.

And if this makes a striking resemblance in your

mind to what's happening in Iraq and Syria today, well, it's because the same imperial policy—in the case of the British Empire—is actually operational. But the Treaty of Westphalia had the idea of sovereign nation-states in concert with other nations whose sovereignty is not only respected, but promoted and developed by each and all.

Now, this concept of the Treaty of Westphalia is, of course, synonymous with the idea famously presented by Nicholas of Cusa in the 15th Century, as Helga Zepp-LaRouche has repeatedly emphasized, and she stressed this point again today when we discussed this matter. For Cusa, the maximum development of each nation and its culture and its contribution is in the interest and to the benefit of all humanity. The idea is that the development of the *microcosm* is not only in coherence with, but is necessary for fostering, the maximum development of the *macrocosm*.

Now that is the concept on which the United States of America was founded; on which the Constitution was based, explicitly so. And it is now that Constitution and that history which are being violated up and down State Street by Barack Obama. And as LaRouche said, remove Barack Obama from the White House so that the United States can once again become the paragon among nations, for such a world order as we wish to create.

Impeachment Is Coming

Ogden: Let me follow up on that directly. One week ago, Mr. LaRouche issued a policy statement which went directly to this point. He said that the foremost national and international strategic priority must be to constitutionally remove Barack Obama from the Presidency of the United States. And following that, over the past week, there has been a mobilization of LaRouchePAC activists from all around the country based on these marching orders, which included delegations of almost 50 people who came into Washington D.C. from all over the East Coast to meet with their members of Congress. Included in these delegations were two members of the LaRouchePAC Policy Committee; Rachel Brown and Diane Sare. Diane is joining us here in the studio tonight to give an on-the-ground sense of what was accomplished this week in Washington. But what I'll say is that this nationwide mobilization has completely uncorked the discussion about impeach-



LPAC-TV

Matthew Ogden: Our mobilization has uncorked discussion around impeachment on Capitol Hill.

ment on Capitol Hill. It's really catalyzed a total explosion, which can no longer be contained.

Let me give a little bit of a chronology. Starting this Tuesday, former Alaska Gov. Sarah Palin joined the chorus for impeachment, publishing an op-ed titled, "It's Time To Impeach Barack Obama." In it, she stated, "We should vehemently oppose any politician on the left or right who would hesitate in voting for articles of impeachment. The many impeachable offenses of Barack Obama can no longer be ignored. If, after all this, he is not impeachable, then no one is."

Now, I highlight this, not because of what Sarah Palin said, but because the following day, after Palin went on television to denounce Speaker of the House John Boehner for his planned lawsuit against Obama, denouncing this as impotent in the face of a lawless, imperial Presidency, and again calling on Congress to fulfill its constitutional duties to file articles of impeachment, during a press conference on Wednesday, Boehner was again confronted with Palin's demands for impeachment, to which he lamely responded, "I disagree."

This first question on impeachment was then immediately followed up with a question about other members of Congress from his own party who have openly come out and called for the impeachment of Obama. And all Boehner had to say to this was, again, "I disagree."

So, he thought he had gotten out of it, but then again the next day, on Thursday, Boehner was confronted with impeachment again, at another press conference, this time rejecting it not only twice, but thrice. In re-

sponse to the first question, which again cited calls from Republican members of Congress for Obama's impeachment, Boehner once again, very originally, said, "I disagree."

And then, when asked whether his premise for suing the White House, that the President had "refused to faithfully execute the law," wasn't in fact an impeachable offense, Boehner said, "Well, others can make a determination as to whether or not it's impeachable." And then the last questioner challenged him and his lawsuit tactic by saying, "Wouldn't a Federal judge just say to you that impeachment is the remedy, not a court injunction?" And Boehner responded, "I believe that the path we're going down is the correct one," and promptly ended the press conference.

So as you can see, however much Boehner has attempted to keep impeachment off the table, his strategy has certainly backfired, and impeachment is now on the agenda more than it ever was before.

Obama: 'Let It Rip!'

And how is Obama responding to all of this? By saying, "Let it rip!" He was in Austin, Texas, giving a rip-roaring campaign speech, bragging about ruling the country through Executive decree with his 40-plus Executive Orders that he's issued since January, without the consent of Congress. And Obama referred to the calls for his impeachment. And putting on the cockiest voice that he could muster, he said, "Well, I don't have to run for office anymore, so let it rip!"

I think that's probably one thing that we can agree with Obama on. When it comes to impeachment, let it rip! So,



LPAC-TV

Diane Sare: On Capitol Hill, almost every time you turned a corner you would see another group of LaRouche activists.

it's very clear that the genie is out of the bottle on impeachment, and that the activity of LaRouchePAC has certainly succeeded in catalyzing an avalanche in the direction of impeachment, which I think is going to be very difficult to stop.

So, in that context, Diane, I wanted to ask you, from your perspective, to give a sense of the breakthroughs that LaRouchePAC achieved this week, but also, where do we have to go from here?

LaRouchePAC Organizing

Diane Sare: Well, I think, in that press conference, Obama also began talking about himself in the third person, which I guess he picked up from the Queen, whom he worships from afar.

At any rate, we are in a Berlin Wall type of moment, and what we are seeing across the nation, at our literature tables—which are now famous, and many of you watching this are familiar with Obama with the little Hitler moustache—we are now getting swarms of people signing up in areas where people used to freak out. Working-class areas, blue-collar Democrats, people coming up, getting harassed by their friends, and saying things like, "I'm tired of defending this guy because I'm a Democrat, or because I happen to be Af-



LPAC-TV

LaRouche's Four Laws, on display at an organizing site in Washington.

rican-American. I'm sick of it; I'm not going to defend him any longer." And so this, I won't say culminated, because I think it is going to continue to build, but this week in Washington we had delegations of activists who came in from Pennsylvania, Connecticut, New York, New Jersey, Virginia, Maryland, some people from Texas.

About 50 people all over Capitol Hill, mobilizing around the impeachment and removal of Obama from office and the urgent necessity of instituting LaRouche's Four Laws to organize an economic recovery, and informing them about the fight that Argentina is waging against the Wall Street and British Empire's vulture funds, in which Argentina is being backed up by the majority of the world's population. And the response we got was very interesting. We were able to get a substantial number of impromptu meetings; that is, meetings where we didn't have a meeting set up with the office, but the activists were energized enough and aggressive enough to demand that someone meet with us. In the New York/New Jersey delegation we also had six people who had been in the military service, and some of whom were veterans of various wars, and this also had a substantial impact, given the situation in Iraq, which is one of the factors that I think is pushing people over the edge.

I also would say that this week 600,000 signatures were delivered to Sen. Elizabeth Warren's office and the U.S. Senate more broadly in support of her 21st Century Glass-Steagall Act. And I don't think it's a coincidence that the battle to bring down Wall Street, to defeat the British Empire which backs Obama, is coming to a critical point at the exact same time that the impeachment fight is coming to a crucial point. You had the sense in D.C., when I was there, that almost every time you turned a corner to go into another corridor, you would see a group of LaRouche activists walking down the hall towards you. And I don't think that was missed by the Congress.

Outside, we had a banner which said, "Argentina Calls Wall Street's Bluff. There Is a Limit to a Tyrant's Power. Impeach Obama!" We intersected dozens of Congressmen there. And the second day that we were out, almost all of them were saying, "I got this already!" So, we definitely saturated the place.



Sen. Elizabeth Warren (D-Mass.) receives petitions for restoring Glass-Steagall, with 600,000 signatures.

I also wanted to report on one thing that occurred today, because I think it's significant, particularly from the standpoint of Mr. LaRouche's point, that for this to work, the United States has to return to its rightful place among a concert of nations. Alicia Cerretani and I were at a Brookings Institution discussion on the BRICS summit upcoming. And they had their Harvard-educated Anglophile "experts" on Russia, China, India, etc., to speak on this. They were trying to mask a certain kind of hysteria about how big this thing is that's coming together, with a lot of jokes—"Do the BRICS have any mortar? Is this for real? Blah, blah."

I was able to get in a question, and referenced that the United States at the moment, under Obama, has no credibility, politically, starting with a very major deal, which is that our CIA station chief has been expelled from Germany, because we are spying on Germany, not just Chancellor Merkel's cell phone, but their discussions on what to do about our spying—we're spying on that as well. The situation of John Kerry's recent trip to China, where he came in and bragged about the success of the U.S. economy, and then a reporter who showed a map of all of our military bases encircling China, and asked about the U.S. encirclement of China—Kerry accused the reporter of being a conspiracy theorist. And then, the situation with Argentina, where the Supreme Court has ruled they have to pay the debt, and because of the dynamic in the world, Argentina is in a situation where they can say "No!"—and our courts have absolutely no power to enforce their own ruling.

So, I went through these three situations, and then I said, "Do you think that the credibility and respectability of the United States might be restored, if the Con-



swiss-image.ch/Moritz Hager

Paul Singer, who heads one of the vulture funds that is suing Argentina, has been called “the GOP’s go-to guy on Wall Street,” “Congressional Republicans’ most powerful fundraiser,” and “a fundraising terrorist.”

gress would do what’s been discussed in Washington this week, which is impeach Barack Obama?” At that moment, everybody in the room sort of gasped and choked, and I thought they were not going to answer the question.

But, because it is really like a ghost in the room of what’s happening with the United States, it *was* taken up, first by the China expert, who said he would not agree with the premise of the impeachment of Obama, but certainly the United States has discredited itself, with the budget crisis, etc. And then, a woman whom we’ve had run-ins with on previous occasions, actually said, “I’m glad you raised this question.” She was very upset about what’s happened with Germany, and she said, “It is a question now: Can the U.S. prove its ability to lead?” And at the end of this, I spoke with people who said how glad they were that this had been raised.

Now, this is indicative of a completely different dynamic. And I think what Matt was raising earlier about Boehner—I’m glad you said, “uncorked,” because I have this image of him of being a cork on the impeachment bottle, and we are shaking the bottle, and his lawsuit is going to end up exploding into a full-blown impeachment, if we do our job.

I would just say, for everyone who’s watching: The Congress is in session now through the end of July, but they are also all going home for campaign and fundrais-

ing events, and you should *find them*. And you should tell them that *they must move* to impeach Obama, and institute LaRouche’s Four Laws, and that you know that they’ve gotten our literature, because we’ve completely saturated Capitol Hill. And then you should call your Congressman, and demand that he or she meet with the LaRouche delegations in Washington. It is a revolutionary moment, and we can expect major changes.

Argentina, Glass-Steagall, and LaRouche’s Four Laws

Ogden: Dennis Small did an [interview](#) earlier this week on the LPAC website, in which he reported on the groundbreaking OAS (Organization of American States) meeting in Washington last Thursday.¹

Now, as Diane mentioned, there is a *huge fight* inside the U.S. Congress around Glass-Steagall, which she has been responsible for catalyzing and leading. In fact, this week, a coalition of labor and civic groups from around the country, led by Public Citizen and Americans for Financial Reform, delivered 600,000 signatures on a petition to the United States Senate, calling for immediate action to restore Glass-Steagall.

So, the pressure is certainly on. But the question of why Congress continues to fail to act on Glass-Steagall, I think was addressed in a very direct way, ironically, by the Argentine Chief of Cabinet Ministers, Jorge Capitanich, in his press conference in Buenos Aires yesterday, in which he discussed Wall Street’s financial control over members of the House and Senate. Speaking of the vulture funds, he said, “They extort judges, they extort through their respective congresses through mafioso campaigns, because we know that in the United States, a large part of the House of Representatives and Senate in the Congress of the United States get their financing from the vulture funds, and these then take advantage of countries, precisely to make their exorbitant and extraordinary profits. We can in no way accept extortion.”

And the same point was made in full-page advertisements, the latest of which appeared in the *Washington Post* this week, which were bought by the Argentine government, in which they say that the vulture funds have dedicated themselves in recent years to “funding

1. See also last week’s *EIR*, July 11, 2014.

the campaigns of U.S. politicians.” And this is certainly the case, as we highlighted in our previous webcast,

Paul Singer, who is the owner of NML Capital [one of the vulture funds that is suing Argentina], has been called “the GOP’s go-to-guy on Wall Street,” “Congressional Republicans’ most powerful fundraiser,” and some even call him—and he’s proud of this title—“a fundraising terrorist,” who often writes multimillion-dollar checks to Republican Super PACs and contributes his criminal blood money to various members of the U.S. Congress, leading Republicans like Paul Ryan, Eric Cantor, Mitch McConnell—and, surprise, surprise, John Boehner, as well as Chris Christie, and other prospective Republican Presidential candidates; but also to leading Democratic members of Congress. So, when your Congressman or Senator tells you, “I don’t support Glass-Steagall,” you can probably safely assume that they very well might be on the payroll of Paul Singer and his buddies.

Now, my question for you, Dennis, is that if you consider both the call by Guyana’s Foreign Minister Robeson Benn for Glass-Steagall, in combination with the discussion now of a new, what you could call, an “international development bank,” the sort that’s forming around the Asian Infrastructure Investment Bank, which China is fast-tracking, and also the so-called BRICS bank, which is now on the agenda at the BRICS summit this week in Brazil, which both President Putin and President Xi Jinping will be attending, it’s very clear that Mr. LaRouche’s ideas are *directly* shaping the emergence of a tendency towards a new financial architecture on this planet.

So, the question is, how can we break the stranglehold of the vulture funds and Wall Street over Congress, here in the United States, and force the necessary breakthrough on Glass-Steagall and the entirety of Mr. LaRouche’s four-part program, so that the United States can take its rightful place as the necessary paragon of leadership in this new system of relations among nations?



LPAC-TV

Dennis Small: Man’s creative powers are the basis for economic prosperity—the principle on which the United States was founded.

British Brainwashing

Small: Well, for starters, it would be useful if people understood a little bit more about the history of the United States and the principles on which this country was founded, instead of believing the poppycock which the British Empire has been teaching us since 1776 and before, as to what the principles are on which our economy and our political system are founded.

Whenever you hear people say that this country is based on free-market capitalism, defending property rights, and so on and so forth, you know that they are the victims of a British

brainwashing operation. Because the fact of the matter is, that the idea of the United States on which it was founded, was “life, liberty, and the pursuit of happiness.” Happiness meant, in the sense of what Leibniz describes as “felicity,” which we’ve discussed in previous [webcasts](#). It was *not* founded on the idea of “life, liberty, and the pursuit of property”: That phrase, “life, liberty, and property” was very famous in the history of the United States, except it happened to be the basis of the constitution of the Confederate States of America! That is to say, the British-sponsored, slave-running, bestial operation to destroy the United States.

So when you hear people talking about “Oh, I know all about what the United States is based on; we’re for free-market capitalism, we’re for free trade, we respect property rights! Well, yeah, Argentina’s having some problems, but they got to pay! They borrowed that money, they’ve got to pay! Why, I even heard, somewhere in my economics class, that Adam Smith is the economist on whom our country’s economic system is based.”

Well, I have some news for you! Adam Smith, whose *Wealth of Nations* is considered his *magnum opus*, was an agent of British intelligence, and that book, which promotes free market and the “invisible hand,” and so on and so forth, which you’ve heard all about, was actually written and published in 1776. And it was written as a British diatribe *against* the American System, because the Argentines have got it right! Prop-

erty, as it is defined under these circumstances, is not sacrosanct. Argentina *is* paying its debt! It *is* paying the debt which has been correctly restructured and renegotiated. They're simply opposed to paying the debt two, three, four, five times over again, killing off their population, which is, of course, exactly what's being demanded by the vulture funds.

The vulture funds have not only targeted Argentina. They specialize in picking on little guys, people who can't fight back, like African countries. And this was actually cited in the debate at the OAS that I attended, where the Venezuelan Foreign Minister Jaua recalled the fact that NML Capital and these other vulture funds had, a few years back, picked on Congo-Brazzaville. And they tried to collect \$400 million and *did* collect that, after having bought up the defaulted debt, for pennies on the dollar, for \$3 million or something like that.

And the question he asked is a very valid question: *How many children could be saved with those \$400 million? How much medicine could we have bought? How many lives could have been saved?*

And it is this principle, this principle of economics, that man and his creative powers *are* the primordial basis for economic prosperity and development, and that an economic system, and especially debts, have to be adjusted to *that*, and not vice versa. *This* is the principle on which the United States was founded. *This* is what the Constitution says. And what people run around on the streets, talking like they know what they're talking about, are actually just repeating a bunch of British propaganda! It's as simple as that! The Pope has made exactly the same point as the Argentines are making, as to the priority of human lives over and above these so-called property rights.

There have been numerous discussions of the question of property rights, so-called, throughout history. In a previous webcast, I mentioned the case of the discussion of property during the American Civil War, because, after all, slaves were considered property. And slaveholders had property titles—far more credible, far more justified, than what these vulture funds hold! In



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"The vulture funds have not only targeted Argentina," said Small. "They specialize in picking on little guys, people who can't fight back, like African countries."

the case of Argentina, they bought defaulted debt, literally for pennies on the dollar, and they're trying to *collect* on that with a return, which, over a few years, amounts to 1,608%.

A Pound of Flesh

There's also a discussion of this in Classical literature: Go back and read your Shakespeare, read *The Merchant of Venice*. Portia had a thing or two to say to Shylock about this matter. What happens when you try to collect your pound of flesh; what are the consequences? We're responsible for the *consequences* of our actions, what the intention is.

Now, on these vulture funds, what you were just saying, Matt, is absolutely the case, and this is well documented, in terms of the money that they are spreading around the Congress of the United States, which, indeed, *does* have a lot to do with why they are cowardly on the question of impeachment, why they are cowardly on the question of Glass-Steagall, and why they repeat, over and over again, phrases like, "I disagree." Well, he didn't "disagree" when he got a check from NML Capital, did he? What about that, John Boehner? And what about the Democrats, who have

taken the money, also, which *is* blood money!

Look at what's going on in Detroit, look at what's happening in Puerto Rico. These cities, these places, have been destroyed, *by the exact, same vulture funds*, by the exactly, same ruses. By the exact, same looting operation, of hooking them on speculative capital, destroying the physical economy, and then reeling 'em in! And where is Detroit, today? *Fifty percent* of the people of Detroit can't pay their water bills: What are you going to tell them? The same thing the Argentines or Congo-Brazzaville was told? "Well, I'm sorry that you don't have the money to do that, and you have to take that money out of what you're giving grandma to eat, but, you know, you got to pay your bills! My mother told me, you got to pay your bills! My mother told me our country is based on Adam Smith!"

Fifty percent of the people of Detroit can't pay their water bills! And the city of Detroit, *under the control of these same vulture funds and speculators*, is now planning to cut off the water!

And it's *so bad*, that the United Nations has gotten into the middle of the fray, saying, "Hey wait a minute! Water is a human right, you can't cut off people's water, unless they're *intentionally* not paying!" Now, when the United Nations comes to lecture the United States on basic principles of economics, you know we'd better get our act together! We're in serious trouble.

Applying the Hamiltonian Principle

So this whole idea of property rights being primordial over everything else, this is a complete nominalist, Aristotelian view of law! This is the idea that what's written on a piece of paper, just like Shylock had—"I have a piece of paper here, and that's what it says. I don't care if it kills you."

Now, what Argentina's doing: There's another way to approach this thing; what Argentina's doing, they did renegotiate their debt. They wrote it down partially, by mutual agreement, and restructured it, and on the basis of the economic policies *they* chose to adopt *for growth*, to then be able to pay the debt. They're now meeting and have met, absolutely on time, completely, all of the



Presidencia de la Nación Argentina

Argentine President Néstor Kirchner and Cristina Fernández de Kirchner, at an election-eve rally in her successful campaign to succeed him, Oct. 25, 2007. She continued his policies in defense of the nation, against the international financier oligarchy.

payments, on the 93% of their bonded debt which was restructured. The vulture funds represent 7%, or less; in the case of the ones that are suing, 1%. And they want to blow the whole thing up, because of that.

See, it's not a question of what you do with your debt, whether you write it down—all of those are monetary manipulations which are secondary. The question is, what are the terms of the actual *physical* economy which are applied, as a condition for that debt renegotiation. If you do it with the IMF, if you do it with the Troika, if you do with the British Empire, their condition is, "Kill yourself."

The way Argentina did it was not unlike what Alexander Hamilton did: In the case of the United States, he reorganized our debt, too. He recognized the legitimate debt that we had. But the way he did that, is he issued *new government credit* for the purpose of increasing the productive powers of labor. And we *grew* to pay the debt!

The former President of Argentina Néstor Kirchner, said "Corpses can't pay their debts! We're going to pay

by growing.” And that’s what Argentina has done. Just this last week, a United Nations economic body, the Economic Commission on Latin America (ECLAC), put out a report saying that Argentina’s growth rate over the last eight years, after their bankruptcy in 2001, was the highest rate of any country in the entire region in 50 years. So they grew!

There’s a principle of economics here which is very, very important, and that is the same principle on which this country was *actually* founded, which is the Hamiltonian idea, the idea also expressed in the Monroe Doctrine—that we don’t want looting operations like the British Empire in the Americas. The famous Monroe Doctrine, written by John Quincy Adams, when he was Secretary of State under Monroe.

And it was actually those ideas, in some cases, I think, really quite unbeknownst to the participants themselves, which guided the discussion at the OAS meeting, not only the comments of Acting Foreign Minister of Guyana Benn; similarly with the Venezuelans, who mentioned the Drago Doctrine, which was Argentina’s restatement, effectively, of the idea that you cannot collect the debt by force, you cannot destroy a nation to do that, which he wrote in 1902; a doctrine which [Argentine Foreign Minister Luis María] Drago himself described as the financial corollary of the Monroe Doctrine of the United States. And Drago was a close follower of “the great Alexander Hamilton.”

So this idea of the United States being a paragon to lead the world in the direction of the destruction of the British Empire, is not a new idea, it’s just a very necessary one. And it was that idea, unbeknownst to many of the people there, which was actually what was *moving* the political process forward at the OAS meeting.

Let me just conclude in response to this—much more could be said—but now what comes up, is, taking this issue of Argentina much more broadly than simply in the nations of Ibero-America, what was expressed there generally was solidarity. That’s good. But it’s not enough. We are not going to destroy the British Empire by people expressing solidarity with Argentina’s just cause: It’s going to require kicking over the chessboard altogether. It’s going to require bankrupting and replacing *this* financial system with a *new* one, as per the specifications in LaRouche’s Four Laws, and that is the kind of topic which is actually on the agenda at the BRICS summit on July 15, in Fortaleza, Brazil, and as



LPAC-TV

Megan Beets: With the collapse of a large Portuguese bank, “the genie is out of the bottle.”

Matt mentioned, with the presence of the Chinese and Russian heads of state, each of whom will be visiting Argentina, before, in the case of Putin, and after, in the case of Xi Jinping, the BRICS meeting.

So, I don’t know that miracles will happen at that meeting, but there will be, in fact, an *extremely* important discussion of *ideas* to deal with the crisis, which have been *uniquely* presented, in fact, by Lyndon LaRouche.

Euro Banking Crisis: Financial System on the Brink

Megan Beets: I would like to ask a question, turning to the issue of this bankrupt financial system. Underscoring the fact that we are at the moment of total blowout of the trans-Atlantic system, in the recent week, we’ve seen some very significant developments, significant shocks in the banking system of Europe.

As a certain kind of prelude, we saw in the last days of June, a run on the banks of Bulgaria; we saw an announcement on July 3 by Austria’s Erste Bank, that they expected losses of EU1.5 billion *this year*. Both of which events set off a series of shocks throughout the Eurozone banking system, but also hysterical denials, that there are any systemic implications to these developments, including a reaction from the assistant editor of London’s *Daily Telegraph*, Jeremy Warner, who ner-

vously insisted that Erste Bank's announcement was "not quite the Kreditanstalt," the Austrian banking collapse that marked the beginning of the Great Depression, but he said it was still very worrisome in terms of the future of the entire European banking system.

Now, that's the prelude.

In just the past couple of days, the picture has become much, much more dramatic, with the announcement of the insolvency of Portugal's flagship bank, the Banco Espírito Santo, as well as its holding company Espírito Santo International, to which not only the Portuguese banks, but the major banks of Spain, the banks of France, including Crédit Agricole, have serious exposure.

Now, despite the denials of the bank, of the Portuguese government, and of the European Central Bank, that this has any systemic risk, the announcement of Banco Espírito Santo has already set off major tremors throughout the European banking system, including yesterday, the collapse of the bank's stocks by almost 20%, which induced the shutdown of trading; you have government bond yields, not just of Portugal's bonds, but of Greek bonds, and across the continent, having skyrocketing interest rates, also the wide discussion of the imminent threat to the entire system. So the genie is out of the bottle.

Also last week, on July 3, we saw the announcement of ECB head Mario Draghi, that the ECB would be unleashing an unprecedented amount of monetary expansion, liquidity pumping, which was expected to surpass the liquidity pumping of the U.S. Fed at the height of the bailout. So, I think it's clear that we really are at the end of blowout of the entire system, as Mr. and Mrs. LaRouche have been warning.

Germany Asserts Its Sovereignty

Now, I want to add something else to the picture here, on the breakdown of the trans-Atlantic system, which is what we saw come out of Germany yesterday: the announcement that the German government, at the request of the German Parliament, has asked that the CIA station chief at the U.S. Embassy leave the country, in the wake of the identification of not just one, but two spies, passing information to the U.S. intelligence ser-



Hewlett-Packard

A freight train travels the modern-day "Silk Road" from Congqing, China, to Duisberg, Germany, 2013. Germany is interested in economic cooperation with China and Russia, but is being blocked by the British Empire and Obama, Small said.

vices. *Der Spiegel Online* described that request of the German government as follows: "On a diplomatic level, it is no less than an earthquake and represents a measure that until Thursday would have only been implemented against pariah states like North Korea or Iran. It also underscores just how deep tensions have grown between Berlin and Washington over the spying affair."

This move obviously is unprecedented, and it demonstrates that there is a very rapid breakdown of the trans-Atlantic system, so the question I'd like to ask you is: What is driving and determining the breakdown? And what does this have to do with the coming financial blowout?

Small: Well, if you don't want to be called a "pariah state," we should get rid of our pariah President, and things would change very significantly!

These German developments are extremely significant, and we did have an opportunity to discuss them today with Helga Zepp-LaRouche, who said, speaking as a German political leader, that the perspective that they have is that the United States has absolutely nothing to offer Europe, today, other than spying, coercion, blackmail, and wars. Oh, and an economic collapse, too! So, this spy case, this particular development with the expulsion of the head of the CIA desk in Germany,

could well be the straw that breaks the camel's back, in terms of developments in that country. She said that Germany, despite Chancellor Angela Merkel, is actually interested in economic cooperation with China and Russia and the rest of the world, but under the British Empire's control and under Obama, that is impossible. In other words, that is not available in the trans-Atlantic sector.

Now, to that evaluation of Mrs. LaRouche, I can add that there is good reason to believe—we could at least call it a probability—that the handiwork of what's going on in Germany, not only this current case of spying, but also the previous disclosed activities of the NSA and spying on Chancellor Merkel's own cell phone, really does appear to be the handiwork of CIA Director John Brennan. Brennan is very close to the Saudi government, in ways that I do not wish to describe on this webcast program, in case children are listening, and that means he's very close to the British, because that's who the Saudis are. Brennan has played a role in the cover-up, at least, if not more than that, of every one of the 9/11 atrocities carried out against this country in 2001, as well as the 2012 attack in Benghazi—and he's played a principal role in these activities.

So what's happened in the case of Germany, is that a crisis has broken out onto the surface now, that was brewing underneath. And this could well go in various directions, especially because of the economic catastrophe now going on, that you were just describing. I'd like to recall for our listeners that Mr. LaRouche, in the immediate aftermath of the EuroParliament elections a couple of months ago, had said that his forecast was that we would be witnessing a triad of nations in Europe, breaking, or showing signs of breaking, or leaning towards breaking, from the British Empire's trans-Atlantic alliance, and he pointed to Germany, in particular, because of its historic tradition; as well as France, which showed it very clearly in the elections; and he also spoke about Italy, although the signs there at the time were somewhat weaker.

There Is No Middle Ground

In addition to the German developments, this week in Europe, there are another two cases which I'd like to point to, which I think are exemplary of the same process under way: First, you should know that on July 1st, Helga Zepp-LaRouche issued a [statement](#), an

“Urgent Appeal to the Governments of Europe: Do You Support Argentina, or the Criminal Speculators?” And in that statement, she says, “The crucial question here is: Is international law, as it evolved from the Peace of Westphalia in 1648, and as expressed in the UN Charter, still valid, or not? Can and must a sovereign government defend the general welfare of its citizens, or do criminal speculators have the right to use all means, as Shakespeare depicted so vividly in *The Merchant of Venice*, to demand the debtor's “pound of flesh,” even if that means that the person dies?” And she concluded: “The only thing that the trans-Atlantic camp has to offer is the sacrifice of the common good, of the happiness and the life of its people, in favor of a Frankenstein monster, ‘the stability of the market,’ to which anything and everything should be sacrificed, but which is itself hopelessly bankrupt. This system does exactly what Pope Francis says: It kills. You could also call it satanic.

“In the struggle between Argentina and the hedge funds, there is no middle ground. Which side are the European governments on? We want an answer! We want official statements! Now!”

Now, with the vast majority of the world's countries and governments supporting Argentina in this life-and-death battle against the vulture funds—the G77, which is 133 nations; China, Russia, now, all of the nations of South America, all of the OAS, except for the United States and Canada, which voted against it—totally supporting, Europe has up until now been somewhat quiet, kind of caught in the crossfire, as Europe generally feels under these circumstances. So in that regard, I think it's of some note that the Democratic Party of Italy, which is not some small party; this is the ruling party of Italy—and it's generally not a very good government! But the Democratic Party of Italy went on record as the first major such institution in Europe, in support of Argentina under these circumstances. So it kind of broke the barrier.

We'll see what comes next, but I'm very confident that Zepp-LaRouche's call is going to find a significant response on the European side.

The Banking Crisis

Now, let's just take a quick look at some of the economic backdrop of this which you were mentioning, Megan, which has to do with this banking crisis: The misnamed, “Espirito Santo” (for those who don't

speak Portuguese, that means the Holy Spirit, of which there is undoubtedly *none* in that bank!) is really quite bankrupt. But it's not just Espirito Santo, it's the entire European banking system, as Mr. LaRouche has been saying over and over again. It's Bulgaria, it's Austria, it's Portugal.

The principal creditors of Portuguese bank debt are *Spanish* banks, which are probably more bankrupt than the banks they're trying to collect from! The whole thing is falling apart, and what LaRouche said earlier this week is that the "big one" is upon us. This thing is melting down *now*, and we must prepare *in time*: We have to have the bankruptcy reorganization in place, now through Glass-Steagall, *and* the other three laws which LaRouche has proposed: establishing a National Bank, and issuing credit in the national credit system, as Hamilton did, and then driving the economy forward with high-technology, scientific breakthroughs, as in the case of thermonuclear fusion power—these are the things that have to be done immediately.

Now, if we take a look at **Figure 1**, what you'll see is that the hyperinflationary expansion of financial instruments, which Megan was describing before, has really taken off over this recent period, and particularly, the role of the ECB, the European Central Bank, is filling in, *and then some*, for the so-called "tapering" going on at the Fed. But the combined level of the two is \$8-\$9 *trillion* created since the blowout of 2008.

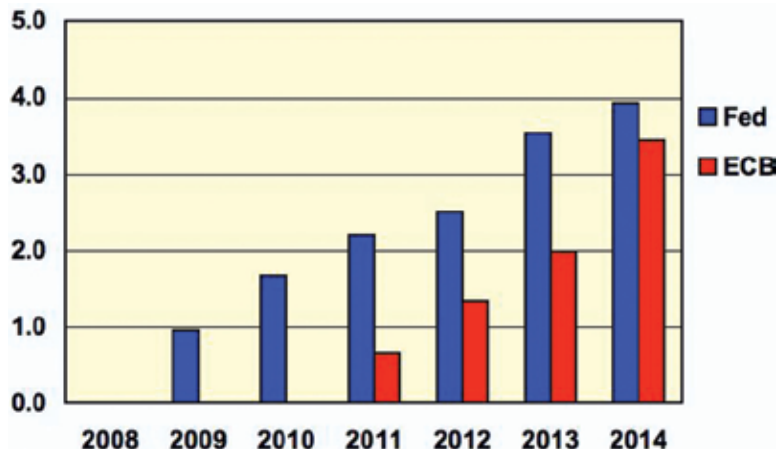
Now, the argument, of course, is that money is necessary, because it's going to go to banks which in turn are going to lend it, and that's going to lead to development, and businesses are going to prosper, and people are going to consume, and you're going to have a chicken in every pot, and everything is going to be wonderful!

Is there bank lending going on (**Figure 2**)? No. There's no bank lending going on: As quantitative easing has increased across the trans-Atlantic sector, to more than \$9 *trillion*—this includes, Europe, the U.K., and the U.S.—over this period, actual bank lending has gone south, *negative*, over this entire period. And that's

FIGURE 1

Quantitative Easing: Fed and ECB

(\$ Trillions, Cumulative)

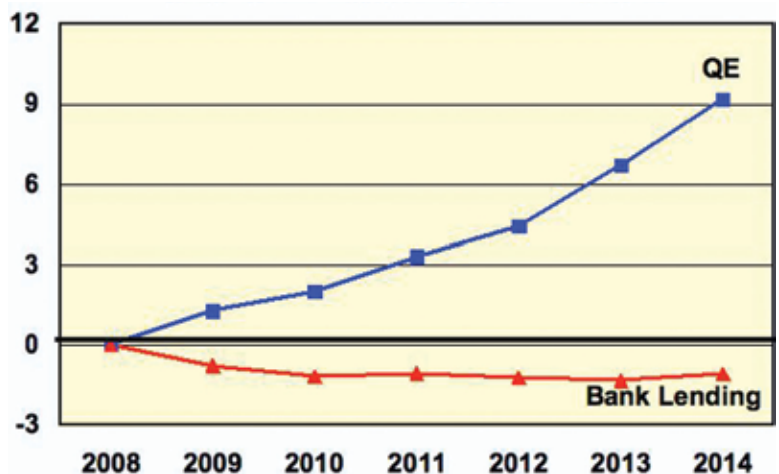


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FIGURE 2

Trans-Atlantic QE and Bank Lending

(\$ Trillions, Cumulative Change)



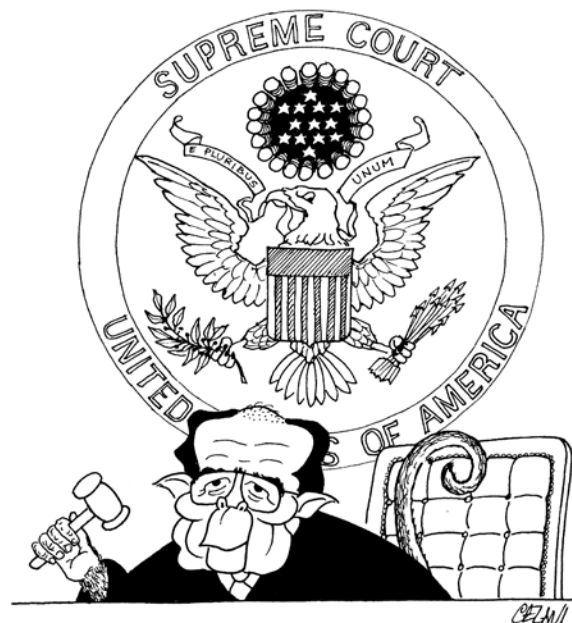
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because all of the money is going to bail out the bankrupt financial system, which it's not going to be able to do with this bail-out approach; the bail-in approach which the British Empire is proposing, of basically looting everyone till they're dry, to bail out a handful of banks which they choose to salvage, is also not functioning. And you have a situation, where this thing is actually at the blowout point.

Now, let me emphasize a point here: The problem is not the issuance of credit. Nine trillion dollars issued by

the trans-Atlantic sector—the problem isn’t that they issued a lot of credit. The problem is that they issued a lot of credit which went to speculation! China, during the same period, since 2007, has issued approximately \$6 trillion in credit—that’s two-thirds as much as the entire trans-Atlantic sector—but its credit went as specified in the American System of political economy—there are better Hamiltonians in China, than there are in Washington! Because what they are doing, is they are building canals, they’re building railroads, they’re building the Silk Road, they’re participating with Africa, they’re participating with Central America, all of Asia, they’re offering it to Europe—and they’re even offering it to the United States.

So this gives you an idea of what the Hamiltonian concept actually is, and the kinds of measures that need to be taken. The United States has got to get onboard with this! And the way to do that, is get Obama out, and get our country back to the policies on which it was founded.



EIRNS/Claudio Celani

Justice Antonin Scalia wrote the Supreme Court decision backing the vulture funds against Argentina. A wise man once said, “I don’t care how many law degrees that big monkey has, or on what bench he sits; he is still a monkey.”

Why Scalia Is an Aristotelian Idiot

Beets: Okay, this’ll be the final question of the evening. In response to the June 16 decision by the U.S. Supreme Court, to uphold the ruling of Federal Court Judge Thomas Griesa, that Argentina *must* pay the vulture funds, even over its dead body, of this decision, which was written by the notorious Justice Antonin Scalia, Lyndon LaRouche noted two things: One, he said immediately, the bail-out and bail-in policy is in full play now, and the attack on Argentina has set this into motion. Now the other thing he said is that Justice Scalia should be denounced for supporting genocide.

An article published on June 27, in *EIR*, on the ruling, entitled, “Will Argentina Be the First To Bolt from the Bankrupt System?” opens as follows: “In a decision written by Aristotelian idiot Justice Antonin Scalia, the United States Supreme Court on June 16 sided with the bloodiest of vulture funds, NML Capital and Aurelius Capital Management, in their effort to use American courts to gain discovery of all Argentine financial movements worldwide, in order to seize that country’s assets in payment for defaulted bonds.”

Now, from what you laid out earlier, Dennis, about the full implications of the Argentina situation, it is

quite clear that Justice Scalia is an idiot. He’s a dangerous idiot: He’s a genocidal idiot. But my question to you is: Why is he an *Aristotelian* idiot?

Small: Well, I don’t know why he’s an Aristotelian—that’s something we’d have to ask him or his psychiatrist. But I can tell you why we wrote that in the magazine: because the issue of Aristotelianism is actually central to this whole question that we’ve been discussing tonight, and to the ruling, and to the future of humanity.

If you have a spare minute or two, you can read Scalia’s ruling in this case. It’s *pure, nominalist* literalism; it kind of holds up, like Shylock, the piece of paper, and says, “You said you were going to pay. Doesn’t matter that they bought a piece of paper, that says it’s worth \$1 billion for \$1 million, you got to pay. So what if the profit rate is a thousand percent? That’s irrelevant: It says here on the paper, you got to pay.”

What it does, is it banishes any concept of the justice system, of justice! It banishes any concept of *intention*. There’s no such thing as truth; the only thing that’s presented are arguments that would pass a computer’s spell-checker. And that’s probably what it did, although there may be typographical errors in there, as well; I

haven't checked that out. But this is exactly what Aristotle does.

What Aristotle does, is he banishes from his system the existence of *mind*, and tries to project this onto the actual political results. He says that the only thing which actually exists is sense-perception.

And this has its consequences. Let's take a look at a quote from Aristotle, which is taken from his work *De Anima*, which is—that's sort of a misnomer, just like "Espirito Santo" is a misnomer for the bank, *De Anima* means *On the Soul*, which Aristotle denies exists! So, here he is writing on the soul. Well, you'll see why.

Aristotle says, "Perceptions are always true; it is intellect that introduces errors."

"Things are first separate"—in other words, you look at the pieces, first—"and then conjoined.... In all cases falsity occurs in a conjunction.... It is intellect that effects the unity."

So, take off your thinking cap, don't try to come up with an *idea* that explains the sense-perceptions around you, limit what you say you know to that which you perceive. And his concept of man reflects exactly this.

In the same document, *De Anima*, Aristotle says we should never ask *why*. Why is the wrong question to ask, because you don't know why. All you know is *that* something happens or doesn't happen, supposedly.

Now, this has certain consequences, if you look at this, in terms of the economy, because what happens to an economy if you banish mind, if you say, simply, the only thing you know is that which you perceive: Well, you have a situation like we have today, where you have no technology, you have no science, you have no advance, you have nothing that's an actual solution to the crisis which we're facing! You simply adhere everything to the nominal monetary value on a piece of paper—regardless of the actual consequences that that will have for the future of the human species.

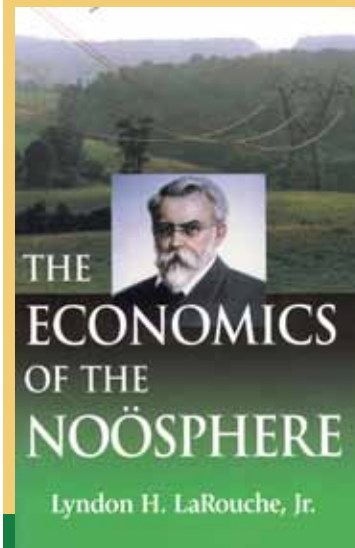
This is a *Green paradise*! This is exactly what the Greenies want to do. Everything is banished that could actually save the situation: because without an advance in thermonuclear fusion, without applying technology *massively* on a global scale, we're going to end up with what the British Empire wants, which is genocide of 6 out of 7 billion people on this planet. And that is why Mr. LaRouche referred to Scalia and his decision as genocidalist.

Now, also look at the question of the consequences of this view, in the area of law. Because, what this

means, is that there's no such thing as an actual concept of justice, of the *good to be sought*, that man has a moral purpose. Man is not guided by anything moral or purposeful or intentional about bettering the human condition, the common good, the general welfare, and so on. Not at all! Man is guided, Aristotle tells us, by hedonism, by the law of the jungle, by pleasure and pain. By the idea that "might makes right," by the idea that Cheney and Obama have presented, quite clearly, of the Unitary Executive: "I decided it, it's right. You don't like it? Let it rip! Bring it on!" These are the signing statements of Obama: He's violating the Constitution, like I said, "up and down State Street"! And that comes from exactly this concept of law. This is what you would see, and do see in Scalia's Court.

Now, look at what Aristotle has to say about this, on this question of justice and morality. This is from *The Nicomachean Ethics*:

"The whole subject of moral virtue and of statecraft is bound up with the question of pleasures and pains; for if a man employs these well, he will be good, if badly, bad.... We have now sufficiently shown that moral virtue consists in observance of a mean ... of



The scientific concepts of biogechemist Vladimir Vernadsky—the initiator of the idea of the Biosphere—whose concept of the “Noösphere,” has been cited and further developed by Lyndon LaRouche.

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holding a middle position between two vices. . . . As it is hard to hit the exact mean, we ought to choose the lesser of the two evils.”

So, if you ever wondered where that obnoxious and offensive phrase comes from, “choosing the lesser of two evils”—sort of like voting for one of two candidates in an election, who *both* are getting a paycheck from Paul Singer of NML Capital—you can thank Aristotle. That’s where it came from.

And, what is Aristotle’s concept of man? Again, the *Nicomachean Ethics*:

“To argue that man is superior to the other animals is beside the point; for there are other things more divine in the universe even than man.”

Well, clearly, if you define man as being nothing but a basically complicated computer, that receives computer messages and sense-certainty, but there’s no actual thinking, no reason, no creativity, therefore, no morality—if that *were* man, then it would in fact be the case that man is not the superior thing in the universe. But Aristotle is wrong, obviously.

This is what mathematics actually is, because if this is what the reality is, and this is what truth is, as described by Aristotle, merely sense-perception, then you can perfectly describe the categories of sense-perception and everything that you perceive under a mathematical formula, because there’s nothing outside that mathematical representation as such. There’s nothing additional added to it, there’s no intellectual activity. No intuition, as Nicholas of Cusa later refers to it.

So anything outside of mathematics is considered to be “metaphysics”—i.e., it’s not real, it’s made up. So anyone who *thinks* in a mathematical fashion, strictly mathematical or Aristotelian fashion, is, in fact, thinking in a way where the concept of man *is going to conclude in genocide*. That’s a simple fact of the matter; whether mathematicians like it or not, that’s the truth of the matter.

Now, it turns out that when you try to describe the world in strictly mathematical or Aristotelian terms, you run into uncountable paradoxes, because lo and behold, a mathematical system can’t actually explain itself.

For example, this is a famous one: I would like you to tell me if the following sentence that I’m about to utter is true or false. Ready? Here’s the sentence:

“This sentence is false.”

Well, from the standpoint of mathematics, it’s an utter paradox. From the standpoint of reality, it simply



Cardinal Nicholas of Cusa (1401-64): “Mind is not of the nature of changeable things which it grasps by sense perception, but of unchangeable things which it discovers in itself.”

means that a mathematical system cannot comment on itself from outside the system. It’s incapable of reflecting a process of actual change. And this little paradox, of which there are a million that could be cited, points to what the actual, underlying issue is here.

Cusa on the Human Mind

Now, compare this issue to that presented by Nicholas of Cusa, who says that mind is a substantial form of power, and therefore it is called the soul.

Cusa commented on Aristotle, as well. In one of his writings, called *The Not Other*, he asks himself, what did Aristotle discover? He says, well, to confess, honestly, I do not know.

Cusa, the great Renaissance genius, who was the founder of modern science, and who, incidentally, has everything to do with the founding of the United States, also said the following: “Aristotle says that to understand is an accident. . . . [But] something is present to mental intuition [to reason], which was not present to sense. . . . Mind is a living measure which achieves its

own capacity by measuring other things.... Mind is not of the nature of changeable things which it grasps by sense perception, but of unchangeable things which it discovers in itself.”

This is from Cusa’s *The Layman: On Mind*. And he concludes:

“Mind is a living substance.... Its function in this body is to give it life and because of this it is called soul. Mind is a substantial form of power.”

Now, what is your concept of economics, and of man, and of the universe, and of the Creator, if your view is that mind is a substantial form of power? Well, you will then provide a solution to this crisis, *based* on that substantial form of power, which is the actual scientific and technological advances which are *necessary* to wipe out the British Empire, and the disaster that’s going on today.

This is very much the same idea that was presented, on the Russian side, by Vladimir Vernadsky. He addresses exactly the same issue, where he says, thought is not a form of energy; how, then, can it change material processes?

So, with that, I return to the opening question, which is, U.S.-Russian relations and what LaRouche said about that. Which is, that a Russia guided by Vernadsky’s thinking and his philosophy, with a United States *returning* to being a paragon of the kind of thinking reflected in Nicholas of Cusa, is *exactly* the sort of relationship among sovereign nations which is required to get this world out of the mess that it’s in.

Aristotle is going to have to go, and the equivalents of Aristotle that some of the Russians cherish; we must return to Cusa and Vernadsky, and these ideas. And I would like to conclude my remarks with a quote, from one of the greatest statesmen of the United States:

“Our knowledge of physical nature, such as it is, consists entirely of inferential corrections of the testimony of the senses.... When we sit down to astronomical calculation, we discover the truth, the triumph of inference over the senses.... Intellect not residing in matter, but molding and controlling it. What is that intellect, and where is it? Everywhere in its effects; nowhere perceptible to the sense.... That it modifies and governs the physical world is apparent both to my senses and my reason.”



White House Collection

President John Quincy Adams, painting by George Peter Alexander Healy. In the spirit of Cusa, he wrote, “When we sit down to astronomical calculation, we discover the truth, the triumph of inference over the senses.”

Now, that is a statement that was written in 1817, two days before John Quincy Adams returned to the United States to become Secretary of State, after a meeting he had with Jeremy Bentham, who is an Aristotelian if ever there was one. This is John Quincy Adams! This is the man who wrote the Monroe Doctrine.

This is the basis for the United States returning to being a paragon, as Mr. LaRouche was saying from the outset, for creating an entirely different world based on what man *actually* is.

Ogden: Well, I want to thank Dennis very much; I want to thank Diane Sare also, for joining us tonight, and Megan Beets. Thank you all very much for watching. This is a conclusion to our webcast tonight. Good night.

Financial Collapse Drives Violence in Ukraine, Mideast

by Jeffrey Steinberg

July 14—On Sunday morning, July 13, rockets fired from Ukrainian territory hit a home in the Russian village of Donetsk in the Rostov region, killing one man and injuring two others. Russia responded with sharp warnings to Ukraine that any such further attacks on Russia would lead to a major escalation in the crisis. President Vladimir Putin, arriving in Rio de Janeiro for the July 15-16 BRICS Summit, immediately went into consultations with German Chancellor Angela Merkel, which focused on the Ukraine crisis.

As Putin and Merkel were consulting, U.S. Vice President Joe Biden was on the phone with Ukrainian President Petro Poroshenko pledging continuing Obama Administration support to his government. Ukraine has escalated attacks on the Lugansk and Donetsk regions of eastern Ukraine in recent days, following a rebel missile attack that killed 28 Ukrainian soldiers and border guardsweek.

Reuters warned July 13 that the rocket fire into Russian territory could lead Putin to reverse his efforts to de-escalate the crisis. In fact, British strategic policy, at the highest level, has sought to *provoke* Russian military action since the crisis began, in hopes of securing a pretext for NATO military action. Russian government spokesmen have repeatedly made clear that they are aware of this—specifically, that the actions in Ukraine are backed by NATO, with the intention of escalating the confrontation with Russia.

Notable was the statement by Russian Foreign Min-

istry spokesman Alexander Lukashevich at his press briefing July 10, when he commented on press rumors that Russian troops would be part of a peacekeeping mission in Ukraine. “Those are speculations that have apparently been launched by someone on purpose to force Russia to respond to the events in Ukraine in a way that someone at the highest level would want it to.”

While Moscow has indicated the provocation will not “be left without a response,” one can expect it will be nonlinear.

The European Union on July 12 added 11 additional names to the list of individuals subjected to sanctions for their role in the Ukraine violence. The 11 added names, mostly eastern Ukrainian pro-Russian leaders, brings the total of sanctions targets to 72. However, the new European Union action falls far short of Obama Administration demands for harsh sanctions against Russia that constitute outright economic warfare.

Middle East Ablaze

At the same time that the Ukraine-Russia conflict has been intensified with cross-border shellings, the Middle East has been set ablaze through the actions of Anglo-Saudi jihadists from ISIS, and the latest escalation by Israeli Prime Minister Benjamin Netanyahu, who sent commandos into Gaza to attack Hamas homes and offices.

In Iraq on July 13, a 15-minute tape was released, purportedly by Izza Ibrahim al-Douri, the former Iraqi



YouTube

Israel is committing war crimes and crimes against humanity in its murderous assault on Gaza. Here, an image from the Gaza Strip on July 8.

Vice President under Saddam Hussein, who leads the Men of the Army of Naqshbandi Order, a militant Sunni group that has allied with ISIS, and forms a backbone of the insurgency that has taken over large parts of the country's north. Soon after the release of the tape, unidentified armed men assaulted an apartment building in Baghdad, killing 26. The incident has raised speculation that ISIS, which has infiltrated fighters into the heavily Sunni northwest neighborhoods of the capital, is now launching a terrorist offensive inside the city.

President Obama has now deployed nearly 800 Special Forces to Iraq without Congressional approval, and he is contemplating ordering direct military action against the ISIS rebels. Armed Predator drones are flying over Iraqi territory, and, according to one senior U.S. intelligence source, an assassination order has been issued by Obama for the purported leader of ISIS, Abu Bakr al-Baghdadi.

The Obama Administration has also begun providing lethal aid to select Syrian rebel groups, despite heavy protests that the arms will ultimately wind up in the hands of the very ISIS terrorists that Obama purports to be attacking in Iraq. In an interview from Vienna, where he is attending UN Security Council P5+1 talks, Iranian Foreign Minister Javad Zarif blasted the Obama Administration for supporting ISIS by backing those forces out to break up Syria as a country.

As the U.S. becomes more deeply entangled in the Iraqi and Syrian quagmires, Israel is engaging in war crimes and crimes against humanity in its assault on Gaza. For the past week, Israel has conducted an indis-

criminate campaign of bombings of Gaza, claiming that homes are merely shields for Hamas bomb factories and command posts. A number of Palestinian human rights groups have written to the President of Switzerland, who chairs a UN panel in charge of implementing the Fourth Geneva Convention, charging that Israel has been violating the convention with impunity because the UN has failed to hold it accountable.

What is emerging across Southwest Asia is a descent into a dark age of sectarian violence and madness. The Sunni-Shi'ite conflict has been identified by the

British as the new priority for the region, according to a senior U.S. intelligence official who has closely tracked the Anglo-Saudi collusion. By creating a permanent war inside the Muslim world, Britain hopes to wipe out the last vestiges of the nation-state system and vastly reduce the populations of the region. The intensification of the Israeli brutality against the Palestinians has triggered a similar revenge-hatred cycle that can lead to a permanent state of war and chaos throughout the region. Already, there are reports of ISIS spreading its operations into Lebanon and Jordan.

Permanent War

The ISIS assault on Iraq and Syria is right out of the pages of former British Prime Minister Tony Blair's April 1999 Chicago speech at the time of the Kosovo war, in which he declared the end of the Westphalian System of sovereign nation-states and the beginning of the era of permanent interventions for regime change. With ISIS's declaration of an Islamic State covering territory of both Iraq and Syria, the Blair plan for the bust-up of the nation-states is fully underway. It is no coincidence that Blair, who still is officially the Quartet "peace envoy," was in Israel last week meeting with Netanyahu, undoubtedly encouraging him to launch a war of extinction against Hamas.

The war mania in Washington has not been limited, however, to the Ukraine-Russia conflict and Southwest Asia. This week, the Center for Strategic and International Studies hosted a two-day China bashing session, targeting China as the greatest threat to Asian and world

stability. Rep. Mike Rogers (R-Mich.), the Chairman of the House Intelligence Committee, called for a massive U.S. and allied military buildup to confront China now, warning that if the U.S. waits, China will become an unstoppable menace to the world.

U.S. intelligence sources have warned *EIR* that there is a building climate of anti-China ferment in Washington, and that it will only grow in intensity.

Financial Blowout

The war fever is in reality not being driven by these events on the ground. The primary motive for the escalating conflicts is that the Anglo-Dutch financial system is on the verge of collapse. This week alone, significant banks in Bulgaria, Austria, and Portugal neared collapse, and in the Austria case, the first post-Cyprus instance of bail-in was implemented, wiping out EU900 million in insurance for thousands of Austrian government workers. The BIS has warned that the trans-Atlantic banks are in desperate straits due to massive expansion of derivatives gambling.

The imminent blowout of the British-run post-Bretton Woods financial system is driving the push for war. It is being further fueled by growing recognition that

the Obama Presidency is coming to a rapid end—possibly via the President's impeachment. Once London loses control over the U.S. thermonuclear weapons arsenal, they lose the ability to threaten Russia and China. With the war danger thus vastly reduced, the entire British system of oligarchical control is doomed.

The leading nations of Eurasia—Russia, China and India—are moving to establish a new architecture of international lending institutions, including the Asian Infrastructure Investment Bank and the BRICS bank. Key Ibero-American nations, key Asia-Pacific nations, and some European nations are looking seriously at participating in the new architecture. And while China and other key players are not at this time ready to dump the British system altogether by selling off their vast holdings of U.S. Treasuries, the alternative institutions are being put in place, around an agenda of Eurasian development.

With the impeachment of President Obama, the United States could rapidly return to its historic role as a force for genuine collaboration among sovereign nations, and thus align with the new initiatives coming out of Eurasia. That combination of events would mean the end of empire, and this is precisely why there is such a desperate push for war at this time.

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The British Empire's Global Showdown, And How To Overcome It

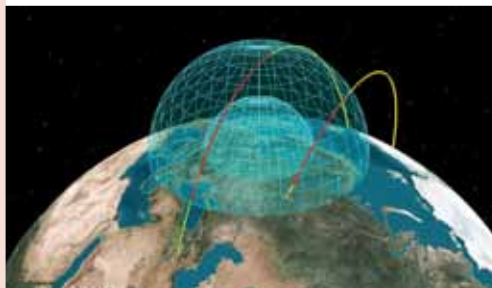
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The British Empire's Global Showdown, and How To Overcome It



June 2012

The New Silk Road Is Creating A New, Just World Economic Order

by Helga Zepp-LaRouche

July 12—A strategic realignment of a large number of states is currently taking place, despite the horrors ongoing in Southwest Asia and Ukraine, laying the basis to hope that, despite the impending trans-Atlantic financial collapse, the current civilizational crisis can be overcome. The core of this positive change is the emergence of an economic platform to develop the New Silk Road, which China has made a priority of its foreign policy.

With a view to the old Silk Road, which fostered the exchange of goods, ideas, and culture during the Han dynasty 2,000 years ago, to the mutual benefit of everyone along the way, the Chinese government has placed a modern form of this model of global cooperation on the international agenda. It is an open concept; all states are invited to participate.

Chinese President Xi Jinping and numerous government officials have repeatedly emphasized in international forums, the principles on which the New Silk Road economic zone is based: mutual development, non-confrontation, mutual respect and dialogue, respect for the other's choice of social system, support for the strategic interests of the other state, absolute respect for sovereignty, and renunciation of any form of hegemonism.

The basic idea is that China's tremendous economic development, which has transformed most of the country since the reforms of Deng Xiaoping, can be replicated by other developing countries, thereby overcoming poverty and underdevelopment. Various aspects of the Silk Road policy are already on the agenda: connections along the historic route in Central Asia; the maritime Silk Road, including construction of a "second Panama Canal" in Nicaragua, with Chinese help; and the strategic cooperation between Russia and China which was adopted at the summit in May between Presidents Vladimir Putin and Xi Jinping. The principle also includes the offer by Prime Minister Li Keqiang, that China is ready to connect all the African capitals by high speed rail.

It is expected that at the summit of the BRICS countries [Brazil, Russia, India, China, and South Africa] in Fortaleza, Brazil on July 13-14, not only will the five member states intensify their cooperation according to the "Silk Road" concept, but there will also be various bilateral and multilateral meetings between their leaders and those of Latin America, at which large projects and contracts will be agreed upon, constituting, in combination, the beginning of a new world economic order. A BRICS Development Bank is to be established, with a starting capital of \$100 billion, as well as a foreign exchange pool to better protect participating developing countries from currency turbulence. In addition, China is preparing the groundwork for an Asian Infrastructure Investment Bank (AIIB), with initial capital equivalent to \$50 billion. The goal of these new institutions is also to reduce dependence on the dollar and move toward trade in the respective national currencies.

What China Really Wants

How should we evaluate all these developments? Certainly not according the hysterical article in *Die Welt* of July 7, in which the diehard reactionary Johnny Erling raved, "The mega-empire is making a grab for the entire world." The author, who is mired in the old geopolitical mindset, sees all China's efforts to return to the principles of the UN Charter, while also presenting a vision of the future for the developing countries, as nothing but an attempt to take over the whole world. Nothing could be further from the truth.

Meanwhile, China was presenting "a New Model of Major Country Relations," at the Sixth U.S.-China Strategic and Economic Dialogue," a conference in Beijing on July 9-10. The principles of this new concept were also presented on July 10, at a seminar at the Center for Strategic and International Studies (CSIS) in Washington, by a high-level delegation from the Chinese Ministry of Foreign Affairs. Zha Peixin, of the

Ministry's Foreign Policy Advisory Committee, explained the basic ideas, which are identical to those by which China aims to expand the Silk Road, and stressed that good and stable relations between China and the United States represent an anchor for stability for the entire world, and that the two countries share a common fate and common responsibility.

Unfortunately, most of the participants were unable to extract themselves from the old geopolitical thinking and only wanted to discuss territorial disputes in the Pacific Ocean and the South China Sea, a theme to which the CSIS devoted a separate event—a war game, with roles distributed among the participants.

The View from Russia

From the Russian side, President Putin, in his Fourth of July greeting to U.S. President Obama, stressed, in the same spirit as China, his hope that relations between Russia and the United States, which are connected to each other through a rich history, will continue to develop successfully on a pragmatic and equal basis, despite the current differences and difficulties. Both nations bear a special responsibility for international stability and security, he said.

Given that the Russian military views American support for the “color revolutions” in Ukraine, Georgia, and other former Soviet States as undeclared war, as well as the active American support for the war crimes being committed by the Kiev government against its own population in eastern Ukraine, the patience with which Putin is sticking to his war-avoidance policy is quite amazing.

Where Does Germany Stand?

And where is Germany in the context of this strategic realignment? The Chinese government rolled out the red carpet for Chancellor Angela Merkel during her seventh state visit to China July 7-9, and accorded its relationship to Germany the highest priority in Europe. In addition to comprehensive economic cooperation agreements, XI Jinping proclaimed 2015 the German-Chinese Year of Innovation.

Given China's paramount importance for the German economy and thus the prosperity of the German population, it is indicative of the role played by the politically correct media in Germany, that the Chinese companies had to complain about the Sino-phobic reporting. And also Chancellor Merkel, in her speech to students of at Tsinghua University, could not

keep herself from talking about human rights issues in China and the supposedly successful transition in Germany from nuclear power to “alternative” energy sources.

First of all, China has probably done more than any other country for human rights, because it has freed an estimated 700 million people from abject poverty and afforded them a decent standard of living. Secondly, Merkel should keep her mouth shut about human rights, as long as her government is supporting a regime in Kiev that is interspersed with Nazis, and is silent about the crimes in Odessa and eastern Ukraine, not to mention the human rights violations being committed by the Troika [IMF, European Commission, European Central Bank], which she supports, in Greece, Italy, Spain, and Portugal.

Germany—along with the other European states—finds itself in the crossfire of the changing dynamics in the world, and must now take the somewhat unusual step of sticking up for its own interests, which can only occur if it regains its sovereignty. This can only be done under the conditions provided by China's New Silk Road policy, as outlined above.

A mini-baby step in the right direction toward sovereignty, was the expulsion of the CIA station chief for spying against Germany; however, substantial steps must urgently follow, to protect the population from total surveillance by the American NSA, the British GCHQ, and the German BND, if the oath of office sworn by Merkel is to be worth more than the paper it is written on.

A World in Flames

The world is in flames. In Ukraine, in the Gaza Strip, in Iraq and Syria, in several African countries, and elsewhere, thousands are being murdered, without the “Western community of values” deeming it necessary to name the culprits or to stop their actions.

The new international economic order which is coming into existence through China's New Silk Road policy, offers a real alternative, which is in the vital interests of Germany, and in which hopefully the United States will participate—if it ditches its imperial policy, based on the Anglo-American special relationship, and returns to its identity as a republic and constitutional state. There is reason to hope that will happen.

Translated from German by Susan Welsh

U.S. China-Bashing Countered by Scholars

by Michael Billington

July 14—Leaders in Congress and the Washington thinktank Center for Strategic and International Studies (CSIS), among others, have rapidly escalated their war hysteria against China. The CSIS, which occasionally promotes reasonable strategic positions, went into hyperbolic extremes of China-bashing in a July 10-11 conference on “Recent Trends in the South China Sea and U.S. Policy.” The persistent underlying assumption of the panelists (with the exception of two Chinese representatives and a Malaysian spokesman), was that China, under President Xi Jinping, has become a serial aggressor, threatening peace in Asia and, to some speakers, the entire world’s peace and prosperity.

There is a certain perverted irony in CSIS’s sponsorship of a conference in the U.S. capital, defining China as one of the world’s most dangerous aggressors, due primarily to their drilling for oil and building facilities on contested islands in the South China Sea, with nary a mention of the Obama Administration’s multiple criminal wars of aggression against nations that pose no threat to the United States, threatening global war by the massing of U.S. and NATO forces and anti-ballistic missile systems along the Russian and Chinese borders, adopting a first-strike doctrine against China, known as Air-Sea Battle, carrying out drone killings worldwide without any legal or political oversight or justification, and spying on every nation on Earth—to name but a few of Obama’s impeachable crimes.

In fact, while 80 Congressmen from both parties sent a letter to Obama demanding that he stop his newest illegal war—yet another war in Iraq—CSIS chose to invite Republican hawk Rep. Mike Rogers (R-Mich.), chairman of the House Intelligence Committee, who is calling for immediate U.S. air strikes against Iraq, to open their “confront-China” conference. He did not disappoint.

China, said Rogers, after 20 years of investing in its military prowess, believes that “now is the time, while

the world is distracted,” to expand at the expense of its neighbors. “This has to change,” Rogers inveighed. “This is death by a thousand cuts,” creating “brewing clouds of conflict—this is as serious as it gets.” He praised the U.S.-Philippine agreement to allow U.S. air, sea, and land forces to occupy bases in the Philippines; he praised Japan’s decision to scrap the postwar pacifist constitution, and to prepare to join in a U.S. war in Asia; he praised Vietnam for sending military ships to disrupt a Chinese oil rig near the Paracel Islands, which are under Chinese control; but, he said, “This is not enough, it is getting more serious every day. This could lead to outright conflict—we’re on that matrix.”

Rogers added that the U.S. “must aggressively pursue deterrence,” and provide Japan with “state of the art weaponry.” We must stop normal diplomatic approaches, “be more direct, more aggressive, empower our friends—now is the time to confront China’s glut-tonous, naked aggression.”

Incredibly, Rogers charged that China is not only strategically dangerous, but that it is responsible for destroying the economies of the region—in fact, of the whole world! China, he said, “uses its power to bully, intimidate, and destabilize the economy of the world.”

This points to the real target of this exercise. China, together with Russia, India, and other Eurasian nations, including all of the Southeast Asian nations other than the Philippines and Vietnam, are engaged in collaboration with China in massive infrastructure development—in energy, rail, water, space, nuclear, and more, even while the U.S. and Europe are in economic freefall, pumping trillions of newly printed dollars and euros into bailing out the gambling debts of the trans-Atlantic banking system, while massively cutting investments into the real economy. Obama and his British/Wall Street controllers would rather have war than accept Eurasian growth and new international economic institutions, such as those coming into being at the BRICS meeting in Brazil this week, while the West collapses.

China’s Response

To the credit of CSIS, they did invite two prominent Chinese scholars from Tsinghua University to address the conference: Jia Bingbing, a law professor who defended China’s legal position regarding the contested territories, and Chu Shulong, a political science professor. Professor Chu provided a cogent and damning analysis of the U.S. intentions and actions in the South China Sea, notably directly contrasting them to the “last

Democratic Administration” under President Bill Clinton.

Under Obama, Chu said, the policy in the South China Sea is not actually about the South China Sea, but is part of the “larger strategic framework” of the Asia Pivot, or Rebalancing, pronounced by Obama in 2012. In the past, U.S. policy in the region included economic issues, human rights, and strategic concerns—but now, it is “almost all strategic, dependent on troubles, disputes between Asian countries.” When the Philippines or Vietnam construct things on the islands, or send warships to the islands, “the U.S. is silent—only China is the bad guy in Asia.”

Chu noted that there is much talk about international law, but that “the U.S. will not join the International Criminal Court, or the UNCLOS, or even some human rights conventions—the U.S. wants international law for others, but ignores it for itself when it wants to, including Iraq and other countries.”

Of course China is building its navy, Chu said, as a maritime country with rapidly expanding trade. But is there a reason, he asked, “for the massive build up of U.S. military forces in the South China Sea, which threatens China? Is this not coercion?”

The Empire’s Toadies

From British Commonwealth member Australia, where the U.S. is setting up extensive air, sea, and land military facilities directed at China, Cabinet Minister Malcolm Turnbull went further even than Congressman Rogers. Speaking at Australian National University on June 20, Turnbull claimed China has no friends in Asia! “It has really no allies in the region, apart from North Korea,” he said. “And the consequence has been [that] now China’s neighbors are drawing closer to the United States than ever before.” Ironically, Chinese President Xi’s visit to Seoul in early July demonstrated that China is closer to U.S. military ally South Korea than it is to the North, while nearly all the nations of Southeast Asia and Central Asia, including India, are strengthening their cooperation with China.

U.S. Secretaries of State and Treasury John Kerry and Jack Lew, along with Adm. Samuel Locklear, head of the Pacific Command, were in Beijing July 9-10 for the annual U.S.-China Strategic and Economic Dialogue. Despite the Obama Administration’s growing confrontation with China, the U.S. military has insisted



CSIS

Prof. Chu Shulong, of Tsinghua University in Beijing, identified the buildup of U.S. military forces in the South China Sea as a threat to China.

on maintaining close relations with China—Joint Chiefs of Staff Chairman Gen. Martin Dempsey has repeatedly warned against the “Thucydides Trap” (believing that because China is a rising power, it must necessarily lead to conflict with the U.S.), and Admiral Locklear invited China, for the first time, to the recent Rimpac naval exercises in the Pacific, and has invited them to return next year.

Otherwise, the Dialogue provided far less an exchange of ideas than what is required by the current state of the global war danger. Kerry again demanded that China submit the territorial issues to international arbitration under the UN Convention on the Law of the Sea (UNCLOS)—a Convention which the U.S. has itself refused to ratify, based on the claim that it would entail a loss of sovereignty! Yet, China *has* signed the Convention, and is following its rules precisely, including that arbitration is only allowed when both parties to a dispute agree to it.

In fact, the Philippine spokesman at the CSIS conference, after extended denunciations of China’s refusal to submit to supposedly impartial international arbitration, admitted in his closing statement that he had met with the Chinese 120 times, and that China has repeatedly called for “joint development” of the region—which the Philippines rejects. Clearly, Obama doesn’t want development—he wants imperial “divide and conquer” conflict.

mobeir@aol.com

Israel's Gaza War Is Pre-Planned Genocide

by Jeffrey Steinberg and Michele Steinberg

July 15—Israel's massive bombing campaign against Gaza has nothing to do with either the killings of three West Bank yeshiva students or the firing of rockets from Gaza into Israel. The real trigger for the ongoing war crimes was the announcement that Hamas and Fatah had reached an agreement for a unity government and for elections in the West Bank and Gaza.

The unity deal, which came on the heels of Prime Minister Benjamin Netanyahu's sabotage of the U.S.-brokered peace negotiations in April, threatened to dash Netanyahu's plans for a "three-state solution" to the Israel-Palestine conflict. So long as Hamas and Fatah remained divided, Netanyahu could play one off against the other, maintaining the West Bank as a Bantustan under partial Israeli occupation, while treating Gaza as a sealed-off concentration camp, subject to constant and arbitrary Israeli military attacks.

Col. Patrick Lang (ret.), who was the Defense Intelligence Officer for the Middle East for many years, wrote on his widely read [website](#) on July 11: "Netanyahu has made it clear that if rocket (not guided missile) fire out of Gaza does not end, there will be a ground invasion of the Gaza Strip. IMO this will be a large search and destroy operation employing a lot of infantry-supported armor that will be heavily provided with artillery and air support. IMO a decision to conduct such an operation in an area that contains 1.6 million people, most of them civilians, is a decision to inflict mass casualties on that population. IMO that decision is motivated by a desire to destroy the unity government now in effect in the Palestinian Authority. Is this not a war crime?"

The reality of this Netanyahu scheme, fully backed by his close ally Tony Blair, has even been made public inside Israel. Writing in *Ha'aretz* on July 11, Uri Misgav argued that the existence of the U.S.-funded Iron Dome missile defense shield has allowed Netanyahu to maintain his assault on Gaza while giving Israelis a sense of

normalcy: "It enables Israelis to feel protected while continuing their life almost without a hitch. They can blow up their feelings of victimization and misery to new heights, while going on about their business relatively comfortably." Misgav referred to the Iron Dome system as "Israel's doomsday weapon," allowing the government to launch a "limited operation" against the Palestinians once every two years, to "refill the hatred and demonize the Palestinians."

On July 12, as international pressure was building for Israel to halt the bombing, which has targeted civilians far more than supposed Hamas arms caches and command posts, Blair, the Quartet "peace" envoy for Israel and Palestine, visited Netanyahu, ostensibly to press for a ceasefire. Coming out of the meeting, Netanyahu said he had no interest in any such thing.

The same day, the Palestinian Human Rights Organizations Council wrote to the President of Switzerland, Didier Burkhalter, demanding that he convene the High Contracting Parties to the Fourth Geneva Convention, which establishes rules of conduct for occupying powers. The Palestinians detailed that Israel, the occupying power in the West Bank and formerly in Gaza, has committed "grave breaches" under Article 146. They wrote that "further inaction at this time would not only betray any hope that the civilians of the Gaza Strip have left in the ability of international humanitarian law to provide protection and alleviate their suffering, but would leave broader question marks as to the basic commitment of the High Contracting Parties to invest in the future relevance of international humanitarian law."

Sane Israelis Warn Netanyahu

On July 13, Yuval Diskin, former head of the Israeli Shin Bet intelligence service, issued an open letter in Hebrew, blaming the government for the security threat to Israel and the danger of war. The letter was translated and published by J.J. Goldberg, editor-at-large of the American Jewish daily *Forward*:

"Dear friends: Take a few moments to read the following words and share them with others. I see the severe and rapid deterioration of the security situation in the territories, Jerusalem and the Triangle and I'm not surprised. Don't be confused for a moment. This is the result of the policy conducted by the current government, whose essence is: Let's frighten the public over everything that's happening around us in the Middle East, let's prove that there's no Palestinian part-

ner, let's build more and more settlements and create a reality that can't be changed, let's continue not dealing with the severe problems of the Arab sector in Israel, let's continue not solving the severe social gaps in Israeli society. This illusion worked wonderfully as long as the security establishment was able to provide impressive calm on the security front over the last few years as a result of the high-quality, dedicated work of the people of the Shin Bet, the IDF and the Israel Police as well as the Palestinians, whose significant contribution to the relative calm in the West Bank should not be taken lightly.

"However, the rapid deterioration we're experiencing in the security situation did not come because of the vile murder of Naftali, Eyal and Gil-Ad, may their memories be blessed. The deterioration is first and foremost a result of the illusion that the government's inaction on every front can actually freeze the situation in place, the illusion that the 'price tag' is simply a few slogans on the wall and not pure racism, the illusion that everything can be solved with a little more force, the illusion that the Palestinians will accept everything that's done in the West Bank and won't respond despite the rage and frustration and the worsening economic situation, the illusion that the international community won't impose sanctions on us..."

After starkly describing how "combustible" the situation inside Israel is, Diskin concludes with excerpts from his December 2013 speech to the 10th anniversary meeting of the pro-peace Geneva Initiative.

Another warning came from a senior advisor to the chief of staff of the Israeli Defense Forces [IDF], who admitted that the region is descending into chaos, and Netanyahu is fueling the process. He warned that all of the longstanding checks against permanent war and chaos have broken down, and the "crazies" on both sides have seized the initiative.

A leading Hamas official, speaking with American associates, conveyed the identical message: Extreme elements, including groups affiliated with ISIS (the Islamic State of Iraq and Syria) are now operating in Gaza and the West Bank, and are out of control, abetting extremists on the Israeli side.

A senior U.S. intelligence source who has tracked the Anglo-Saudi collusion in promoting radical Sunni jihadism for decades, noted that the new British grand strategy is to promote a permanent war within Islam between Sunnis and Shi'ites, and to turn the Israel-Pal-

estine conflict into another sectarian battle within Islam to last for generations. The British intelligence gurus like Dr. Bernard Lewis who conjured up this scheme for permanent war are themselves deluded—they believe that such chaos can be "managed" to suit British geopolitical interests.

Enough Delusions To Go Around

On July 13, Netanyahu appeared on several U.S. Sunday morning talk shows to spread anti-Palestinian hate propaganda, and to warn against Washington cutting a "bad deal" with Iran in the final weeks of the P5+1 talks over the Islamic Republic's nuclear program.

While Netanyahu was ambiguous about how long "Operation Protective Edge" against Gaza would continue and whether it would evolve into a full-scale ground invasion, two of Netanyahu's favorite Washington mouthpieces, Dennis Ross and Martin Indyk, appeared on Fox News and NBC right after the Israeli leader, to spell out the Israeli plan. They claimed that there was a consensus among the Palestinian Authority, Egypt, and Israel that "the Hamas problem" had to be eradicated altogether, and that the only way to do it was by a ground invasion. Indyk suggested that the "liberated" Gaza should be put under United Nations control for a period of time, before being turned over to the Palestinian Authority.

Similar delusions were publicized during the 2006 Israeli invasion of Lebanon, which was touted as a chance to wipe out Hezbollah. Not only did Israel fail to accomplish that objective, but by all competent military assessments, Israel was humiliated by Hezbollah, which came out of the fight stronger and enjoying more public support.

During a CNN roundtable discussion on July 13, Richard Haass, former president of the Council on Foreign Relations, chastized Netanyahu's boosters on the panel and warned that Israel was incapable of destroying Hamas and that the outcome would be a mirror of 2006.

The reality, however, is far worse. The British plan for a new Hundred Years War within Islam is well advanced, and the assault on Gaza is going to play into this drive for genocidal destruction. The attack on Gaza is part of the same regional dynamic as the jihadist offensives in Iraq and Syria, now spreading into Lebanon and Jordan.

Argentina to the Vultures: ‘We Are a Nuclear Nation’

by Cynthia R. Rush

July 15—During Russian President Vladimir Putin’s July 12 visit to Argentina, he and President Cristina Fernández de Kirchner signed several agreements for expanded economic, trade, military, and nuclear energy cooperation, heightening the British monarchy’s nervousness over the Argentine President’s pursuit of an independent economic and foreign policy outside the parameters of the disintegrating trans-Atlantic financial system, and in opposition to the financial vultures.

London and its Wall Street allies are acutely aware that Argentina’s increasing orientation to the new Eurasian paradigm, seen in its strengthening partnerships with the BRICS nations—Russia and China particularly—makes it increasingly difficult to impose imperial dictates on the country or to sustain the absurd claim that Argentina “is isolated from the world.”

During his joint press conference with Fernández, Putin captured why Argentina is such a problem for the British Empire, with a remark that provoked knowing smiles of recognition from Russians and Argentines alike. Argentina, he said, “has its own view of international affairs, a sovereign opinion, something that is rare in today’s world, and we thank it for that.” Russia and Argentina “have similar positions in the international arena, and our view of foreign affairs is identical, or very similar,” he added.

President Fernández added that the two leaders agreed on the need for global economic and financial reform, especially to regulate capital flows, “which have practically turned the world into a financial casino.”

Thumbing Its Nose at the Queen

It is especially unnerving to the Empire that one of the most important agreements signed was for greater Russian participation in Argentina’s nuclear energy program. Russia’s atomic energy agency, Rosatom, will be bidding for the contract on Argentina’s fourth reactor, Atucha III—a fifth one is also in the planning stages—and is offering “comfortable” financing terms, according to Russian Energy Minister Alexander Novak. Rosatom director Sergei Kiriyenko maintains a close working relationship with Argentine Planning Minister Julio De Vido, the government’s point man for nuclear energy development.

Rosatom’s agreement with Argentina “lays a firm foundation for close cooperation in this area,” Putin said at the state dinner at which he was the honored guest.

For President Fernández de Kirchner and her late husband and predecessor Néstor Kirchner, the advancement of the nation’s nuclear energy program was defined as a policy of state—the central feature of Argentina’s physical-economic development. Both understood that this was only way that Argentina could recover from the catastrophic economic crisis brought on by 25 years of the IMF’s killer free-market policies, which culminated in the 2001 default on \$88 billion in foreign debt.

Néstor Kirchner insisted that the 2005 debt restructuring (a second restructuring occurred in 2010 under Fernández de Kirchner) be premised on sovereign scientific and economic development. Unlike the debt re-

structurings of other nations, Argentina's was concluded *without the IMF*. Kirchner was adamant that without economic growth, Argentina could not pay its debts. The nation had suffered the worst economic crisis in its history, a record 57% poverty rate, 25% unemployment, and hunger and misery in the nation once known as the breadbasket of South America. "Dead people don't pay their debts," he told the UN General Assembly in 2003.

This refusal to submit to economic suicide—the nations of Europe haven't had the guts to do this—is what lies behind the current rampage against Argentina by the Empire's vulture funds and their allied U.S. courts, using the phony argument that Argentina "refuses to pay" its debt. Argentina has punctually paid its restructured debt, under the terms of the 2005 and 2010 agreements, never missing a payment. The only thing it has refused to do is kill off its population to satisfy the blood lust of the British monarchy and its City of London and Wall Street hit men.

The vitriolic campaign launched by American billionaire Paul Singer and his Cayman Island-based NML Limited vulture fund has nothing to do with enforcing the "rule of law," as these predators howl. Their goal is to *overturn* a debt restructuring whose premise of sovereign economic development is anathema to their imperial powers.

'For Argentina and Humanity'

As the UN Economic Commission on Latin America and the Caribbean (ECLAC) recently documented, under the Kirchners' anti-IMF policy, Argentina achieved real economic growth, creating millions of jobs and restoring vital social services. Between 2002 and 2010, Argentina had the highest average annual economic growth rate in the last 50 years, surpassing Ibero-America's other large economies, and even the South Korean powerhouse. Its average annual GDP of 5.56% between 2002 and 2010 surpassed Brazil, Chile, Mexico, and South Korea. Job creation of 4.20% was also the highest in the past 50 years, surpassing Brazil, Chile, and Mexico.

The revitalization of the nuclear program was the cornerstone of this pro-growth policy. In August 2006, a little over a year after the 2005 debt restructuring was successfully concluded, Néstor Kirchner announced that the state would assume responsibility for rebuilding the nuclear program "for the benefit of the Argentine people and humanity."

This was intolerable impertinence from a country that the British Empire had always considered to be one

of its crown jewels—except for the annoying fact that some nationalist governments, such as the 1946-55 administration of President Juan Domingo Perón, rejected such a dubious distinction. It was under Perón that the National Atomic Energy Commission (CNEA) was founded in 1950, although nuclear research and development had begun some years earlier, followed by years of stunning advances that earned it international acclaim. The government created an impressive number of scientific institutes and university programs, and recruited national and foreign scientists to train personnel and help develop the necessary infrastructure. The Balseiro Institute in Bariloche became Ibero-America's premier facility for training nuclear engineers.

The first nuclear reactor, Atucha I, began operations in 1974. By 1977, the government had outlined a program to build four nuclear reactors, slated to come online between 1987 and 1997, along with the requisite infrastructure, including a heavy water reactor. The Embalse plant opened in 1984, and Atucha II was scheduled for completion by 1988.

During this period, Argentina achieved the full nuclear fuel cycle, enriching uranium on a small scale at the Pilcaniyeu plant. CNEA signed agreements for technology transfer with other Ibero-American nations, and by the mid-1980s, nuclear energy accounted for about 17% of the nation's electricity supply.

'A Nuclear Nation'

The free-market governments that ruled between 1976 and 2003 tried to wipe out these achievements. Former President Carlos Menem, a poster boy for IMF's policies, and his Harvard-trained Finance Minister Domingo Cavallo paralyzed the construction of Atucha II in 1996, and shut down the Pilcaniyeu enrichment plant the same year. By the turn of the century, nuclear energy accounted for only 4% of national electricity generation.

The two Kirchner governments reversed this calamity. Fernández de Kirchner strove to repatriate the nuclear scientists who had been driven from the country by the Menem-Cavallo duo, and by 2012 had succeeded in bringing home over 1,000 of them. Atucha II recently went online and will reach its full potential of 745 MW by year's end. The Pilcaniyeu plant was reopened, and as CNEA President Norma Boero proudly reported on May 31, National Nuclear Energy Day, "in a very short time, Argentina will be able to say that after 31 years, it has recovered its ability to enrich uranium." The reopening of the Pilcaniyeu plant represents "sovereignty

and independence,” she said, because there can be no progress as long as the country depends on foreign sources for technology and inputs.

Two weeks earlier, CNEA Vice President Mauricio Bisauta proclaimed that “Argentina is a nuclear nation.... We have a presence in all of the country’s provinces,” and an array of projects that will extend into the coming decade, to ensure nuclear energy’s increasing role as a supplier of Argentina’s energy needs.

Once it is fully operational, the Pilcaniyeu plant will be able to supply Argentina’s three existing plants, as well as new ones scheduled to be built. Uranium mines shut down during the 1990s are being reopened, and CNEA will be building a plant in the province of Formosa to produce uranium dioxide.

Vultures Crashing

This explains why the vulture funds’ campaign against Argentina has reached a fever pitch, with hysterical full-page ads published in international media, trying to convince the world that Argentina is a “dead-beat” debtor thumbing its nose at “legitimate” creditors and deliberately planning another default.

But, Lyndon LaRouche has pointed out, this campaign is backfiring. The global system is crumbling, and Argentina is insisting it will not give in to the vultures’ extortion and blackmail at the expense of its na-

tional sovereignty. Cabinet Chief of Staff Jorge Capitanich pointed out in his July 10 press conference, that the vultures are deeply involved in financing U.S. Congressional campaigns and extorting judges to buy political favors to bolster their predatory cause.

This, combined with the unprecedented international support Argentina has garnered for its cause, has the vultures and their imperial bosses increasingly on the defensive.

Evidence of that was the complete flop of the 24-hour “fact-finding” mission in Buenos Aires June 10-12, of two executives from the American Task Force Argentina, the vulture fund lobby group financed by Paul Singer. Dr. Robert Shapiro and Nancy Soderberg pathetically claimed they had traveled there to “counteract” Argentina’s lobbying against them abroad, and planned to meet with “opinion-makers,” to gather information on the economy. But no one, not even rabid opponents of President Fernández, dared be seen anywhere near the luxury hotel in which the two were holed up, and they ended up meeting instead with journalists from four anti-government newspapers, luring them with caviar and champagne.

Soderberg defensively claimed that “we are not representatives of Elliott,” referring to Paul Singer’s Elliott Management, owner of NML. “We just want their contracts to be fulfilled.”

Italian Lawmaker: Economic Justice for Argentina

July 14—In an interview to be published in an upcoming issue of *EIR*, one of the initiators of the Italian Parliamentary Petition on Argentina said that the petition already has 100 signatures. Fabio Porta, member of the Foreign Affairs Committee and President of the Permanent Committee of Italians Abroad, said Italy will use its EU semester¹ to gather support not only for Argentina, but for the issue of global rules that allow a safe debt restructuring for national economies.

Porta explained that the Italian petition aims at re-starting negotiations interrupted at the IMF in 2003, which concerned exactly those rules. “Today it

is Argentina, but tomorrow, not only other emerging countries, but even European countries could find themselves in the same situation,” Porta said. Italian Foreign Minister Federica Mogherini will discuss the issue with Argentinian President Cristina Fernández in her visit to Buenos Aires Aug. 4.

“At stake at this moment is the justice and equity of international right,” Porta stressed, referring to the unjust economic and financial system which uses “a double standard” in international relationships.

Porta also endorsed the push for Glass-Steagall in the United States, which was recently supported by a petition to Congress with 600,000 signatures. “It is right and wise too, that a new effort has started, for reorganizing the international banking and financial system, starting with regulations” in the United States. “I therefore consider very interesting what is occurring—the fact that such a large part not only of Congress, but also of public opinion, is mobilized around this proposal.”

1. Italy holds the presidency of the Council of the EU for the six-month cycle beginning July 1.

Argentina's Debt Restructuring: 'The Dead Do Not Pay'

The real history of Argentina's debt restructuring, on the basis of American System principles of national sovereignty and a commitment to economic growth for the general welfare, has been featured in EIR for many years. The following review comes primarily from an article by Cynthia Rush in the Oct. 7, 2011 edition, available, along with other coverage, at www.larouchepub.com. It contains lessons all nations, including the United States, would do well to learn today.

In December 2001, Argentina, then in the throes of a massive economic and social catastrophe driven by IMF conditionalities, defaulted on \$88 billion foreign debt, the largest sovereign default in history. A year and a half later, Argentina elected Néstor Kirchner as President. Kirchner defied the IMF economic "experts" and successfully restructured the defaulted debt in February 2005, with a 75% writedown. In the wake of that restructuring—according to which Argentina has continued to pay its debts to the 93% of the creditors who agreed to the deal—Argentina has entered into a period of sustained economic growth.

IMF 'Not Exactly Like Heaven'

What Argentina went through to get to that point is worth examining in more detail. As Kirchner told his German audience during that 2005 visit, "Remember, being in the IMF's embrace is not exactly like Heaven." In fact, as he would say repeatedly throughout his Presidency, the IMF drove his nation "into Hell": The Fund demanded the same genocidal austerity measures demanded of Greece today. That Argentina eventually emerged from that process to become the world's second-fastest-growing economy today, after China, with a renewed sense of its national identity grounded in a commitment to scientific and technological advance, was only possible because a political leader had the guts to tell the IMF and its oligarchical allies that killing Argentine citizens was no longer on the agenda.

Consider the following important inflection points in this process:

March 20, 2001: Against a backdrop of growing

social and political crisis—official unemployment hovered near 20%, while the official poverty rate stood at an unprecedented 40%—Domingo Cavallo, the Harvard-trained "Rasputin" who served as President Carlos Menem's Finance Minister from 1989-96, returned to the same post under President Fernando De La Rúa, whose government was disintegrating at breakneck speed.

Under Menem, Cavallo had not only overseen the dismantling of the country's industrial economy through brutal IMF-dictated austerity and privatizations. He also set up a British-style currency board, pegging the peso to the dollar in a one-to-one relationship, thus effectively handing over the country's economic sovereignty to the U.S. Federal Reserve.

From March, until his political demise on Dec. 19, Cavallo subjected the country to more barbaric austerity, including a "zero deficit" program that gutted living standards to ensure the servicing of the foreign debt. Yet the destruction of the economy caused by his policies made it impossible for the country to pay the debt.

The previous December's \$40 billion IMF bailout had failed to produce any economic relief or political stability. So, under the tutelage of his mentor David Mulford, then head of Credit Suisse-First Boston's international division and former Deputy Treasury Secretary under George H.W. Bush, Cavallo orchestrated the scandalous \$30 billion "mega-swap" in June, which was also supposed to provide some debt relief. But, Mulford chortled at the time, "people will have to pay dearly for that little favor."

Pay they did. Cavallo and Mulford ended up offering bondholders usurious interest rates, as high as 16%, while handing over \$140 million in commissions to the foreign banks that served as intermediaries in the deal. Bankers publicly laughed at how easy it was to steal from Argentina.

Dec. 1, 2001: As ever greater economic and social instability wracked the country, thanks to Cavallo's continuous budget slashing and other austerity measures, he announced a package of emergency measures in a frantic attempt to stop the hemorrhaging of the banking system. That year, almost 25% of the banking

system's total deposits was withdrawn, mostly after Cavallo took office.

The measures partially froze bank accounts, giving rise to the hated *corralito* (little corral), which allowed only \$1,000 in cash to be withdrawn monthly, no more than \$250 weekly. The program also prohibited any loans in pesos, and imposed exchange controls, among other things.

The impoverished population exploded in rage, taking to the streets over the next ten days, looting supermarkets and engaging in other violent actions, often egged on by provocateurs. A psychotic Cavallo nevertheless announced on Dec. 8, from an IMF meeting in Washington, that he would cut \$4 billion more from the 2002 budget, because "the country's problem is that there isn't enough austerity."

Foreign Debt Payment 'Is Suspended'

Dec. 19, 2001: First Cavallo, and then De La Rúa, were forced to resign, De La Rúa fleeing ignominiously in a helicopter from atop the Presidential Palace. Protests, which had initially been Jacobin in nature, took on a patriotic character, in response to De La Rúa's nationally televised message pathetically urging people to be "patient." Tens of thousands of citizens in Buenos Aires spontaneously poured onto the streets and walked toward the historic Plaza de Mayo, carrying only the Argentine flag, symbol of the national upsurge that was quickly taking shape. Upon hearing that Cavallo had resigned, they began to sing the national anthem.

Senate President Ramón Puerta, a Peronist, briefly became the "transitional" President, but was replaced on Dec. 22 by legislator Adolfo Rodríguez Saá, of San Luis province.

Dec. 23, 2001: In an address to the Congress, Rodríguez Saá announced that payment on the foreign debt "is suspended," and emphasized that "today, we begin the transformation of our beloved country.... We are perfectly conscious that today, a new republic has been born." His statement that the debt moratorium is the "first act of a government of rational character, to deal with the foreign debt correctly," brought legislators to



www.presidencia.gov.ar

Argentine President Néstor Kirchner, shown here in San Martín de los Andes, announced two days before his inauguration in 2003, "We can live without the IMF." If any institution needed restructuring, he later said, it was the IMF.

their feet, applauding wildly and chanting, "Argentina! Argentina! Argentina!" The new President concluded by appealing to a sense of Argentine nationhood, telling the Congress, "I believe it is possible to have an Argentina without poor, without unemployed, without hunger and misery. I believe in social justice." He vowed to create a million new jobs.

Rodríguez Saá lasted seven days. Some legislative power-brokers feared that his proposed new, non-convertible currency, the *argentino*, backed by physical goods, might lead to a National Banking system, or even breaking with the IMF altogether. That would be going too far! Subjected to enormous pressure and citing threats against him, Rodríguez Saá resigned.

Jan. 2, 2002: Eduardo Duhalde was sworn in as President, and moved immediately to end the peso-dollar peg, the British colonial currency board system that Cavallo had established in 1991, followed by a massive devaluation of the peso. Any hopes that Duhalde would stand up to the IMF, however, were quickly dashed, as he continued to impose austerity and refused to end the hated *corralito*. His Presidency was characterized by financial chaos, including continued hemorrhaging of the banking system. By the time the first round of Presidential elections occurred in April 2003, an unprecedented 57% of the population was living in poverty, with an unemployment rate of over 25%. Hunger stalked the country historically known as "the granary

to the world,” with its plentiful food and nutritious diet.

A Revolt ‘Down on the Farm’

May 25, 2003: Néstor Kirchner was sworn in as President, having won just 22% of the vote. He vowed to put an end to the model of “permanent adjustment,” announcing two days before his inauguration, “We can live without the IMF.” At his swearing-in, he emphasized that creditors will only be paid if “Argentina is doing well,” and policies will be judged by whether they “approximate the goal of concretizing the common good.”

Internal consumption “will be at the center of our strategy of expansion,” and the state will be an active agent in national development.

Kirchner announced that the centerpiece of his policy would be an aggressive public works program. Countering the British neoliberal argument that investment in big infrastructure projects is “unproductive,” Kirchner responded that “we aren’t inventing anything new. In the decade of the 1930s, the United States overcame the deepest economic-financial crisis in a century by such means,” under Franklin Roosevelt’s New Deal.

Jan. 14-March 2, 2005: Provoking hysteria among foreign creditors and their allied speculative vulture funds, Finance Minister Roberto Lavagna announced the government’s proposal to restructure \$88 billion in defaulted debt, with a 75% “haircut.” To creditor protests that Argentina was “not playing by the rules,” Lavagna responded that the nation would not repeat the “errors of the past, when the government ignored its own limited ability to pay in order to secure rapid bondholder acceptance.”

Disproving creditor warnings that the restructuring would fail, on Feb. 25, the government announced the successful conclusion of the bond swap, with bondholder participation of 76.07%. Kirchner emphasized that the writedown, which had been slightly reduced to about 60%, wasn’t an attempt to steal anything from anyone. “It was rather the ultimate will of the Argentine



EIRNS/Carlos Galindo

Huge demonstrations were organized against IMF austerity; here, the CTA (Confederation of Argentine Workers) holds a rally in Buenos Aires, May 29, 2002.

people, to try to meet their [debt] obligation—one which was created, built, and structured to *loot* them” (emphasis added).

On March 2, in Montevideo, Foreign Minister Rafael Bielsa said in more colorful terms that “the Monetary Fund has ceased to be a corral, and the little animals are beginning to escape.... It’s like a revolt down on the farm.”

It’s the IMF that Needs Restructuring

April-September 2005: During his mid-April trip to Germany, Kirchner used strong language to condemn IMF policies, reportedly confiding to some of his closest aides that he would consider pulling the plug on the Fund altogether, revoking its status as a “privileged creditor.” Speaking at the Friedrich Ebert Foundation in Berlin on April 14, he stated that the IMF model which had been “imported and imposed” on Argentina unleashed the “worst social-economic catastrophe in our history, which exploded at the end of 2001.” That catastrophe, he said was the product of “a political-economic model at the service of interests alien to the common good, which favored the proliferation of the corrupt, the genocidalists, and thieves.”

If any institution needed restructuring, Kirchner said, it was the IMF, because it was not serving the purpose for which it was originally intended. “As it oper-

ates today, it has no future, and the developed world has to understand this.” As for Argentina, he said, it is prepared to work “actively and constructively on behalf of a new world economic order,” without renouncing the “autonomy of its decision-making.”

Taking this a step further, Kirchner authorized Bielsa to call for the convening of a New Bretton Woods conference of international heads of state, when Bielsa addressed a development conference sponsored by the UN General Assembly on Sept. 19 in New York City. Bielsa was speaking on behalf of the 19-nation Rio Group, of which Argentina was a member.

Rio Group members “raise the necessity of reforming the international financial architecture [which is] anachronistic and inefficient,” Bielsa said, because the international system “places concrete obstacles in the way of building the necessary favorable economic environment” for development, job creation, and ending world hunger.

The Argentine President thus joined a growing chorus of voices internationally, including that of the Italian Parliament, which were echoing Lyndon LaRouche’s call for a New Bretton Woods. This was a substantive step beyond Kirchner’s earlier useful, and ongoing sharp criticism of the IMF and its allied global speculators, for their role in destroying Third World nations’ efforts to develop.

Dec. 13-15: Two days after the Brazilian government announced it would use Central Bank reserves to pay off its \$15.56 billion debt to the IMF, President Kirchner followed suit and announced that he would also use Argentina’s Central Bank reserves to pay the \$9.8 billion owed the IMF. Brazil’s monetarist Finance Minister Antonio Palocci attributed his government’s ability to make this prepayment to the Fund to the success of the orthodox IMF policies Brazil had enforced for the previous three years.

Kirchner explained it differently. The debt owed to the IMF, he said, “has been a constant vehicle for interference, because it is subject to periodic review and is a source of demands and more demands. The International Monetary Fund has acted toward our country as a promotor of, and vehicle for, policies which provoked poverty and pain among the Argentine people at the hand of governments that were lauded as exemplary students of permanent adjustment.”

The experience of Argentina’s Dec. 23, 2001 default on \$88 billion in public debt, and the devastating crisis that ensued, is sufficient proof, he noted, that “that in-

ternational agency first backed real political failures”—Cavallo’s insane currency board policies of the 1990s—and then “wouldn’t give one penny of aid to [help us] overcome the crisis or to restructure the debt.”

For a long time, Kirchner explained, “we have been instructed in impotence and told that we can’t do anything. . . . They wanted to instill in our soul the certainty that *reality is untouchable*. . . . They wanted to make us believe that not to do anything new is the only realistic option.”

But now, he warned, the Argentine President will use his “popular mandate” to act as a protagonist in the best interests of the Argentine people.”

Postscript: In December 2007, President Kirchner was succeeded by his wife Cristina Fernández de Kirchner, who has continued his policies. Particularly notable has been Fernández’s pursuit of Argentina’s nuclear energy program, in combination with an explicit policy to develop the scientific capabilities of the population and the nation, for ongoing progress. To this approach can be attributed the virulent hostility of the British Empire, its Obama Administration, and the vulture funds, who are seeking to destroy Argentina today.

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—Lyndon LaRouche, Feb. 11, 2013

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Congressmen Challenge Obama On Violating War Powers Act

by Nancy Spannaus

July 14—Representatives Jim McGovern (D-Mass.), Walter Jones (R-N.C.), and Barbara Lee (D-Calif.) introduced House Concurrent Resolution 105 on July 11, mandating that all U.S. troops be withdrawn from Iraq by the end of the year, except for those needed to defend U.S. diplomatic facilities and personnel. The resolution follows the submission of an open letter to Obama on June 24 by Representative Lee, co-signed by 80 Congressmen from both parties, insisting that the President respect the Constitution, and come to Congress before deciding on military action.

This action to reassert Congressional responsibility for the decision on going to war comes in the context of an increasingly heated debate on the question of the impeachment of President Obama. This discussion includes many other violations of the Constitution by the Obama Administration, one of which is the subject of the mooted lawsuit by House Speaker John Boehner (R-Ohio) against President Obama (see *Feature*).

The Resolution

H.Con.Res. 105 is entitled “Directing the President, pursuant to section 5(c) of the War Powers Resolution, to remove United States Armed Forces, other than Armed Forces required to protect United States diplomatic facilities and personnel, from Iraq.” It reads, in part:

“Pursuant to section 5(c) of the War Powers Resolution (50 U.S.C. 1544(c)), Congress directs the President to remove United States Armed Forces, other than

Armed Forces required to protect United States diplomatic facilities and personnel, from Iraq—(1) by no later than the end of the period of 30 days beginning on the day on which this concurrent resolution is adopted; or (2) if the President determines that it is not safe to remove such United States Armed Forces before the end of that period, by no later than December 31, 2014, or such earlier date as the President determines that the Armed Forces can safely be removed.”

The resolution was referred to the House Committee on Foreign Affairs for action.

In a speech on the House Floor, Representative McGovern announced the resolution, declaring that “we did this for a simple reason. Congress has the responsibility to authorize the introduction of American troops where hostilities are imminent...” (see *Documentation* below). McGovern made a point of the fact that this resolution, under the War Powers Act, has to be heard expeditiously, specifically, after the elapse of 15 calendar days.

Jones Joins In

Rep. Walter Jones posted a press release the same afternoon underscoring his reasons for joining McGovern’s resolution. Jones himself has introduced numerous resolutions asserting the necessity of Congress taking its responsibility, granted under the Constitution, for deciding on questions of war. In the Summer of 2011, he joined in a lawsuit filed by Rep. Dennis Kucinich (D-Ohio), which sought to stop Obama’s illegal

war on Libya, which lawsuit was thrown out by the judge with the argument that Congress had other remedies available—either refusing to fund the war, or moving for impeachment.

In January 2013, Jones introduced H.Res. 3, which expresses “the sense of Congress that the use of offensive military force by a President without prior and clear authorization of an Act of Congress constitutes an impeachable high crime and misdemeanor under article II, section 4 of the Constitution.” That resolution currently has five cosponsors: Dan Benishek (R-Mich.), Thomas Massie (R-Ky.), Tom McClintock (R-Calif.), Michael Michaud (D-Me.), and Steve Stockman (R-Tex.).

The resolution has languished in the Foreign Affairs Committee.

In a statement on H.Con.Res. 105 posted on his website July 11, Representative Jones noted that “the executive has an unfortunate history of ignoring the constitutional responsibility of Congress to authorize the use of our military. To put our men and women in uniform back into harm’s way without express approval from Congress is both unlawful and ignorant of our past experience wasting American lives and taxpayer dollars in an attempt to bring Iraq into a state of ‘stability’—a stability that has quickly disintegrated in the face of opposition from ISIS. I call on my colleagues in the House and Senate to support this effort in compliance with our congressional authority as dictated in the Constitution and the War Powers Resolution.”

Impeachment Is the Answer

Jones, unlike most other Congressmen, is not afraid to take on the question of impeaching the President—which is, in fact, the only action which would work to cripple his ability to get the nation into a devastating, perhaps thermonuclear war.

In an article posted by *Huffington Post* July 9, on responses to House Speaker John Boehner’s decision to eschew impeachment in favor of a lawsuit against Obama, Jones was clear: “Most of the conservatives down in my area would like to see impeachment brought to the floor for debate. I would rather have the option of



LPAC-TV

Rep. Walter Jones

seeing a bill that deals with impeachment. I voted for Dennis Kucinich’s resolution to impeach George W. Bush.”

By contrast, the House Republican leadership has determined to pursue Boehner’s lawsuit against the President, on the narrow issue of whether the President violated the Constitution by unilaterally changing the so-called Affordable Care Act. Legislation authorizing the lawsuit has been filed with the Congress, and will be debated by the House Rules Committee

on July 16. After it is passed by the Committee, it will be forwarded to the full House for a vote. The plaintiff in the suit would be the House of Representatives itself.

The hearing before the Rules Committee will itself put the issue of Obama’s impeachment before the Congress and the American people. The Obama Administration announced on July 11 that two constitutional lawyers—Walter Dellinger and Simon Lazarus—would be testifying against the authorization to sue. The GOP will be presenting their constitutional law experts—Jonathan Turley and Elizabeth Price Foley—to argue that Obama has violated the Constitution and the lawsuit is appropriate. Turley has been outspoken that Obama has committed a wide range of impeachable crimes.

Turley, a constitutional law professor at George Washington University, was a panelist at a House Judiciary Committee hearing last December, on the question of the Obama Administration’s Executive overreach. At that time he argued, “When a President claims the inherent power of both legislation and enforcement, he becomes a virtual government unto himself. He is not simply posing a danger to the constitutional system, he becomes the very danger that the Constitution was designed to avoid.” Turley stressed that the U.S. Constitution was designed to thwart the “royal prerogative” exercised by King James I. “If this trend continues unabated, Congress will be left like some Maginot Line on the constitutional landscape—a sad relic of a once tripartite system of equal branches.”

And the remedy put in the Constitution for such behavior is clear: impeachment.

McGovern: Pull All Troops Out of Iraq

Rep. Jim McGovern (D-Mass.) gave this speech on the House Floor on July 11. It is also available as a video and press release on his website (<http://mcgovern.house.gov/>).

Mr. Speaker, I join today with Representatives Walter Jones and Barbara Lee to introduce a privileged resolution, H. Con. Res. 105, to direct the President to remove U.S. troops from Iraq within 30 days, or no later than the end of this year, except for those troops needed to protect U.S. diplomatic facilities and personnel.

We did this for a simple reason. Congress has the responsibility to authorize the introduction of American troops where hostilities are imminent. In less than 3 weeks, in three separate deployments, the U.S. has sent at least 775 additional troops to Iraq.

Now is the time for Congress to debate the merits of our military involvement in this latest Iraq conflict. Openly. Transparently. Do we approve of these deployments and any future escalation? If so, we should vote to authorize it. If we do not support it, then we should bring our troops back home.

It's that simple, Mr. Speaker. Congress has the responsibility to act on Iraq. Now.

Mr. Speaker, we did not introduce this privileged resolution lightly. By doing so, we have started a process to hold a debate on our engagement in Iraq later this month. We are using the special procedures outlined under the

War Powers Resolution. While this is an imperfect tool, it requires the House to take up this bill after 15 calendar days.

Like most of my colleagues, I would prefer for this House to bring up a bill authorizing our engagement in Iraq. And nothing in this resolution inhibits such important legislation from being drafted and brought before this House for debate and a clean up-or-down vote. Frankly, I wish that were happening. But I have not heard that such authorization is even under discussion, let alone being prepared for debate.

So, my colleagues and I are introducing this concurrent resolution because we strongly believe Congress has to step up to the plate and carry out its responsibilities when our servicemen and women are, once again, being sent into harms way.

The time for that debate is now.

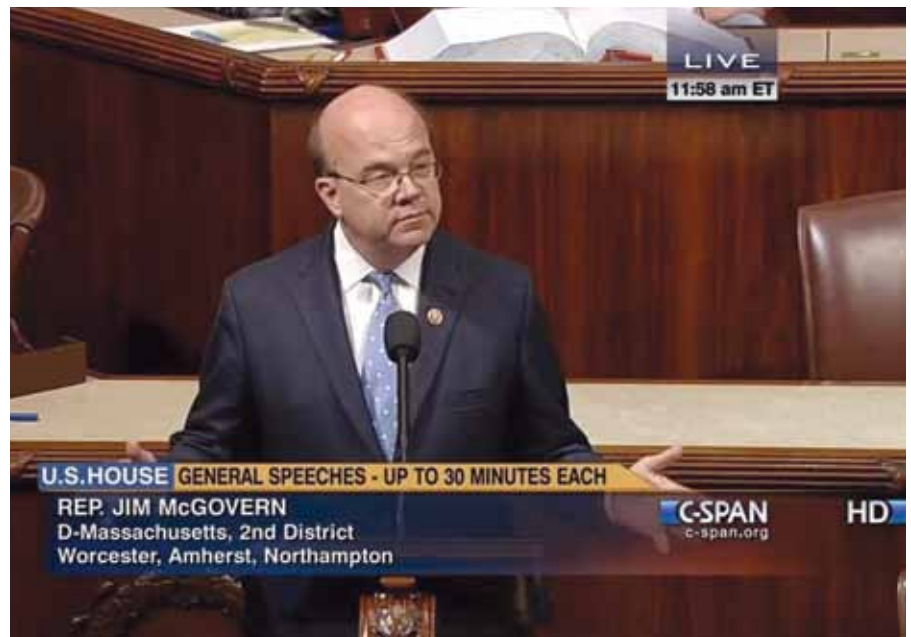
Not when the first body bag comes home from Iraq.

Not when the first U.S. airstrikes or bombs fall on Iraq.

Not when we are embedded with Iraqi troops trying to take back an ISIS-held town.

And, worst case scenario, not when our troops are shooting their way out of an overtaken Baghdad.

Now, Mr. Speaker, is the time to debate our new en-



Rep. Jim McGovern introduces H. Con. Res. 105 on July 11, calling for removal of U.S. troops from Iraq.

agement in Iraq. Before the heat of the moment. When we can weigh the pros and cons of supporting the Maliki government, or whatever government is cobbled together should Maliki be forced to step down.

Now, before we are forced to take sides in a religious and sectarian war.

Now, before the next addition of more troops takes place—and make no mistake, I firmly believe we will continue to send more troops and more military assets into this crisis.

Now, Mr. Speaker, before we are forced to fire our first shots or drop our first bombs.

Now, Mr. Speaker, is when the House should debate and vote on this very serious matter.

For those who say it is too early, too premature for this debate, I respectfully disagree. The longer we put off carrying out our Constitutional responsibilities, the easier it becomes to just drift along. This is what Congress has done over and over and it has to end, Mr. Speaker. Congress must speak, and Congress must act.

This resolution, should it pass the House, would direct the President to bring our troops home from Iraq within 30 days, or should that pose security questions, no later than by the end of this year, nearly 6 months

from now.

It would NOT require those troops that have been deployed to safeguard the security of our diplomatic facilities and personnel from withdrawing. They could remain and carry out their crucial roles of protecting our civilian personnel on-the-ground in Iraq.

This is why we need to take up this resolution later this month, debate our military engagement in this latest war in Iraq, and have a clean vote on this resolution, up-or-down, about whether we stay in Iraq or whether we bring our troops home.

We owe this much to our troops and their families.

We owe this much to the American people.

And we owe at least this much to our own democracy and democratic institutions that require Congress to be the final arbiter on whether our troops are sent into hostilities abroad.

I ask my colleagues to join Representatives Jones, Lee, and me as cosponsors of H. Con. Res. 105. I look forward to debating the merits of the Iraq war later this month and voting on whether our troops should stay or leave Iraq.

U.S. Reps. Walter Jones (R-NC) and Barbara Lee (D-CA) are co-sponsors of the bill.

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THE SUN IS GETTING LAZY

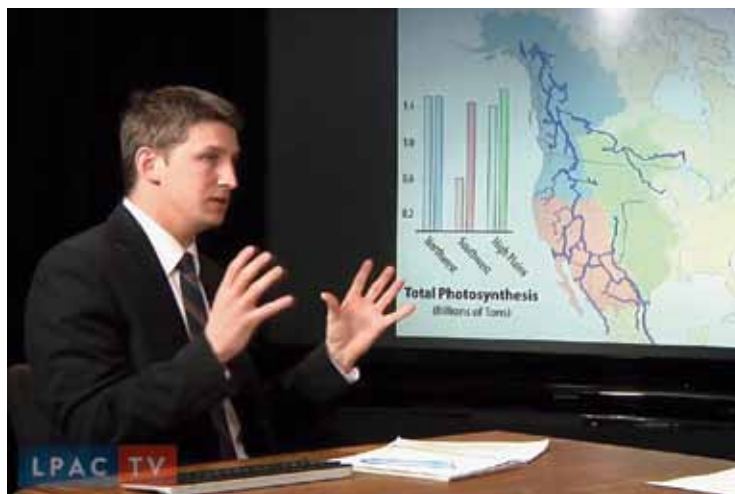
Mankind Can Now Control The Global Water System

The LaRouchePAC New Paradigm for Mankind Weekly Report for July 9, 2014 was hosted by Megan Beets, and joined by Ben Deniston and Liona Fan-Chiang, all of the LPAC Basement Science Team.

Beets began by establishing the context for the discussion within the recent weeks' acceleration of the breakdown of the British Empire system, and the coming into being of a potentially new world system. She then turned the discussion over to Ben Deniston. The video is posted at www.larouchepac.com.

Ben Deniston: Today, I want to discuss getting more at some of the implications of Lyndon LaRouche's Four Laws,¹ because as you said, we have the growing potential for a completely new system. There's already recognition and motion around the world that what's happening now doesn't work, this system is a genocidal system, the people running it are trying to accelerate the genocide to keep their system, and it's the potential for something completely new.

I think it's critical to keep coming back to Lyn's "Four Laws," that policy as a whole, because I found, just in talking with the population generally, people in

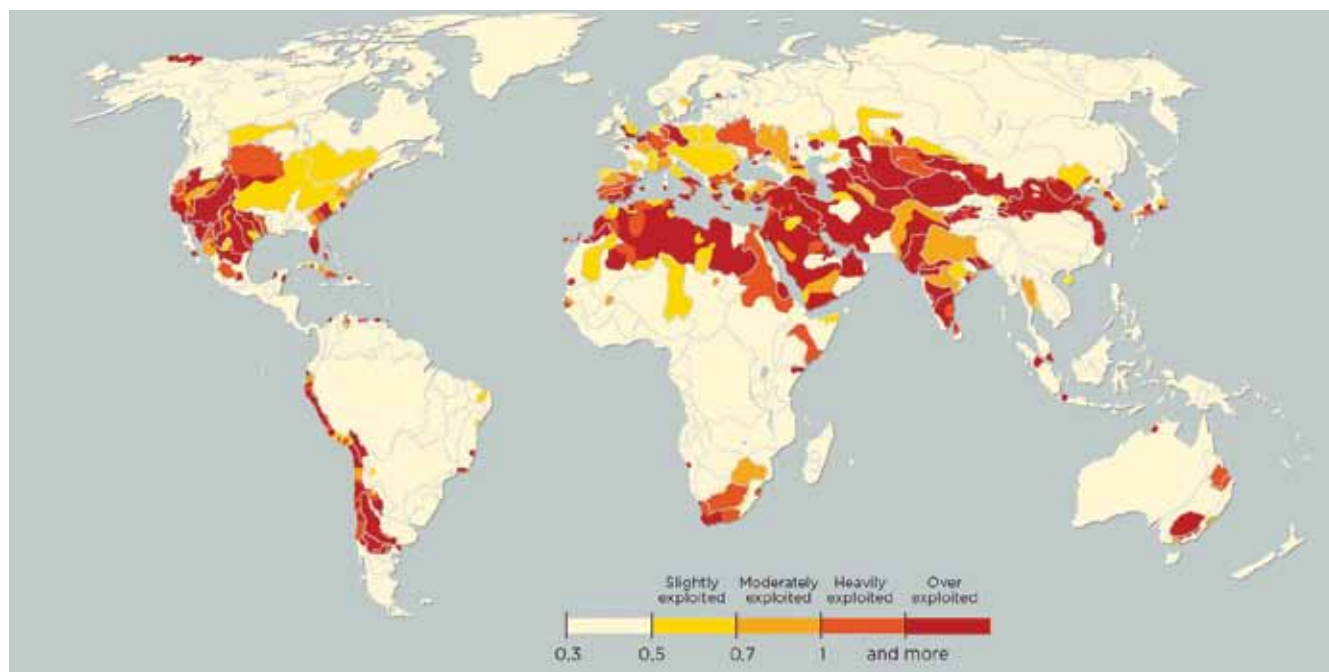


Ben Deniston: "We have an indication that mankind can begin to actually modulate and manipulate flows of moisture in the atmosphere, and we can begin to control when it falls and where it falls...."

D.C., and frankly even a lot of scientific layers, so-called scientists, that the level of thinking is way too small. A lot of these people have been too practical, too small in their thinking, and it's because people have been conditioned in 40 years of the zero-growth system. We haven't done anything; you know, we landed on the Moon in the '60s and then, what since? People have just accepted—now it's been generations of this, so people have grown up in this; they've grown up in the idea of no growth, no progress, etc.

1. See [EIR](#), June 13, 2014.

FIGURE 1

Global Water Stress Indicator (WSI) in Major Basins

UNESCO

So, what Lyn is putting on the table, and the role of our organization is absolutely critical I think, in pushing the frontiers to where mankind can and must go in response to this crisis. In his Four Laws, he talks about Glass-Steagall, number one, which has to be coupled, number two, with a national banking system; that needs to happen immediately; then, issue credit to grow the economy, Federal credit for a major rebuilding of the U.S. economy, major jobs program, is the third point; and the fourth point he talks about is the need for a fusion driver program.

The Global Water Crisis

So I'm going to come back to that fourth point, from the standpoint of the water crisis, which is a subject we've discussed a lot, and I want to start with a global overview of the water crisis. Because despite what some Congressmen have said, water is a single, global system. In response to some of our organizing in Washington, D.C., one Congressman said, "well, I think we need to solve the California water crisis with California water." But where does California water come from? It doesn't come from California. It comes from the whole Pacific Ocean; it comes from the whole global system. So there's a lot of need for better scientific understanding of what we're talking about here.

So Mr. LaRouche has repeatedly emphasized, the water system is a single, global system; you have regional components, and you can look at the interaction of components, but we're at the stage now when you start looking at it as a single, planetary system.

The crisis, I think most people have an intuitive sense, is pretty staggering. I mean, you have 2.5 billion people without access to sanitation because they don't have standard, enough regular water supply: 2.5 billion people, it's a huge figure. Here's one map that just shows the water basins, the river basins, where you have what they call "water stress"—the water supply available in these regions is not enough to support the human economic activity occurring in those regions (**Figure 1**). So this gives a general, quick image of where a lot of the crisis is—and it's major. You can see, it covers much of the world.

At the same time, there are figures saying that about 800 million people don't have access to water at all, clean drinking water. Now, Mr. LaRouche's intelligence magazine, *EIR*, *Executive Intelligence Review*, has looked at that a little more closely and their view is that, if you set the standards a little bit higher, about actually having access to water in your home in a reliable way, something you'd expect as a modern standard of living today, it's more like 4 billion. So you might have

some well plunked down in the middle of some village, or maybe on the outskirts of some village, and people would say, “Okay, all those people in that village now have access to water”—but they have to spend all their time carrying it back and forth. So, around 4 billion people with a lack of access to reliable, clean, safe water in their homes, 4 billion—it’s a huge number; 2.5 billion without access to sanitation.

I was looking at some other figures: about a quarter of the current water use comes from groundwater, about one-fourth the global water use, something in that range. Different organizations might have different estimations, but something around that figure. Now some groundwater supplies are fine, they get recharged with rainfall and there’s nothing wrong with using it. In other regions, the rate of refilling of groundwater can be relatively slow, and you have a major, building crisis, where a number of regions are drawing down the water at a faster rate than it’s being replenished. So these represent potential major crisis points, because the rate of activity of the groundwater cycle is not quick enough to sustain the growing rate of human economic activity.

And then we have also discussed, specifically, the crisis in the West; in California, we have a major drought right now. It’s getting worse. The Central Valley groundwater, for example, the aquifer there is depleting, and it’s probably going to deplete faster because there’s not as much rainwater in river flows. Here’s an image of the snowpack in Winter, where a lot of the freshwater comes from (**Figure 2**). This was taken by some NASA observations: January 2013; January 2014. So, it’s *quite* dramatic, the lack of snowpack [in 2014] that provides much of the freshwater for California.

Because of this, then, people are going to be forced to either abandon agriculture, not have enough water, or be forced to go from accelerated use of the groundwater in the Central Valley Aqueduct, which has already been consistently depleting, year, after year, after year; they’re going deeper and deeper and deeper to get the water. So it’s a major crisis.

And just in the past couple weeks, there’s been a lot of hope that some coming weather pattern changes

FIGURE 2

California Snowpack in Northern California and Nevada



NOAA

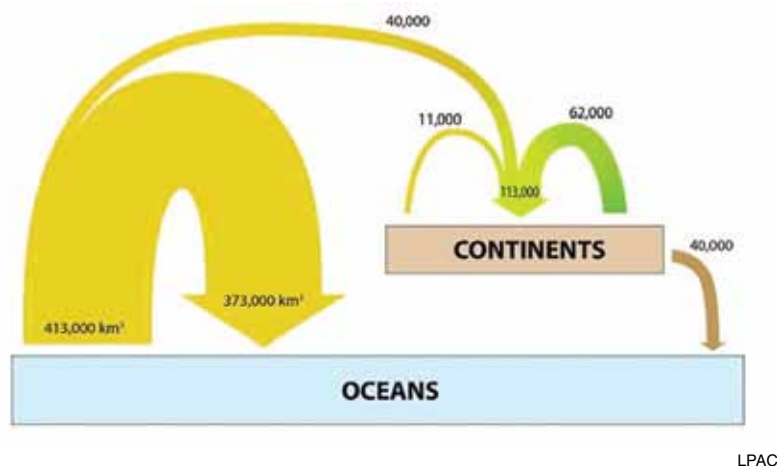
might help break the drought, specifically the El Niño effect, where you have a periodic cycling of warm ocean water, which tends to bring more moist air and rainfall to certain regions of the United States. And a lot of people have been hoping very much that a big El Niño will help break the drought. And at this point, no one’s going to sit here and forecast exactly what’s going to happen, but the most recent signs are now that the El Niño is weakening. It’s actually a weak El Niño, so the probability of it bringing a lot of water is significantly reduced.

So the point is, this is a major crisis globally. We’ve discussed a lot the crisis in California, Texas, and the West, and there’s no immediate sign that it’s going to be alleviated, just on natural conditions. So this is what we’re facing.

The Terrestrial Water Cycle

Now, Mr. LaRouche has said, what we have to do is go to a higher energy-flux density program. We need to increase the energy-flux density of the U.S. economy and the economies globally, to ensure that mankind can manage and control the water cycles and the water systems needed to sustain human life. And we’ve been discussing this, and working this through, and as we cited in Mr. LaRouche’s four-point program, his Four Laws, all of these policies should be subsumed and seen from the standpoint of the scientific work of Vladimir Vernadsky, in looking at the role of mankind as a more powerful force than the biosphere, and a more powerful force than the Solar System as a whole, potentially, in

FIGURE 3
Terrestrial Water Cycle



the near future.

And what I'm going to get at, in looking at how mankind has to go into the future by addressing this water crisis, is mankind beginning to take over the role of the Sun on the planet Earth; that mankind must actually rise to the level of the activity of the Sun itself in terms of having that level of influence and control over the global water system on the planet.

So now, to get into that, we have to have a sense of the top-down view of the global water system. So here is a schematic of what I would call the terrestrial water cycle (**Figure 3**), because as soon as you're talking about water, you have to start talking about cycles and processes that have cyclical characteristics; it's not just a resource you're using. All of the water supplies on land are not just stores, they're cycles, they're processes. And all of the activity on land, all of the snow-pack, the precipitations, the lakes, the rivers, the groundwater, all of it depends, ultimately, on the evaporation of ocean water, and the precipitation of that evaporated ocean water over the land.

And this is a schematic, where the width of the arrows is all to scale, to show the yearly average flows of these different water systems for the planet as a whole. So the Sun evaporates a huge amount of water from the ocean, but then, as you can see, the vast majority of it just then falls right back into the ocean. On average, about 10% of this water evaporated from the ocean precipitates, or falls as rain or snow over land, over the continents. And that becomes the basis for the entire terrestrial water cycle thus far.

Once the water's on land, you have a very signifi-

cant factor, which is the role of plant life itself. Once the water's on land, some of it will evaporate again and fall again as rain, so you can see this kind of added cycle, here on the left; but an even bigger factor is the role of plants directly, in kind of boosting the cycle, taking water that was brought onto land, utilizing some of it in photosynthesis, but then putting water back up into the atmosphere, to fall again as rain on land. And it's only recently that there have been some really authoritative studies on this, and those studies indicate that plants actually play the largest role, so far, in creating rainfall and precipitation on land. Over half of all the precipitation, on average, over the continents, we can attribute to

plant activity.

So it's a very significant factor; all these values here are given in cubic kilometers per year, and you can see the relative values of the different ones.

And then the cycle, quasi-cycle, closes off with the ocean run-off and outflow of water back into the oceans. Which as you can see here, generally matches the input. Evaporation of ocean water participates in continental cycles, gravity brings it back down into the ocean, you kind of have the concept of a closed system. It's obviously not this simple, but this is just to give an idea.

Now, mankind so far has played a significant role, when mankind is allowed to, and is not held back by imperial systems and environmentalists—mankind has played a significant role in improving and managing these existing cycles, taking the existing role of solar activity in putting moisture into the continental system and improving what that water does while it's there. And the highest expression of this that I've seen, is the design for the NAWAPA system, which is something that fully could have happened, but was blocked from ever being developed by the whole environmentalist paradigm shift (see <http://larouchepac.com/infrastructure>).

Keep this idea of an input/output cycle in your mind, for a second; you're looking at water going in, and then participating in the terrestrial cycles on the continents, and then flowing out. We want to pose the question of what does it do when it's there, because if it's not doing anything, there's no point to the cycle. And, how do we improve what it does, how do we make it more productive?

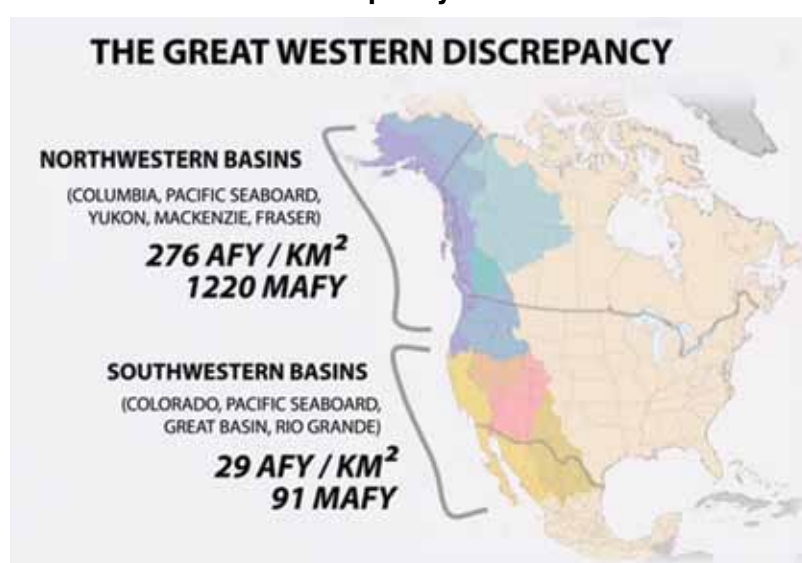
Case Study: North America

The continent of North America is an interesting case study, because you have what we've been discussing a lot on this show, which is a major crisis now—a dramatic discrepancy in the water availability in the western half of the continent (**Figure 4**). Not to get caught up in these figures in particular, but, if you divide the northern half of the West and the southern half of the West, and you just look at how much water is available, you can see that the total water flow, precipitation and river run-off—you measure it by run-off—the output in the northern half is about 10 times higher than the southern half, including in per-area terms. So the amount of water availability in the North, per sq km, or per mile, is about 10 times what's available in the South. So you have this huge discrepancy in the natural state of the water system of the North American continent.

So what we want to look at then, is how productive are these systems from that standpoint (**Figure 5**). We were playing around with some figures, and just to give, frankly, what amounts to a “back of the envelope” calculation—but the right order of magnitude and concepts—we were comparing the amount of water flow to the amount of productivity of that water, the amount of photosynthesis, the amount of creation of new plant life, which is one of the critical functions of water in the whole biosphere system; so that seems like a decent proxy to measure the productivity of water.

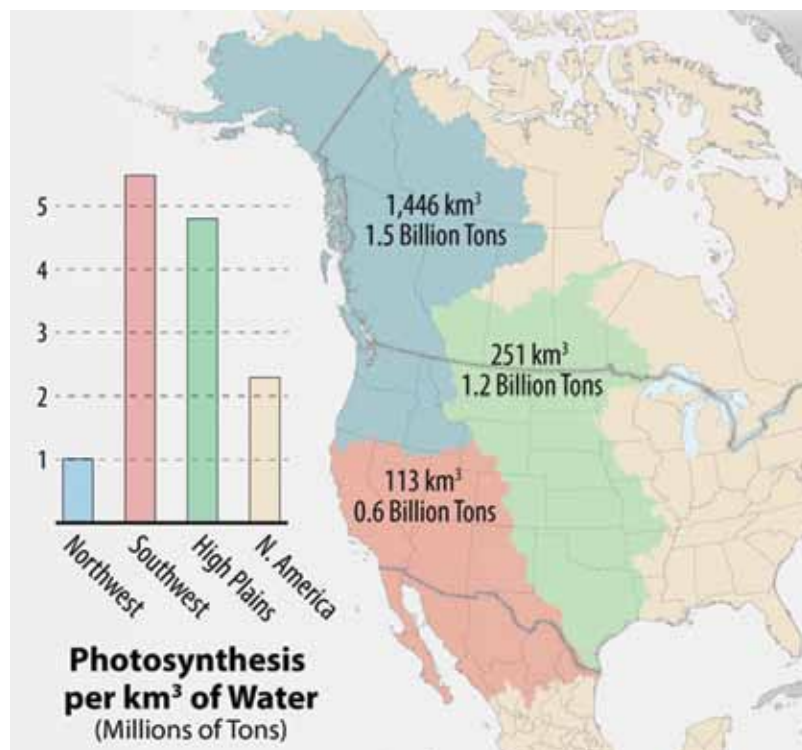
And what we found is that the Northwest, this northern half that we were just referencing, which has 10 times the water availability of the Southwest, has a relatively very low amount of productivity per amount of water. The absolute values are given on the map, and the photosynthesis per amount of water is given on the chart on the left there. So, you can see the blue area of the Northwest is about 1 million tons of plant life, of new biomass, of new photosynthesis per cubic km of water flow. Those are the terms of measure, and the point is

FIGURE 4
The Great Western Discrepancy



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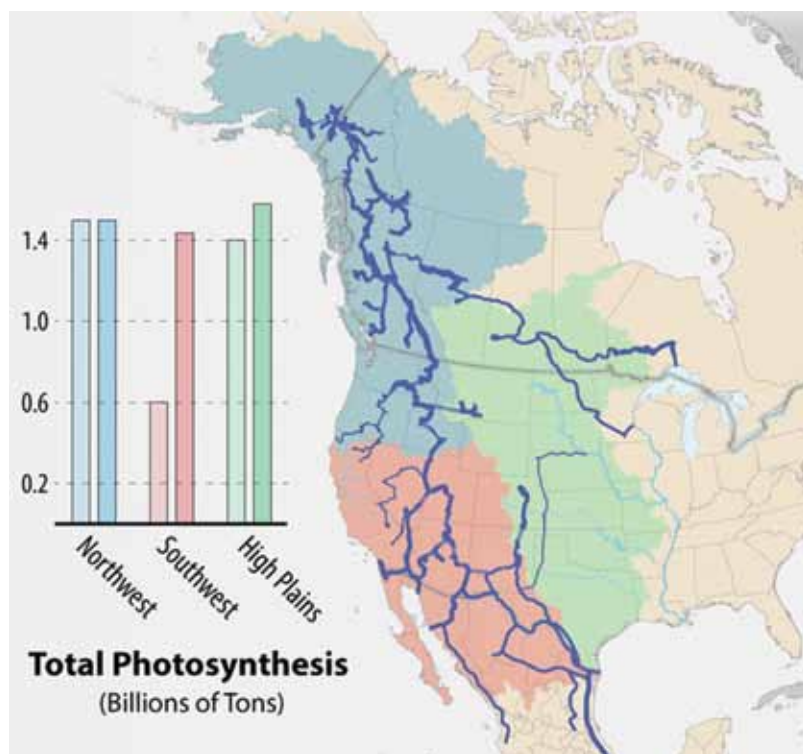
FIGURE 5



LPAC

the relative comparisons: Where the Northwest is only 1, the Southwest is over 5 times higher. The water is actually 5 times more productive in the Southwest, than in the Northwest, and humans have a huge influence in

FIGURE 6



LPAC

that, through irrigation, through management. This is an example of managing an existing water cycle and improving the use and productivity of that existing cycle.

And you can see that also, if you take the continent as a whole, North America, the Northwest is still less than half of the productivity of the whole continental system, and much of this is because of the temperature and because of the sunlight, and also because a lot of the water falls right along the coast and runs off into the ocean. So the amount of water going up there is just not able to do a whole lot; it's too cold a lot of the time, you're at a higher elevation, so you don't get as much sunlight. So overall, the thing is relatively much less productive, per amount of water, than the continent as a whole, and especially than the Southwest.

So this is an interesting way to look at the proposal of the NAWAPA system, done in the '60s, which was to, with river diversion systems, divert 10-15% of some of these rivers up north, down into the Southwest, into the central part of the country (**Figure 6**). And this, I think, represents the highest level of managing an existing water cycle that anybody's proposed and developed in depth and had some real motion and some potential

of actually becoming a reality.

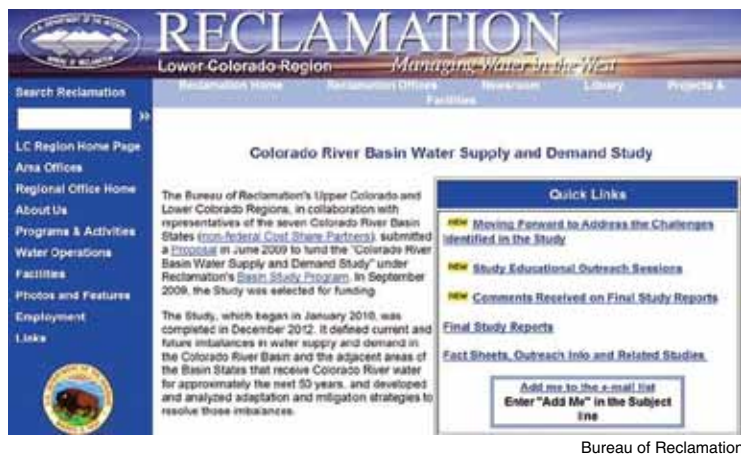
And from the standpoint of the productivity measurements we were just talking about, if you take the amount of water that NAWAPA calls for, and if you bring that into the Southwest, we can now assume that that water will have the same productivity as Southwest water, which was five times higher. And then, again, it will exit the system, instead of running off in the North, it runs off in the Southwest, so it re-enters the ocean. So without changing the fundamental input/output flow of our general concept here, we can actually increase the productivity of our entire continental water cycle, by these rough, first-order measurements, by 10-15%, which is pretty damned good if you're talking about an entire continental system.

This typifies the scope of managing an existing water cycle system: You have an entire continent; you look at the entire precipitation input, where it goes and the output of an entire continental system, and you say, how do we maximize the productivity and what this water does while it's in the system? Frankly, it'll probably be even better than these very rough, initial measurements, because this will bring new plant life; new plant life will increase the precipitation, as we saw—in the earlier graph, the plant life is one of the biggest factors in increasing the water cycle. So this represents a top-level concept of managing an existing water cycle.

'The West Without Water'

But, in discussions over the past couple of months, when we really started to get a serious sense of how bad the crisis in the West is, and started to look at some additional factors, Mr. LaRouche put on the table the challenge of going to a higher level than this. Because everything I've discussed so far has some really specific assumptions being imposed on the way I presented this right here; we're assuming some very big things which you can't necessarily take for granted. The main thing is, all of this assumes you're dealing with pretty much a fixed system. All this is assuming that you have these standard input/output values, that maybe they change a little bit year to year, but you're assuming you can have a standard average for the whole system. You're assum-

FIGURE 7



Bureau of Reclamation

ing that the precipitation patterns, the amount of rainfall in the Northwest, the amount in the Southwest, is relatively fixed and stable.

But we are beginning to realize that's absolutely not the case: Just take the Colorado River, for example: I just saw this study from a couple of years ago, from the Bureau of Reclamation, where they're looking at the water flow of the Colorado River (**Figure 7**). And they said, if you take the period from 1900-2000, this is a period when the major water projects in the West were built, and this is the period when you had the discussion of how to allocate the Colorado—how much to California, how much to Mexico, how much to Arizona, etc.—they were dealing with a flow of the Colorado of about 20 cubic km per year. If we didn't take any of the water at all, that's how much would flow out into the ocean. So they measure it in terms of that; but obviously, we take a lot of it, and at this point, it doesn't even reach the ocean most of the time. But the flow of the Colorado represents about 20 cubic km/year; that's the average they measured between 1900 and 2000.

But then, if they looked at between 2001 and 2011, this recent decade, it's only 15 cubic km/year—that's 25% less. This is a river basin that supports 16,000 sq km of irrigation, that supports 40 million people. And all of a sudden, this past decade, the water availability in this river basin is 25% less than what it had been over the past century! That's a very significant factor, especially for a region that's already stressed, and doesn't have enough water to start with.

Now, this coheres with something that has come up in a recent book, called *The West Without Water*, where a couple of professors looked at the long-term records

of the water availability in the West, and by a number of different proxy records and investigations, they came to the conclusion that the water availability in California and the West over the past century has actually been much higher and much more stable, than a much longer period in the past couple thousand years. And that this Colorado example might be a perfect illustration of the type of thing we're talking about, where, when we built our irrigation systems, when we built our dams, our reservoirs, we built under the assumption that we had a certain availability. But it turns out, just by natural fluctuations, the value actually fluctuates much more, and we could have periods of much less, and prolonged periods of much less.

So, already, we know we can't just take the standard assumption that this is a fixed system, that how we've experienced it is how it's going to be in the future, and that we can just operate off that alone.

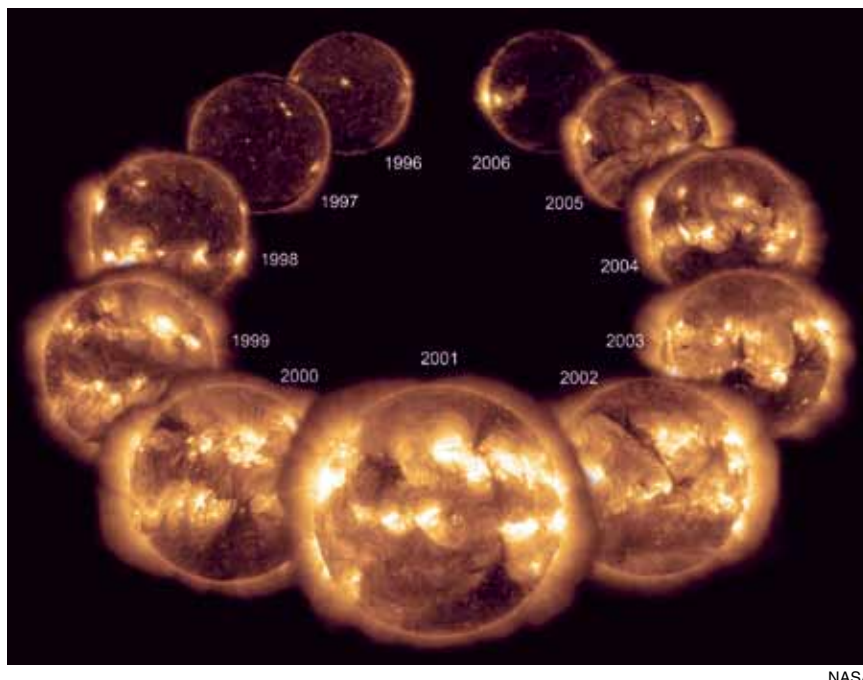
The Sun's Effect on Water Cycles

One of the major factors driving the changes of climate and precipitation patterns, is that pesky little thing out in the distance there, the Sun, the driving force of the whole Solar System. As we saw in the conceptual infographic at the beginning (Figure 3), the Sun drives the entire precipitation cycle. The entire continental water cycle is driven by solar activity. Plants may increase it, they may boost it, but if the Sun wasn't providing the initial input, they wouldn't be able to do anything. So it makes a lot of sense to ask, when the Sun changes, what is that going to do to our water cycle? What is that going to do to the precipitation patterns? What's that going to do to water availability?

We've gone through this in some shows in the past, so I'm not going to take too much time to go into details, but we know the Sun changes a lot. We know the Sun changes on a roughly decadal cycle, every 11 years or so (**Figure 8**). That's your standard, what we refer to as the solar cycle. But we also know that over a longer period, say, the past thousand years, as represented in this graph (**Figure 9**), the Sun goes through decadal changes over a series of many decades and over centuries. So, whereas each 11 years or so, you have one cycle of more activity/less activity, over a longer period, how active any of those cycles are, changes a lot.

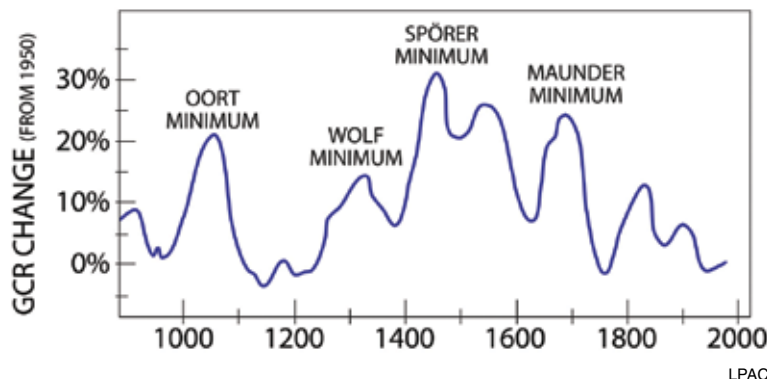
We can measure that by records left by the amount of cosmic radiation, galactic cosmic radiation, coming

FIGURE 8
The Solar Cycle



Eleven years in the life of the Sun, spanning most of solar cycle 23, as it progressed from solar minimum (upper left), to maximum conditions, and back to minimum (upper right) again, seen as a collage of ten full-disk images of the lower corona.

FIGURE 9
The Sun's Cycle Over 1,000 Years



Changes in records of galactic cosmic radiation provide an important indication of solar activity.

from outside of our Solar System. The amount of that radiation coming from the galaxy, into our Solar System is affected by how active the Sun is. When the Sun is less active, the magnetic field is not as strong, and it doesn't shield this galactic cosmic radiation coming into the whole Solar System, including intersecting the Earth. So during periods of low solar activity, we have

increased effects of cosmic radiation, so that's what they're measuring here.

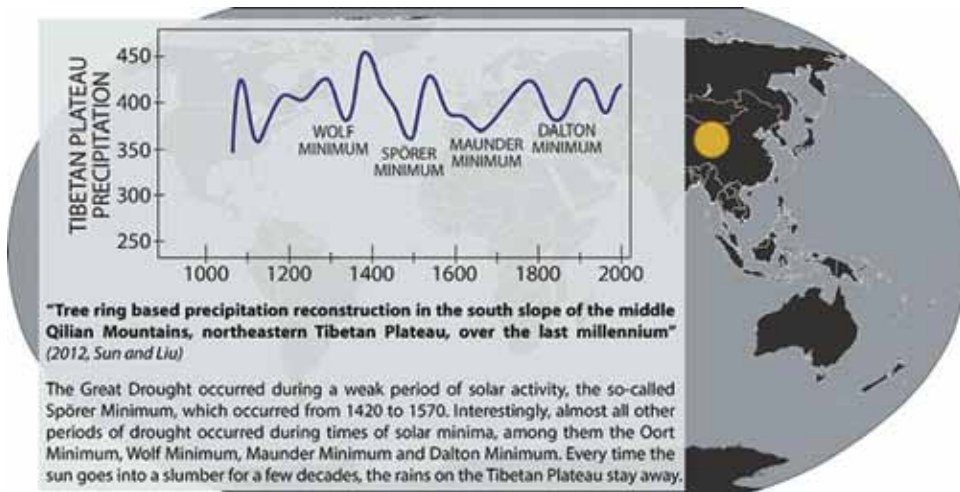
So what you have, is a series of these minimums. The most famous one is the Maunder Minimum, whereas when we look at the record of the galactic cosmic radiation, we see that it spiked, it went way up, which tells us that the Sun must have been less active, to allow more of this cosmic radiation to come in. And we see that that's happened periodically, every 200-400 years or so, you tend to get these periods of very low solar activity. These are generally called "Grand Minimums"—the Maunder Minimum, the Spörer Minimum, the Wolf Minimum, the Oort Minimum, these are a series of major solar minimums, and they've occurred over the past thousand years.

Now, what's come out in a series of studies, is that corresponding to these periods of "Grand Minimum" low solar activity, you do see significant changes in the precipitation patterns, in the global water/moisture cycle. Just to pull out a few of these, here's an example of precipitation in the Tibetan Plateau, measured against these solar cycles (**Figure 10**), and you see, every time you have one of these major minimums, you get a major drop in the amount of precipitation measured by these records in this one location in China.

You have multiple other studies, looking at other regions in Asia and South Asia, also showing a similar thing: During this Maunder Minimum period, this most recent period of major solar weakening, you had a weakening of the monsoon, less precipitation, less water available, corresponding to lower solar activity. Similar things measured in the Yucatan Peninsula, increased drought, less water available, during the Maunder Minimum period. Multiple other studies in the Caribbean and Central American regions, three other studies looking at different areas, again, showing the same thing, drier conditions generally corresponding to this weak solar activity period.

FIGURE 10

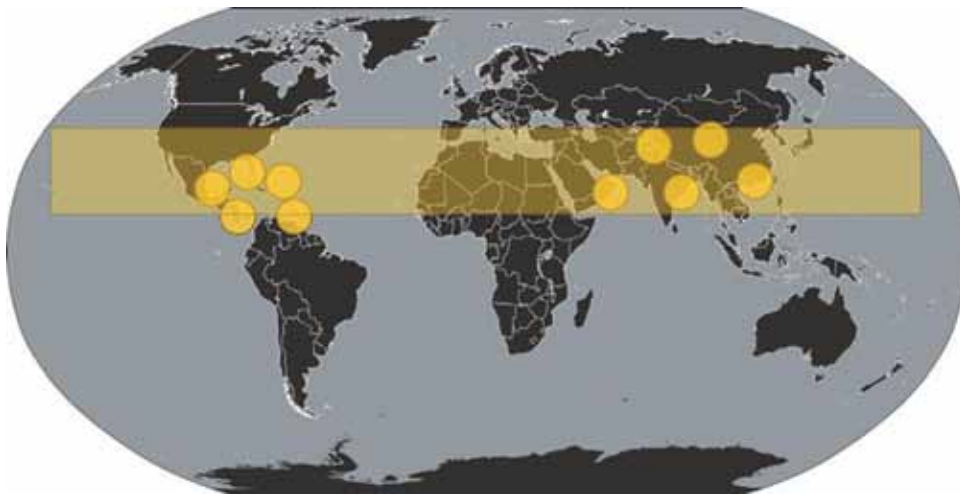
Tibetan Plateau Precipitation and Solar Activity



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FIGURE 11

Low Water Flow in Several Regions During Weak Solar Activity



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And then just a quick plotting of a number of these studies (**Figure 11**): Here you have 5, 10 studies in different regions of the planet, all corresponding to lower water flow, drier conditions during periods of weak solar activity. Other regions of the globe—I'm not going to go into all the details here—show different responses: In the north, it tends to get colder during periods of low solar activity. Multiple studies, Russia, England, Europe, all indicate cooling during weak solar activity. In the Equator, specifically, there are studies that indicate you might get more rainfall. So some people theorize that

perhaps, for some reason, during periods of weak solar activity, the atmosphere system isn't able to move tropical moisture north and south as much, into the subtropics, which is indicated by this yellow band here.

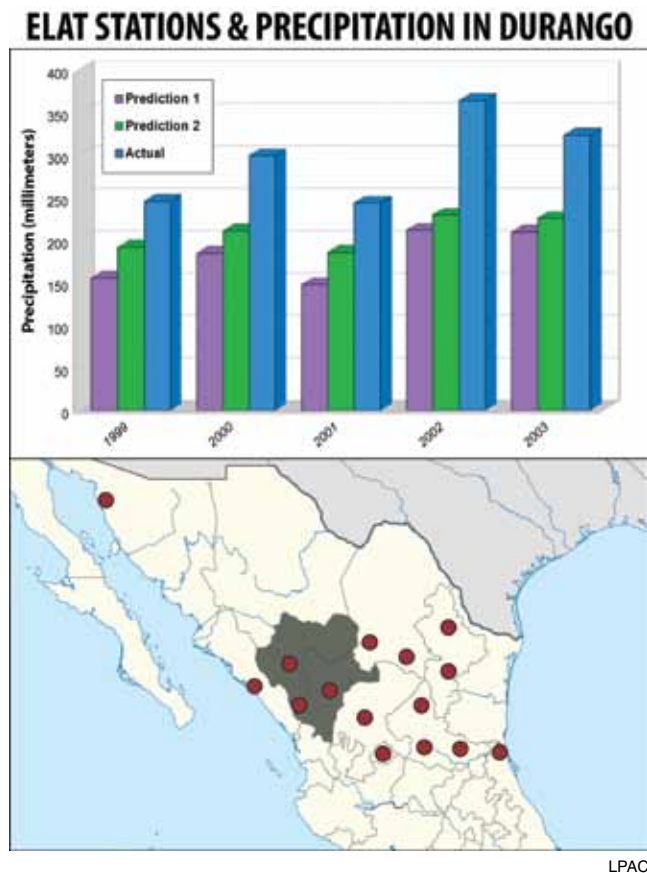
That's one theory, there might be more things involved; but the point of all this is, we have these records of the West in California, we just talked about the Colorado River being 25% less than it was—this is all during a period when the Sun hasn't been doing a whole lot of changing. Now we have indications that the Sun very likely could be heading into a major weakening period, of the type we haven't seen in at least 200 years, perhaps of the type we haven't seen in 400 years. And we have many indications that this type of major solar weakening does have dramatic effects on the precipitation patterns, on moisture flows, on temperature, on climate.

So we are very, very far from a fixed system we're dealing with. We can't just take some fixed value of input/output, some fixed idea of where the water falls and where it doesn't, and just build a system simply off that. Because we have indications that these things change, they can change dramatically, and they can change on a timescale of decades.

Weather Modification/Ionization

So we need to go, as Mr. LaRouche challenged the "Basement" team, to a higher level of addressing the global water crisis. And we've gone through some of this—I'm going to do this kind of quickly—but one major thing is, weather modification with these ioniza-

FIGURE 12



tion technologies. We went through this in detail a few weeks ago in a couple of these shows,² but there are systems that have operated in Mexico for a number of years which have significantly increased the rainfall, through a method of increasing the ionization of the atmosphere, a process that was able to help draw in moisture from over the oceans, and induce atmospheric moisture to condense and form as rainfall (**Figure 12**). We've had significant evidence that these things have been quite successful in Mexico over the past decade.

There were smaller-scale, but very significant studies done in Australia, with similar technologies, which showed that you can increase the precipitation with these types of systems. Another company, Meteo Systems, has done similar activity in the United Arab Emirates, and also recently there have been some papers on new activity in Israel with these types of systems.

So we have an indication that mankind can begin to

actually modulate and manipulate flows of moisture in the atmosphere, and we can begin to control when it falls and where it falls, which obviously would be a critical handle on the types of changes that we were just talking about. If we can't assume that the natural precipitation patterns and moisture flows are going to remain the same, but that they're going to vary with solar activity, and vary with other natural fluctuations, then how can we give mankind a grasp and influence over controlling where those moisture cycles go? Controlling where the precipitation patterns occur? And we definitely have at least one avenue to investigate with these ionization technologies.

There are more things that should be looked into: It should be put as a real challenge to nations, if we're going to have security over our water, we need to begin to look at how to have an influence on climate, on precipitation, on weather, beyond just playing around with cloud seeding, but looking at more interesting—specifically in the electrical and ionization direction—you're looking at more of these electrical and magnetic properties that you can begin to play with.

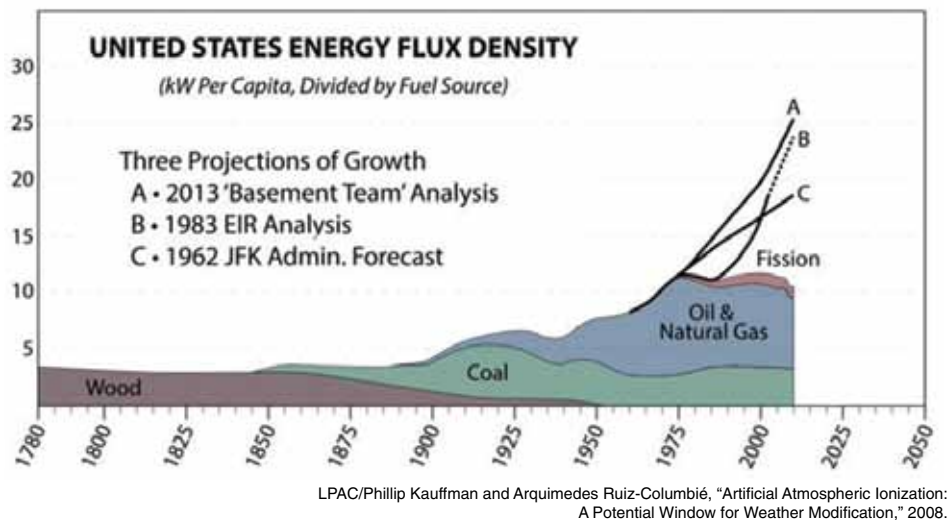
Energy Flux-Density and Desalination

The other significant input that will have to be dramatically accelerated, is desalination, converting salty ocean water to freshwater. Now, again, we live in a context where there have been 40 years of no progress. Kennedy was talking about major desalination systems, large-scale systems, saying with nuclear power desalination, we could begin to address all of our problems with these things. That was just cut off, and we've sat with no progress for 40 years. So, unfortunately much of the discussion around desalination is very pessimistic, "it's too expensive, it's too energy-intensive, it's too difficult," which is just a load of junk.

I was looking at, again, some back-of-the-envelope calculations, and one way to look at this, is with Mr. LaRouche's concept of energy-flux density, and one way you can look at the energy-flux density of a national economy, is by the power per capita, the energy consumed per year per person, average for your whole nation. This doesn't just mean how much energy do I use in my home every day? It means, how much energy is used to power the industries, to provide the food, to transport my food, to power the servers that my computers use? How much energy is used for the national economy as a whole, and then, what's the per-capita value of that?

2. See "Beyond NAWAPA: Controlling the Weather: Ionizing the Atmosphere," [EIR](#), May 30, 2014; and [New Paradigm](#), May 14, 2014.

FIGURE 13



And we've seen, over the history of the United States, for example, with the succession of higher levels of energy sources, with more energy-dense forms of fuels, we've seen this continual growth in the energy use, in the power per capita of the U.S. economy.

But then again, as we just discussed, you see the stagnation, the flat-lining, and the collapse, starting around 1970, when nuclear power was not allowed to be developed, and fusion power was suppressed, dramatically. So, instead of the natural growth process which should have and would have occurred, we've had this flat-lining. Here's an example of a few projections of the energy-per-capita growth estimated by the Kennedy Administration (**Figure 13**), the "C" value, there; our own estimate of "A," if we had a full fission and then a full fusion driver-program, we would expect something more in the range of 20-25 kW per capita, now we're at 10. *Executive Intelligence Review* did a study which showed similar results around the '80s, when they were looking at what would the SDI, Mr. LaRouche's Strategic Defense Initiative program, have done to drive the whole economy forward?³

So if you look at energy-flux density, energy per capita, you look at where we are now, and where we should be, and where we need to go in a healthy, growing economy, and then, if you look at desalination from that standpoint, it's actually relatively little. We're now at about 10 kW per capita, 10,000 W per capita. If we were

to provide all of our water use with desalination—everything except for cooling of power plants, because you wouldn't need [freshwater] just to cool power plants—but water use for mining, for industry, for agriculture, all agricultural water use, water use for your domestic and public supplies; all of the water use in the United States could be provided with about 325 W per capita for desalination. Right now, we're at about 10,000 W, or 10 kW; this would be about 325 W per capita, so one-thirtieth of our current per-capita energy use.

To put that into perspective, we have a total use of 10,000 W per capita; we average about 3,000 W per capita use, just for transportation, on average. So what we accept as the regular cost of moving ourselves around, moving our food around, just transportation needs, is almost a third of our per-capita energy use as a national economy. If we wanted to provide all of our current water use from desalination, it would be one-tenth of that.

So when you look at these relative scales, it's not necessarily a whole lot. And obviously, we don't need to replace all of our water use with desalination, that's not what we're saying we need to do, but just to put it into perspective; relative to even the existing levels it's not necessarily a whole lot. If we'd gone to 15, 20, 30 kW per capita, with a full-fission/full-fusion economy, you could physically afford these types of things. Your relationship to natural resources is completely different: We're now at an energy-flux density level of our national economy where you can afford, on a large scale, to provide water to do these types of things, with desalination, with weather modification, with these types of systems.

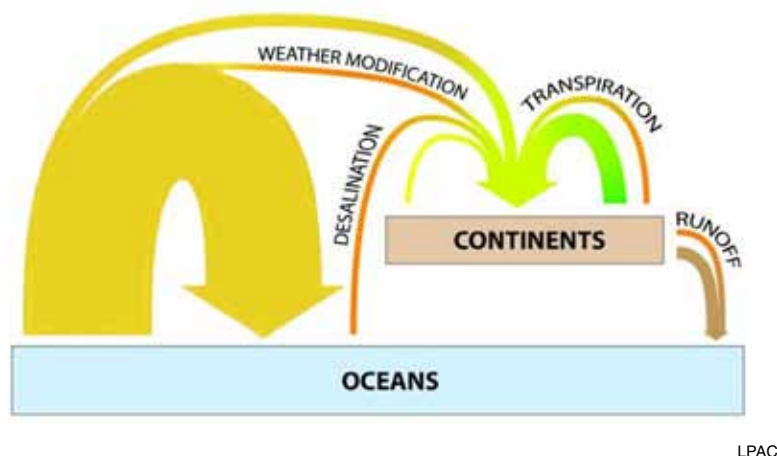
Mankind Taking on the Role of the Sun

We went through a lot of specifics here, but the point is, *this is mankind, really taking over for the role of the Sun, on the planet Earth*. That's what we're talking about; that is, I think, how Vernadsky would look at it, if he were alive today, examining this. He would say: With desalination, and with weather modification, we're looking at mankind actually creating his own

3. "The Economic Impact of Relativistic Beam Technology," June 15, 1983; EIR Research Inc.

FIGURE 14

Man Creates New Terrestrial Water Cycles



cycles, which didn't exist before. And you can see it illustrated in a kind of cartoonish way here (Figure 14), a very significant principle. As we saw before, the entire continental water system is solely powered by the Sun. And as we then developed, that's not constant, that's changing, that fluctuates; it fluctuates in quantity, it fluctuates in distribution, so it's not a fixed input/output system, it's a changing system.

So if mankind is going to take over for the role of this weakening Sun—the Sun's getting lazy, wants us to pick up the slack a little bit—the noösphere needs to come into action, to ensure that the global terrestrial water cycle is robust, accelerating, developing and productive, we can do that with weather modification and desalination. We're actually increasing the input into the continental system. With weather modification, we're actually drawing in moisture from over the oceans, which wouldn't precipitate over land normally, and we can bring it over land, we can increase the input into the terrestrial system. With desalination, we're even going in some degree a step further. The Sun itself is doing desalination all the time, by evaporating the water; we can begin to provide our own power source to do that ourselves, creating a whole new cycle.

And then, with this type of activity and with good management of these cycles, you increase the plant life, you increase the precipitation that plants provide, you can overall then increase the productivity and the activity of these existing cycles.

And then, obviously, all that is going to increase the run-off—this is not just use, this is a cyclical system. And quite frankly, the Colorado River *should* be run-

ning off into the ocean. It should be taking salts and stuff from the soils; it should be flowing into the ocean again. The Rio Grande River should be flowing into the ocean again—these river systems, we're just tapping them out, and taking out all the water, and it's not reaching the ocean again; that's not something we should just leave as is. But the solution is not to stop using the water. The solution is for mankind to play the role as a creative force, for the noösphere to act in augmenting and creating new cycles that will support the Colorado, that will support the Rio Grande.

And again, really, this is quite literally, mankind taking on the role of the Sun. This is mankind as a creative force on the planet, the power of human thought, the power of human culture; Vernadsky called human culture a new form of energy in the biosphere on the planetary system. By employing this higher capability, mankind is quite literally beginning to take over for the Sun in controlling these types of systems.

And then, as we've discussed a lot, it obviously doesn't end on Earth. Moving out into space, asteroid defense, beginning to manage these pesky asteroids and comets. This is mankind beginning to play the role that had been solely given to the Sun in the past, and now mankind is beginning to exert himself as a solar force, so to speak, on the level of stars, on the level of suns. And I think it's no coincidence that this also corresponds with, and is powered by, going to a fusion economy, harnessing the power of the Sun with fusion, in a controlled way, on Earth.

So our challenge, I think, is to put this level of thinking on the table: We're facing a breakdown of the existing system, but especially in the United States, people have been so conditioned to thinking so small—you know, we could see the collapse of the United States just by letting people follow their own assumptions at this point. The oligarchy's created itself in the way people think, and if we don't attack that, and don't challenge people around these ideas of environmentalism, the Green ideology, the hatred of people actually taking an active role in improving and developing the planet, we're not going to have a recovery in the United States. These other nations might move forward, but we're going nowhere but down at this point.

And so, I think our role is critical in challenging



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Liona Fan-Chiang (center): “Most people think of the drought situation as just having ‘less water,’” instead of seeing it as determined by global, and even galactic processes. Megan Beets is on the right.

people with the top-down conception of what is, as Mr. LaRouche put in this Four Laws presentation, from the scientific perspective of Vernadsky, what is mankind’s role and mission on the planet, over the coming generations and beyond, into the Solar System. So this water example is just one aspect, one critical illustration of this more general principle.

Vernadsky: The Age of the Noösphere

Liona Fan-Chiang: It actually is a little worse than you have posed it, because rather than just a fixed cycle, most people think of the whole drought situation, for example, as just having “less water.” Even what you presented of the global system is already bigger than what most people think of.

And so, being able to think of themselves as being able to control that, is already pretty big. But, of course, the main point is that the global system is not isolated. It is a very small part of a huge Solar System, which gets all of its energy from the Sun, and the galaxy, possibly.

And so, yes, it is the ability to control it as a system, but I think the point that you’re making, the point that you elaborated at the end, *is* the main issue, which is our own conception of ourselves. And using that, having the right conception, to the point where it creates the necessity for development. I’m not sure exactly what to say about the fact that our own visionaries right now, don’t have a very far vision!

Megan Beets: Very near-sighted.

Fan-Chiang: Yes, they’re very near-sighted. And even the ones that think very, very far out in time, are still taking a linear extrapolation of the type of growth we have now and extending that. Or even something that we

had previously, and extending that. But that type of extrapolation doesn’t have a principle behind it, it doesn’t have a principle of what mankind’s existence is actually for.

And that’s not something that’s very simple. It is something that has to be continually investigated, and I’m not going to say that I know what that is. But I do know that what we’ve discussed is on a much, much higher level than a lot of people who should be investigating that

exact question, especially people who are leaders in society [are looking at]. If you’re a leader of society and you don’t know what society’s purpose is, that is a problem!

Beets: Yes, I was just thinking about the work of Vernadsky: He died right about the end of World War II, and in 1945, he writes a very small work called, “Some Words on the Noösphere”—something along those lines. Now, you think, after World War I, most of the culture, and Vernadsky himself, were *reeling* from the destructive power that man was able to exert for the first time, with the technological capability of that war. And then, what was continued in World War II. Most of the European and world population was entering a real period of cultural pessimism.

Now, Vernadsky says, okay, however, this is a sign that for the first time, man is able to exert powers on a planetary level, demonstrates to me that we’ve entered the age of the noösphere. And what he means by the “age of the noösphere,” is that the thoughts and the work of civilization, of mankind, for the first time, are becoming the dominant force which is organizing the growth of the biosphere on the planet.

And Ben, you exhibited that beautifully, between the two graphics: first the graphic where the Sun is the main driver of the water cycle (Figure 3), and then in the second one, where you begin to see man accelerating the water cycle (Figure 14). This is exactly how Vernadsky concluded that you have to measure the development of the biosphere, and then of man’s activity. He points out that the action of life on the material of the planet over time has been to accelerate the movement of materials through the different metabolic cycles, and that over

evolutionary time, the rate of movement of materials, and hence the state of organization of the biosphere, has been increasing. And he points out that for the first time, with man, you see the rate of increase within a single generation, because of the activity of technology, because of the activity of science.

And that's exactly what you see with the example of the water cycle, that man accelerates the change in the development of the biosphere. And Vernadsky concludes, even in this period of great trauma to civilization, this is the natural role of mankind, this is the state of nature, and that the development of the biosphere had been vectored toward creating a creature such as mankind, that could actually begin to exert scientific thought as the dominant force over—it wasn't limited to the planet, but the planet and beyond.

It seems like, in that sense, the water cycle example is very good, but it's slightly deceiving, because it's not just increasing the water cycle, because we can also desalinate water internally.

Deniston: Sure.

Fan-Chiang: And also moving the weather, moving the water within the land. But the other aspect, is this idea of creating a state of organization that's higher. Because that is really the qualitative, or even the quantitative aspect, of why we do these things, or why those are considered higher order processes.

The History of Life

Deniston: Yes, it sustains a higher anti-entropic stage. And you look at the history of life—it's a great example of this: You have an increase in the biogenic migration of atoms, you have an increase of the carbon cycle, you have an increase in the oxygen cycle. You have an increase in the energy use per organism. But the point of all that is to support a whole higher-level system, more advanced organisms, more developed animals, leading up to the ability to create a system which could support, then, a form of willful, creative expression, qualitatively different than the animals, which is human activity.

But, yes, one of the biggest things that people have difficulty with, is what Mr. LaRouche put in this four-point memo quite explicitly, which is that mankind is the measure of the Earth and the Solar System, that we have to govern our actions by measuring what are the needs and activity in relationship of the noösphere to the biosphere and the Solar System as a whole. And if you ever try and take it any step lower than that, you're not going to be able to define competent policy; you're

not going to define, with any competent scientific basis, what's appropriate and right for the actions of nations and economies.

Fan-Chiang: Right, because you're always going to be influenced externally without knowing it.

Deniston: Right.

Fan-Chiang: Yes, it does seem like, even this example, taking control of the water cycle would be a prelude, a necessary one, to space development. Because now you're taking on even a larger system. I mean, obviously understanding this system requires a Solar System view, but once you try to take on the Solar System, then you have to take a galactic view.

Deniston: Yes, absolutely.

Beets: I like this point that you guys are both making about man taking over the role of the Sun. And it really does neatly draw together this whole period from the Renaissance until now, in which you had the emergence of the system of nation-state governments, in the Renaissance because of the work of Cusa and then the following work of Kepler, for the first time, man was able to conquer the Solar System with his mind, and actually turn the movements of the stars and the planets and the Sun into a single system which was created as a thought of man, and which was valid, over which he could potentially exert power, and now we see—if we survive this current political period!—we see the potential of man, physically taking over the role of the Sun, physically controlling the Sun and taking over, becoming more powerful in his implementation, in his administration of those functions of the Sun, than the Sun itself.

And then, obviously, as you said, as soon as we do that, what does it imply? The galaxy, the entire galactic system that encompasses the Sun. And I think that just does really neatly draw this whole period together, because in that whole historical development, you also had the emergence of the system of nation-state governments, which was then oppressed by this oligarchical empire system that we're fighting today.

And if man can get free of this empire system of the current British Empire, and fully manifest this nation-state government in a world system of nation-state governments which are actually oriented toward this development of the Solar System, *that's* the natural condition of man. The Empire's unnatural, and the natural condition of man is to do exactly what we've been discussing today.

Deniston: Absolutely.

Beets: Okay. I think that's a good place to leave it for today.

Finally, a New World Economic Order?

Lyndon LaRouche first formally proposed a new world economic order, based on cooperation for high-technology development between perfectly sovereign nation-states, back in 1975. He called it the International Development Bank. In short order, the IDB became an international rallying cry, especially among nations of the so-called Third World. One of the highlights of that campaign of the LaRouche movement—which continues to this day—was the speech given by Non-Aligned Movement leader and Guyanese Foreign Minister Fred Wills to the United Nations General Assembly in September of 1976.

Wills said: “The Non-Aligned Movement and the Group of 77 have tirelessly sought to bring home to those in the developed world ever resistant to change, that the economic progress of the developing countries is in the security interests of the developed countries.... Their [the developing countries’] determination is adamant, inexorable, and relentless. The IMF and the Bretton Woods monetary system must give way to alternative structures like international development banks, which are not geared to the revival and reconstruction of Europe, nor preferential arrangements for the developed market economies, but rather to the just distribution of the gains of an equitable global system.”

Wills’ speech followed a resolution adopted at the August meeting of the Non-Aligned Movement in Colombo, Sri Lanka, which had adopted the same perspective, including a debt moratorium on unpayable debt. The LaRouche movement mobilized aggressively, throughout Europe, Ibero-America, and the United States, to build support for this program, which was the only alternative to the global fascism which LaRouche had forecast in 1971. Unfortu-

nately, the power of the British Empire and its agents, most definitely including Henry Kissinger, proved too great, and the effort failed.

Today, almost 40 years later, and after numerous ebbs and flows in this battle, once again victory is in sight. The BRICS countries, led by Russia and China, *are* organizing an International Development Bank, dedicated to building high-technology projects that have been suppressed by the British financial dictatorship. Countries representing 80% of the world’s population are rallying behind Argentina’s refusal to destroy itself by paying illegitimate debts. And another representative of Guyana, Robeson Benn, has come forward to put the crucial first step of financial reform on the agenda—the implementation of FDR’s Glass-Steagall by the U.S. Congress.

Once again, the world is asking: Where is the United States in this drive for a new, just world economic order?

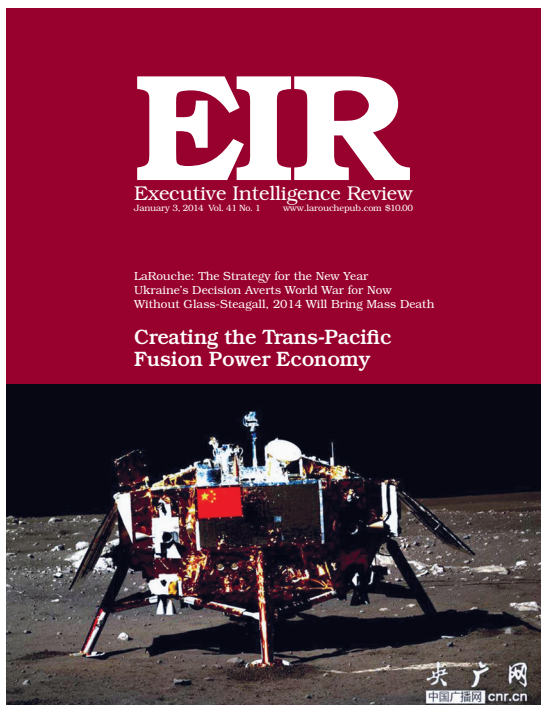
This is the question which the American population must urgently answer, by returning to the principles of the American System of physical-economy which the LaRouche movement has championed. Those principles have recently been set forth by LaRouche, specifically for these dangerous times, in his integrated Four New Laws: Glass-Steagall, national banking, a sovereign credit system, and nuclear fusion power. Their adoption would bring the United States not only in sync with the growing movement for a new world economic order, but put it in the lead.

To do so, however, one major block must be removed—the British puppet inhabiting the White House. That opens the way to the just new system that our nation, and the world, so desperately needs.

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