

# EIR

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Despite Obama Happy Talk, Ebola Still Ravaging Africa  
Merkel, Obama Join Neo-Cons; Danger of World War Rises  
LaRouche: Oust Nuland To Defuse Global War Threat

## The World at a Crossroads: BRICS New Paradigm, or War of Extinction





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# EIR

## From the Editors

**H**elga Zepp-LaRouche took the LaRouche movement's campaign for the BRICS new paradigm, to Washington, D.C. last week, shocking her audience of diplomats, policymakers, and citizens with her presentation of what the BRICS nations have put on the table in terms of development projects which will transform the Earth (*Feature*). The United States must join this process, or else the already ongoing war dynamic will bring global catastrophe.

This issue of *EIR* includes Zepp-LaRouche's entire presentation—which should whet your appetite for the full “New Silk Road” Special Report which she was promoting.

Our other departments highlight the impending disaster if the U.S. does not dump the warmongers, and join the BRICS.

In *International*, we feature the NATO-Merkel offensive against Russia, which the Russians have now publicly identified as a drive for “regime change.” President Putin's address to the Federal Assembly is vital reading, and we excerpt it at some length—as is the recent initiative by members of the German elite who have come out to say “War in Europe? Not in Our Name!”

Lyndon LaRouche explained how to jam up this war drive, in LaRouchePAC's Dec. 5 webcast: Kick neo-con State Department official Victoria Nuland out of office! We present his urgent message, and the latest developments in Congress on the war question.

Mankind faces not only a war of extinction, but the horrors of pandemic disease, should the current paradigm persist. The Ebola epidemic *still* represents such a threat, as Debra Freeman updates the picture in this issue (*Economics*). The latest developments in the accelerating BRICS process are featured in our coverage of South African President Zuma's trip to China. Of relevance for further progress are our interview with Bereket Simon, an advisor to Ethiopian Prime Minister Desalegn; and the latest Schiller Institute conferences on the BRICS New Paradigm, held in Chicago and Boston last weekend.

We urge you not to miss another significant feature of this issue, our obituary for the recently deceased Russian economist Stanislav Menshikov. “Stanislav Menshikov was one of the most energetic, colorful, and knowledgeable participants in Soviet-American relations during the height of the Cold War, and in Russian-American relations thereafter,” and he was also a close friend and interlocutor with Lyndon and Helga LaRouche over 15 years. His personal history provides a unique glimpse into U.S.-Russian relations over several decades.

## Cover This Week

*Helga Zepp-LaRouche holds up a copy of the new EIR Special Report, during the Dec. 2 meeting in Washington.*



EIRNS/Stuart Lewis

### **4 Zepp-LaRouche Puts BRICS Alternative Before D.C. Audience**

Speaking to more than 100 diplomats, policymakers, and citizens at an *EIR* seminar in the nation's capital Dec. 2, Helga Zepp-LaRouche made an impassioned appeal for the United States to join in building the World Land-Bridge, which is now proceeding under the leadership of China and other BRICS nations.

### **5 Helga Zepp-LaRouche: The World at a Crossroads: BRICS Paradigm, or a War of Extinction**

Zepp-LaRouche's keynote address to the Dec. 2 *EIR* seminar in Washington, D.C., on the New Silk Road project. "I think it is a fair statement," she began, "to say that the future destiny of mankind will depend on the question of whether the United States and, to a secondary degree, Europe, will take up the offer made by President Xi Jinping to President Obama at the press conference during the APEC conference, where Xi invited the United States, and other major nations, to cooperate with a whole set of policies promoted by China and also the BRICS countries."

## International

### **22 Merkel, Obama Join Neo-Cons as Danger of World War Rises**

By Helga Zepp-LaRouche. If we do not change the course of the Obama Administration, the British government, NATO, and the EU, toward Russia and China, an uncontrolled escalation could wipe out the human race.

### **25 Putin's Address to the Federal Assembly**

### **28 Open Letter: War in Europe Again? Not in Our Names!'**

### **30 In Memoriam: Stanislav Mikhailovich Menshikov: Russian Economist Sought Dialogue with USA, Even in Perilous Times**

### **33 Menshikov and LaRouche: Two Minds; One Mission**

### **37 Ethiopia's Top Priority: Eliminate Poverty and Backwardness**

Ethiopia has made the development of its people, its most valuable resource, the primary focus of its policies.

### **38 Meles Zenawi: The Neo-Liberal Paradigm Is Dead**

### **39 Ethiopia Adopts Rapid Development Approach**

An interview with Bereket Simon, an advisor to Ethiopian Prime Minister Desalegn.



**Economics****43 Despite Obama's Happy Talk, Ebola Still Ravaging Africa**

President Obama, on a visit to NIH, boasted of his great success in leading the rest of the world in the fight against the Ebola epidemic that has been ravaging West Africa since March. Still, the epidemic continues to spread and the death toll rises.

**46 LaRouchePAC Emergency War Plan Against Ebola****48 Conference Report: U.S. High-Speed-Rail Effort Gets a Boost from China**

*EIR* representatives attended the Dec. 2-4 conference in Los Angeles of the U.S. High Speed Rail Association. This is their report.

**50 South African President Zuma's Visit Expands Close Ties with China**

President Jacob Zuma, accompanied by a large delegation, paid a four-day state visit to China, beginning Dec. 3, to advance his nation's collaboration with China on trade and economic development.

**National****53 LaRouche: Oust Nuland To Defuse Global War Threat**

Lyndon LaRouche's message to the weekly LaRouchePAC webcast Dec. 5, as delivered by his spokesman: "The fact is that we are facing a very serious threat of general warfare facing the entire planet today, and this is a result of the strategic provocations against Russia and China, which are being carried out by the British Empire, its bankrupt trans-Atlantic financial system, and the Obama Administration in the United States, in particular."

**56 Conferences Rally Americans To Join BRICS, New Silk Road**

A report from the Boston Schiller Institute conference, "Why the U.S. Should Join the BRICS and the New Silk Road!" This kicks off a series of events around the nation aimed at bringing the U.S. into collaboration with the BRICS and their allies.

**57 Greetings from the Chinese Consul General in New York****Editorial****58 Clean Out the Bushes**

# Zepp-LaRouche Puts BRICS Alternative Before D.C. Audience

Dec. 6—In a presentation to over 100 diplomats, policymakers, and citizens in the nation’s capital Dec. 2, Helga Zepp-LaRouche, founder of the Schiller Institute, made an impassioned appeal for the United States to join in the process of building the World Land-Bridge, which is now underway under the leadership of China and other BRICS nations. The offer made by Chinese President Xi Jinping to the U.S. and Europe, to join in this process of development, is “a lifeboat for a bankrupt trans-Atlantic world,” she said. For if the trans-Atlantic world stays on its present course, it is headed for confrontation with Russia and China—the path toward thermonuclear war.

During the course of her presentation, Mrs. LaRouche detailed the “blueprint” for development which has just been issued in the Special Report from *Executive Intelligence Review*, “The New Silk Road Becomes the World Land-Bridge.” Her extensive opening remarks were followed by an hour of discussion with the audience, which paid close attention to the details of the worldwide dynamic she presented.

The event was filmed by the Chinese news service Xinhua, which published an English-language report in *Global Times*, as well as in other newspapers.

The Dec. 2 event, sponsored by *EIR*, will be followed by a series of events around the United States, aimed at both educating and motivating the American public to take the necessary steps to get the U.S. government to take up the China/BRICS offer for economic cooperation, and abandon the current pathway toward confrontation with Russia and China. A listing of those events, to be held under the auspices of the Schiller Institute, can be found under “What’s New” at [www.schillerinstitute.org](http://www.schillerinstitute.org).

# The World at a Crossroads: BRICS Paradigm, or a War of Extinction

*Helga Zepp-LaRouche gave this keynote address to the Dec. 2 EIR seminar in Washington, D.C., on the New Silk Road project.*

I think it is a fair statement to say that the future destiny of mankind will depend on the question of whether the United States and, to a secondary degree, Europe, will take up the offer made by President Xi Jinping to President Obama at the press conference during the APEC conference, where Xi invited the United States, and other major nations, to cooperate with a whole set of policies promoted by China and also the BRICS countries.

This set of policies is, naturally, on the one side, the New Silk Road. It is the idea of a new credit mechanism around the Asian Infrastructure Investment Bank, the AIIB, but also the new Silk Road development Fund, and similar mechanisms and new institutions which I will go into in the course of my presentation.

Now, why do I say that the fate of civilization, in all likelihood, will depend on that that particular offer by Xi Jinping to the Atlantic world, in particular, to join?

Because it's very clear that the policy, which is presently the policy of the trans-Atlantic sector—the United States, NATO, the British, the EU—toward Russia and China, is one of confrontation. Toward Russia, it's more obvious, since the outbreak of the Ukraine crisis—which, if you are honest about it, is entirely the fault of the EU, because the condition on which the EU Association Agreement was offered, was already a kind of first step in the direction of regime change against Russia. And all the subsequent developments are really a chronology, in which Russia all the time reacted, and therefore is really not the guilty party, despite the fact that the mainstream media in the United States and



EIRNS/Stuart Lewis

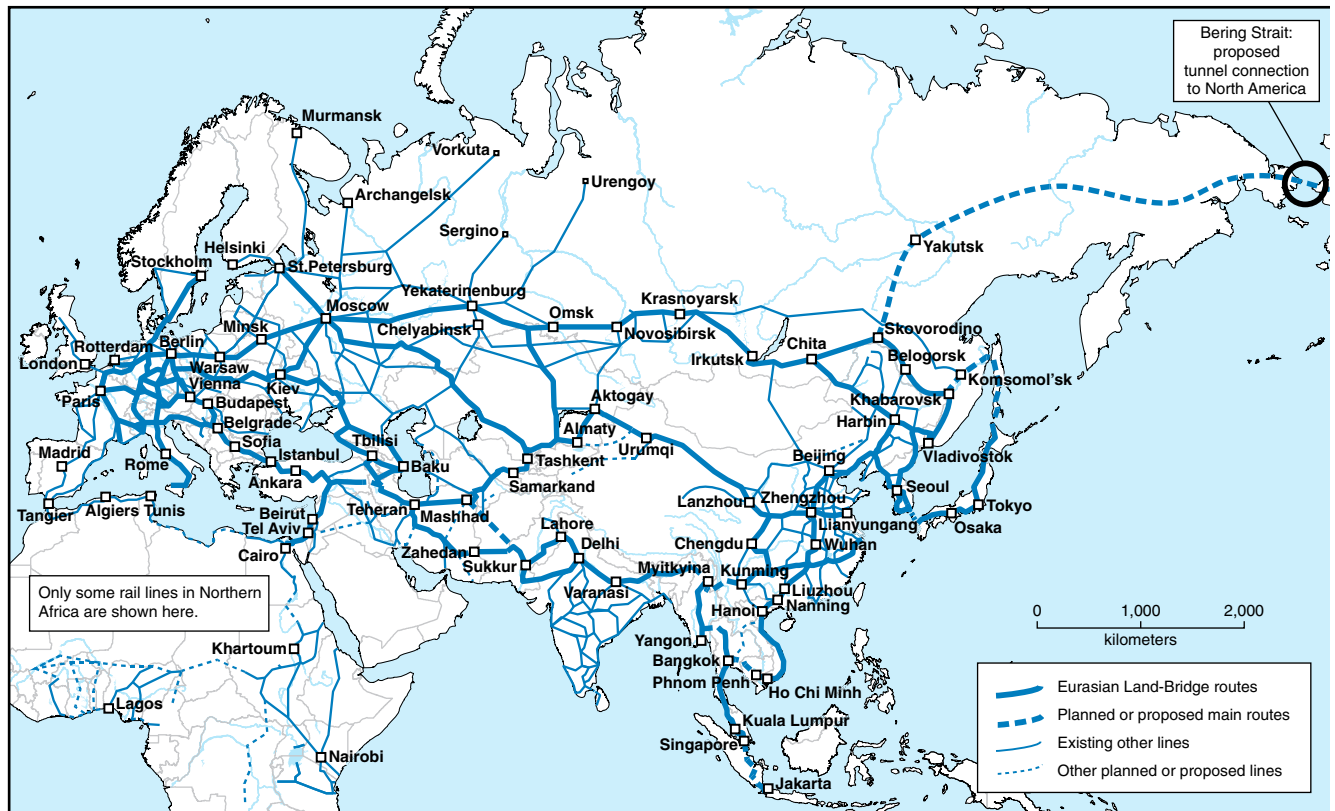
*Helga Zepp-LaRouche holds up a copy of EIR's just-published Special Report, during the Dec. 2 meeting in Washington.*

Europe tell you the exact opposite.

So, this policy toward Russia and China, which consists of a color revolution—that goes back since the end of the Soviet Union. [U.S. Assistant Secretary of State] Victoria Nuland has praised herself for having spent \$5 billion from the NED [National Endowment for Democracy] alone to accomplish that. But it also includes the sanctions. Russian Foreign Minister Lavrov has been explicit to say that the aim of the sanctions is not to change the policy of Russia, but to get rid of [President] Putin. And naturally, the NATO expansion eastward, which breaks all promises made to Russia at the end of the Soviet Union, is part of the same game. And the same organizations which are in the destabilization in Eastern Europe, are also heavily involved in the Hong Kong demonstrations. And there the aim is exactly the same.

And if you look at the front page of the *Washington Post* this morning, you have another example of the

FIGURE 1

**Eurasian Land-Bridge: Main Routes and Selected Secondary Routes**

black propaganda, using human rights issues, using issues of democracy; but if you really look at it, democracy in the United States is not in such good shape either. And in Europe, with the EU Commission, I think even the officialdom admits that we have a democracy deficit, to put it mildly.

### A Lifeboat for the Trans-Atlantic World

When President Xi Jinping makes this offer, it also comes at a point where the Atlantic sector is hovering on the edge of a new financial collapse. You have, on the one side, the collapse of the oil price, which in part is also economic warfare, because Saudi Arabia, at the recent OPEC meeting, flatly refused to adjust the production; and who is the hurt country? This is Iran, naturally, but it's also Russia, in particular.

However, as President Putin recently pointed out, this is one of the evil deeds that backfires, because it has now dropped the oil price to about \$70, or even somewhat less yesterday, and that is creating a big problem for those oil companies, and shale oil companies, which have gone into massive debt. They're indebted by about

\$1 trillion, but the repayment of that debt would require an oil price of \$80 to \$120; so one could make the comparison now, that the situation approaches a similar situation, like during the secondary mortgage crisis in 2007, when the collapsing mortgage prices triggered the big crash. And right now, the falling oil price could trigger a big crash.

So, either the oil price shoots up dramatically, or a crash could happen. And that, naturally, on top of the situation that the too-big-to-fail banks are today about 30-40% bigger than in 2007, and if one of these banks would collapse, it could trigger the virtual evaporation of the entire financial system of the trans-Atlantic sector.

So, therefore, when I'm saying that the acceptance of President Xi Jinping's offer is a lifeboat for a bankrupt trans-Atlantic world, this is not an exaggeration.

### The Land-Bridge Becomes a Reality

Now, first slide (Figure 1): This is a proposal we made, Mr. LaRouche, myself, and other members of our organization. When the Soviet Union collapsed—

actually it started a little bit earlier—but when the Soviet Union collapsed in 1991, we proposed the Eurasian Land-Bridge, as a way to connect the population and production centers of Europe with those of Asia, through so-called development corridors. And we have campaigned for this program in the 24, or 25 years, since.

That is why, when President Xi Jinping announced a New Silk Road last year in September in Kazakhstan, we were extremely happy. We were extremely happy because we had thought of this Eurasian Land-Bridge as a peace order for the 21st Century. And then, when in the Fall last year, he added the idea of a Maritime Silk Road, this program developed.

Then, in May, you had the extraordinarily important strategic summit between President Putin and President Xi in Shanghai, where they had many economic and other cooperation deals, including the 30-year cooperation in the gas delivery from Russia to China.

But then, the really big break came with the BRICS meeting in July in Fortaleza, Brazil, where virtually, the birth of a new economic system was announced. And at that point, you had not only the BRICS countries meeting, but in the following days, the heads of the BRICS states met with the leaders of the UNASUR [Union of South American Nations], of the CELAC [Community of Latin American and Caribbean States] of Latin America, and they agreed on many, many projects of cooperation.

And since July of this year, a completely new dynamic has developed in the world, which most people in the United States and Europe have no inkling of, because the mass media are absolutely not reporting on it. But as you will see, from what I'm going to say, an explosion of big projects has been agreed upon, or already started, and it has spread an unbelievable optimism, whereby even nations which are not part of the BRICS or the CELAC or UNASUR, have been encouraged to implement projects which have been on the shelves for decades, but because of the IMF conditionalities, were not implemented. Because the IMF would always say, no, you can't organize this project because you have to pay your debt first. You have to cut your health system. You can't invest in infrastructure. So, a lot of these projects were available, but they were not implemented.

But with the new dynamic, this has completely changed. And, for example, China is now in the process of helping to build a second Panama Canal through Nicaragua. China is also involved in building, for the first

time in history, a transcontinental railway from Brazil to Peru, and other routes are also envisioned.

Other countries, like Egypt, are clearly in the dynamic of this optimism, and with the taking over of the government by General [Abdel Fattah] el-Sisi, they're building now not only a second Suez Canal; el-Sisi has promised a job for every young person in Egypt. They're building agro-industrial complexes. They're desalinating ocean water, and many other such things.

Besides China, which I will go into somewhat later, also India has completely been transformed, and there is an enthusiasm among the Indian population about the leadership role of Narendra Modi, the new prime minister, who has promised to build 100 new cities in India; to create 1 million new jobs every month. Now, that is an unbelievable change in the situation which really is—I have not seen in my whole lifetime, not during the time of the Non-Aligned Movement, at no time—that this really took place. And they agreed on many programs of nuclear cooperation among China, Brazil, Russia, Argentina, India. Also joint space programs. So it is a completely new situation.

## **A New International Financial Architecture**

Now, before I go into these projects, I will address the issue which most people always ask: Who should finance all of this? It's the most pressing issue people have. It shouldn't be, but it is.

There are dramatic changes occurring: China has organized the Asia Infrastructure Investment Bank, and on Oct. 24 of this year, the cooperation in this bank was signed by 21 Asian nations. The initial capital in this bank will be \$100 billion. The BRICS countries had also agreed in Fortaleza to construct a New Development Bank, which has an [authorized] starting capital of \$100 billion. The Shanghai Cooperation Organization is also creating its own bank. The South Asian Association of Regional Cooperation, the SAARC, which just had a conference in Nepal, also will create such a bank. There will be a New Silk Road development fund, to kick off the Silk Road, of \$40 billion. The Maritime Silk Road will have an initial funding from China of \$20 billion.

And the BRICS countries also agreed on a so-called Contingency Reserve Arrangement, with capital of \$100 billion, that is designed to help participating countries in fending off attacks from vulture funds. Because these countries have drawn the conclusion from the big Asia crisis, from 1997—when such speculators as



George Soros speculated the Asian currencies, in a couple of weeks, down, by up to 80%—that they will now protect themselves with such a fund.

If we can get the United States and Europe to join—which we are determined to really make the strategic issue number one—then even larger amounts of credit could be made available, and in that case, one would have to address the bankrupt trans-Atlantic financial system, and implement the Glass-Steagall reform, exactly in the way that Franklin D. Roosevelt did on the 16th of June 1933, and which led to a period of several decades of stability and growth in the financial system.

In the Congress, and in the Senate, there were several bills introduced for Glass-Steagall. There are 200 national organizations in the United States which have signed a resolution for the implementation of Glass-Steagall. So it's not just an idea; it's a very real issue: how you address the non-resolved banking situation, which already in 2008, almost led to a meltdown of the world financial system, and obviously, [Glass-Steagall] needs to be revived.

Now, the theoretical basis for the Glass-Steagall separation of the banks, will also mean going back to the American System of economy, something which is not so well known any more. But Alexander Hamilton, the first Secretary of the Treasury, implemented a credit system in the United States, which is very, very different than a monetary system. And that system was successfully revived by Lincoln, with the Greenback policy. It was implemented by Franklin D. Roosevelt with the Reconstruction Finance Corporation; and it was the model for Germany, based on the Reconstruction Finance Corporation, and with the help of the Marshall Plan, to rebuild Germany from a rubble field, and turn a completely destroyed economy into the most admired economic miracle in the world, up to the point when China had their own economic miracle.

So, what we are proposing is not some wild, utopian idea, but something which always, when the United States was prospering, was the basis of the financial system. And it has been successfully applied in other parts of the world.

Let's go to the next slide (**Figure 2**). This is the Eurasian landmass, and to the right, you have South America. This is a combination of links among continents, islands, and development corridors, which, as a totality, is a World Land-Bridge.

The first picture you saw was the Eurasian Land-Bridge which we proposed in '91, and in the last 25

years, we have worked on the expansion of that original idea to become a World Land-Bridge. And this is now our updated version, and this report<sup>1</sup> is a blueprint. If we want to get the world out of the mess, and if we want to have a peace order for the 21st Century, then that should be the issue of discussion of major governments around the world. I actually call on you, if you agree with only 90% of what I'm saying, then please help us to make sure, that everybody in the Congress, everybody in the government, everybody around the world, will talk about this.

## The Projects

Now, I'll just go through some of these projects, not extensively, but just to give you an idea about the incredible amount of things which are already in consideration, or, in part, in construction.

First, we have Number 1; This is the second Panama Canal, which will connect the Pacific and the Atlantic Ocean. It will be going through Nicaragua, through Lake Nicaragua. It will be 278 km long. During construction, it will employ 50,000 workers. It will have two ports, one international airport, and naturally, a lot of supporting industries, like cement, steel, other infrastructure; so it will be a complete boost for the Nicaraguan economy, and it will take only five years to build, with mainly Chinese financing.

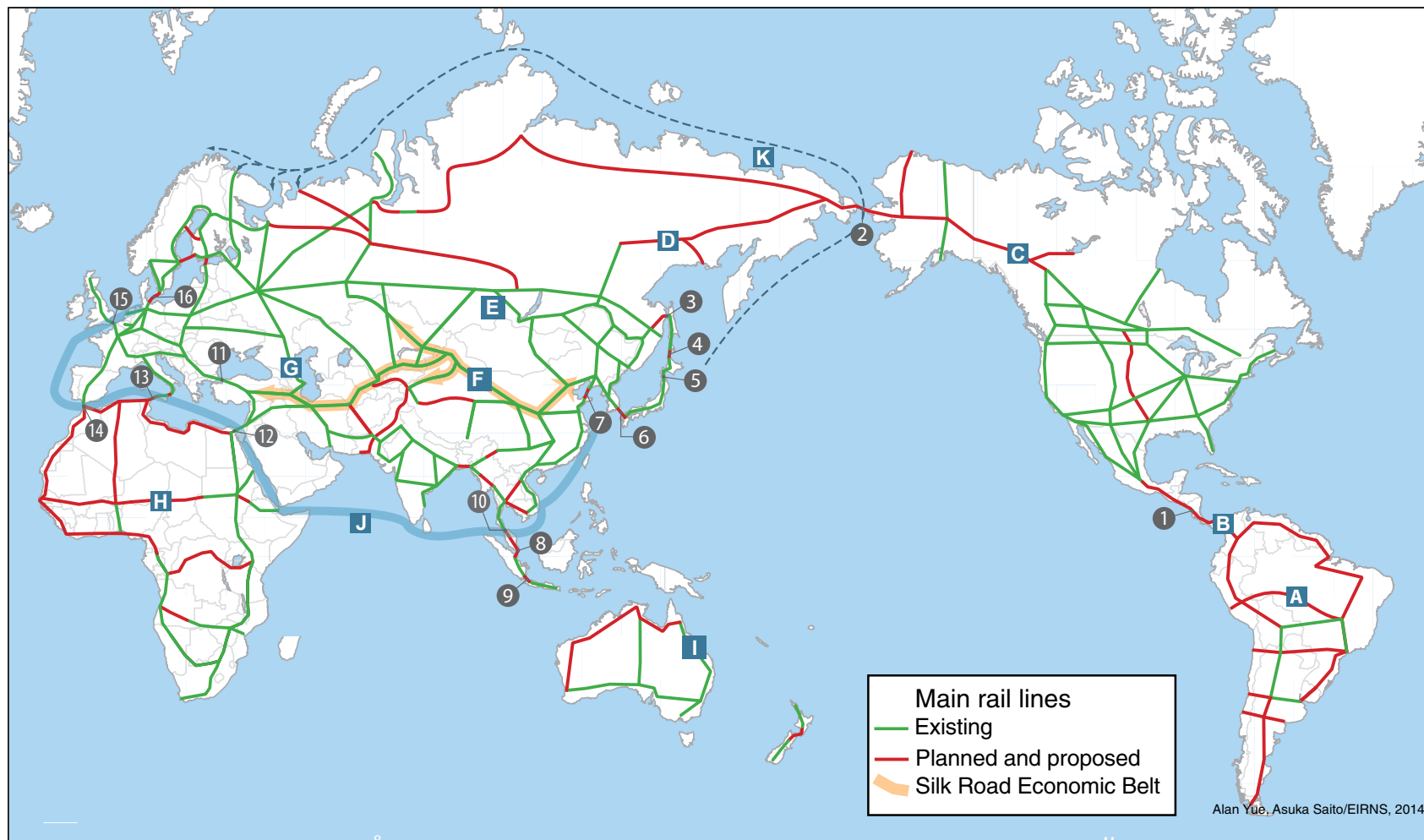
The second project (Number 2), up in the North, is the Bering Strait tunnel. This is a proposal to connect Alaska and Siberia, and build a tunnel in the gap in-between. This tunnel would be 85 km long, and connect the transport systems of Eurasia with those of America. This has been on the table since the 1800s.

There was, in 2007, a major conference in Moscow where Mr. LaRouche and I participated, and this was greeted with great enthusiasm by a lot of academicians from the Academy of Science—and these were all men over 80, but top scientists. And they were so enthusiastic about this proposal, that they said, “Oh, in 20 years, we will be able to travel from Acapulco through the Bering Strait, all the way to Mumbai, in a much shorter time than today we can do by ship.”

It was also proposed that the Alaskan port will be called LaRouche City, and the Siberian port will probably be called Granberg City [after Russian Academician Alexander Granberg], one of the authors of this

1. *EIR Special Report*: “The New Silk Road Becomes the World Land-Bridge,” December 2014.

FIGURE 2  
The World Land-Bridge Network—Key Links and Corridors



Alan Yue, Asuka Saito/EIRNS, 2014

#### LINKS

- \*Great Inter-Oceanic Canal, Nicaragua
- Bering Strait Tunnel
- Sakhalin Island-Mainland (Russia) Connection
- Sakhalin-Hokkaido Tunnel
- \*Seikan Tunnel
- Japan-Korea Undersea Tunnel
- \*Bohai Tunnel
- Strait of Malacca Bridge
- Sunda Strait Bridge
- Isthmus of Kra Canal
- \*Bosporus Strait Rail Tunnel
- \*Suez Canal Expansion
- Italy-Tunisia Link
- Strait of Gibraltar Tunnel
- \*English Channel Tunnel
- \*Scandinavian-Continental Links

#### CORRIDORS

- \*Peru-Brazil Transcontinental Railway
- Darien Gap Inter-American Railway
- Alaska-Canada-Lower 48 Rail Line
- The Bering Strait Connector
- Trans-Siberian Corridors
- \*Silk Road Economic Belt
- \*International North-South Transport Corridor

- \*Cross Africa Rail Lines
- Australia Ring Railway
- \*Maritime Silk Road
- \*Northern Sea Route

Note: Geographical locations and corridors are shown schematically, with more than one railway combined as a single line in cases where major routes are parallel and in proximity.

project from Russia. China has already expressed great interest to participate in the construction of this.

Number 13 is the Sakhalin Island-Russia connection. This strait is 7.3 km at the narrowest point, and the idea is to build a tunnel from the southern end of Sakhalin Island, to Japan, and it would connect Japan with the Eurasian landmass.

Number 4, a tunnel between Sakhalin and Hokkaido; either a tunnel or a bridge, which would then link the Russian island with the Japanese island of Hokkaido. This would be at a length of 45 km, and would also connect Japan by rail to the Eurasian continent.

Number 5 is the Seikan tunnel, which opened in 1998. This is currently the largest and deepest tunnel in the world at 53.85 km, and was regarded as essential for the unification of the Japanese nation.

Number 6 is a tunnel between Japan and Korea, which connects Japan and South Korea at a length of 128 km.

Number 7 is the Bohai tunnel, which would be a tunnel under the Bohai Strait, of 100 km, making high-speed-rail connection between the two Chinese cities Dalian and Chantai, and this will take ten years to build.

Number 8 is the Strait of Malacca Bridge, which connects Malaysia and Indonesia, and that is already being financed since 2006 by the Chinese Eximbank. This is ongoing.

Number 10 is the Kra Canal, which would overcome the present bottleneck of the Strait of Malacca, which has very high traffic, and that will be either 50 or 100 km long, depending on the exact route. We have been campaigning for that since, I think, the '80s, when Mr. LaRouche and I were conducting a conference in Bangkok, and now it is back on the agenda of the BRICS countries.

Then, Number 12, the Suez Canal expansion: This now has transformed Egypt completely, because, with el-Sisi taking over the government, he has announced that he will completely change the Egyptian situation, promising a job to every young person, and they have already built an enormous amount of kilometers since the Summer of this year.

Now, the expansion of the Eurasian Land-Bridge: We have already proposed a couple of years ago, to expand it into Europe, the Mediterranean, and to Africa. Now, as you know, with the Troika, southern Europe is an absolutely collapsing part of the world. Greece, Italy, Spain, Portugal—these countries are dying. You have an increase of the death rate, the collapse of the birth

rate, the suicide rate is going up, the health sector is collapsing, and the massive, brutal austerity policy of the EU Commission is simply ruining these countries. And therefore, for Europe, becoming part of this, is a question of survival.

One project which we don't have here is the Italy-Tunisia link, which is the idea to build a bridge between the mainland of Italy and the island of Sicily, and from there, a five-track tunnel from Sicily to Tunisia. And we just had a conference in Frankfurt, where one of the authors, the engineer [Dr. Nino Galloni], one of the designers, spoke at this conference.<sup>2</sup>

Number 14: This is the Strait of Gibraltar. This is a very exciting project, which could start tomorrow, because between Spain and Morocco, already a couple of years ago, a feasibility study was made, and presented in 2009 to the EU Commission, which naturally, because the EU is motivated by different concerns—namely, to save the bankrupt European banks—they have not gone ahead to implement that. But it could start immediately.

## The Development Corridors

Now, let's go to the corridors.

These are not just transport lines from A to B. When we developed the first Eurasian Land-Bridge, Mr. LaRouche was emphasizing very much the need to build corridors. That is, if you build a transport connection, like the Eurasian Land-Bridge, this was the idea to have an integrated system of fast trains, of highways, of waterways, and then have a corridor of about 100-km width, and then put in energy production and distribution, communication. And that way, create the infrastructure conditions for investment in industry, industrialization of agriculture; and that way, create the same kind of conditions for investment, as you normally only have at seaports, river systems, or the oceans.

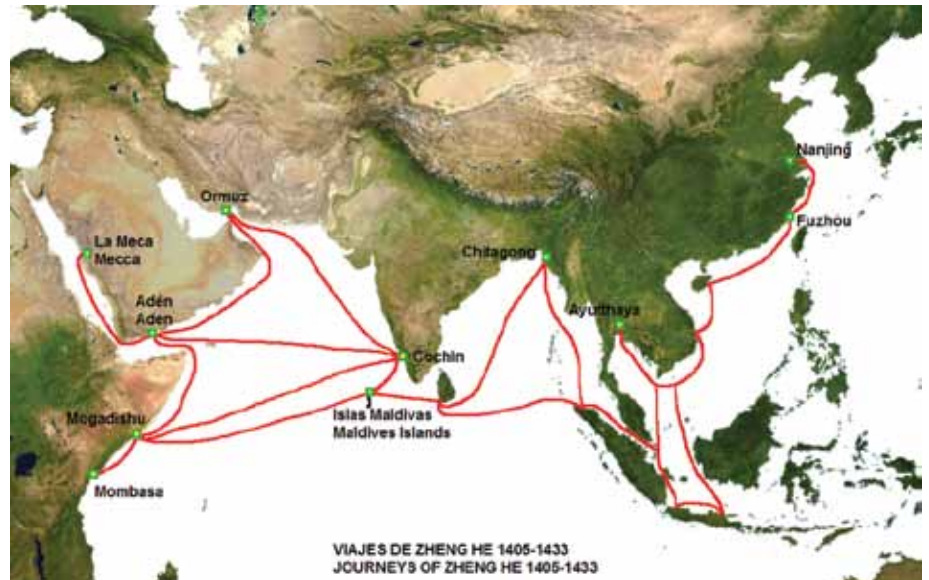
So, you bring the infrastructure into the land-locked areas of the planet, and that way, have a basis of overcoming the underdevelopment.

Now, Letter A: This is the transcontinental railway from Brazil to Peru.

Letter B: The Darien Gap. This would connect the Inter-American Railway all the way from Alaska to Tierra del Fuego, in Argentina. Presently, that connection is interrupted for about 100 km by the so-called

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2. Complete conference coverage can be found on the Schiller Institute [website](#).



*President Xi's Maritime Silk Road is reviving the tradition based on the famous voyages of the Chinese Admiral Zheng He (left). The map depicts his journeys (1405-1433).*

Darien Gap, through swampland and forest, and it would bring a tremendous economic benefit to connect that.

Letter F is the Silk Road Economic Belt, which President Xi Jinping proposed, and that is already agreed upon, as of now, by 18 Asian and European countries. It will affect the economic life of 3 billion people on the planet.

Letter H is a cross-Africa rail-line system. The left side is the existing railway, and you can see that Africa, at this point, does not have one rail line from Dakar to Djibouti, or from the Cape of Good Hope to Cairo, because the colonial powers only would build railways from the raw material mining, to the port. That condition also exists in Latin America. If you look at the maps of Africa and Latin America, you do not have an existing intercontinental infrastructure system, and therefore, if you want to develop these two continents, really, an integrated railway system is the absolute precondition.

And Chinese Prime Minister Li Kejiang, who was in Africa this year, promised that China would help to connect all Africa capitals through a high-speed-rail system. And that is obviously extremely good; and the African countries are all much happier with such offers, than the Sunday sermons by EU officials, who say, you should do this, you should do that, but they don't deliver any infrastructure or other things.

Now, lastly, part of this is the Letter J, which is the

famous Maritime Silk Road, which is really reviving the tradition, or the famous voyages, of the Chinese Admiral Zheng He in the 1400s, which was emphasized by President Xi Jinping also recently.

### The Principle of Development

Now, why is this so exciting? Because if you really think about the arc of human development, it's a longer period—or not only human development, go back many hundreds of millions of years. And then you realize that the evolution of life occurred on our planet from the ocean, to the landmasses, with the help of photosynthesis. Then you had the development of higher biological organisms, and then finally, with the coming into being of mankind, mankind started to occupy that landmass.

In the beginning, they were settling along the rivers and ocean. But then, eventually people had the idea of building canals. One of the first ones to connect rivers was Charlemagne, who started to connect some of the European rivers, an effort which died after he died. But infrastructure development, inward into the continents, was a part of natural evolution of mankind.

And that evolution is now reaching, with the World Land-Bridge, that phase where we can open up all land-locked areas in all continents, for human settlement and habitation. And naturally, as the great German-American scientist Krafft Ehrlicke noted in a very exciting book [*The Extraterritorial Imperative*—ed.], the next



phase of that infrastructure development will not stop at the planet Earth, but it will extend to nearby space, and the colonization of the Moon. Then from there, operating on nearby planets, asteroids, comets, from Earth, but with instruments which reach as the extension of the human senses, into near space and beyond.

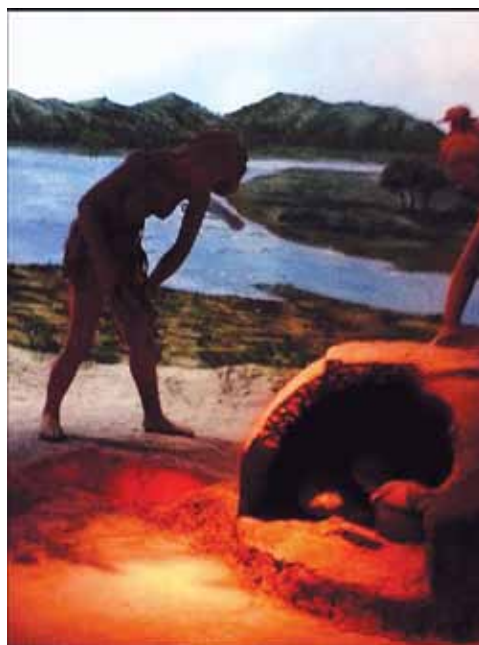
So, you have to really look at this development as a long arc, and not say, we can't do this now. Look at all of this from the standpoint of the future. Think what enormous development mankind has made only in the last 10,000 years, since the last Ice Age, and then you have a completely different view of where we will be in 100 years—if we are not so stupid to destroy ourselves. Where will we be in 10,000 years? And you develop a much more optimistic view on what mankind is capable of doing.

Now, I should say that this entire report [see footnote 1—ed.], and the previous efforts, are all based on the physical-economy theory of Mr. LaRouche. Now, Mr. LaRouche is the only economist who deserves that name, and I'm not saying that because I'm his wife, but because he's on the record of having been the only one who forecast every economic collapse, and every economic downfall, since 1971; but his first forecast was done effectively in the '50s. And he was always correct, while all the so-called monetarists—the Vienna School, the Keynesians, the Chicago School—they were all mistaken.

And they're using mistaken methods, because they're using statistics. They're using algorithms, one of the most absurd inventions ever, because it's the idea that you can predict human behavior on the basis of past behavior, which is completely crazy, because it eliminates creativity.

We are not robots, we are not machines, but the human species is the only species which is capable, again and again, to discover universal principles in science, in art, and in that way transform our mode of existence, by applying the results of these discoveries in the production process. And as you do that over a longer period of time, you increase the productivity of the pro-

FIGURE 3  
**The Use of Fire by Early Man**



duction. You increase the productivity of the labor force. And you increase the living standard and the longevity of mankind.

### Energy-Flux Density

That is uniquely what human beings, contrary to all other living species, can do. And Mr. LaRouche has developed a metric of how one measures that, and that is called energy-flux density. Because there is a direct correlation between energy-flux density applied in a production process and the living standard and the population density which can be carried at each point of the development of this process.

Now, most of you know the tragedy by Aeschylus, *Prometheus Bound*. This is a beautiful story, and it's not a myth, but it is the first, at least in writing, transmission of what technology and science can do for mankind. Because in this play, Prometheus describes, very, very beautifully, how the fire which he dared to bring from Olympus to mankind, transformed the mode of existence of human beings, by allowing for instrument production, agriculture, navigation, and all kinds of other benefits. And naturally, the evil god of Olympus, Zeus, chained Prometheus to a rock forever, having an eagle eat his liver as a punishment.

But Prometheus never regretted that he had done that [brought fire to man—ed.], because he loved mankind. And Friedrich Schiller said that that quality of Prometheus, of not regretting that he did that, despite the fact that he was tortured for eternity—that is the ability of mankind called the Sublime: that you stick to a noble principle, despite the fact that the evil oligarchy is trying to move against it.

This is a picture from a museum (**Figure 3**, I think it was in Lanzhou, in China, which I had the fortune to visit this August, and they show, on the left side, this reddish spot is a fireplace; and there is a nice museum which shows actually, how, with the help of fire, mankind was able to really start to cook his food, start all kinds of techniques; so it was a big, big breakthrough, because if you don't have fire, naturally you have a very low productivity.



FIGURE 4

### The Energy Density of Fuels

FUEL SOURCE	ENERGY DENSITY (J/g)
Combustion of Wood	$1.8 \times 10^4$
Combustion of Coal (Bituminous)	$2.7 \times 10^4$
Combustion of Petroleum (Diesel)	$4.6 \times 10^4$
Combustion of $H_2/O_2$	$1.3 \times 10^4$ (full mass considered)
Combustion of $H_2/O_2$	$1.2 \times 10^5$ (only $H_2$ mass considered)
Typical Nuclear Fuel	$3.7 \times 10^9$
Direct Fission Energy of U-235	$8.2 \times 10^{10}$
Deuterium-Tritium Fusion	$3.2 \times 10^{11}$
Annihilation of Antimatter	$9.0 \times 10^{13}$

Now, if you think about the successively higher forms of chemical fire, you have the development from using wood, then you go to charcoal, to coal, to coke, eventually to fossil fuels, petroleum, natural gas, and these each time open up new technologies. So it was not just the higher energy-flux density in the fuel, but it always opened up new technologies, like metallurgy, new materials; and when you go to fission, and finally to fusion and matter-antimatter reactions, you will have

an enormous change in the mode of production. Thermonuclear fusion will be the absolute change, because then you will have for the first time, energy and raw materials security, because we can just use garbage and turn it back into raw materials. So that is the way to go.

Now, if you look at the next slide (**Figure 4**), if you look at the increase of the energy-flux density, man without fire only has muscle to use, and then his capacity is about 100 watts, which is not very much. Now, 200 years ago, at the time the United States was founded, you still have a wood fire economy, that provided an estimated 2,400 to 3,000 watts per capita, which is already 30 times higher energy use than before the use of fire was invented.

Around the year 1920, when you had coal power, it was 5,000 watts, which was double the amount of the wood-powered economy, which already enabled powered machines, transportation, early forms of electricity, and modern chemistry.

And with each move upward, that which was used as a fuel at the previous level, then could be used for other things. For example, you could use coal for chemical production; you can use oil, petroleum, such things, for chemistry and other things. And you're not wasting it by just burning it.

Now, today, obviously with nuclear energy, the whole issue of rare earth [elements] is becoming much more important. Go to the next slide (**Figure 5**).

This is the map of the nuclear power plants distributed around the world.

Next (**Figure 6**): This is an Indian prototype reactor.

Next (**Figure 7**): This is the Chinese EAST [tokamak] reactor.

Next (**Figure 8**): And this is an artist's rendition of the mining of helium-3 through the Chinese lunar missions.

FIGURE 5

### Nuclear Power Plants Worldwide, August 2005



### Helium 3 and Fusion Power

As you know, China made a tremendous breakthrough last December, by landing its Yutu/Chang'e-3 lander on the Moon, and it is now planning to accelerate that with the aim to, in 2017, start bringing materials back from the Moon. And that is supposed to mine very large quantities of helium-3 on the Moon for future fusion production on the Earth.

And as I said, fusion technology is the *absolutely necessary* next step, in the evolution of mankind, because, as I said, it not only will mean tens of thousands of years of energy security, but it will also mean raw materials security, and therefore, will eliminate one of the big areas of tension in the world, namely, scarcity and hunger and poverty.

With fusion, the power rates for an average citizen in the United States would go up to 40,000 watts per capita, and if you compare that to an average of 2,400-3,000 watts, which is about the level of what the United States had 200 years ago, you can see the enormous need to have more energy production and high energy-flux density.

Now, Mr. LaRouche has also developed a unique measuring rod, to determine if an investment is productive or not. And that is the correlation between the energy-flux density and the potential relative population density, which is made possible through that level of energy-flux density. The category of “relative” refers to the quality of the land, and the improvements made by human beings to it, and the “potential” level means what can be accomplished through higher energy-flux densities.

Now, each level of such development is always restricted by the physical principles which are known to humankind at that point, and the ability to implement them; and obviously, each time you have a breakthrough, it redefines the entire economic platform. So each time you reach a qualitative breakthrough, every single aspect of the economy is being redefined.

So therefore, if you look at the development of the breakthroughs of the last 10,000 years: You developed physical chemistry; this transformed agriculture, irrigation, modern science, as it was developed in the period from the Middle Ages to modern times, through such thinkers as Brunelleschi and his construction of the Cupola of the Cathedral in Florence, which was a completely new breakthrough in architecture; the scientific basis for *all* modern science developed by Nicholas of Cusa; the discovery of gravitation by Kepler.

And then, if you think that we are now really at the verge of reaching a *completely new* paradigm of civilization, where mankind will no longer only look at the planet, but we will look at the planet from the cosmos, from the laws of the universe, from the idea how does the Solar System func-

FIGURE 6

### India's Prototype Fast Breeder Reactor, Kalpakkam



FIGURE 7

### China's EAST Tokamak Reactor, Hefei



FIGURE 8

### Mining Helium-3 on the Lunar Surface

(Artist's rendering)





tion; what can we do from the standpoint of space research to protect the planet? And then we will no longer have so few astronauts that we will squabble over so-called “geostrategic interests,” but that we will define the common aims of mankind, and really grow up as a human species.

### Solving Water Scarcity

One very big problem which we have to solve in that, is the scarcity of water. Here (Figure 9), you have a map of the major deserts in the world, and you can see that from the Atlantic coast of Africa, all the way—the Sahel zone, the Sahara, the Arab Peninsula, the Middle East—all the way to China, you have one gigantic strip of desert, and that desert is growing. And it has been growing since the end of the last Ice Age. So then naturally, you have other deserts elsewhere.

Now, this creates a problem, because not only the desert, but also the desolate condition of many countries, mean that presently 4 billion people—that is more than half of the human species—do not have safe drinking water, or water for sanitation. Now obviously, that impacts food production, it limits the industrial capacity, and the industrial capacity today is already much below what is needed to nourish and maintain the livelihood of 7 billion people.

Seventy percent of the Earth’s surface is covered by oceans, so we don’t have a lack of water. It is the question of how we manage this water, and how we use this water. So this 70% is 100,000 times what the U.S. population uses, in terms of water, during one year: So it’s plenty of water.

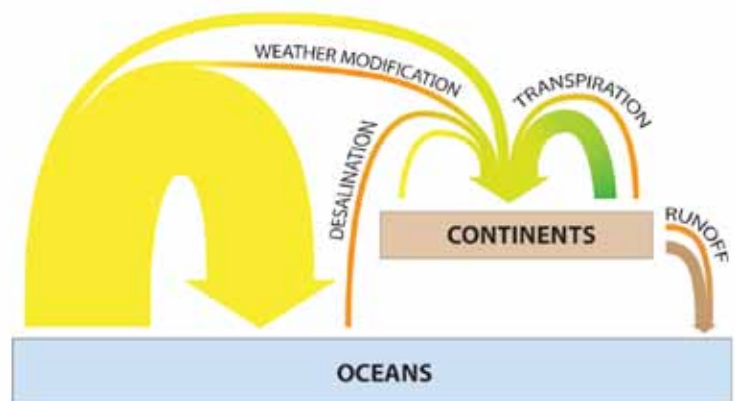
Now, water, contrary to other raw materials, is not a finite source, which you use and then it disappears, but it functions in a cyclical type of characteristic, where it’s moving constantly from one state into the other (Figure 10). You have it in the form of liquid water in the oceans; it’s frozen on the icecaps; it tends to become atmospheric vapor once the Sun heats it up, and then it precipitates and goes back to the oceans. It participates in different processes in the oceans, in living bodies, in production processes and so forth. And, with each new development, and each higher energy-flux density, moving from fission to fusion, we are now, for the first

FIGURE 9



FIGURE 10

### Global Terrestrial Water Cycle Under Mankind’s Control



time, in a position where we can manage the entire cycles of continents, of water transformation, and also create new cycles.

With desalination, which will be possible in large quantities through fission already, we can green the deserts. As part of this World Land-Bridge report, we have designed a program, whereby, if you take the entire area from the Caucasus to the Gulf States, from Afghanistan to the Mediterranean, which is essentially desert, and you apply the use of aquifers, the redirection of rivers, and the desalination of large quantities of ocean water, you can reconquer the entire desert. And you can also develop the precondition for new cities, for infrastructure. And the aim is to provide eventually an infrastructure of the density like we have it in Germany.

Germany is a perfect model—it’s now becoming

FIGURE 11  
South-North Water Diversion Project



less so, but it used to be a perfect model of integrated infrastructure of river systems, like the Rhine; then you have river ports; then you go to container trains, and only the end goes by truck. You should not block the highways with trucks: It's bad for everybody, including your nerves and your health, and so forth!

So we will be able to do that, and with fission, but especially with fusion, we will do what the great Russian scientist Vladimir Vernadsky prescribed for mankind: that we will start to take over the job of the Sun on Earth, that we create weather cycles, and transform the surface of the planet.

This is urgent. This is not just some nice academic idea. If you think that there are *900 million people* who have no safe water to drink; you have 2.6 billion who have no sanitation systems, due to a lack of water, and this already abysmal condition, which is not worthy of the dignity of man, is made worse by insane techniques,

like fracking, which is really completely stupid from a standpoint of physical economy. You use a higher form, namely water, to extract a lower form! And it's simply, economically, a very short-sighted thing; and, even more criminal, or equally criminal, the use of food, in a starving world for fuel—biofuel!

### Solving the Water Crisis

If we want to create new water, as I said, in many cases we can tap into the aquifers, which are many, and I don't have a map here, but there are known aquifers with large quantities of water, in all continents. But the problem is, it replenishes too slowly for the pace of human development. There is also an enormous amount of freshwater precipitation

over the continents, but it's very unevenly distributed, and the only way you can remedy that is by the development of basic infrastructure. You have to build canals, dams, reservoirs, pumps, irrigation, water purification, sanitation and so forth. And that is also extremely underdeveloped in many continents.

There are two or three examples of large-scale water management; one was Franklin D. Roosevelt's Tennessee Valley Authority project, which still is in part functioning today; but in the present day, there are only two ways to resolve that water shortage: One, again, is China. The China South to North Water Transfer System (**Figure 11**), which is a proposal which we made in '91 in our original Eurasian Land-Bridge concept; and in the meantime, China is well along in doing that, by redirecting the flows of the Yangtze headwaters Fountain Spring area, which is very rich in water, and redirect that to the Huang Ho [Yellow River] basin.

And it has different routes: The eastern route became operational in December 2013, and brings water to the eastern provinces of Jiangsu, Anhui, and Shandong; by the middle of 2015, the Middle Route Project will be completed, which will bring water to Beijing and Tianjin and the neighboring regions; and this September, testing for this began. And the Western Route is still in the planning stage.

Now, very excitingly, at the recent SAARC summit in Nepal, Prime Minister Modi announced a similar gigantic project for India. He discussed the feasibility of linking the Sharda River, which flows through the Himalayas, north-south along the Indian-Nepal border, with the waters of the Yamuna River, which flows from west to east in the Ganga Valley, and the Prime Minister of Nepal, Sushil Koirala, agreed that India and Nepal would build this together.

This all goes back to the time of Indira Gandhi, with whom, as some of you know, we cooperated on a 40-year development program for India at the time, namely, a National Water Development Authority, which she initiated in 1982; and that institution had worked out a proposal to have 30 rivers in India linked through canals, to build up storage structures, for example, 3,000 storage structures, to build a canal of almost 10,000 miles long, and all of these projects were designed to create 34 GW of hydropower, irrigation for 35 million hectares of agricultural land, to transfer 175 billion cubic meters of water per year. And that would have tremendously increased food production, protected the population against floods and drought, and reduced the imbalances of the water precipitation in the different regions. And Prime Minister Modi just has announced that he wants to revive all that.

So I think this is absolutely fantastic.

## China's Economic Miracle

Let me just spend a couple of minutes on the Chinese economic miracle, because that is key to understand the tremendous potential all of this has.

China has completed an economic miracle in 30 years—what many industrial countries needed several centuries to accomplish. What Europe, the United States, needed 200 years to do, China did in 30 years.

I was, for the first time in China, in 1971, in the middle of the Cultural Revolution, and China was *completely* undeveloped. I was in Shanghai and Beijing, and other cities, and for 100,000 bicycles, you had 1 car. And it was totally undeveloped. And if you go to

China now, especially since the economic reforms of Deng Xiaoping, China has *completely* changed.

Admittedly—and the Chinese government is the first to admit that—there were some mistakes made in the beginning of this development, when China accepted to be a place for cheap-labor production for the export markets of the United States and Europe, which has resulted in some environmental problems which now need to be corrected.

But since about 10 years ago, I would also say that China has moved more and more away from simply copying other countries' technologies—and nobody should make a big fuss about China copying technologies; as long as the NSA shoplifts technologies around the globe, I think we should better leave that issue aside! And also, you know, every country does that! It's simply a known secret that every country does it, so don't make a big fuss about it.

But since about 10 years ago, in many important areas, China has moved away, and is becoming an inventor of new technology! And the best example is the already mentioned Yutu and Chang'e lunar mission; China is now very ambitious to become the leading space nation in the world, maybe together with Russia and India, by the year 2030. But I think they are on a good track to do better than that.

China therefore is pursuing a science-driver approach and puts a lot of emphasis on higher education of its young people. Just to mention a couple of the extraordinary infrastructure projects of the last two decades: China has built the largest dam in the world, the Three Gorges Dam, which opened in 2008, which is generating 22,500 MW of electricity per year, and also helps to control the floods on the Yangtze, and therefore saves the lives of thousands of people.

It has built an 11,028-km-long high-speed-rail track since 2000, and will have completed 18,000 km by 2015. And I can tell you from my own experience, China has now developed a high-speed-rail system which is really the best in the world. I traveled from Beijing to Shanghai on a Chinese-made high-speed train which was more quiet, more calm, more steady, than any other train I have ridden on in Europe or the United States, ever. So I would say that the Chinese fast-train system *is* the trademark for China, like what the machine-tool is for Germany. I think the fast-train system is, for China, like the poster child.

It has also the only commercial maglev in the world, from Pudong to Shanghai inner city. It has the greatest





Lars Ploughmann

*China's high-speed/maglev train system is the best in the world. Shown: the maglev train in Shanghai.*

water-transfer program in the world, which I just mentioned. And it has expanded the manufacturing workforce from 85.9 million in 2002, to 105.9 million in 2012, which is now three times the labor force of the U.S., Japan, and Germany *combined*. And, the workforces of these three countries declined in the same period by 10%, down to only 32.9 million.

China also has started, in the last decades, to built 100 new cities of up to a million inhabitants each, and they have a commitment of building 100 more new cities by the year 2020. They have already built 21 nuclear power stations, with 28 more in construction, which will triple the nuclear production by 2020, at which point, it will still only mean 6% of the entire energy requirements will be coming from nuclear, compared to 74% in France, for example; but compared to the *zero percent* in Germany by the year 2020, it will look very good. And I'm very unhappy about the exit from nuclear energy, which is one of the two ways Mrs. Merkel is destroying the German economy.

## **The Counter-Example: The Trans-Atlantic Sector**

If you look at that, the New Silk Road is really nothing but the offer by Xi Jinping to extend that economic miracle to other countries, and whoever wants to participate, can, because it's an open concept. And, given

the fact that you have a lot of propaganda, and the people in the trans-Atlantic sector are in a very bad mood—if you ask people in the United States or in Germany, “Let's do this,” they say, “Oh, no! You can't do it, you can't do anything anyway.”

And people are culturally very pessimistic, through the paradigm shift which has taken place in the last 50 years, especially since the assassination of John F. Kennedy, who was the last President who had that kind of a policy for the United States. Remember the Apollo Project; remember the idea to overcome poverty in the developing countries, which Kennedy was in the process of doing. That all stopped with the his assassina-

tion. And the takeover of more and more banking interests, more and more environmentalism, greenism, which has resulted in the present desolate condition of Europe and the United States.

People are so convinced that politics is “dirty”—look at the recent midterm elections, which even the *Washington Post* admitted were bought by “dark money”! What does that mean, “dark money”? If the nature of dark money is dark, therefore, nobody knows where it comes from; if it can buy Senate and Congressional seats, maybe then, the issue of democracy in the United States is not doing so well! For the people who are so upset about Hong Kong, if dark money decides the U.S. election, maybe we need a democratic movement in the United States! (We do, actually—it was not a rhetorical question.)

Therefore, because people are living under this kind of a world outlook, they cannot imagine that what China is offering, and what the BRICS countries are offering, is something different. They say, “There must be an evil plan behind it! China is trying to take over the world! India's population will outnumber the world soon, all by itself!” So they cannot imagine that there *is* a completely different philosophy.

But I insist that there is, and I would like to challenge all of you, to look at it, yourself: Look at the policies of Modi. Modi, for example, recently made a



wikimedia commons

*The Mogao Caves or Grottoes form a system of 492 temples, and contain some of the finest examples of Buddhist art, spanning a period of 1,000 years. This wall painting dates to the 10th Century, and depicts Tang Dynasty monastic architecture from Shanxi province.*

beautiful speech, where he said the BRICS represents the first time there exists an alliance of countries which is not bound by their present capacity, but by their future potential. India has a very young labor force—I think 60% are under 30 years old, something like that—it has an unbelievably young labor force, which is now in the Modi revolution: the idea to educate them, and then provide a labor force for other countries which have demographic problems—like Germany, for example, which is shrinking; Italy, Catholic Italy is shrinking! They have the lowest birth rate in Europe, maybe even in the world! So India is offering to help there.

And I have come to the conclusion, that what especially President Xi Jinping expresses—and I have read *many* of his speeches, not all of them, but a lot of them, and I looked at his policies—and I have come to the conclusion that China right now is engaged in reviving the 5,000-year-old history of China, by not focusing only on the creation of the People's Republic after '49.

For example, China is involved in a major restoration of ancient cultural treasures. For example, I visited, in my trip in August, the Dunhuang Mogao Grottoes, which is a Buddhist grotto spanning over hundreds of years, or even more than a thousand years, and is one of the great relics of the Buddhist religion. They've digitized images from

these grottoes, so that more and more people can go and study the ancient history.

The ancient Silk Road is one of the most exciting things to look at (**Figure 12**). The ancient Silk Road was an exchange of goods, but also technologies: silk producing, porcelain producing, gunpowder, paper-making, book printing—technologies were exchanged! Knowledge was exchanged, and brought all participating countries forward. The same goes for the New Silk Road, but with modern technologies: Fusion power, space travel, and other

vanguard technologies will bring mankind forward.

## Confucian Philosophy

Xi Jinping recently had a major conference in Beijing, meeting with the foreign policy bodies—the Politburo, the Standing Committee, all the major bodies—and he laid down a comprehensive approach of Chinese foreign policy, which has many elements. It has the Silk Road, the Maritime Silk Road, the BRICS collaboration, the new model for major power cooperation, and all of these are based on *principles* which we in Europe knew from the Peace of Westphalia: the absolute respect for the sovereignty of another country; the non-interference; not using your own advantage to overpower another one; and just have the kind of peace basis the world now needs!

And this is very much in line with Confucian philosophy, which after all, was created by Confucius as a reaction to the previous period, when China was involved in wars and disunity; and therefore, the key philosophy about the Chinese outlook is the desire to have a harmonious world.

That's what people don't understand here, but I can assure you, I have enough of my own experience and studied it, and I can assure you it is exactly what is true. China has completely rejected the 10 years of the Cul-



FIGURE 12

## Sun Yat-sen's Vision of a China Rail Network



tural Revolution, and *never* wants to have again such a disruption of society, and wants to really have harmonious relations with all neighbors and all countries of the world.

The same goes for India: India has a beautiful, almost 5,000-year-old history, going back all the way to the Vedic writings, which have fundamental principles about the order of the cosmos, and why the political and economic conditions on the planet must be brought into cohesion with the laws the cosmos, the laws of the physical universe. And these countries believe that! It's their philosophy!

If you don't believe me, I would *challenge* you to study it, and remedy and correct your views which come from the *Washington Post* and such papers. And they're really not truthful at all.

The German philosopher



*Confucian philosophy was created by Confucius (551-479 B.C.) as a reaction to the previous period, in which China was rent by wars and disunity; still today, the Chinese outlook is characterized by the desire to have a harmonious world.*

Hegel, who I normally don't like, because he was a step down from Friedrich Schiller, but he wrote in his *Phenomenology of the Mind*, one sentence which I think applies, and that is that the servant, the lackey, the valet—*der Kammerdiener*—cannot imagine that his employer, whom he serves as a valet, can be a world-historical individual. And Hegel says: This is not because the world-historical individual is not a world-historical individual, but because the valet is a valet.

And that is, I think, why the Europeans and the U.S. *cannot* imagine that these countries are different.

So I think that that is the reason. And what we have to do is we have to organize reasonable forces, in Europe—and you wouldn't believe it, but there are such forces, despite the present appearance of Mrs. Merkel, for example, who has joined Mr. Cameron with her confrontation against Russia—I think it's very stupid and bad. We have to talk to the industries, to trade unions, to many, many other groupings and tell them: Look, why don't you join? Join the BRICS, join the Silk Road and join the reconstruction of the planet, and let's move together to the next era of civilization, which is the next phase of evolution, in which the identity of mankind will be more and more that of a creative species.

I think, and that's been my conviction for a long time, if we manage to get out of this present

geopolitical squabbling, over raw materials, over territorial gains, over all of these things, we can really understand that we, as mankind, can only survive if we have the view of the astronauts. All the astronauts who come back from space say, “When you look at the planet Earth from space, you don’t see borders, you don’t see conflicts, you only see one planet! One mankind!”

And I’m absolutely convinced that we have to come to this kind of collaboration on the common aims of mankind, and define the present from the future; that we think, where do we want mankind to be in a hundred years from now, in a thousand years from now, in 10,000 years from now—and we want mankind to *exist* then, don’t we? Then, let’s throw overboard all these stupid axiomatic assumptions which presently conduct policy, and which are bringing us to the brink of extinction, because we are close to that if this stuff against Russia and China continues.

I think what is needed, therefore, in the United States, is exactly what Prime Minister Modi called for for India, “a mass movement for development.” I think we have to intervene; for example, we shouldn’t have marches because of Ferguson; what happened. This

will not remedy the situation. But if we would bring development into the United States, into Mexico, into the Caribbean, into Latin America, where it is already happening, all these problems would be solved! The problem of the United States is not race. Sure, you have racial conflict, but if you would have the same kind of excitement, like we see right now in China, in India—in India right now there is complete enthusiasm about what Modi is accomplishing—if we had that in the United States—. You have right now droughts in California, in Texas; there are now many towns where you have water being brought in to distribute, because it’s already dry! People are setting up mobile showers, for people to be able to shower. They’re transporting hundreds of thousands of beef cattle, because there is no grass any more there. Don’t you think it would be time to have real development projects, as we see in China, in India right now? Can we not build a hundred new cities in the United States? Or at least five, I mean, let’s start modestly: five new cities, science cities, beautiful cities: Give people hope! Right now!

Let’s close down Wall Street and create hope in the United States.

## LPAC-TV Weekly Report **A New Paradigm for Mankind**



Each Wednesday afternoon, the LaRouchePAC Science Team, often joined by Lyndon LaRouche himself, hold an in-depth discussion on the urgent political and scientific issues facing mankind today.

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- The Coming Promethean Renaissance
- China's Lunar Helium-3 Fusion Power Science Driver

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## Merkel, Obama Join Neo-Cons As Danger of World War Rises

by Helga Zepp-LaRouche

Dec. 5—The world is dangerously close to the brink of thermonuclear world war. If we do not change the course of the Obama Administration, the British government, NATO, and the EU, toward Russia and China, an uncontrolled escalation could wipe out the human race. Unfortunately, German Chancellor Angela Merkel, since her disastrous speech in Sydney, Australia, on Nov. 17, joined Obama as one of the main spokespersons for this confrontation policy.

Russia's President Putin responded to this strategic situation in his annual address to the Federal Assembly on Dec. 4, with an unusually sober analysis. And people should look closely at the text of this [speech](#) and think about it, rather than listening to the chorus from the lock-step media and the NATO flunkies that write for it.

Speaking in the St. George Hall of the Kremlin before representatives of both houses of parliament and other dignitaries, Putin passionately appealed to the Russian people to defend Russia's existence, just as they had done in the Great Patriotic War against Hitler.

Concerning the sanctions, he stressed that even without the Ukraine crisis, the United States and its allies would have found some other pretext to curb Russia's growing capacities. "The policy of containment was not invented yesterday," he said. "It has been carried out against our country for many years, always, for decades, if not centuries. In short, whenever someone thinks that Russia has become too strong or independent, these tools are quickly put into use."

Putin recalled—just hours after the start of a re-



Bundesregierung/Bergmann

*Chancellor Merkel at the NATO summit in Wales, Sept. 4, 2014. She is now shoulder-to-shoulder with the NATO leaders who are trying to engineer regime-change in Russia.*



newed terrorist attack in Grozny, Chechnya—the separatist wars in Chechnya, in which the West always described these murderers with blood on their hands as “rebels” and received them with high honors. “The support for separatism in Russia from across the pond,” he said, “including information, political and financial support provided by the special services, was absolutely obvious and left no doubt that they would gladly let Russia follow the Yugoslavia model of disintegration and dismemberment. It didn’t work. We didn’t allow that to happen. Just as it did not work for Hitler, with his misanthropic ideas, who set out to destroy Russia and push us back beyond the Urals. Everyone should remember how it ended.”

In an obvious reference to the situation in the EU, Putin added: “If for some European countries, national pride is a long-forgotten concept and sovereignty is too much of a luxury, true sovereignty for Russia is absolutely necessary for survival. I would like to emphasize this: Either we remain a sovereign nation, or we dissolve without a trace and lose our identity. Of course, other countries need to understand this too. All participants in international life should be aware of this.”

## Opposition in Europe

It is important that now at least some people are speaking out against Merkel’s pursuit of confrontation, in which she is acting as a puppet of the war faction. Under the heading “War in Europe Again? Not in Our Name!” 60 distinguished figures from German political, economic, and cultural life directed an urgent warning to the German government, the Bundestag, and the media about the threat of war with Russia. The appeal was initiated by, among others, the former head of the Munich Security Conference, Horst Teltschik; former Chancellor Gerhard Schröder and former President Roman Herzog are among the signatories. The appeal states that every attempt historically to forcibly change Russia’s status as one of the recognized principal powers of Europe, was drowned in blood for those who attempted it, with the most recent being “Hitler’s megalomaniacal Germany, which set out in 1941 to murderously subjugate Russia.”

This statement implies clearly which tradition those calling for confrontation with Russia today represent. Faced with the danger that any war in Europe would



*Russian President Putin addresses the Federal Assembly and other dignitaries, Dec. 4, 2014. He expressed Russia’s determination to remain a sovereign nation at all costs—despite efforts from the West to crush Russia as a great power.*

come to the use of nuclear weapons, this comparison is indeed quite mild. Slovak Prime Minister Robert Fico warned recently, at a forum organized by the newspaper *Hospodarske noviny*, that there is a great danger that the conflict between Ukraine and Russia will expand into a larger conflict, involving more than just those two countries. “The likelihood of military conflict is 70%. I am talking now about a large military conflict; I’m not talking about a conflict between Russia and Ukraine,” he said.

## Victoria Nuland’s Role

The key figure coordinating the Ukraine crisis and confrontation with Russia is Victoria Nuland, the U.S. Assistant Secretary of State for Europe and Eurasia, whose intercepted phone conversation with U.S. Ambassador to Kiev Geoffrey Pyatt, made a name for her in history. In this conversation (on Jan. 28, 2014), she informed Pyatt that Vitali Klitschko, who was being backed by Germany’s Konrad Adenauer Foundation as the next President of Ukraine, was undesirable, and that “our man Yats” (Arseniy Yatsenyuk) should get the post. Her additional statement, “F...k the EU,” revealed both her strange sexual preferences as well as her nasty manners. So much for the condition of democracy, in which elections are nothing but window dressing for the operation of “dark money”—in Ukraine as well as in the United States.



*Assistant Secretary of State Victoria Nuland, who was an advisor to Vice President Dick Cheney and is now the chief honcho for Russia and Eastern Europe in the Obama Administration, is married to neo-con theorist Robert Kagan. No wonder Obama's foreign policy is indistinguishable from that of Bush-Cheney!*

Nuland is one of those in the Obama Administration whose profile explains why nothing has changed from the imperial orientation of the Bush-Cheney Administration to Obama, but on the contrary, the same policies have continued, getting even worse.

Nuland is married to the neo-con Robert Kagan, one of the authors of the “New American Century” doctrine, with which the neo-cons responded to the collapse of the Soviet Union—namely the idea of establishing an Anglo-American Empire along the lines of the British Empire. Kagan was later a co-founder of the American Committee for Peace in Chechnya (ACPC), which was founded in 1999 on the initiative of Zbigniew Brzezinski, Alexander Haig, Stephen Solarz, and 100 other neo-cons from both American political parties.

The ACPC and its successor organization, the American Committee for Peace in the Caucasus, have been busy since then supporting the separatists in Chechnya and the Caucasus, and conducting regime-change operations against Russia. Most likely, it was this network that Putin had in mind when he spoke of operations launched from “across the pond.”

Nuland was principal deputy foreign policy advisor to Vice President Cheney in 2004, at the time of the first “Orange Revolution” against Ukraine—and she boasted in December 2013 that \$5 billion had been spent on that since the end of the Cold War. In 2005, she was appointed by George W. Bush as the U.S. Ambassador to NATO for three years. As Assistant Secretary of State, she was, and is now, in charge of the

Obama Administration’s policy toward Ukraine and Russia. And it didn’t seem to bother Chancellor Merkel for very long that her own phone was tapped by the NSA, nor that the German-backed Klitschko was dumped in favor of Nuland’s “Yats.”

There is a temporal relationship, however between Merkel’s confrontational speech in Sydney, which was celebrated by the Anglo-American media as “the end of the German *Ostpolitik*,” and Nuland’s various visits to Kiev, Berlin, and the Baltic States. In October, Nuland traveled to

Berlin, where, on the occasion of the 40th anniversary of the Aspen Institute, she gave a bloodthirsty speech in which she not only compared Putin’s actions in Crimea to the atrocities of ISIS in Mosul and the spread of Ebola in Africa, but also turned on full theatrical pathos for the benefit of the audience, which was composed of Berliners, who would therefore vividly remember the time of Europe’s division: “And that is precisely why we can and must work together on land, on sea, and in the air to make sure every member of our NATO family feels equally secure. Feels as secure as you feel here in Berlin. Whether that means funding our militaries, whether that means modernizing our forces and making sure that the equipment works, or whether it means demonstrating our resolve to use that equipment as necessary whether in Article 5 defense or globally.”

Using this equipment globally means, in so many words, waging thermonuclear war.

### **China Speaks Out**

A day after Putin’s speech, a spokesperson for the Chinese Ministry of Foreign Affairs told the Russian news agency TASS: “We watched the Russian President’s statement with great interest. Russia is our good neighbor and a comprehensive strategic partner. The level of trust and cooperation between our countries is very high.” She added, “We respect the road taken by the Russian nation, including its domestic and foreign policies. China is determined to keep building up the strategic partnership with Russia.”

One day later, President Xi Jinping said, at a two-

day conference of the People's Liberation Army, that the production of sophisticated military equipment must be accelerated.

In the United States, Lyndon LaRouche has demanded that Nuland be removed from office, because getting rid of this important go-between could at least stop the escalation to war.

As for Chancellor Merkel, she should either immediately stop the sanctions against Russia and return to peaceful cooperation, while also taking up the offer by President Xi Jinping to cooperate with other European nations and the United States in the development of the New Silk Road—or she should take an early retirement.

*Translated from German by Susan Welsh*

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## Documentation

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### Putin's Address to The Federal Assembly

*Here are excerpts from President Vladimir Putin's Dec. 4 annual address to the Federal Assembly (the State Duma and the Federation Council) and other dignitaries. The full text of the official translation is at <http://eng.kremlin.ru/news/23341>. Subheads have been added.*

What was this Ukrainian tragedy for? Wasn't it possible to settle all the issues, even disputed issues, through dialogue, within a legal framework and legitimately?

But now we are being told that this was actually competent, balanced politics that we should comply with unquestionably and blindfolded.

This will never happen.

#### **We Will Never Relinquish Sovereignty**

If for some European countries national pride is a long-forgotten concept and sovereignty is too much of a luxury, true sovereignty for Russia is absolutely necessary for survival.

Primarily, we should realize this as a nation. I would like to emphasize this: Either we remain a sovereign

nation, or we dissolve without a trace and lose our identity. Of course, other countries need to understand this, too. All participants in international life should be aware of this. And they should use this understanding to strengthen the role and the importance of international law, which we've talked about so much lately, rather than bend its standards to suit someone's strategic interests contrary to its fundamental principles and common sense, considering everyone else to be poorly educated people who can't read or write.

It is imperative to respect the legitimate interests of all the participants in international dialogue. Only then, not with guns, missiles or combat aircraft, but precisely with the rule of law will we reliably protect the world against bloody conflict. Only then, will there be no need to scare anyone with imaginary self-deceptive isolation, or sanctions, which are, of course, damaging, but damaging to everyone, including those who initiate them.

Speaking of the sanctions, they are not just a knee-jerk reaction on behalf of the United States or its allies to our position regarding the events and the coup in Ukraine, or even the so-called Crimean Spring. I'm sure that if these events had never happened—I want to point this out specifically for you as politicians sitting in this auditorium—if none of that had ever happened, they would have come up with some other excuse to try to contain Russia's growing capabilities, affect our country in some way, or even take advantage of it.

The policy of containment was not invented yesterday. It has been carried out against our country for many years, always, for decades, if not centuries. In short, whenever someone thinks that Russia has become too strong or independent, these tools are quickly put into use.

However, talking to Russia from a position of force is an exercise in futility, even when it was faced with domestic hardships, as in the 1990s and early 2000s.

#### **Western Support for Separatism, Terrorism**

We remember well how and who, almost openly, supported separatism back then and even outright terrorism in Russia, referred to murderers, whose hands were stained with blood, none other than rebels and organized high-level receptions for them. These "rebels" showed up in Chechnya again. I'm sure the local guys, the local law enforcement authorities, will take proper

care of them. They are now working to eliminate another terrorist raid. Let's support them.

Let me reiterate, we remember high-level receptions for terrorists dubbed as fighters for freedom and democracy. Back then, we realized that the more ground we give and the more excuses we make, the more our opponents become brazen and the more cynical and aggressive their demeanor becomes.

Despite our unprecedented openness back then and our willingness to cooperate in all, even the most sensitive issues, despite the fact that we considered—and all

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*No one will ever attain military superiority over Russia. . . . We will tell the truth to people abroad, so that everyone can see the real and not distorted and false image of Russia. We will actively promote business and humanitarian relations, as well as scientific, educational, and cultural relations. We will do this even if some governments attempt to create a new Iron Curtain around Russia.*

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of you are aware of this and remember it—our former adversaries as close friends and even allies, the support for separatism in Russia from across the pond, including information, political and financial support and support provided by the special services—was absolutely obvious and left no doubt that they would gladly let Russia follow the Yugoslav scenario of disintegration and dismemberment. With all the tragic fallout for the people of Russia.

It didn't work. We didn't allow that to happen.

Just as it did not work for Hitler with his misanthropic ideas, who set out to destroy Russia and push us back beyond the Urals. Everyone should remember how it ended.

Next year, we will mark the 70th anniversary of Victory in the Great Patriotic War. Our Army crushed the enemy and liberated Europe. However, we should not forget about the bitter defeats in 1941 and 1942 so as not to repeat the mistakes in the future.

In this context, I will touch on an international security issue.... Since 2002, after the U.S. unilaterally pulled out of the ABM Treaty, which was absolutely a cornerstone of international security, a strategic bal-

ance of forces and stability, the U.S. has been working relentlessly to create a global missile defense system, including in Europe. This poses a threat not only to Russia, but to the world as a whole—precisely due to the possible disruption of this strategic balance of forces.

I believe that this is bad for the U.S. as well, because it creates the dangerous illusion of invulnerability. It strengthens the striving for unilateral, often, as we can see, ill-considered decisions and additional risks....

No one will ever attain military superiority over Russia. We have a modern and combat ready army. As they now put it, a polite, but formidable army. We have the strength, will and courage to protect our freedom.

We will protect the diversity of the world. We will tell the truth to people abroad, so that everyone can see the real and not distorted and false image of Russia. We will actively promote business and humanitarian relations, as well as scientific, educational, and cultural relations. We will do this even if some governments attempt to create a new iron curtain around Russia.

We will never enter the path of self-isolation, xenophobia, suspicion and the search for enemies.

All this is evidence of weakness, while we are strong and confident.

## **We Want Equal Partnerships**

Our goal is to have as many equal partners as possible, both in the West and in the East. We will expand our presence in those regions where integration is on the rise, where politics is not mixed with economy, and where obstacles to trade, to exchange of technology and investment and to the free movement of people are lifted.

Under no conditions will we curtail our relations with Europe or America. At the same time, we will restore and expand our traditional ties with South America. We will continue our cooperation with Africa and the Middle East.

We see how quickly Asia Pacific has been developing over the past few decades. As a Pacific power, Russia will use this huge potential comprehensively.

Everyone knows the leaders and the drivers of global economic development. Many of them are our sincere friends and strategic partners.

The Eurasian Economic Union will start working in full on January 1, 2015. I'd like to remind you about its fundamental principles. The topmost principles are



equality, pragmatism and mutual respect, as well as the preservation of national identity and state sovereignty of its member countries. I am confident that strong cooperation will become a powerful source of development for all of the Eurasian Economic Union members....

## **Russia's Economy**

...I propose a full amnesty for capital returning to Russia. I stress, full amnesty.

Of course, it is essential to explain to the people who will make these decisions what full amnesty means. It means that if a person legalizes his holdings and property in Russia, he will receive firm legal guarantees that he will not be summoned to various agencies, including law enforcement agencies, that they will not “put the squeeze” on him, that he will not be asked about the sources of his capital and methods of its acquisition, that he will not be prosecuted or face administrative liability, and that he will not be questioned by the tax service or law enforcement agencies. Let's do this now, but only once. Everyone who wants to come to Russia should be given this opportunity.

We all understand that the sources of assets are different, that they were earned or acquired in various ways. However, I am confident that we should finally close, turn the “offshore page” in the history of our economy and our country. It is very important and necessary to do this.

I expect that after the well-known events in Cyprus and with the on-going sanctions campaign, our business has finally realized that its interests abroad are not reckoned with and that it can even be fleeced like a sheep....

Today we are faced with reduced foreign exchange proceeds and, as a consequence, with a weaker national currency, the ruble. As you are aware, the Bank of Russia has switched to a floating exchange rate, but this does not mean that the Bank of Russia has withdrawn from controlling the exchange rate, and that the ruble may now be the object of unchecked financial speculation.

I'd like to ask the Bank of Russia and the Government to carry out tough and concerted actions to discourage the so-called speculators from playing on fluctuations of the Russian currency. In this regard, I'd like to point out that the authorities know who these speculators are. We have the proper instruments of influence, and the time is ripe to use them.

Of course, a weaker ruble increases the risk of a

short-term surge in inflation. It's imperative that we protect the interests of our people, first and foremost, those with low incomes, and the Government and the regions must ensure control over the situation on the food, medicine and other basic goods markets. I'm sure this can be done without any problem, and it must be done.

A weaker national currency also increases the pricing environment and the competitiveness of our companies. We take this factor into account in our policy of import substitution (at least, where it's appropriate and necessary). Within three to five years, we must provide our customers with high-quality and affordable medicines and food that are produced mostly in Russia....

We must also lessen our critical dependence on foreign technology and industrial goods, including in the machine-tool building and instrument-making industries, power engineering, and the production of equipment for field development, including on the Arctic shelf. Our commodities and infrastructure companies can seriously help our producers in this sphere. When implementing large oil, energy and transport projects, they must rely above all on domestic producers and promote demand for their products....

Despite any external restrictions, we must increase our annual investment to 25% of GDP by 2018. What does this mean? I'll explain it with just a few words.

It means that we must invest as much as we save. Our savings must work for the national economy and development, rather than the export of capital. To be able to do this, we must seriously strengthen the stability of our banking system—the Central Bank has been working towards this end quite persistently—and also reduce the dependence of the national financial market on external risks.

I propose using our reserves (above all, the National Welfare Fund) to implement a program for recapitalization of leading domestic banks, with funding to be provided under clearly specified conditions to be funneled into the most significant projects in the real economy at affordable interest rates. Furthermore, banks will have to introduce project financing mechanisms<sup>1</sup>....

This year, as has been the case many times during crucial historical moments, our people have demon-

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1. This proposal for directed credit resembles one of economist and presidential advisor Sergei Glazyev's proposals, although Glazyev calls for the Russian Central Bank to provide these credits, rather than the Welfare Fund. See [EIR](#), May 2, 2014.

strated national enthusiasm, vital endurance and patriotism. The difficulties we are facing today also create new opportunities for us. We are ready to take up any challenge and win.

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## Open Letter

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# War in Europe Again? Not in Our Names!

*The open letter to the German government, parliament, and media, excerpted here, was signed by more than 60 prominent German personalities and published in the weekly Die Zeit on Dec. 5. The initiators were Horst Teltschik (CDU), advisor to then-Chancellor Helmut Kohl at the time German reunification; Walther Stüttgen (SPD), former Secretary of State for the Ministry of Defense; and Antje Vollmer (Greens), former Bundestag Vice President. Teltschik said, in motivating the appeal, "We are giving a political signal that the justified criticism of Russia's Ukraine policy should not wipe out all the progress that we have made in the past 25 years in relations with Russia."*

Nobody wants war. But North America, the European Union, and Russia are inevitably driving towards war if they do not finally halt the disastrous spiral of threats and counter-threats. All Europeans, including Russia, are jointly responsible for peace and security. Only those who do not lose sight of this goal can avoid fatal actions.

The Ukraine conflict shows that the quest for power and domination has not been overcome. In 1990, at the end of the Cold War, we all hoped that it would be. But the success of the détente policy and the peaceful revolutions allowed people to become lethargic and careless. In both East and West. The Americans, Europeans, and Russians all lost, as their guiding principle, the idea

of permanently banishing war from their relationship. Otherwise it is impossible to explain either the West's eastward expansion without simultaneously deepening cooperation with Moscow—a policy which Russia sees as a threat—or Putin's annexation of Crimea in violation of international law.

At this moment of great danger for the continent, Germany has a special responsibility for the maintenance of peace. Without the will for reconciliation of the people of Russia, without the foresight of Mikhail Gorbachov, without the support of our Western allies, and without the prudent action by the then-Federal gov-

ernment, the division of Europe would not have been overcome. To allow German unification to evolve peacefully was a great gesture, shaped by the wisdom of the victorious powers. It was a decision of historic proportions.

Once the division of Europe was overcome, permanent peace and security, from Vancouver to Vladivostok, should have developed, as had been agreed by all the 35 heads of state and government of the OSCE member states in November 1990, in the "Charter of Paris for a New Europe."... This goal of postwar policy has not been achieved to this day. People in Europe are

forced to live in fear once again.

*We, the undersigned, appeal to the Federal Government of Germany to assume its responsibility for peace in Europe. We need a new policy of détente in Europe. This is only possible on the basis of equal security for all and mutually respected partners. The German government is not pursuing a go-it-alone policy, as long as it continues to call, during this stalemate, for calm and dialogue with Russia. The need of the Russians for security is as legitimate as is that of the Germans, the Poles, the Baltic States, and the Ukrainians.*

We must also not push Russia out of Europe.... Since the Congress of Vienna in 1814, Russia has been a recognized global player in Europe. All who have tried to change that have failed violently, the last being the megalomaniacal Germany of Hitler, which set out in 1941 to murderously subjugate Russia.



*We call upon the members of the German Bundestag, delegated by the people as their political representatives, to deal appropriately with the seriousness of the situation. . . . Whoever is constructing a bogeyman, putting the blame on only one side, is exacerbating tensions, when the signals should be for de-escalation. . . .*

*We appeal to the media, to more scrupulously adhere to their obligation to provide unbiased reporting than they have hitherto done. Editorialists and leading commentators are demonizing entire nations, without fully taking their histories into account. Any journalist experienced in foreign affairs would understand the Russians' fear, since members of NATO in 2008 invited Georgia and Ukraine to join the Alliance. It is not about Putin. Heads of state come and go. What is at stake is Europe. . . .*

On October 3, 1990, the Day of German Reunification, Federal President Richard von Weizsäcker said: "The Cold War has been overcome, and freedom and democracy will soon be in place in all countries. . . . This is a challenge. We can achieve it, but we can also fail. We are facing the clear alternative to unite Europe or fall back again into painful historical examples of nationalist conflicts in Europe."

Until the Ukraine conflict, we here in Europe thought we were on the right track. Today, a quarter of a century later, Richard von Weizsäcker's warning is more apropos than ever.

*[In addition to the initiators, other signers include:]*

Dr. Eckhard Cordes, chairman of the Committee on Eastern European Economic Relations for German Industry and Business (Ost-Ausschuss)

Eberhard Diepgen (CDU), former mayor of Berlin, 1989, and later the first mayor of reunified Berlin, December 1990

Dr. Klaus von Dohnanyi, former German Science Minister and mayor of Hamburg, 1981-88

Dr. Roman Herzog, CDU, former German President, 1994-99

Dr. Lothar de Mazière, served as the only elected Prime Minister of East Germany in 1990, after the fall of the Berlin Wall and before the reunification that year.

Prof. Klaus Mangold, a leader of the small and medium-sized industrial firms (Mittelstand) in Baden-Württemberg.

Gerhard Schröder, former Chancellor of Germany, 1998-2005.

*Translated from German by EIRNS*

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

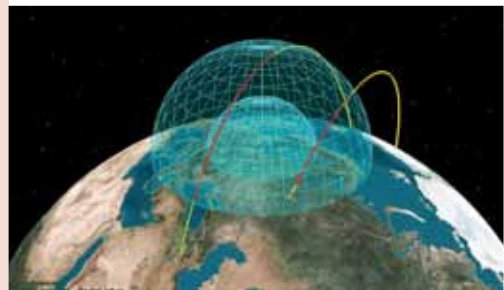
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**EIR**  
Special Report

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



June 2012

# Russian Economist Sought Dialogue With USA, Even in Perilous Times

by Rachel Douglas

Professor Stanislav Menshikov (1927-2014), the distinguished Russian economist and expert on the United States, died Nov. 13, 2014 in Amsterdam, where he lived. He was 87.

Stanislav Menshikov was one of the most energetic, colorful, and knowledgeable participants in Soviet-American relations during the height of the Cold War, and in Russian-American relations thereafter. He was friends with such advisors to President John F. Kennedy as Michael Forrestal and John Kenneth Galbraith, and interacted with a range of U.S. establishment figures, including David Rockefeller, Henry Kissinger, and Zbigniew Brzezinski.

Known by insiders in both countries as uncompromising on matters of principle, Menshikov was always keenly interested in an open and substantial dialogue with Americans. In the 1980s, he became familiar to a wider U.S. public, as a frequent guest, representing Soviet viewpoints, on TV programs hosted by David Brinkley, Ted Koppel, and others. His role in disputes over economic policy within the Soviet Union at that time is less well-known, but of lasting importance.

We at *EIR* are privileged to have known Professor Menshikov as a personal friend of Lyndon LaRouche and Helga Zepp-LaRouche for 15 years, and a participant in many *EIR* seminars and Schiller Institute confer-



EIRNS/Julien Lemaître

*Stanislav Menshikov (shown here at a Schiller Institute conference in Germany, 2007) "was one of the most energetic, colorful, and knowledgeable participants in Soviet-American relations during the height of the Cold War, and in Russian-American relations thereafter."*

ences in Europe. In this activity, he not only spoke for himself, but served as Europe-based liaison for a Russian Academy of Sciences grouping around the late Academician Dmitri S. Lvov. Menshikov and Lvov co-chaired the NGO Economists against the Arms Race (ECAAR), founded in 1989.

The English edition of Menshikov's book, *The Anatomy of Russian Capitalism*, was translated by this author and brought out by *EIR* in 2007. In May of that year, Menshikov hosted LaRouche as a guest of honor at his 80th birthday celebration, held at the Academy of Sciences in Moscow; in September 2007, he and his wife, the economist

Larisa Klimenko-Menshikova, in turn, were honored guests at LaRouche's 85th birthday celebration, held in conjunction with that month's Kiedrich, Germany conference of the Schiller Institute, "The Eurasian Land-Bridge Becomes Reality!" (See *Documentation*, below.)

## A 20th-Century Soviet Diplomat's Education

Menshikov was fluent in English since his childhood in London, where his father, Mikhail A. Menshikov, headed the Anglo-Russian Cooperative Society (ARCOS) trade office, 1930-36. In Stanislav Menshikov's memoirs, he recalled that the first time he got into trouble, out of many such times during his long life,



was as a schoolboy, when he refused to sing “Rule, Britannia!” in class.<sup>1</sup>

The senior Menshikov went on to serve as Soviet deputy minister, and later minister, of foreign trade; Washington-based deputy head of the United Nations Relief and Rehabilitation Administration (UNRRA) (1943-46); Soviet Ambassador to India (1953-57), and to the United States (1958-January 1962). Stanislav Menshikov reported that he learned from his father always to speak with foreigners, including Americans, as an equal.

Menshikov recalled digging defense works around the city of Moscow in his early teens, at the outbreak of World War II. At 16 years of age, he entered what was soon to be the Foreign Ministry’s university, the Moscow State Institute of International Relations (MGIMO), finishing as a member of its first graduating class in 1948. Two of the projects that he undertook there convey the depth of historical study that would inform his future work.

As a second-year student, he was recruited by a Soviet Foreign Ministry economics official to an English-to-Russian translation team, working to translate a book on the economic relations between international cartels, including leading Wall Street firms, and Nazi Germany. Even more striking, is Menshikov’s report of his fourth-year thesis at MGIMO, a study of “The British Crown Prerogatives.” Though it was never published and is evidently not extant, Menshikov recalled about this paper, “Usually the role of the British monarch is viewed as negligible in determining the country’s policy.... In reality, the British Crown is a carefully preserved institution of supreme state power, something like a collective head of state.... The British Monarch, to this day, remains one of the main political figures of the Western world.”

Despite his top-notch training and his father’s status, no swift career rise was in store for Menshikov. From 1953 until 1957, he had the black mark of a formal “severe reprimand” on his record, because of a teenage friendship with the son of a Georgian Communist who had been declared an “enemy of the people.” Menshikov had been interrogated on the matter at secret police headquarters in 1944.

Menshikov worked first as an instructor at MGIMO,

then as an international journalist and economics analyst at the Soviet weekly *New Times*, which was published in a dozen languages and distributed worldwide. In that capacity, he traveled to Asia in 1960 in the entourage of Soviet leader Nikita Khrushchov; Menshikov interviewed Prime Minister Jawaharlal Nehru of India and President Sukarno of Indonesia, two nation-building giants who were then in the process of forming the Non-Aligned Movement.

## Millionaires and Managers

As he increasingly concentrated on economics, Menshikov’s doctoral dissertation was an in-depth study of who ran the American economy. Research for his first post-graduate degree had focused on U.S. agriculture and the grain trade, while his first visit to the United States came in 1958, as a personal guest of his father, the Ambassador. Now Menshikov combined scrupulous gridding of the U.S. corporate sector, with a 1962 stint under an IREX (International Research & Exchanges Board) exchange program. He interviewed many of the subjects of his research and developed personal contacts with a wide array of other Americans.

The resulting book, *Millionaires and Managers: The Structure of the Financial Oligarchy in the USA* (1966), was one of the many instances in which Menshikov brought fresh approaches to understanding the U.S.A., into discussions inside the Soviet Union. At his May 2007 birthday celebration, one speaker after another mentioned *Millionaires and Managers* as an eye-opener that had changed their view of the world.

Later, Menshikov again shook the community of Communist Party economists and strategists, with his publication in Russian of works by J.K. Galbraith, the former New Deal economist and JFK advisor. In 1988, Galbraith and Menshikov would co-author a remarkable volume, about which Antony Papert wrote in *EIR*:<sup>2</sup>

“Immediately before the Great Crash of October 1987, the late, venerable John Kenneth Galbraith of Harvard sought out Menshikov, whom he called ‘a remarkably informed scholar,’ for ten days of discussion in Vermont. The transcript was published simultaneously in the Soviet Union and the U.S., under the title, *Capitalism, Communism and Coexistence*. Galbraith, quondam economic advisor to Franklin Roosevelt and John Kennedy, spoke for both Menshikov and himself when he wrote

1. Stanislav Menshikov, *O vremeni i o sebe (About Our Time and About Myself)*, (Moscow: Mezhdunarodnyye Otnosheniya, 2007), in Russian only.

2. Antony Papert, “Russia’s 1991-2001 Descent into Hell,” *EIR*, Dec. 21, 2007.

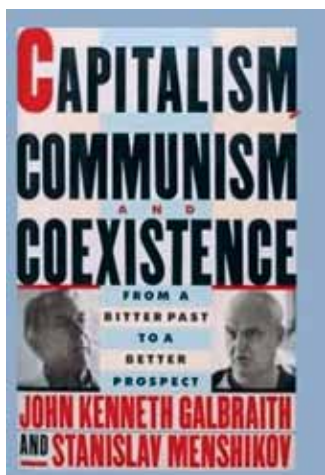
there, ‘But it was not our purpose, ... to score points in our conversations. We did not see them as a debate which either of us won or lost. We saw them rather as a contribution to the larger victory which equally we hope to share.’

“Vast and sudden world-political changes which few then foresaw (LaRouche one of those few), have cleanly split the past 20-year period into two parts. And so, on one level, the terms of Galbraith’s and Menshikov’s 1987 exchange might appear to be obsolete. What a surprise how very current and relevant much of it is! Galbraith, for example, noted there that the U.S. economy had had 25 good years from 1945 to 1970, but ‘the good fortune didn’t continue.’ He at first blamed this on the replacement of his generation of economists by ‘a younger and less able generation,’ but then immediately turned around to try to claim that this explanation had only been a joke.

“Galbraith indicted monetarism and the shift to a services economy, for weakening our real wealth-producing industries, such as steel and automobiles. As for trade unions, ‘instead of winning wage increases, they have to negotiate give-backs.’ Menshikov, for his part, stressed the need to find new sources of natural resources to maintain a growing world population. He countered ignorant popular prejudices on modern U.S.-Russian relations by noting that Russia was consuming fully 40% of all U.S. machinery exports during some periods of the 1930s.

“The reason for the excellence of their discussions was that each man was at once an able patriot of his own nation and ‘system,’ while simultaneously dedicated to what Galbraith, in his dedication to *The Affluent Society*, called ‘the ultimate aims of man.’

“For Menshikov, what this means to me is that he is one of the best exemplars of the best of the Russian intelligentsia. Since at least some time in the 18th Century, the best of the Russian intellectuals have combined an unyielding compassion and a powerful



*Menshikov co-authored this book with Galbraith, the former New Deal and JFK advisor. Galbraith thought Menshikov “a remarkably informed scholar.”*

underlying optimism, on the one hand, with that readiness to look without blinking and without consoling illusions, into the very face of the most unimaginable horrors,—the same readiness as one finds in a competent military commander. All this in a peculiarly Russian manner.

“I have tried to explain to myself these qualities of the Russian intelligentsia, by trying to conceive of that awful sense of responsibility, before God and man, of each one of a mere tiny handful of educated persons, amidst the sea of illiteracy and ignorance which was Russia before the effects of the 1918 revolution.

“In any case, this is Stanislav Menshikov.”

## **Perestroika: Crossing Swords with Andropov and Gorbachov**

Menshikov continued to get into trouble, being yanked from an official position on more than one occasion. In 1986, he was booted from the Communist Party Central Committee staff, as he relates in his memoirs, for crossing the interests of other officials. He worked at the Institute of the World Economy and International Relations (IMEMO), rising to the post of deputy director; at the Academy’s Novosibirsk outpost; and on the United Nations economics staff, overseeing Wassily Leontief’s project to model development processes worldwide, in the 1970s. He wrote for *New Times*, *Pravda*, and the Prague-based *Problems of Peace and Socialism*, and contributed guest commentaries to *The New York Times* and other Western press. In the post-Soviet period, Menshikov taught at universities in Europe, notably the Erasmus Rotterdam University and its Tinbergen Institute.

The well-known former *Pravda* journalist and Middle East expert Georgi Mirsky, in 2007, described Menshikov as a “flying creature,” who worked all over the world, and always shared his talent. “You could never catch up with Menshikov,” he said.

Professor Menshikov was blocked from election to the Russian Academy of Sciences, at least partly, as his memoirs convey the matter, for failing to be anybody’s toady. Behind the scenes, principled issues of great moment were at the heart of two political fights, one at IMEMO, and one within the Communist Party, involving his opposition to what would soon be the clique around Andropov and then Gorbachov, described by LaRouche as London’s “agents of influence,” who took over the Soviet leadership after the death of L.I. Brezhnev in 1982.

That year, 1982, Menshikov was in the running to head up IMEMO. Alexander N. Yakovlev, later known as the architect of Gorbachov's perestroika policy, beat him out for the post. In 1983, Yakovlev formed a group that included Academician Georgi Arbatov and the journalist Alexander Bovin, to draft a new Communist Party program for incoming General Secretary Yuri Andropov. Menshikov published a scathing critique of their document, warning that the economic liberalization measures they proposed would make the Soviet Union "capitalist" in a way fraught with great danger, because they ignored the scope and growth potential of the criminal sector of the economy, already then.



*The late Russian Academician Alexander Granberg toasted Menshikov on his 80th birthday: "In science, Menshikov is already immortal."*

Raising a toast to Menshikov on his 80th birthday, the late Academician Alexander Granberg alluded to the historic nature of these incidents: "In science, Menshikov is already immortal. Actually, Stanislav could have contributed even more to science and society, had there been demand for it. After Menshikov was recalled from the United Nations, the system of long-range forecasting there went into decline. . . . As for Russia, . . . we lost out, because Stanislav Mikhailovich's recommendations were not heeded 20 or 30 years ago, or 10 years ago."

Academician Sergei Glazyev said, on the same occasion, that Menshikov had always "gotten people to think." He congratulated his accomplishments, which he said Menshikov had done "with love of his country, and the confidence to live according to his own mind." Unlike some younger people, who get stuck in virtual reality, Glazyev said, Menshikov had always been reality-oriented, and, together with his willingness to look reality in the eye, he had provided in Russia and elsewhere a tremendous charge of optimism.

Stanislav Menshikov is survived by his wife, Larisa Klimenko-Menshikova, his son Ivan, and daughters Yekaterina and Tatyana. He was predeceased by his first wife, the economist Marina A. Menshikova, in 1979. His obituary in the Russian weekly *Rossiyskiye Vesti* was signed by four Academicians of the Russian Academy of

Sciences, including former Prime Minister Yevgeni Primakov and current Presidential advisor Glazyev; the famous diplomat Valentin Falin; and other prominent economists and journalists of several generations.

## Menshikov and LaRouche: Two Minds; One Mission

*The following excerpts document Stanislav Menshikov's special relationship with Lyndon LaRouche and his movement. The full text of all the components dating from his 2007 Jubilee were published in the June 1, 2007 [EIR](#).*

### Menshikov: 'Russia and the World in 2027'

*At the celebration in honor of his 80th birthday, held May 15, 2007 at the Presidium of the Russian Academy of Sciences in Moscow, Prof. Menshikov zeroed in on the positive potential of the "Eurasian strategic triangle" of China, India, and Russia—the core of what would soon become known as the BRICS, and he situated the LaRouches' Land-Bridge program as the key to such cooperation, in which he hoped the West would also join:*

I would like to take a look ahead, as if I were to be present at my own 100th birthday celebration, at how I see that the Russian economy is going to have developed, along with the world economy, by 2027. I have certain experience in long-range forecasting. At the UN, Wassily Leontief and I worked on a forecast for the world economy up to the year 2000. This was published in the well-known book, *The Future of the World Economy*, which was co-authored and edited by Leontief. It came out in the late 1970s in a number of languages, including Russian, so you can take a look and see that our forecast was vindicated, to some extent. . . .

I am . . . inclined to look at the question of how Russia's *productive* capacities [have] developed. If we apply . . . the method of disaggregation according to basic production factors, i.e., labor, capital, and the total productivity of such factors, or a summary productivity factor, it turns out that most of the growth, more than half, is accounted for by the utilization of reserve labor and power, and excess capital, created during the crisis of the '90s; the utilization of capacities that al-

ready existed in the Soviet period, and were idled or underutilized during the period of economic crisis.

And only 10% of the total growth is accounted for by new capital investment. It is absolutely clear that these two basic factors are one-time factors, which cannot be the basis for further growth in Russia, since they are already exhausted. The only real source of growth has to be capital investment in new technology and the growth of fixed capital and, of course, improvements in the quality of labor.

This is the direction that essentially was indicated by what Vladimir Vladimirovich

Putin stated in his most recent Message [to the Federal Assembly], where for the first time he presented something like an *industrial policy* for Russia. He didn't directly mention that term, which has been banned for a long time here. It was believed that only the market can properly structure the economy and, of course, create the forces that will bring about economic growth.

But the structure of Russian oligarchical capitalism is such, that it is not very eager to invest capital in sectors that it considers less profitable, and which involve long-term investment without a quick return. It prefers to invest its capital primarily in sectors producing for export, such as oil, aluminum, other non-ferrous metals, and steel. And there is no response to the President's appeals to invest in our own manufacturing industries.

From this follows the need for more active intervention by the state, which some people call state capitalism. And some people think that this means practically a return, or is a total return, or a planned total return to Soviet times, and that it would be a step backwards. Personally, I see it as simply the only possibility, with all its shortcomings, to channel capital investment in the direction it needs to go, into the more dynamic manufacturing industries and, of course, into economic infrastructure....

With whom should we ally, and to whom should we orient? This, of course, depends on your viewpoint. Mine is that Russia ought to be cautious. Russia will



EIRNS/Rachel Douglas

*Lyndon LaRouche joined Menshikov in Moscow for his 80th birthday jubilee, May 2007. Taking note of the LaRouches' Eurasian Land-Bridge and New Bretton Woods proposals, Menshikov said, "Russia should take part in those programs that will lead to conflict-free development that brings about a steady upswing of the world economy."*

never, of course, break with the current industrial countries, but at the same time, we should also orient towards the Eurasian triangle, by which I mean China-India-Russia. Why? Because, while the EU and the U.S.A. already now express some concern over what will happen if Russia makes a comeback, and whether this won't become a new threat, such as they consider the Soviet Union to have been, China, India, and other Asian countries do not perceive such a threat. In general, they are not afraid of Russia's development, especially insofar as, realistically speaking, it cannot present

any threat to them. Thus, we should orient to them, while not pushing away, but rather continuing to cooperate also with the industrialized countries.

But, of course, there is another possibility. And here I shall again mention Lyndon LaRouche, who is present today. He has put forward the conception of building the Eurasian Bridge. The Eurasian Bridge is a program of cooperation, with the participation of the U.S.A., Western Europe, Russia, with its scientific potential and enormous mineral resources, China, India—cooperation, for the purpose of building and reorganizing the economic infrastructure over the next 50 years. This will stimulate the progressive growth of the entire world economy.

But this plan can only be implemented, if there is cooperation among all of those countries; if their development proceeds in a conflict-free way. Lyndon LaRouche believes that one of the areas of such cooperation needs to be a monetary and financial reform, which he calls a New Bretton Woods. This means to establish a fundamentally new monetary system, which in some of its features will recall the old Bretton Woods, the system established at the end of the Second World War, which was subsequently destroyed.

Such a new world monetary and financial system, once more, will have to be based on cooperation among all the countries I mentioned. Just think about the exchange implications of China's and Japan's reserves,



and those of Russia. It is enough to think about the U.S.A. being the biggest borrower, and the biggest debtor of China and Japan, to understand that simply going ahead into financial conflicts and trade conflicts, is a path that leads, of course, to a serious destabilization of the entire world economy.

Thus, 2027 may be a year by which the planet has been turned upside down, in terms of its economy. At the peak on top will be countries that were formerly considered the Third World, while the traditionally industrialized countries will find that their place in the international division of labor will be determined by certain highly developed, specialized sectors producing goods and services....

My last pronouncement will be this: that Russia's path will be a path that upholds these projects for world cooperation. That is, while orienting toward the [Russia-China-India] triangle, but without forgetting the industrialized countries, Russia should take part in those programs that will lead to conflict-free development that brings about a steady upswing of the world economy.

### **LaRouche: The USA and Russia Can Change History**

*Immediately after Menshikov spoke at the May 2007 celebrations, Lyndon LaRouche made his remarks, including the following.*

We have, presently, the greatest crisis in all modern history is now occurring. There's an attempt to cover up and deny it, but it's happening. I see, most of Western Europe, from the border of Russia and Belarus westward, is a group of failed states, that are no longer capable of governing themselves, in even their domestic affairs, from the inside. The world has been taken over to a large degree by supranational financial interests, which similar interests are doing that, to shape policy.

When you look at the politicians—and I deal with politicians, particularly in the United States—and look at them in other countries, we have not only failed states, including most of those of Western Europe; the United States is also in the process of becoming a failed state. I have many friends and sometime collaborators among members of the Congress of the United States, and other people; but I find that today, the clear thinking is not coming from the politicians. The clear thinking required for political policy is coming from a different layer, usually senior representatives of the professionals, military, intelligence, diplomatic and so forth, who step outside the small-time controversies that fascinate

politicians, and do look at the future of mankind—especially senior people.

And sticking to the topic of Professor Menshikov's delivery right now, I think some things that he forecast, can be changed. The question is, who is going to change them? In practice, President Putin of Russia has spoken much, with others, in these recent events, about World War II, the conclusion, and Franklin Roosevelt, and praised the Roosevelt tradition....

The United States must change its behavior, by approaching Russia, China, and India, in order to create a new order of relations in the world, bringing all the smaller nations in to cooperate with them. I think we can do it: We can change history.... Russia's role, its culture more than its economy, especially the culture of science, in dealing with the potential of the large area of Northern Asia, and Northern Eurasia, in the vast mineral resources that would be required to be developed, if the needs of China, India and other countries are to be met. This is not something that could be exported, because in Russia itself, there is a repository of knowledge of *how to do this*, on which the rest of the world depends.

So therefore, what I think is urgent at this time, is a program for action. First of all, intellectual action. There must be more discussion particularly between leading layers of senior people in Russia and in the United States.... We have to establish a sense of the *reality* of this possibility. In that case, we can probably win over the political process, under the heat of crisis, to recognize that this is the only alternative to what is presently the most dangerous situation in all modern history.

### **Academician Granberg: A Long Wave Across the Bering Strait**

*Academician Alexander Granberg was Russia's leading expert on regional development. Prof. Menshikov had worked closely with him in Novosibirsk in the early 1970s, at the then fairly new Siberian Division of the Academy of Sciences. Just three weeks before Menshikov's May 2007 celebration, Granberg had chaired the Moscow conference "Megaprojects of Russia's East: A Eurasian-American Multimodal Transport Link Across the Bering Strait," sponsored by the Council for the Study of the Productive Forces (SOPS), which he headed. LaRouche had delivered a paper to that conference. Granberg's toast to Menshikov, in May 2007, concluded with this passage.*

It is well known, that Stanislav Menshikov is a major expert on long waves, and he has worked on this

together with Larisa [Klimenko-Menshikova]. And one of those long waves has reached me, today. Here's the story:

Three weeks ago, there was a conference in Moscow on one of the megaprojects, namely, the construction of an intercontinental route, from Eurasia to America across the Bering Strait. This is a very old idea, to link the continents, and the entire rail network of the world. Sooner or later, this project is going to be built! Many generations have dreamed about implementing this project, and this conference took place three weeks ago with the active participation of our government, and of [regional] governors, and the idea gained support. . . .

Three weeks passed, and here is Mr. LaRouche. And there has been an opportunity to discuss what actually needs to be done, to push this project ahead. These are very encouraging views! This road will be built! Thus, you have already taken part in this project. By the year 2027, according to the schedule, it will have been completed. Maybe just a bit of the tunnel will remain to be built, across the Bering Strait. It's only 100 km.

I hope to be able to have some influence on the design of this crossing. And we'll try to name the sta-

tion closest to the Bering Strait tunnel on the Russian side, either "Stanislav" or "Menshikov"! Yesterday, with your forecasts, we were talking about a lot of numbers, but I'm talking about a living, breathing station, of national importance, and named for you.

**Larisa Klimenko Menshikova:** And on the American side, there will be a station named after LaRouche!

### Menshikov's Greeting to LaRouche

*On an earlier occasion, during the 2001 Bad Schwalbach conference of the Schiller Institute, Prof. Menshikov had said to LaRouche, "You are the most un-American American that I have seen. That is, you are very American, of course, because you are traditionally American. You are from the best part of America, and the best roots of America. But you are a singular person." He contributed this letter to a Festschrift for LaRouche's 90th birthday, Sept. 8, 2012 (dated Aug. 28, 2012).*

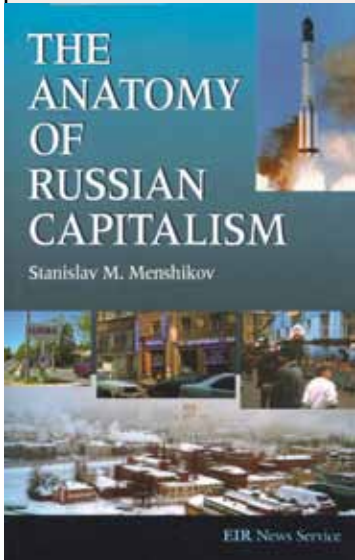
I am happy to be able to congratulate Lyndon LaRouche on his 90th birthday. His is a rare case of human activity—his being so active. Lyndon is an example of a creative mind that never stops emanating original ideas. And, quite frankly, I am full of envy that at 90 years he can do all that he is doing.

This is, of course, a result of God's good will. I cannot put it differently, because usually such brilliant minds are not blessed with the kind of stamina and health that have helped Lyndon to continue his activity at this age. I believe this shows that God not only gives him this possibility, but that God also approves of the way Lyndon has been acting all these years. Otherwise it would not happen.

So my first thought was that I envy Lyndon in a good way. My health is not as good, and he gives me an example that I try to follow.

I hope that he will go on in this way for years to come, contributing to human, scientific knowledge. LaRouche is the author of theoretical discoveries in the area I work in, which is the world economy. It doesn't mean that we share the same view of everything, and we have been arguing as many times as we have met, over the years. But that also does not mean that we are adversaries, for we both know that we are thinking in the same way and in the same direction.

I wish Lyndon good health for many years, and a happy family life with Helga, his wonderful companion.



*This English translation of the work of Russia's authoritative economist, Stanislav Menshikov presents a critical analysis of the complex economic processes in Russia following the collapse of the Soviet Union.*

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# Eliminate Poverty And Backwardness

by Lawrence Freeman  
and Donielle DeToy

Dec. 8—Ethiopia, the most populous landlocked country in the world, with over 93 million people, lacking abundant precious metals and other high-priced resources, has made the development of its people, its most valuable resource, the primary focus of its policies. Bereket Simon, a valued advisor to Prime Minister Hailemariam Desalegn, emphasized in discussions with *EIR* (see interview below) the importance of the government's role in improving its economy; reversing low productivity, and advancing the livelihoods of its citizens, by strengthening employment in the formal economy over the backward informal sector.

The Ethiopian Popular Revolutionary Democratic Front (EPRDF), the ruling coalition, has rejected the neo-liberal policies which dictate that only unbridled free trade and the forces of the "market" can determine the future of a nation. Instead, the EPRDF insists that the government has the responsibility and obligation to advance society by infusing it with new technologies, building necessary infrastructure, enhancing the skill levels of its workforce, and improving access to information and financing.

The EPRDF liberated Ethiopia in 1991 from the communist dictatorship of Mengistu Haile Mariam, who had controlled the country since the overthrow of Emperor Haile Selassie in 1974. However, as Bereket stressed, the turning point was in 2001. After a several-month-long robust debate inside the Front over what policies would best serve the future of the country, the philosophies of the late Prime Minister Meles Zenawi, who died in 2012, prevailed, and are guiding Ethiopia today. These concepts have led to visible improvements, albeit for a still relatively small, but growing, portion of the population, which even Ethiopia's Western critics have been forced to grudgingly admit.

Bereket, who was a close ally of Meles, and colleague in the liberation movement, reported that the EPRDF in 2001 rejected socialism/communism, but also did not accept the Western financial model, epitomized by the IMF's insistence on privatization, which also prohibits the state from intervening in the economic process of the nation. Meles studied the models of Taiwan and South Korea, where the state successfully directed investment into the agriculture sector that dominated these initially rural societies, but which, over time, led to significant growth for the entire economy.

Zenawi, a towering figure in modern Ethiopia, was the leading intellectual force driving this new policy for Ethiopia, and it is his legacy that still dominates the thinking of those in government and many citizens today. When his philosophy is combined with a collaborative approach to all nations in the region, including Egypt, it promises to transform the region.

## Economic Successes

Over the past 13 years, Ethiopia has practiced this state-interventionist approach to its economy, and has achieved the following advances:

**Agriculture:** With 80% of its people engaged in agriculture and related sectors, the challenge is to generate a greater output per capita, and at the same time, create an educated, skilled labor force to begin building an industrial-scientific base. During this period, over 60,000 agricultural experts were deployed into the rural areas to educate farmers in basic technological methods. The result has been an increase in grain production from 10 million to 25 million tons, today.

**Education:** With 60% of the population under 30 years of age, the construction of 30 new universities, an expanded Technical & Vocational Educational Training (TVET) program, and an increase in student enrollment from 2 million to 22 million, represents the beginning of a necessary shift. In April 2010, the Ethiopian Academy of Sciences was established, with a vision to create a scientifically literate society in Ethiopia.

**Hydroelectric power:** In 1991, only 8%, or 4 million of its then 51 million people, had limited access to electricity. Starting in 2004, with the creation of the first of four Gibe hydropowered dams (Gibe III & IV go online in 2014-15, with estimated combined output of 3,900 MW of electricity) along with subsequent water

projects being built, this “Water Tower” of Africa has begun to export electricity. With the anticipated 2017-18 completion of the Grand Renaissance Dam (6,000 MW)—the largest in Africa—over 75% of its population will have direct access to electricity. Today, almost 50% of people have access to electricity, including over 6,000 rural villages and towns due to the development of 152,000 km of new connections and transmission lines.

**Health-care:** An outreach program has sent 40,000 health-care workers into the rural areas to teach basic public health, hygiene, and prenatal care. The results over ten years were a two-thirds decrease infant mortality rates, from 103 deaths per 1,000 births in 2003, down to 44 in 2013.

**Housing:** Addis Ababa, Ethiopia’s capital at the foot of Mount Entoto, was founded in 1886, under Emperor Melenik II. Today its population of 3 million is witnessing the construction of over 120,000 new condominiums, and hundreds of apartment buildings, to address the housing shortage in the capital and surrounding area. This construction boom has placed a premium on much-needed building materials; for instance, the city needs 1.3 million cubic meters of gravel this fiscal year, and an estimated 6 million cubic meters in the next five years, just for housing construction.

**Transportation:** With over 82% of its population living in rural areas, the building of decent roads and highways was one of the most important projects. The just-completed 80-km Addis Ababa Adama (Nazareth) Expressway relieves one of Ethiopia’s most heavily congested corridors. Up to 20,000 vehicles travel daily from Addis Ababa through Oromia Regional State to Adama. This, the first toll road for Ethiopia, and the first highway for eastern Africa, was built by the Chinese Communications Construction Company. It is planned as a segment of the future Addis Ababa-to-Djibouti highway, and part of a 64,000-km road network the government intends to complete by 2015.

Within Addis Ababa, a 34-km light-rail system, being built by the China Railway Group Ltd, which, with its 41 stations, will connect the outlying areas of the capital, east-west and north-south, with a passenger capacity of 15,000 per hour in each direction. A feasibility study has just been completed to extend the national rail network from today’s 800-1,000 km to 4,000-5,000 km.

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Meles Zenawi

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## The Neo-Liberal Paradigm Is Dead

*Here are excerpts from an unpublished 2006 preliminary draft by then-Prime Minister Meles Zenawi, entitled, “African Development: Dead Ends and New Beginnings.”*



World Economic Forum  
Former Ethiopian Prime Minister  
Meles Zenawi (1996-2012)

From the Introduction: “The political and economic renaissance of Africa is an issue that continues to preoccupy Africans’ and non-Africans alike. Various methods of achieving such a renaissance have been proposed. Most of these proposals are variations of the dominant neo-liberal paradigm of development. My argument is that the neo-liberal paradigm is a dead end, is incapable of bringing about the African renaissance, and that a fundamental shift in paradigm is required to bring about the African renaissance.

“...[S]ocial development is essential for economic development and that social development cannot be brought about by market mechanisms alone.”

From Chapter 6: “Economic theory has shown that developing countries are riddled with vicious circles and poverty traps that can only be removed by state action. The theory of the developmental state completes the alternative paradigm by showing what type of state can intervene in the economy to accelerate growth while at the same time limiting socially wasteful rent-seeking activities.”



From Chapter 7: “The most successful of development experiences have not been brought about by a night watchman state restricted to protecting individual property rights and enforcing the contracts [i.e., the Western free-trade model—ed.]. It has been brought about by some of the most interventionist governments to emerge in the context of market economy.” (Although Meles does not mention the U.S., the administrations of President Franklin Roosevelt are an excellent example.)

In Chapter 10, “Overcoming Market Failures,” he discusses the role of government in supplying credit and protection in the two countries that he studied.

“The governments of Taiwan and Korea, in effect, largely replaced the financial market and allocated investible resources in accordance with their development plan. Credit allocation by the government was the linchpin in a comprehensive package of support to the private sector. The two governments also provided a minutely differentiated trade support and protection to support infant industries. In other words the governments of the two star performers intervened massively to address all the key market failures...”

In Chapter 17, “Outcome of Economic Reform,” he highlights the failure of neo-liberalism to address the infrastructure needed for development especially for the agricultural sector: “Investments in infrastructure and market support institutions that lower the unit costs of distribution are needed to break the dead end. The physical and intuitional infrastructure of technological capability accumulation must be built to bring about continued improvement in productivity and break the dead end. In other words the dead end can be broken only if government invests in rural physical infrastructure, in market support institutions, in institutions for technological accumulation, and if governments intervene to save agriculture from the credit crunch that the informal sector has subjected it to. The neo-liberal dogma is opposed to all the key steps required to break the dead end. The neo-liberal paradigm is thus fundamentally incapable of leading African agriculture out of the dead end it has reached. The fundamentals of the neo-liberal paradigm go against the grain of what is needed to bring about rapid and sustained growth in African agriculture.”

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## Interview: Bereket Simon

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# Ethiopia Adopts Rapid Development Approach

*Mr. Simon is the Policy Study and Research Advisor to Ethiopian Prime Minister Hailemariam Desalegn. Lawrence Freeman interviewed him in Addis Ababa on Nov. 24.*



**EIR:** I wonder if you might explain the philosophy that your government has developed over the last 13-14 years—I believe you call it a “development state philosophy”—and how this has impacted the economic growth and well-being of your people.

**Simon:** This is a philosophy which we have tried to learn from the world at large, and specifically also from the East Asian areas—actually from those countries that have shown a rapid development for the last 50-60 years. To a large extent, we have a similar philosophy in relation to the rapid development of the country, as well as a different approach to the democratization of the country. Our philosophy is that of the development of the democratic state, which was espoused by our late Prime Minister Meles Zenawi. We give much attention to role of the state as the leading institution for bringing about rapid development, the transformation critical for the creation of a large and very strong private sector, and government assistance in unleashing the productive potential for the public at large.

Our philosophy is essentially making use of the power and the capacity of the state for the good of the country for rapid development.

On the other hand, our philosophy emphasizes that we give sufficient and proper attention to the democratization of the country. Of course this had been done right from the start; we started within a month after the downfall of the military regime, by introducing fundamental democratic rights, which ensured that both private and [property] rights are respected in Ethiopia.

**EIR:** In 2001, there was a robust debate inside your movement about how you would approach the future of your country, and you established several priorities of development and interventions by the state to improve the standard of living of your people and develop your economy. Could you tell us what those top priorities were?

**Simon:** We have tried to identify the existential challenges that this country faces, and in that respect we have identified two fundamental problems that are impeding the development of Ethiopia. These are the persistence of poverty, and backwardness. The government has taken poverty and backwardness to be the number one enemies of Ethiopia and the Ethiopian people. Low productivity and low living standards are the main problems, so we have opted for rapid and shared growth approach in our development, so that the majority of Ethiopians become beneficiaries.

On the second point, this is a country of diverse people, and both the rights of citizens as individuals, as well as the rights of different social groups, ethnic groups, or religious groups, should be respected as well. So, this diversity should be accommodated and managed in a democratic way, to make sure that the public at large and all the different ethnic groups in Ethiopia are benefiting from the democratic rights. So these are our top priorities.

## Government Role

**EIR:** Ethiopia has embarked on a very aggressive infrastructure program in roads, construction, and of course, the building of the Grand Renaissance Dam, which is an extraordinary task, to be completed in 2017, for about 6,000 MW of hydroelectric power. Could you tell us how you decided on these programs, how you are funding them? And are you working with other governments? What is your goal?

**Simon:** When we tried to identify the causes of our underdevelopment, we found out that the lack of infrastructure development, lack of skilled labor, lack of a financial sector to provide proper and adequate credit to those engaged in productive ventures, and lack of tech-



IRNS/Danielle DeToy

*Housing construction in Addis Ababa. The government has embarked upon a program of rapid development of infrastructure, relying mostly on domestic financing.*

nology had been the center of all the problems—we are lacking these things, which haven't been developed in Ethiopia in the last century or so. All citizens, the public at large and the private sector, were tending to engage in informal activities; the formal sector had been so poorly developed, and people were not accustomed to working in such a way that their productive capacity would be unleashed.

In order to fill this gap, we felt the government should have a role in providing the fundamental prerequisite for development, so we embarked on massive improvements of infrastructure; we embarked upon improving education, where we, in the last 15 years alone, built 30 new universities and provided basic education to our public. The number of students jumped from 2 million to 22 million. And we had to also develop the skill of our youngsters by expanding technical and vocational schools, and by doing so, we have been able to provide a market of skilled labor which is improving day by day; but also to improve the financial sector, so that all our citizens, as well as the private sector, shall be provided with cheaper credit facilities. All of this has been provided by the government, as well as by the market, where the market is adequate to provide such services in a competent manner.

We have improved our roads, our power, our hydro-

power generation, as well as wind turbines; we have been expanding our telecommunication services. Of course, this is a growing country, and we cannot say that everything is in place, but as much as we can, we have been putting all the right things in place, and we have started to see the impact of this selected intervention by the government. I think we can say that with this, Ethiopia has been able to generate robust growth in the recent years.

**EIR:** Let me ask you a technical question. In building the Renaissance Dam and other large dams—Gibe III is supposed to come on line next year—plus you have this ambitious plan for 4,000-5,000 km of railroad production, how is the government funding these?

**Simon:** The issue of funding is not a problem. In the first place, we have to generate it from inside, and I can tell you for instance, that with the significant growth in our agricultural sector, we are seeing value creation, value that had not been there yesterday is being created anew, so that was contributing to our financial stock and that has helped us. The private sector in our urban areas, the citizens in our urban areas, are realizing their initiatives and their potentials, and this has started creating money, started creating value. So the value creation that we are engaged in is making us capable of providing the financing necessary to support all these infrastructure programs. Our exports have been improving; of course that is slight, but it is improving. We have also been able to acquire loans from foreign countries, but our government is renowned for its decision to put financing into the right place; we have been able to do the projects.

### Financing for Development

**EIR:** So you are talking about the government having essentially a capital budget that puts online these infrastructure programs; that it comes from government funds?

**Simon:** By and large, yes. But there are some additional requirements for which we ask for loans and grants, and we have been lucky, we have spent all this money in the right place. So the financial situation of the government so far is very good and we are going to continue.

**EIR:** And a growing economy and the infrastructure mean that you have been able to pay back these loans, if they are long-term, low-interest loans.



*Ethiopia's Grand Renaissance Dam is expected to be completed in 2017 and will produce 6,000 MW of hydroelectric power.*

**Simon:** Yes, some of the long-term loans have been paid. But we are working to expand our export earnings and we also feel we can finance our development endeavors with our money. I can assure you the government has never been looking at financing as a number one problem; we look at it in such a way that we can realize our potential. I think it is just a matter of time, and the issue of finance is not going to hold us back.

**EIR:** In July, the BRICS countries—Brazil, Russia, India, China, and South Africa—met and they established a New Development Bank, to be brought online for funding infrastructure. Also, last year, the President of China, Xi Jinping, announced the formation of the New Silk Road. I know you have had productive collaboration with China and China has helped you on some of these projects. What is your view of this changing potential in the world economy?

**Simon:** With the advent of the new economic forces around the globe, we feel more opportunities are being created for Africa, both for the raw materials that Africa provides, and the supply of credit for African development. So, in that respect, I think we can safely say that the current good growth that we are seeing around Africa is fueled by this news. Africa has been the beneficiary of the situation, and with the advent of the new BRICS bank, we expect Africa also to benefit from such an undertaking, and Ethiopia too, as it has benefited in the past from good relations and cooperation through the years. We feel the the new bank will be also be an instrument for improving the infrastructure of Africa, provided we Africans also put our house in order.

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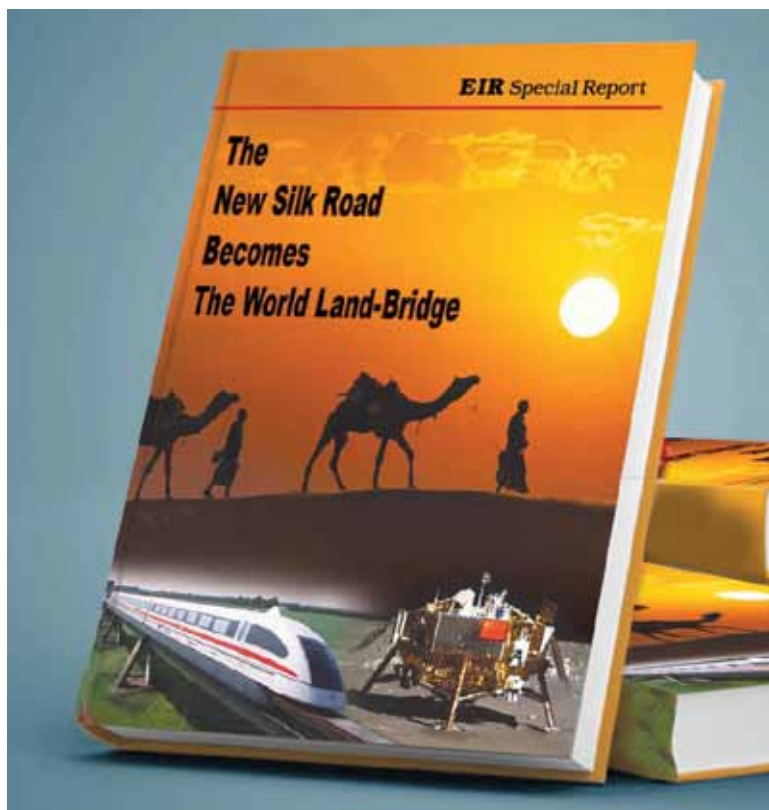
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## Despite Obama's Happy Talk, Ebola Still Ravaging Africa

by Debra Hanania-Freeman

Dec. 5—On Dec. 2, President Obama, accompanied by his sock puppet Dr. Anthony Fauci, visited the National Institutes of Health (NIH) to compliment himself for his great success in leading the rest of the world in the fight against the Ebola epidemic that has been ravaging West Africa since March.

According to Obama's self-serving, and some would say delusional, remarks, the United States is taking the lead in the world's response to Ebola—in treating, containing, and preventing the spread of this devastating outbreak. "Part of American leadership in the world—one of the things that has always marked us as exceptional—is our leadership in science and our leadership in research."

"In fact," Obama continued, "thanks to critical investments and the efforts of our health-care workers, the U.S. is now in its strongest position to rapidly respond and protect the American people:

- We now have 35 facilities nationwide that are prepared to treat an Ebola patient—up from three facilities just a few months ago.

- We have increased the number of domestic labs capable of testing for Ebola from 13 to 42.

- We now have some 3,000 Ameri-

can civilian and military personnel on the ground in West Africa, up from several hundred a few months ago.

- American leadership has helped to galvanize more than \$2 billion in contributions from the international community for the Ebola response."

The previous day, the World Health Organization



White House video

*As Obama was grandstanding about his "success" in the fight against Ebola in Africa, Doctors Without Borders, the NGO combatting the epidemic, issued a scathing attack on the international community for its pathetically inadequate response.*

(WHO) said that significant progress has been made in reversing the upward trajectory of cases in the three West African countries ravaged by the disease, but admitted that it was extremely doubtful the year-end goals of isolating and treating all patients and safely burying all the dead would be met.

### Hospitals ‘Prepared’ To Treat Ebola?

All the happy talk, if it isn’t just outright conscious lying, is, at the very least, ill-founded.

In the United States, it is true that 35 facilities have now set aside units that the Centers for Disease Control (CDC) have deemed as “prepared” to treat an Ebola patient, but none, outside of the original three facilities (NIH, Bethesda, Md.; Emory University Hospital, Atlanta; Nebraska Medical Center, Omaha) have actually been tested in live situations. And live Ebola cases that are transported to the U.S. from West Africa are still being sent to one of the three facilities with genuine Level 4 Isolation Units.

Practitioners have also questioned the location of the 35 facilities the CDC has designated. For instance, the entire state of California has only four designated facilities. Two—UC Davis Medical Center and Kaiser South Sacramento Medical Center—are in the Sacramento region. Two others—UC San Francisco Medical Center and Kaiser Oakland Medical Center—are in the Bay Area. None of the facilities listed by the U.S. Department of Health and Human Services (HHS) are in Southern California, where more than half the state’s population resides.

Obama used the occasion of the NIH photo op to call on Congress to approve \$6 billion in emergency funds to underwrite both the domestic and international response to the epidemic before the end of this year’s Congressional session.

The situation on the ground in West Africa makes clear that the need for additional funds is unquestionable.

In its report on Nov. 29, WHO said that 6,928 people

FIGURE 1

### 35 U.S. Hospitals Equipped To Deal with Ebola



Source: U.S. Department of Health & Human Services

Note: Due to proximity, some locations overlap.

were now known to have died from Ebola, with more than 17,000 known to have been infected. All but 15 of those deaths occurred in Guinea, Sierra Leone, and Liberia. But, even WHO cautions that its current figures may vastly underestimate the actual death toll. The CDC believes that the actual number is somewhere between two and four times the number published by WHO. And, despite all the propaganda insisting that the epidemic in Liberia is not only under control, but subsiding, Liberia has seen the sharpest increase in the death toll, with more than 1,000 new occurrences of the highly contagious disease, since WHO published its most recent data. Liberia has also seen the most fatalities.

The explanation for the recent sharp increase in deaths isn’t clear. One WHO spokesman has said that the increase may not be due to a new outbreak, but rather to previously unreported deaths now being accounted for. Local authorities and agencies have not been equipped to handle the outbreak, and WHO has said that they haven’t been able to process paperwork, including death certificates, as quickly as the statistics change.

### Many New Cases

One critical measure of the status of the epidemic is the number of new cases reported. It does seem that the

exponential growth rates of those infected that were apparent during the Summer months, has slowed somewhat; but there are still more than 1,200 new cases being reported per week, with more than 100 new cases per day in Sierra Leone alone. And, contrary to the impression one would get from press reports, the numbers are higher for November than they were for October. Tony Banbury, the head of the UN Ebola response mission in West Africa, has warned there is still a “huge risk” the deadly disease could spread to other parts of the world.

And, just as there are questions about the accuracy of the death toll, the number of new cases is very hard to determine. For instance, in Liberia, during the Summer, the virus was concentrated in the capital city. Monrovia’s high population density obviously was a factor in the rapidity with which the virus spread. But, it was also the case that the government had a better capacity to monitor what was going on. Now, although the rate of new infections in the Monrovia has slowed, the virus has migrated into other areas of the country where there is little or no reporting capability.

The shift in the geography of the epidemic has not only complicated efforts to track the rate of infection, it has also complicated the efforts to eradicate it. For instance, in Guinea, Ebola is now thought to be in nearly twice as many districts as it was just two months ago, when the UN established a new mission to coordinate the international response. And in Sierra Leone, Ebola is ravaging the western part of the country, while only a handful of new cases are surfacing in previous hot spots.

### **‘Doctors Without Borders’ Condemns Response**

Perhaps the most realistic assessment of the epidemic has come from the NGO *Mèdecins Sans Frontières* (MSF/Doctors Without Borders). On the same day of Obama’s visit to NIH, the group launched a scathing attack on the international community for what it called its slow and patchy response to the effort to eradicate the disease in West Africa.

Three months after MSF called for international intervention, its international president, Dr. Joanne Liu, said it was “extremely disappointing that states with biological-disaster response capacities have chosen not to deploy them.” She said people “are still dying horrible deaths in an outbreak that has already killed thou-

sands,” and urged the world not to be complacent. “We can’t let our guard down and allow this to become a ‘double failure’: a response that is slow to begin with, and then is ill-adapted in the end.”<sup>1</sup>

In a six-page briefing paper entitled “Ebola Response: Where Are We Now?”, the MSF said the situation was “far from under control” in Sierra Leone, that the “situation is alarming,” and, while progress was being made in Liberia, there was no room for complacency. “The outbreak is far from over, as a single case can start a localized epidemic,” it said, reporting infection chains starting in remote rural areas with no access to treatment centers or testing facilities.

MSF said case numbers had dropped in Monrovia, where there was now surplus bed capacity, but added that many international agencies “seem unable to adapt to the rapidly changing situation,” with outbreaks in Bong, Margibi, Gbarpolu, Grand Cape Mount, and River Cess counties. In some areas, such as River Cess, patients must travel for up to 12 hours by road to reach a functioning laboratory and a community care center.

Guinea, where the outbreak started, was “long overlooked by international efforts,” according to MSF, which said the response was “painfully slow.” It said Guinea’s task force for dealing with Ebola was improving, but that the caseload in November, month on month, was up 25%. It added: “New areas are reporting infections and 17 of Guinea’s 33 prefectures have reported cases in the past three weeks.

“Like in Sierra Leone and Liberia, the absence of implementing partners willing and able to manage case management centers and a lack of trained staff have been a bottleneck and the source of large delays.”

Infection is increasing “alarmingly” in Sierra Leone, said the report, and local health-care workers are carrying the burden. The latest number of confirmed cases in the country is 5,978.

The MSF report said the U.K.’s contribution in Sierra Leone has yet to have an impact, two months after its aid program was announced. The U.K. and China have sent teams to build Ebola centers in locations including Port Loko, Freetown, and Makeni, the worst-affected of the country’s 14 districts.

MSF said the U.K.’s promise to build and provide resources for an additional 700 beds had yet to be ful-

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1. As quoted in [The Guardian](#), Dec. 2, 2014.

filled. “As of 27 November, only 11 of these beds were operational, and only 28 patients had been treated. While the remaining centers are under construction and scheduled to open soon, they will not be running at full capacity until well into the new year.”

Since the U.K. government’s announced plans for six hospitals, only one has opened, in Kerrytown, an hour’s drive from Freetown. About half of the available beds are government-run or run by the armed forces, with another 40% run by MSF, it said.

The U.S. has similarly announced a major scaling back of its initial promise to build 17 treatment centers of 100 beds each in Liberia. In a briefing this week, Gen. David Rodriguez, the Commander of U.S. Africa Command, said that the current plan was to construct 10 facilities with a treatment capacity ranging from 10 to 50 beds.

“In the absence of adequate facilities to isolate, diagnose and manage Ebola cases, Sierra Leonean health-care workers are struggling,” MSF said. “[We are]

deeply concerned about contamination of uninfected patients and healthcare workers where staff are not necessarily trained to manage Ebola patients and where infection control measures cannot be assured.” Indeed, on Dec. 5, two Sierra Leonean physicians died after contracting the virus. To date, approximately 350 West African health-care workers have died from the disease—106 of them in Sierra Leone.

“We are devastated at this hemorrhaging of our healthcare workers,” a senior Health Ministry official told Reuters, asking not to be named. While addressing Parliament on Dec. 5, Sierra Leone President Ernest Bai Koroma called medical personnel fighting Ebola the country’s “greatest patriots” and pledged to pay the families of all medical staff who die battling Ebola \$5,000 in compensation.

Lack of education about Ebola in all three countries is still a major issue and will prevent the containment of the virus. “MSF teams are still finding that misconceptions about Ebola are widespread and stigma is intense,

## LaRouchePAC Emergency War Plan Against Ebola

*Dr. Debra Hanania-Freeman, national spokeswoman for Lyndon LaRouche, issued an Emergency War Plan Against Ebola on Oct. 24. The complete statement can be found in [EIR](#), Oct. 31, 2014. Here are the key points.*

Michael Osterholm, Director of the Center for Infectious Disease Research and Policy at the University of Minnesota, and one of the world’s leading experts on public health and biosecurity, has been widely quoted identifying the three phases of epidemic control:

**Plan A:** Smothering the virus where it is currently epidemic.

This depends on having a sufficient number of hospital beds and health-care providers to care for each patient. In an ideal setting, each patient identified is isolated to ensure the virus is not transmitted to family, friends, and the community at large. Once a patient is identified, public-health workers go to

work at contact tracing, so that any contact that begins to show signs of infection can be similarly isolated, and the process repeats itself.

This is a classic public-health approach, and succeeds in halting a virus’s spread after single introductions of the disease. It has worked in containing the outbreak of Ebola and other infectious diseases in the past. It is what was done last month when a Liberian diplomat collapsed upon arrival at Lagos airport in Nigeria and was diagnosed with Ebola. However, if an infected person reaches a crowded area, especially if that is an area where public-health infrastructure and health-care services are limited, there is a danger of the exponential spread of infection. Then, it is time for Plan B.

**Plan B:** Mobilizing every aspect of health and medical infrastructure to identify the infected, and quickly isolate and treat them to stop any further spread of infection.

For Plan B to succeed, at the very least, 70% of those infected must be identified, isolated, and treated.

**Plan C:** The only guaranteed solution to an infectious disease epidemic: the delivery of an effective vaccine to most of the population in an area hit by epidemic.



leading some to avoid seeking treatment or report cases,” the report said of Liberia. In a recent example, it found that people who had been in contact with the sick were fleeing into the bush so as not to be traced, fearful of what would happen if they were.

### **EIR’s Emergency War Plan**

But, not even the MSF report mentions the fact that the attempt to deal with the epidemic by health-care systems that were already strained, has led to sharp increases in the death rates from other causes. Malaria death rates have skyrocketed in all three of the hardest hit countries, and premature births now represent the leading cause of death among infants. And, there is no effort to restore the infrastructure, or provide personnel, that have been so drastically diminished.

Perhaps the only area where some progress has been made is the development of more efficient methods for testing, and therefore providing early detection of infection. There are also reports that several of the trials testing various vaccines are yielding promising results. But those efforts continue to suffer from lack of international coordination along the lines of an international

Manhattan Project approach that *EIR* called for in its Emergency War Plan. As a result, critical time and energy are still being lost in duplication of efforts.

The epidemic is also having a devastating effect on the economies of the hardest hit countries. According to a report released by the World Bank on Dec. 2, Liberia, Sierra Leone, and Guinea all face negative growth both this year and next because of the virus, and all three of those nations are currently suffering food emergencies.

The fact, however, is that it isn’t the Ebola epidemic that is causing the economic devastation of the region. It is the other way around. In the 1970s and ’80s, *EIR* first documented the fact that the economic and financial policies imposed on Africa, if they were to continue, would create the conditions for nothing less than a biological holocaust. And, while efforts to contain and defeat this current epidemic are critically important, the fact is that the only real security lies in the eradication of the genocidal policies that have given rise to the epidemic in the first place.

*The author is a Doctor of Public Health.*

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#### **CONTENTS**

- Introduction by Helga Zepp-LaRouche
- Greece, and a Marshall Plan for the Mediterranean Basin
- Spain: Bridge to African Development
- The Rebirth of Italy’s Mezzogiorno
- Africa Pass
- The Transaqua Project
- North Africa: The Blue Revolution
- What Europe Can Learn from Argentina
- A German Economic Miracle for Europe

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# U.S. High-Speed-Rail Effort Gets a Boost from China

by Lena Platt and Michael Steger

LOS ANGELES, Dec. 6—The United States High Speed Rail Association held a conference in Los Angeles Dec. 2-4, attended by some 100 representatives of major transport and construction companies, including participation from China: from rail construction companies and a large financial delegation. The aim of the event, held annually in Washington, D.C., Los Angeles, and San Francisco, is to accelerate the building of high-speed rail in the United States, starting with the ongoing project in Bakersfield, Calif. The California line, which is supposed to be completed around 2029 and will eventually extend from Los Angeles to a new transit hub in San Francisco, has both state and Federal financing.

Presentations from elected officials and industry representatives conveyed the urgency for high-speed rail (HSR) to stimulate an economic recovery in the United States, and to alleviate the terrible gridlock of the nation's freeways and airports. Another focus, due to the current decline of U.S political and economic thinking, was placed on the reduction of global warming by replacing CO<sub>2</sub>-emitting automobiles with both high-speed rail and light rail for inner cities. This is also tied to the current state of financing for the California project, where 25% of all revenues from the state Cap and Trade Program will be dedicated to funding HSR in the state.

Lacking from the discussion, though implicit in the Chinese presentation, was the role of high-speed rail in raising the economic platform of overall physical production per square mile. This economic process was

FIGURE 1

## The Association's Vision of a Four-Phase U.S. High-Speed-Rail System



best seen in President Lincoln's Transcontinental Railroad, which made accessible for development the Western part of the United States; it is now the motive for the rapid growth of HSR into the western parts of China and into Central, South, and Southeast Asia. As the new *EIR* report, *The New Silk Road Becomes the World Land-Bridge* shows, both a Bering Strait tunnel and a North-South corridor into South America through the Darien Gap are critical to the success of the California HSR project, as these sections, connecting continents, will not only accelerate the completion and extension of the California line, but will magnify by orders of magnitude its economic impact on the entire region.

### 'Doing the Impossible'

Keynote Speaker Jeff Morales, CEO of the California High Speed Rail Authority, abandoned the defensive

tone of the previous speakers, saying, “If they call you bad names, you must be doing something good,” and reminded the audience that “California showed the world how to do the impossible!” Referring to prior successful projects, he said, “Ansel Adams said the Golden Gate Bridge was an upside-down rat trap that would mar the beauty of the Bay,” and the Bay Area Rapid Transit (BART) system “was called a ‘train to nowhere’ which only passed the legislature by one vote, while the HSR passed by two votes!” He quoted Gov. Jerry Brown saying, “I would like to be part of the group that gets America to think big again,” and pledged to have the Central Valley segment completed by 2018, the Anaheim to Merced segment by 2029, and that the project will pay for itself ten times over in a short period of time.

Vital to the success of the project is the time frame for completion. The current deadlines are far too long, considering that over the next five years China will complete nearly another 17,000 km of HSR, adding to its already existing 13,000 km. A qualitative shift in the U.S. political and economic system, equivalent to joining the new BRICS development, is essential to the success of such important endeavors.

In response to a question from *EIR* on the role of HSR as part of a national mission, like JFK’s Apollo program, in addition to China’s leadership and the potential of the U.S. to join the BRICS’ New Development Bank, Morales replied that he fully expects other countries to be involved.

## The Chinese Example

Later in the conference, referencing *EIR*’s question on international collaboration for a new national mission, Yufang Guo of China introduced two of his collaborators from the Tiesiju Civil Engineering Group, a subsidiary of China Railway Engineering Corporation: Vice President Gang Shao and Senior Economist Zhou Fangyuan. Gang showed a breathtaking video on the chronology of development of China’s national HSR network, from the early 1990s up through the present Gobi Desert section. The audience was floored!

The boldness and unabashed optimism of Gong’s presentation stood in stark contrast to all of the other videos presented during the conference, and dwarfed the plans of even those shown from Europe. There was no quibbling about environmental impacts statements, carbon footprints, or earthquake damage. The video,



[www.cahighspeedrail.ca.gov](http://www.cahighspeedrail.ca.gov)

*Artist's rendering of a future high-speed-rail station in California.*

which highlighted China’s accelerated development during the last ten years, was reminiscent of the former idealistic and industrial U.S.A., and captured the imagination of everyone present.

The elected officials who addressed the conference expressed an undaunted intention to get this technology built in the the United States, with State Sen. Cathleen Galgiani and Palmdale Mayor James Ledford asserting that it must be done *now*.

The conference was attended by representatives of the most important sectors remaining in American industry. A number of firms involved in aerospace were excited to apply their technologies to HSR, while Mayor Ledford made reference to the dormant aerospace manufacturing potential that exists near Edwards Air Force in Antelope Valley. Ironically, this is also a proposed area for the California route.

Participants from the East Coast made reference to the recent Chinese contract for the upgraded light-rail “T line” in Boston, which includes a 400,000 sq ft factory in Springville, Mass. They saw this as an example the necessary revival of U.S. manufacturing, including the steel sector, and were more than enthusiastic about the possibility of future Chinese collaboration along these lines.

We need a fundamental political shift back to the American System economics of Alexander Hamilton. There is no longer room for the British free-trade system in the United States, and if high-speed rail is to flourish and advance our entire nation forward, the old British system of speculation must go the way of the buggy whip!



# South African President Zuma's Visit Expands Close Ties with China

by Douglas DeGroot

Dec. 8—South African President Jacob Zuma, at the invitation of Chinese President Xi Jinping, arrived in Beijing on a four-day state visit Dec. 3, accompanied by a high-profile delegation including seven ministers, the mayor of South Africa's Executive Capital, Pretoria, and more than 100 business executives, to advance South Africa's collaboration with China on trade and economic development.

Zuma was greeted by Xi, given a state welcome at the Great Hall of the People, and on Dec. 4, had a working meeting with Premier Li Keqiang.

Xi welcomed Zuma as "the Chinese people's old friend and good friend," adding, "South Africa is the comprehensive and strategic partner of China in Africa. We are good friends and good brothers who mutually benefit each other."

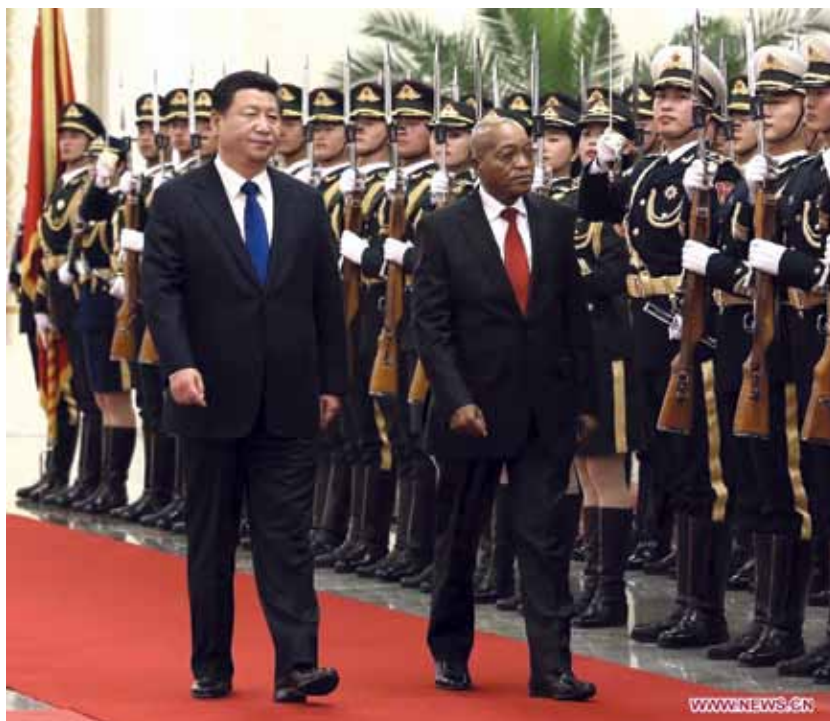
This was Zuma's first visit to China since he was re-elected in May. On a previous visit in 2010, Zuma finalized the Beijing Declaration with then-President Hu Jintao, an agreement for a "comprehensive strategic partnership" between the two nations, which are both now members of the BRICS (Brazil, Russia, India, China, South Africa). South Africa is seen as the BRICS portal into Africa, and is to be the African regional headquarters of the BRICS New Development Bank. China is setting up factories there to solidify BRICS development plans for the African continent.

President Zuma was accompanied by Maite Nkoana-Mashabane, Minister of International Relations and Cooperation; Jeff Radebe, Minister in the Presidency; Nhlanhla Nene, Minister of Finance; Rob Davies, Minister of Trade and Industry; Edna Molewa, Minister of

Environmental Affairs; Dipuo Peters, Minister of Transport; and Senzeni Zokwana, Minister of Agriculture, Forestry and Fisheries.

On Dec. 4, Zuma and Xi signed a new 5-10-year framework agreement for further improving their economic cooperation. As Nkoana-Mashabane pointed out, China is South Africa's single largest trading partner in the world, and South Africa is China's largest trading partner in Africa. The trade balance is weighted to China's advantage. During this state visit, the two partner nations are seeking to rectify this imbalance. Bilateral trade grew by 32% last year.

The South African delegation's intention was to secure more Chinese investments in science, technol-



*Chinese President Xi Jinping welcomes South African President Jacob Zuma to Beijing, Dec. 4, 2014.*

Xinhua/Pang Xinglei



ogy, agriculture, and infrastructure, with the goal of improving the value of South African exports to China.

As an example of this purpose-driven process, which is seen as more important than profits, China is setting up factories, such as home appliance, and car and light truck plants. In one Chinese appliance motherboard factory in South Africa, one man monitors one machine, while in China, one person manages two. The comment of a Chinese supervisor involved in the project: “It will just take some time.”

In contrast, a Ford casting plant in South Africa employing 350 people recently announced that it would close, after its workers went on strike.

### Nuclear Accord

On the same day, China and South Africa signed a series of accords, including a Memorandum of Understanding (MoU), to advance South Africa’s nuclear energy industry. South Africa will soon choose the vendor that will build its new nuclear plants, and is preparing the groundwork for that expansion.

According to *World Nuclear News*, the MoU was signed by the Nuclear Energy Corporation of South Africa (Necsa) and China’s National Nuclear Corporation (CNNC) to officially establish a partnership, through which CNNC will support South Africa’s industry.

A second agreement enables cooperation on the financing of new nuclear power plant construction, through China’s State Nuclear Power Technology Corporation, the Industrial and Commercial Bank of China, and South Africa’s Standard Bank Group.

The third agreement will provide training for about 300 South African nuclear professionals, including in-service training. It will be launched in March 2015.

During his visit, Zuma told a meeting of the China-South Africa Business Forum on Dec. 5 that his govern-



Eskom

*South Africa’s Koeberg nuclear power plant. Nuclear cooperation was a focal point of the discussions in Beijing, and a Memorandum of Understanding was signed to establish a South African-Chinese partnership.*

ment regards the MoU on nuclear cooperation “as a mechanism which will enhance mutual exchange of information, best practices, and lessons learnt in the nuclear energy sector, which will also encourage and identify additional opportunities for cooperation.”

### South Africa Is a Chinese Priority

At Zuma’s meeting with Li, the latter said that “China will make South Africa a priority destination for overseas investment, and encourage and support the country’s industries.”

Li noted that China will emphasize joint projects in ports, shipbuilding, and fisheries; financial cooperation, such as settling trade in local currencies; cooperation in nuclear power; the establishment of joint venture airlines, and the use of airplanes made in China.

Yang Lihua, director of the South African Studies Center at the China Academy of Social Sciences pointed out on Dec. 5 on Chinese television the reasons that China views South Africa as the key country for the BRICS development initiative towards the African continent:

- South Africa is the most developed African country; its per-capita GDP is higher than that of China; and its industry has been developing for over a century. She pointed out that South Africa has the task of shifting

from over-reliance on mining, to industry, and at the same time raising its competitiveness in manufacturing and other industries.

- Cooperation in infrastructure, investment, and manufacturing between the two countries is important, especially financial cooperation. South Africa has a mature financial system, and has a lot of business dealings throughout Africa. South African transnational corporations have been active in China since the late South African statesman Nelson Mandela was released from prison in 1990, so they have more than 20 years of experience already.

- The Forum for China-Africa Cooperation will be held next year in South Africa, so the two sides will promote bilateral as well as Africa-wide, cooperation. South Africa will co-chair the event.

## **Bilateral Trade Expands**

Prior to the visit, Foreign Minister Nkoana-Mashabane said that the visit would seek “to ensure that our relations with China remain central to realizing our developmental agenda through our foreign policy.” South African relations with China have remained close since Zuma’s first election to the Presidency in 2009.

Economic relations have grown rapidly in the last decade, and improved further when South Africa joined the BRICS in 2011. South Africa is the top recipient of Chinese investments in Africa. Trade between the two in 2012 was \$18.6 billion, increased to \$25 billion in 2013, and is expected to increase further this year.

Nkoana-Mashabane said that the establishment of the BRICS New Development Bank “raises the level of cooperation between China and South Africa,” which she called a “clear indicator of South Africa’s significance” for the African continent. The South African-based Centre for Conflict Resolution (CCR) earlier this month stated in a policy brief that one-third of Chinese trade with Africa last year went through South Africa. The CCR brief pointed out that Chinese investment in South Africa has increased from \$59 million in 2004, to \$5 billion in 2012.

As an indication of the drive for closer relations between the two nations, the South African Ministry of Education earlier this year introduced Mandarin into its educational curriculum.

## **A BRICS Portal to Africa**

China is setting up factories in South Africa which will increase the nation’s ability to be the entry point for

the ambitious BRICS development plans for the continent.

The BRICS New Development Bank and Contingent Reserve Arrangement (CRA) are the critical institutions that make the development drive by the BRICS possible, and Zuma is well aware of the role they will play in the development of South Africa and the continent.

The \$100 billion BRICS Development Bank, and the \$100 billion pool of foreign currency reserves, were created at the July BRICS summit in Fortaleza, Brazil. The Bank will be hosted in Shanghai, China, and its African regional center will be in South Africa.

Zuma praised the BRICS Bank as “an everlasting legacy that will change the face of global economics and the face of all the developing world for the better.” Finance Minister Nhlanhla Nene said the bank “will boost Africa’s infrastructure drive,” noting that through its South Africa branch, it will mobilize resources for “transformational” infrastructure development projects that will boost the continent’s integration.

The BRICS Bank and the CRA open the door for expansion of economic development for the BRICS nations and their developing-sector allies. The BRICS have long alleged that the IMF and World Bank demand austerity conditionalities in return for loans, without giving the borrowing countries any say in working out the terms for the loan agreements. Total trade among BRICS countries now is \$6.14 trillion, or almost 17% of the world’s total.

Zuma emphasized in July that the BRICS New Development Bank will function differently than the IMF/World Bank system. He told the South African Assembly: “You know that in the banks that we have, if you ask for help, you end up in more difficulty. That has been the history of countries, particularly developing countries.” But China is not like the former colonial powers, he said.

On Dec. 5, the opportunity for collaboration in this new paradigm was put into practice at the South Africa-China Business Forum in Beijing. The South African business leaders who were part of Zuma’s delegation met more than 150 Chinese business leaders to foster trade with and investment in South Africa in the areas of finance, infrastructure, energy, manufacturing, mining, and capital equipment for the long-term investment by China in the development of infrastructure in South Africa that Zuma is seeking.

# LaRouche: Oust Nuland To Defuse Global War Threat

Dec. 8—The weekly LaRouchePAC webcast of Dec. 5 began with the following strategic assessment, delivered by *EIR*'s Dennis Small:

“Mr. LaRouche is most concerned that the following, very straightforward message be delivered and received as to the gravity of the current situation.

“The fact is that we are facing a very serious threat of general warfare facing the entire planet today, and this is a result of the strategic provocations against Russia and China, which are being carried out by the British Empire, its bankrupt trans-Atlantic financial system, and the Obama Administration in the United States, in particular. Their intention in these strategic provocations is to annihilate the region of Eurasia.

“Global general warfare today, however, means global *thermonuclear* warfare, and that means the likelihood of the extinction of the entire human species, including the United States, including Eurasia—the entire planet.

“As the public statements of Russian President Putin have made very clear over the last 72 hours, Russia's policy, Mr. LaRouche emphasized, is planned and designed to meet the standard of winning war. There's no question as to what he is saying. It is real, it is very serious, and it's a fair and accurate expression of the situation we're facing.

“So, the possibility of war is there. Mr. LaRouche emphasized that we can neither say that it *will* happen, nor can we deny the possibility that it will occur. The threat is there; the threat is real. That's what we can say.

“And we can also say that President Obama, and many members of his Administration, such as the State Department's Victoria Nuland, are dangerous idiots. Unless Obama, and everything he entails, is pulled into restraint by saner, wiser heads in the United States, then we could have an extermination war that would be the end of the United States' and the world's population. Either the United States calls off the war, and throws Obama out, or there can be an extermination war that is absolutely the end of humanity as we know it.

“Decisive action by U.S. agencies is needed now, Mr. LaRouche stressed.

“As for Victoria Nuland, the Assistant Secretary of State for European and Eurasian Affairs, she is a highly active provocateur and a fool, Mr. LaRouche said, and she's expendable. She expresses the problem, and she should be removed from office over this very weekend. Get her out, and we can jam up the works. He suggested, ‘Land Nuland on the Moon—preferably on the dark side, so we don't have to see her.’ That will buy us some time to put together a more lasting solution to the crisis.

“He also said, in the discussions that we had with him, that the Republican Party, and its present dirty schemes, also have to be gotten rid of, because these, too, are leading the world towards Hell. He said that Speaker Boehner's role in particular, both in *protecting* Obama from a fully justified constitutional impeachment, *and* in aggressively provoking Russia and China—as can be seen in the House resolution that was

presented and adopted this week—that role is disgusting, and Boehner has to go, too.

“So, to summarize: We’re at the edge of global thermonuclear war. There is discussion in Europe about a 70 to 75% chance of the outbreak of a general war. That, Mr. LaRouche stressed, is a fair reading. How do we go about stopping it? Throw Nuland out now! Just throw the bitch out. Then the Ukrainian operation against Russia can be defused, and although that does not end the threat, it does defuse it. Will Nuland be thrown out? If so, then we may be able to prevent the march to war now. It won’t stop the danger, but it sets back the possibility of global war in the near term, and that is urgently required.”

### Congress in the War Camp, for Now

At present, the U.S. Congress is not only failing to stop the war drive, but is accelerating the process.

On Dec. 3, the House of Representatives passed House Resolution 758, “Strongly condemning the actions of the Russian Federation under President Vladimir Putin,” by an astounding 411 to 10 margin. This war-mongering resolution had been introduced just two weeks before by Adam Kinzinger (R-Ill.), with three co-sponsors, but was pushed to the floor and a vote in a mere 14 days—as contrasted with a resolution from a fellow Republican, Rep. Walter Jones (R-N.C.), H.Res. 428, with 21 cosponsors, which calls for the release of the still-secret 28 pages of the Joint Congressional Inquiry into 9/11, and which the Republican House leadership has not even given a hearing.

House Resolution 758 has more than seven pages of Whereases. Among other questionable and lying contentions, it condemns Russia for making and providing the missile that shot down Malaysian Flight 17, illegally occupying and annexing Crimea, infiltrating and attacking the computer networks of the U.S. government, and “conducting an aggressive propaganda effort in Ukraine in which false information is used to subvert



State Department Photo

*Assistant Secretary of State Victoria Nuland and U.S. Ambassador to Ukraine Geoffrey Pyatt greet Ukrainian President-elect Petro Poroshenko in Warsaw, June 4, 2014. Nuland steered the “color revolution” that staged a coup against the previous Ukrainian government.*

the authority of the legitimate national government, undermine stability, promote ethnic dissension, and incite violence.”

The “Therefore Be It Resolved” section goes on for another seven pages, saying that the House of Representatives “calls on the President to provide the Government of Ukraine with defense articles, services and training required to effectively defend its territory and sovereignty,” “urges the President to hold the Russian Federation accountable for violations of its obligations under the Intermediate-Range Nuclear Forces (INF) Treaty and to take action to bring the Russian Federation back into compliance with the Treaty,” and on, and on.

After all these bellicose statements, the resolution concludes with a disingenuous appeal for “reestablishment of a close and cooperative relationship between the people of the United States and the Russian people based on the shared pursuit of democracy, human rights, and peace among all nations.”

Former Congressman Dennis Kucinich initiated a campaign against this resolution before the vote, writing that H.Res. 758 “is tantamount to a Declaration of Cold War against Russia, reciting a host of grievances, old and new, against Russia which represent complaints



that Russia could well make against the U.S., given our nation's most recent military actions: violating territorial integrity, violations of international law, violations of nuclear arms agreements. Congress's solution? Restart the Cold War!" He entitled his piece "No to War, Hot or Cold, with Russia."

In the wake of the vote, Kucinich has launched a petition drive to reverse the passage.

The fact that 98% of the Congress could go along with this blatantly pro-war statement—albeit just a non-binding resolution expressing sentiment—should send alarm bells ringing through the American public. The vote contrasts strongly with the expressed sentiment of the U.S. population, which in recent polls was more than 60% *against* arming the Ukraine government against Russia. The resolution was voted for by many Congress members who, in private conversation, show they know better. Yet only 5 Democrats and 5 Republicans bucked the "party line": Justin Amash (R-Mich.), John Duncan (R-Tenn.), Alan Grayson (D-Fla.), Alcee Hastings (D-Fla.), Walter Jones (R-N.C.), Thomas Massie (R-Ky.), Jim McDermott (D-Wash.), George Miller (D-Calif.), Beto O'Rourke (D-Tex.), and Dana Rohrabacher (R-Calif.).

### **A Coalition for War?**

While the Congress has disgustingly kowtowed to the war-like propaganda campaign against Russia, there is still opposition, particularly in the Senate, to Obama's unilateral, unconstitutional war in Southwest Asia. As the conclusion of current Congressional session, scheduled for Dec. 11, looms, a number of Senators have attempted to force the issue of war against the Islamic State (ISIS/ISIL/IS) onto the Senate's agenda.

Two hours of heated debate occurred in the Senate Foreign Relations Committee Dec. 4, when Sen. Rand Paul (R-Ky.) introduced an amendment to declare war against ISIS under Article 1, Section 8 of the Constitution. Committee Chairman Robert Menendez (D-N.J.) also submitted a resolution under the War Powers Act, calling for a new Authorization for the Use of Military Force (AUMF; this would replace that issued by Congress in September 2001, to authorize the use of U.S. Armed Forces against those responsible for 9/11). Ranking Republican Bob Corker (Tenn.) and perennial warmonger John McCain (R-Ariz.) both went bonkers at Paul's effort to force a vote on his amendment, which he was trying to attach to an unrelated water bill.

At the conclusion of the event, the Committee

agreed to hold a hearing the next week, which is now scheduled for Dec. 9, with Secretary of State John Kerry expected to testify. Paul expressed satisfaction: "A hearing and a vote—that's what I've always wanted," he said.

One of the most prominent fighters for having Congress take its Constitutional responsibility on the war, Sen. Tim Kaine (D-Va.) told CNN Dec. 8 that he expected there would be a vote before Congress adjourned.

Kaine, who is a member of the Foreign Relations Committee, has been demanding for months that Congress and Obama take up the war question; he submitted a new AUMF in September of this year. Neither Obama nor the Congress was interested—a situation Kaine described as a "symbiotic pathology." In fact, this pathology could lead directly to a U.S. confrontation with Russia, if the Administration and its Republican neo-con allies decide to go ahead with a military deployment for regime change in Syria—an action that would be accurately seen by Russia as a war threat to the entire region, and hence to Russia itself.

### **Jam Up the Charge Toward War**

On the House side as well, the Republicans and the Obama Administration are moving in lockstep, blocking any measures against Obama's unilateral war in Southwest Asia.

On Dec. 4, the House Rules Committee voted down a number of amendments to the Defense Authorization Bill that would have jammed up the expansion of Obama's war. On party line votes, the Republican majority backed up Obama by defeating various restrictions on the deployment against ISIS. The most pertinent one was presented by Reps. James McGovern (D-Mass.) and Walter Jones (R-N.C.), who sought to block all funds for military operations against ISIS in Syria or Iraq, until Congress authorized such operations.

What is clear, as Representative Jones reiterated in an interview with [newsmax.com](http://newsmax.com) last week, is that the Republican warhawks are not concerned in the slightest with Obama violating the Constitution, which qualifies him for impeachment; they are egging him on for expanded war, from Syria to Russia. It is in this context that the message LaRouche delivered at the Dec. 5 webcast cuts to the core of the matter: Victoria Nuland and her ilk must be removed from determining U.S. foreign policy, now.

# Conferences Rally Americans To Join BRICS, New Silk Road

by Jennifer Kreingold

BOSTON, Dec. 8—The first two in the series of Schiller Institute conferences on the theme “Why the U.S. Should Join the BRICS and the New Silk Road!” took place over this past weekend, in Chicago and Boston, bringing together individuals from a broad spectrum of American society to discuss how to bring their fellow citizens into the global process of development, and to avoid war.

Among the highlights of both events were video presentations by Schiller Institute founder Helga Zepp-LaRouche; a reprise of the 40-year history of the LaRouche movement’s fight for a new, just world economic order, which is now beginning to be realized in the BRICS dynamic for global development; and Classical music performances.

At least seven more such events are planned for the month of December, in locations from Detroit, to Houston, to the major West Coast metropolises of Los Angeles, San Francisco, and Seattle.

## The Boston Event

The Schiller Institute of New England sponsored the Boston event, which consisted of an opening section featuring a video from Helga Zepp-LaRouche, and an address from former Massachusetts Congressional candidate Rachel Brinkley, which set the stage for two panel discussions.

Among the highlights of this conference was the fact that contributions were made by representatives of all the BRICS nations—Brazil, Russia, India, China, and South Africa. This international participation created, as intended, an environment in which those attending were confronted with the fact that they were being asked to get involved in a world process, and that the whole world depended upon what decision the United States makes in the days ahead.

After a short musical opening, consisting of an a cappella version of “Va Pensiero” (from Verdi’s *Nabucco*), Mrs. LaRouche’s video was shown, in which she counterposed how close the world is to World War III, with the BRICS alternative. She concluded:

“I appeal to you, we have to get the United States to stop the war posture against Russia and China. And we have to get the United States to work together with the BRICS for a new world economic order. We will only come out of this mortal danger to the existence of civilization, if we get the United States to join the New Paradigm—which these countries are already living in. . . . Do not believe the propaganda. China is based on Confucian ideals right now. India has revived the great spirit of Mahatma Gandhi and Jawaharlal Nehru. . . . Let’s join to get the United States and Europe to join with the BRICS, to join with the New Paradigm; that is the only war avoidance strategy that will work.”

Rachel Brinkley then presented a strategic overview of the British Empire’s drive for confrontation with Russia, versus the BRICS developments. She reviewed the LaRouches’ fight for an International Development Bank (IDB), the New Silk Road, and the World Land-Bridge concept, now coming into existence with the BRICS.

## Messages from the BRICS

In the first panel, entitled “The Name for Peace is Economic Development and the BRICS,” the Deputy Consul of Brazil in Boston, Hon. Breno Hermann delivered a presentation on what was happening with the BRICS New Development Bank, including the specifics of how much capital there will be, and the role of the reserve contingency fund to help nations in case of crises.

Following this, a greeting from economist Sergei Glazyev, advisor to Russian President Putin, first delivered to the June 2014 Schiller Institute conference, was read. Then Ranjani Saigal, the executive director of Ekal Vidyalaya Foundation of the USA, an Indian non-profit which works with 1.5 million children on issues of education, enthusiastically spoke about India’s contributions to world culture, its space program, and science. She spoke of what Prime Minister Narendra Modi is doing for India’s development, and the success of India’s Mars Orbiter Mission (MOM) program. She noted

that the cost of the MOM program was less than that of making movies about space; that the illusion cost more than the reality. Her organization also works in villages to educate children with few resources.

Following this inspiring and optimistic address, there was a message of support from the Consul General of China in New York, Amb. Sun Guoxiang [see box], specifically for this Boston conference. This was followed by greetings from Phillip Tsokolibane of the LaRouche movement of South Africa.

## Creativity and Science

The second panel, entitled “Physical Economy, Creativity, and Science Are the Common Aims of Mankind,” was opened by Chinese and Russian musical selections sung by Rick Lopez and Frank Mathis. This was followed by a presentation by George C. Hillman, an entrepreneur who has worked on the problem of lack of clean water in three of the BRICS countries, India, China, and South Africa. He also works on financing and developing medicines for infectious diseases, and said that the big pharmaceutical companies are spending very little money on infectious disease treatments.

Hillman was followed by Saket Mishra, a young Indian volunteer for the Association for India’s Development, at MIT, who discussed using information technology to help with medical care in India.

Then, Maine State Rep. Andrea Boland gave an extensive presentation on the effects of the Sun’s coronal mass ejections on the electricity grid, and made the

point that the issue isn’t just the lack of funding; it’s the fact that today’s dominant political class doesn’t want to face dangers such as these.

From the LaRouche Science Team, Meghan Rouillard’s speech was titled, “Vernadsky’s Noösphere: The Scientific and Spiritual Basis of the New Paradigm; and Ben Deniston spoke on “The Science of ‘Win-Win’ Economics,” a reference to President Xi Jinping’s commitment to share China’s economic development with other nations. Rouillard cited LaRouche’s forecast of a “biological holocaust” of pandemic disease in the mid-1970s, and noted that Ebola is a case study of that process.

Yet mankind is a creative species, and if nations work together to deal with these problems, and each person in the room takes it as a personal mission to expand the BRICS process, such problems can be solved.

The conference then viewed a video of Schiller Institute representative Cloret Ferguson interviewing Baifeng Sun, director of the Confucius Institute at the University of Massachusetts, Boston, on the subject of Confucius and U.S. cooperation with China, especially in science.

The conference wrapped up with a brief inspired speech on the importance of choruses and singing Classical music by Nancy Cornish, MMA, of the Cranberry Coast Concert Chorale; and a short presentation by Cloret Ferguson on the importance of Germany’s Poet of Freedom, Friedrich Schiller. Then the chorus sang three excerpts from Mozart’s *Requiem*.

## Greetings from the Chinese Consul General in New York

### Congratulatory Message

I would like to extend my congratulations on the 30th anniversary of the Schiller Institute and the launching of the program on “One Road and One Belt New Thinking with Regard to Concepts and Practice.”

The Schiller Institute is a world-renowned political and economic think tank. Over the past 30 years since its founding, it has promoted mutual understanding between different cultures. I applaud your efforts and hope that you will continue your inspiring work in the future.

The Silk Road Economic Belt and the 21st Cen-

tury Maritime Silk Road initiatives will help countries put aside their disputes in the political and security fields, focusing on working with each other in their pursuit of economic development. Thus the initiatives will foster mutual trust among countries, which will consequently promote the security cooperation across Asia.

I have no doubt that the panel discussion to be held at the Schiller Institute will enhance the awareness and understanding of the “One Road and One Belt” initiatives. I wish the Schiller Institute even more success in the coming years and we look forward to many more opportunities for cooperation in the future.

Ambassador Sun Guoxiang  
Consul General of the People’s Republic of China  
in New York

### *Clean Out the Bushes*

Senator Dianne Feinstein, the outgoing Chair of the Senate Select Committee on Intelligence, delivered on her promise to expose the CIA's Bush/Cheney-era torture program on Dec. 9—and the consequences should be deadly for the Bush dynasty. In an impassioned report to the U.S. Senate, following the release on Tuesday of the 500-page unclassified summary of the Committee's 6,000-page classified study of the CIA's post-9/11 renditions and torture program, Feinstein revealed far more than had previously come out publicly about the brutality of the torture carried out on the captives—using techniques that went way beyond the water-boarding already widely exposed, and should shock the consciences of all who have them.

Feinstein meticulously reviewed the summary findings in her Senate presentation, and emphasized, *from the CIA's own internal memos*, that there was no evidence that any actionable intelligence resulted from the torture. The report also suggests that the torture program continued into the Obama Administration, despite the President's claims that he had ordered the program shut.

Both the domestic and international reaction to the long-delayed release of the report will likely have devastating consequences—both for the Bush crowd and the Obama White House, which led a long cover-up of the document, by stalling the vetting of the unclassified draft for many months.

In the wake of the release, Lyndon LaRouche drew the urgent policy implications from the exposure: The Bush legacy, including its continuation in the Obama Administration, must be destroyed. "You have to start with the entire Bush family legacy, from Prescott Bush's collusion with the Nazis, to the two Bush presidencies that marked a

new low point in post-war American policy." LaRouche warned that if Jeb Bush gets anywhere close to the Presidency, this is a virtual guarantee of world war—a war that would likely lead to the extermination of mankind in a thermonuclear holocaust.

"Now is the time to squash Jeb's Presidential schemes—early," LaRouche said. "Take advantage of the Feinstein spotlight on the war crimes and crimes against humanity conducted under the Bush-Cheney Administration. Defend civilization. Defeat Jeb. Back up Dianne Feinstein immediately. The defense of torture by the Bush family is enough to finish off any delusions that Jeb Bush may have about a Presidential run. It is vital to seize the current moment," LaRouche concluded.

This task is made even more urgent by the fact that the current Republican leadership, in combination with Obama and his inner circle, are pushing forward on the pathway to global war which took hold under the British-Cheney-Bush cabal more than 20 years ago. It was in the early '90s that this crew declared its intent to crush any rivals—especially Russia—and pushed a genocidal "shock therapy" on that nation. When, under Putin, Russia mobilized to defend its sovereignty—and now stands with more than half of humanity, which is mobilizing for a new global system based on cooperation and development—the Empire and its lackeys went "for broke." This has brought us to the brink.

The Bush legacy stands for fascism and war—as the world can now plainly see. The Obama Administration's complicity is obvious as well. What is yet undetermined is the response of the American people. Will it muster the courage to finally throw off this evil?



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