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Lyndon LaRouche: Or, Call It 'End-Game'—Crux!
Closer to War in Korea, Iran: Who Will Stop Obama?
Demand Congress Fund Strategic Defense of Earth

Glass-Steagall: Alternative To Murderous Looting



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EIR

From the Managing Editor

You all know the story about Willie Sutton, the famous bank robber of the 1930s and '40s, who, when asked why he robbed banks, said, "Because that's where the money is." Now, it seems that Sutton's "template" is being applied to the British imperial financiers' wholesale robbery of depositors' money in the banks of Cyprus, and soon, at a bank near you—because that's where the money is. Either by directly taxing deposits, as in Cyprus and Spain, or through expansive money-printing, creating runaway inflation, as in the U.S. and Japan, your money is now being expropriated to rescue the utterly bankrupt international financial system, even if only for a few more weeks or months. "A monstrous crime is occurring before our very eyes," writes Helga Zepp-LaRouche in our cover story this week, "Glass-Steagall: Alternative to Murderous Looting."

In a video interview with LaRouchePAC on "The Cyprus Template: 'Bail-In' vs. Glass-Steagall," EIR's Paul Gallagher discusses the 1930s precedent for this monstrous crime: how Ferdinand Pecora skewered the "banksters," and paved the way for FDR's Glass-Steagall Act.

In *National*, we review the counter-motion to the growing insanity of the Obama/British "template," as seen in the U.S. drive to reinstate Glass-Steagall, which is now on the agenda in 13 states: "Glass-Steagall Momentum Puts Pressure on Congress To Act." The mass-murderous intent of Obama's killer austerity policy is exposed in "Obama's Sequester Cuts Medicare Chemo; Cancer Clinics Appeal to Congress."

In *International*, "Closer to War in Korea and Iran: Who Will Stop Obama?" updates the war danger in those two hot-spots.

Lyndon LaRouche contributes this week's *Feature*: "Or, Call It 'End-Game': Crux!," in which he highlights the war-avoidance commitment of such earlier outstanding U.S. leaders as Kennedy and MacArthur, against the British Empire's permanent war strategy; this is supplemented by an in-depth examination of MacArthur's brilliant victory at Inchon.

An Open Letter to Congress from LaRouchePAC spokesmen on the immediate need for planetary defense, is followed by Benjamin Deniston's speech on "Managing the Inner Solar System," to the March 23 Schiller Institute conference, in *Science*.



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actionnowdotorg.wordpress.com

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Glass-Steagall: Alternative To Murderous Looting Policy

by Helga Zepp-LaRouche

April 5—A monstrous crime is occurring before our very eyes. Instead of admitting that their “business models,” globalization and the euro, have failed hopelessly, the global financial institutions and their willing governments are resorting to the worst possible means: the lethal combination of hyperinflation and outright robbery of the bank deposits of the population. The effect, as expected, is to crash the real economy and reduce the life expectancy of millions of people. There remains only a very short window of opportunity in which to establish the alternative to this murderous madness, namely the policy of banking separation, in exactly the same form as it was introduced by President Franklin Roosevelt in 1933 in the United States, with the Glass-Steagall Act.

The decision by the Bank of Japan to double its money supply within 21 months, and to pump \$140 billion a month into the economy for the purchase of government bonds, index funds, and real estate funds, represents the most massive monetary injection ever by the central bank of an industrial nation. It overshadows even Fed Chairman Ben Bernanke’s “quantitative easing,” which “only” spends \$75 billion a month on the purchase of government bonds.

Scott Miner, the chief investment manager at Guggenheim Partners, commented April 5 on this step by the Japanese central bank: “The world’s third-largest

economy may be setting the stage for a global inflationary spiral, perhaps beyond anything previously experienced. As Japan seeks to deal with the longer-term consequences of its current policy, it could easily slide down the slippery slope that leads to hyperinflation. Troublingly, the rest of the industrialized world is at risk of going down with it.”

Just as Lyndon LaRouche has been warning for years: that the international financial oligarchy would, as a final step, open the monetary floodgates, to bring to an end a system hopelessly overloaded with worthless gambling debts, and, of course, to dispossess the population in grand style through inflation.

The mouthpiece of the City of London, Ambrose Evans-Pritchard, announced this last phase of disintegration in the *Daily Telegraph*, in an article with the incredible title “Helicopter QE [quantitative easing] will never be reversed.” He quotes Prof. Michael Woodford of Columbia University as a leading “monetary theorist,” to the effect that it is now time to lay the cards on the table and cease the talk of “exit strategies”—now it is all about eliminating the national debt from the bloated balance sheets of the central banks. In this way, the public debts (which are for the most part the result of the bailouts for the gamer-banks) will evaporate by hyperinflation, but, of course, the life savings of the population will evaporate as well. Say Hello to Weimar 1923! But this time, worldwide.

From ‘Bailout’ to ‘Bail-In’

A further aspect of the blatant dispossession of population and destruction of the real economy, is the phase change from “bailout” to “bail-in,” i.e., from taxpayer-financed rescue packages for the banks, to outright theft of bank accounts with deposits of more than EU100,000, as in the case of Cyprus. This grabbing not only of savings accounts, but also of checking accounts, with deposits of EU100,000, will cause a giant wave of insolvencies of small and medium enterprises, which therefore cannot meet their regular operating expenses such as wages, rent, and cost of materials, and are driven into bankruptcy, as we have seen in Cyprus over the past two weeks.

What emerges from numerous documents—from articles in the financial press (*Economist* January 2010), to documents of the European Commission, to the EU directive in June 2012 (“Framework for Recovery and Resolution of Credit Institutions and Investment Firms”), to the Dodd-Frank Bill in the United States, to a joint paper of the Bank of England and the American FDIC—is that such deposit grabs have been in preparation for many years. Citizens were to pay for the gamers’ system from the outset: first as taxpayers (and including massive cuts in social spending), and now that this model has been exhausted, as account holders, by brazen theft.

The phony argument, that ultimately the investors

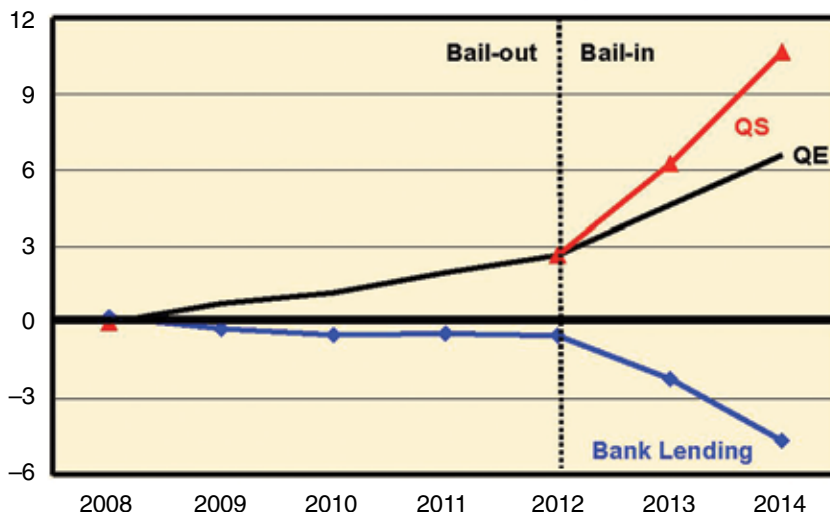
If you liked Quantitative Easing, you’re gonna love Quantitative Stealing. This one’s to die for.

The British Empire’s Cyprus Template of “bailing-in” the banks, if extended to the entire European Union—as is the currently operational plan—would generate about \$3.4 trillion in seized funds. The amount they intend to steal from U.S. and U.K. depositors is that much again. The combined total of \$6.8 trillion in Quantitative Stealing (QS) is a tidy sum, relative to the \$4.4 trillion in hyperinflationary Quantitative Easing (QE) that was generated to try to bail out the bankrupt trans-Atlantic financial system between 2008 and the end of 2012.

To see where this is heading, add to that QE to date, the additional \$2.3 trillion annual QE now underway in the trans-Atlantic region (U.S., U.K., and EU), and the \$2 trillion in QE that Japan has announced from here to the end of 2014. That comes to a total QE of nearly \$11 trillion by 2014.

And even as bank lending has fallen as QE rose from 2008 to 2012, stealing deposits will amount to additional “negative lending.” So, by the end of 2014, the cumulative QE+QS (bail-in and bail-out

Quantitative Stealing: Coming Soon to a Bank Near You
(trillions of dollars, cumulative change)



looting) is heading toward a cool \$18 trillion, while the cumulative fall in bank lending will be nearly \$8 trillion.

But don’t focus on the arithmetic—it doesn’t really mean all that much. Consider the intention behind the policy that the numbers reflect. If this British imperial policy of hyperinflationary destruction of the physical economy, whose intention is to drastically depopulate the planet, isn’t stopped immediately with Glass-Steagall, you’re probably going to be dead well before 2014 rolls around.

—Dennis Small

must be held liable, is nothing more than sand in the eyes of the citizens. For both monstrous measures—the hyperinflationary policy of printing money, and the predatory access to accounts—have only one purpose: to keep furnishing the system of high-risk speculation with obscene profits. At least, until the mega-speculators have finished feathering their nests, and the preparations have been completed for a new system.

LaRouche had just warned in his Feb. 15 webcast—without any advance knowledge of the events in Cyprus or the decision of the Japanese central bank—that a system was being prepared in which the majority of the population will go empty-handed, and only selected members of the elite club will have the requisite volumes of money at their disposal.

The Murderous ‘Cyprus Model’

In the rest of Europe, we would be well advised to watch carefully the consequences of the policy in

Cyprus, which, according to the new head of the Eurogroup, Jeroen Dijsselbloem, is the template for all states. The Cypriot economy is in free fall. The forced taxation of account holders means that foreign investors, who accounted for 40% of government revenue, have withdrawn their funds already or are about to do so; small businesses and family businesses are going bankrupt; and the health system is in a state of collapse. The memorandum that the Troika (IMF, European Central Bank, European Commission) is attempting to ram through in Cyprus has led already to a systemic reduction in life expectancy to an average of 80 years to 75.

The same type of thing is happening elsewhere, such as in Athens, where cancer patients cannot be treated because the last oncology clinic was closed. In the U.S., budget cuts to Medicare are forcing oncology clinics that treat patients with expensive chemotherapy deny treatment in order to keep their doors open—tough luck [see article in *National*]. This is a foretaste

British Point to ‘Success’ Of Japan’s 1930s Reflation

April 4—British financial oracles are praising Tokyo’s decision to reflate its economy, citing the “success” of Japan’s 1930s Finance Minister Korekiyo Takahashi.

In a column in today’s *Financial Times* titled “Japan and Britain must lead the way to a reflatd economy,” Tokyo-based analyst Peter Tasker praises Japanese Prime Minister Shinzo Abe’s “three arrows” policy of monetary expansion, fiscal pump-priming, and structural reform. By way of explaining what happens to a country emerging from deflation, he cites Japan under the policies of Takahashi: “His programme involved taking the country off the gold standard and issuing large amounts of bonds to be bought by the central bank.... The effect was dramatic. Under Takahashi, national income rose 60 per cent while consumer prices rose 18 per cent. The debt-to-GDP ratio stabilised while stocks doubled.”

Ambrose Evans-Pritchard’s column in the *Daily*

Telegraph April 3, titled, “Helicopter QE will never be reversed,” quotes Lord Turner, former head of the Financial Services Authority: “The danger in this environment is that if we deny ourselves this option [i.e., money-pumping], people will find other ways of dealing with deflation, and that could be worse.” Evans-Pritchard comments: “A breakdown of the global trading system might be one, armed conquest or Fascism may be others—or all together, as in the 1930s.” He writes that in the early 1930s, Takahashi used monetary and fiscal stimuli, in which “The Bank of Japan was ordered to fund the public works programme of the government. Within two years, Japan was booming again, the first major country to break free of the Great Depression. Within three years, surging tax revenues allowed him to balance the budget. It was magic.”

Evans-Pritchard neglects to mention that the historical complement to 1930s Japan’s reflation, was a policy of military imperialism. In 1931 (the year Takahashi became Finance Minister), Japan invaded and occupied Manchuria, and in 1937, invaded China. The “successes” of the 1930s were followed by events such as Japan’s 1941 military offensives east toward the United States, and south into the Philippines and the East Indies.

of the genocide that threatens in the short term to be a consequence of global hyperinflation.

The escalation of the crisis in Korea, with people in the Anglo-American countries already debating, in all seriousness, the legality of a nuclear first strike against North Korea (if a threat from North Korea were detected), demonstrates the following: The world is on the brink of thermonuclear apocalypse, and it would not be the first time in history that collapsing empires attempted, as a last resort, to stay in control using wars. Except this time it could cause a global thermonuclear war that would obliterate the human race, and then no one would be left who might enjoy the result - not even the Queen of Great Britain.

No Partial Solutions Are Possible

The faster a large part of like-minded people (optimistically, maybe 5% of the population) realizes that we are dealing with a systemic collapse, in which there can be no partial solutions, the greater the chance that we can implement the existing solution to this crisis in time. Individual issues, be they ever so legitimate in and of themselves, will not do any good, whether they be the policies of opponents of military exports or the anti-euro parties.

Only a complete paradigm shift can bring an answer to the systemic collapse: a shift which places man back in the center of politics and economics; which makes the general welfare, certified by Germany's constitution, into the basis for domestic politics, and international law into the basis for foreign policy; which, instead of a return to barbarism, chooses scientific and technological progress and human creativity as the method of problem solving; and which, instead of mind-numbing banality and the cult of ugliness, promotes Classical culture and the idea of freedom through beauty, to achieve a new renaissance.

The absolutely essential first step must be the introduction of the two-tier banking system, not in the deceptive packaging of "ring fencing," the Liikanen proposal, or the Volcker Rule, but exactly as it was done by Roosevelt in 1933. The casino economy and, more fundamentally, monetarism, must be replaced by physical economy, which enables the long-term survival of human civilization.

Our planet is not in a vacuum or a closed system, in which we asymptotically adapt to an absolute limit as in the Second Law of Thermodynamics, but rather our planet is part of the universe, whose laws present us

with new challenges that we must overcome if we are to survive as a species. We are also reminded of the concurrence on Feb. 15 of the flyby of the asteroid, and the unexpected asteroid explosion over the Urals.

In the U.S., a movement is growing for the reinstatement of the Glass-Steagall Act, where 13 states have bills and resolutions on their agenda calling on Congress to take such action. This is exactly what we need in all European nations. Then we can dispatch the Troika to their retirement home—in Hell!

Translated from German by Daniel Platt.

Documentation

Quantitative Stealing: A Recent Chronology

This is a chronology of salient points in the process of discussion and elaboration of the "bail-in" or "Cyprus Template" policy of stealing bank deposits. It shows that, although the bail-in scheme predates the obvious breakout of the global financial crisis, there was a shift after the Lehman Brothers shock of 2008. It also shows the central role played by the City of London and the Financial Stability Board (FSB), the entity that former Italian Economy Minister Giulio Tremonti called "the Trojan Horse of international finance." The FSB is nothing other than a branch of the Bank for International Settlements (BIS), in whose premises it is hosted.

Jan. 28, 2010: *The Economist* publishes a guest article entitled "From Bail-Out to Bail-In" by Paul Calello, the head of Crédit Suisse's investment bank, and Wilson Ervin, its former chief risk officer, pushing "a new process for resolving failing banks." Calello and Ervin draw the "lessons of Lehman's failure," telling how they had participated at meetings at the Federal Reserve "over that fateful weekend in September 2008. . . . When the two of us left the New York Federal Reserve on Sunday night, we knew that the financial landscape was in for a seismic shock." Lehman's bankruptcy could have been kept at \$25 billion, instead of the \$150 billions of shareholder and creditor losses—if a bail-in scheme had been in place, they write. A bail-in "offers a powerful new way to recapitalize financial in-

stitutions using a bank's own money, rather than that of taxpayers ... and prevent individual problems from turning into systemic shocks."

July 21, 2010: Enactment of the Dodd-Frank legislation.

Oct. 8, 2010: FSB chairman Mario Draghi, speaking at the Peterson Institute in Washington, calls for legislation on the model of Dodd-Frank throughout the world, and moving to a bail-in policy "to resolve SIFIs without disruptions to the financial system and without taxpayers' support."

Oct. 20, 2010: The FSB issues recommendations on "Reducing the Moral Hazard Posed By Systemically Important Financial Institutions" (SIFIs).

November 2010: A bail-in working group at the FSB is set up upon request of G-20 leaders at their meeting in Seoul.

February 2011: The European Commission publishes a document proposing that resolution authorities be given significant power to write off equity and write down or convert subordinated debt. "Resolution authorities would have discretion as to which classes of debt would be written down or converted in a particular case, the extent of the 'haircut' and, where relevant, the rate of conversion. The exercise of that discretion might take into account, among other things, the systemic risks of writing down certain creditors," the report says.

May 3, 2011: The FSB's Draghi calls for EU legislation "to govern bail-in powers." "Any such toolkit should include bail-in powers to ensure that the costs of such failures are met by shareholders and creditors rather than taxpayers or the wider financial system," he says.

July 19, 2011: The FSB issues a consultation draft on "Effective Resolution of Systemically Important Financial Institutions."

Sept. 2, 2011: Crédit Suisse sends its suggestions to the draft, probably written by Calello and Ervin.

Nov. 4, 2011: The FSB issues an "International Standard for Resolution Regime," centered on bail-in procedures:

"3.5 Powers to carry out bail-in within resolution should enable resolution authorities to:

"(i) write down in a manner that respects the hierarchy of claims in liquidation (see Key Attribute 5.1) equity or other instruments of ownership of the firm, unsecured and uninsured creditor claims to the extent necessary to absorb the losses; and to

"(ii) convert into equity or other instruments of ownership of the firm under resolution (or any successor in resolution or the parent company within the same jurisdiction), all or parts of unsecured and uninsured creditor claims in a manner that respects the hierarchy of claims in liquidation;

"(iii) upon entry into resolution, convert or write-down any contingent convertible or contractual bail-in instruments whose terms had not been triggered prior to entry into resolution and treat the resulting instruments in line with (i) or (ii).

"3.6 The resolution regime should make it possible to apply bail-in within resolution in conjunction with other resolution powers (for example, removal of problem assets, replacement of senior management and adoption of a new business plan) to ensure the viability of the firm or newly established entity following the implementation of bail-in."

June 6, 2012: The EU Commission issues a 171-page draft "Directive of the European Parliament and of the Council for Bank Recovery and Resolution," which is centered around a bail-in scheme including confiscation of deposits above the guaranteed threshold of EU100,000.

End of 2012: Switzerland introduces a bank resolution scheme which anticipates the "Cyprus template," providing for deposits over SFr100,000 to be part of the bail-in capital. One can see the footprints of the Crédit Suisse High Risk desk behind this.

March 11, 2013: European Central Bank Vice-President Vitor Constancio explains, at a Chatham House conference in London, that the bail-in mechanism is a central feature of the planned Eurozone Banking Union, and calls for the EU Bank Recovery and Resolution Directive (the 2012 draft) to "be adopted by the middle of this year." The Directive will "provide a better framework for coordinating resolution of cross-border banks and provide national authorities with new resolution powers. These new powers—like writing down capital instruments and bailing-in creditors—should help ensure that the financial sector, rather than taxpayers, bears the burden in future bank resolution."

March 26, 2013: Second Cyprus deal, with all deposits over EU100,000 being included in the bail-in. Eurogroup President Jeroen Dijsselbloem says that Cyprus is a template for all of Europe. "You need to be able to do the bail-in as well with deposits," says MEP Gunnar Hokmark (Sweden) who is leading negotia-

tions with EU countries to finalize the law for “banking resolution” to be voted at the European Parliament. “Deposits below EU100,000 are protected . . . deposits above EU100,000 are not protected and shall be treated as part of the capital that can be bailed in,” Hokmark tells Reuters, adding that he is confident that a majority of his peers in the European Parliament back the idea.

The Cyprus Template

‘Bail-In’ vs. Glass-Steagall

LaRouchePAC TV’s Dennis Mason and EIR Economics co-editor Paul Gallagher on April 4, discussed the differences between Franklin Roosevelt’s Glass-Steagall approach to solving the financial crisis, and the bail-in crime of today.

Dennis Mason: We’ve been reporting that what these guys are doing with the bail-in operation, is the same thing that was investigated with the Pecora Commission under FDR, legislated as crime, prosecuted. . . . They are essentially just stealing people’s money to try to keep the bank going. . . .

Paul Gallagher: Yes. This was notorious in the 1926-1930 period and the investigation of it—by Ferdinand Pecora—that the depositors were being converted into shareholders, and then losing the value of their shares, in a way that we have just seen done by fiat in Cyprus; that is, the deposits were taken, and the depositors were given essentially worthless shares—a 99.5% of their value—in the large bank that was failing.

And again, in Spain: Six different banks in Spain, where the depositors wound up with shares; and in that case, with most of those banks in Spain, including the big one, Bankia, which is bankrupt—the depositors had been duped in advance in the last three years into converting all or part of their deposits into shares. And then the shares, just a couple of weeks ago, became worthless, so they lost their deposits in the same way, while these insolvent banks, incredibly, remain open!

And that latter is exactly what constituted the main

outrage, in the sense of driving the public outrage that resulted from it, in the Pecora hearings in 1933. The investigation had started in ’32, but once they really got going with Ferdinand Pecora as the chief investigator in ’33; he focussed on National City Bank, the largest commercial bank in the country at that time, with branches all over the country, and the way that it had mobilized its investment arm, National City Corporation, the investment bank affiliated with it, through intensive campaigns in every single National City Bank branch around the country, taking place involving the depositors, the employees. *Everyone* was being dragooned into buying National City stock with their deposits.

And then, they were being dragooned into buying other stocks that National City Company, the investment company, was speculating in, so as to support those speculations and make money for the insiders who were in the middle of these speculations.

When the Crash came in ’29, and particularly in the following year, ’30 and into early ’31, most of these depositors who had been pulled in in this way, into converting their deposits to stock, lost most of the value, and were fleeced in exactly the same way as is happening today.

Pecora Takes on National City

Mason: That’s their life savings. Everything they’ve worked for just vanished.

Gallagher: Sure, sure. And the Senate report of June 6, 1934—which is the final Senate Banking Committee report on the entire investigation which Pecora carried out, which led to Glass-Steagall—that report is full of anecdotes, full of stories of people whose life savings were gone, including people who had had a good deal of money to start with. They lost it all in this process, while National City Bank remained, not only open, but until the Pecora hearings, retained a reputation very much like JPMorgan Chase today, as a soundly managed, very clever, very large, impregnable bank, and so on—until Pecora got hold of Charles Mitchell, the CEO of National City, and ruined him by showing exactly what his bank had done, to remain open in this way.

The report then goes through the language of the Glass-Steagall Act, which had been passed the year before the report was finally written; it goes through that language in order to make clear that the Glass-Steagall Act was passed, above all, to make this kind of practice



LPAC-TV

Paul Gallagher

impossible, illegal, and to block any bank so situated from doing that. So, that was the first, absolutely clear statement, that there must be a bright dividing line between commercial banking and investment banking, and that that dividing line must be enforced by the Federal government, for all banks which are chartered as commercial banks under the Federal Reserve System.

That's where that comes from—the cleaning out of this theft of deposits that was being done by the so excellently reputed, impregnable National City Bank, the number-one bank at that time.

How Glass-Steagall Worked

Mason: What these guys are saying today, is that we have cross-border institutions which are “globally significant” and therefore can't fail; and now, what we've been doing with the bail-out has been at the taxpayers' expense, so the bail-in brings funds into play to take the burden off the shoulders of the taxpayers.

Gallagher: Roosevelt didn't bother to say any of those things until after it was done. He closed all the banks that had not already closed, on March 4 of 1933; and in an 11-day period, he managed to mobilize the forensic resources of the regulators of the banks in the United States, in combination, to inspect every single one of 14,000 banks in the United States in an 11-day period of time. And in the course of that inspection, they compelled these banks to write off the clearly watered stock, the clearly worthless securities, what we today call by the clever name of “toxic securities”—

but we leave them alone. They didn't use the word “toxic”; they just said, these are worth nothing, write them off.

And then, what resulted in that very brief and thorough examination, was one category of banks which were clearly unsound and remained closed; and Glass-Steagall incorporated deposit insurance for the first time in the history of this nation, in order to handle that situation; perhaps merely 4,000 banks had been closed down completely. It took the middle category of banks which were sound but illiquid at that point, and provided them with currency. The Federal Reserve, the RFC [Reconstruction Finance Corp.] jointly provided them with currency and liquidity to reopen, and allowed the sounder banks to reopen as they were, in a staged period over the next two weeks.

But as for those closed banks, then, the assets that they did have were sold. And this has always been the function of the FDIC, in insolvencies of banks: It's to come in, close it, take over, get rid of the management, sell the assets, and on that basis make the depositors as whole as possible, with the floor being the insured amount, but depending on the asset sale, to make the depositors whole, with as much above that insured amount, up to the total amount that they had deposited, as is possible. And usually, it has fallen somewhere in between; usually, they've been able to come relatively close to the total amount of deposits that people had in that bank.

Roosevelt then, having gone through that process, clearly saw the Glass-Steagall Act as institutionalizing it, and making it permanent: that under the Glass-Steagall Act, these commercial banks were going to be subjected *quarterly* to the same kind of inspection by the Federal Reserve, under that Act. And in order to make sure that they were not going back to reinvesting in the same kind of speculative gambles that they had been in before, but were rather making loans. Not that there's no risk to that, but that they were making sound and regulated lending, and if they were not, the Glass-Steagall Act empowered the government to remove them from access to the Federal deposit window and other kinds of Federal support, and essentially, put them out on their own.

So it has worked in that way.

In contrast, what you see in the Cyprus case, and the Spain cases, is the astonishing attempt—here's the Bank of Cyprus, the biggest bank there, with a credit

rating of “default,” not even “selective default,” but “*default*”, meaning *insolvency*! And yet, that bank has been kept open, and there has been every effort to maintain the assets of that bank at as high a value as possible, and to maintain the ability of that bank to repay the European Central Bank for collateral loans, for all of this bad Greek government debt and Greek bank debt that the bank had.

That is a complete reversal, at the expense of the depositors, of what has been done, ever since deposit insurance became generally widespread. You don’t leave the bank open and take the depositors’ money; you don’t have the bank survive the depositors, you have the depositors survive the bank. And what’s been done in Cyprus and in Spain, it’s the opposite.

Dodd-Frank: Save the Banks

Mason: It seems to me, that a large part of the fight to restore Glass-Steagall in the United States is this question of guts in expressing the sovereignty of the United States, against this kind of thing.

Gallagher: Well, we know politically, from fighting to restore the Glass-Steagall Act, and from talking to lawmakers at the Federal and state level, that Dodd-Frank was designed, drafted, especially on the side of Barney Frank with all of his Wall Street contacts. In fact, his earlier bill in this direction had been more or less drafted for him by Crédit Suisse, and if you go back to when Glass-Steagall was repealed [in 1999], it appears from a recent PBS documentary, that these Wall Street banks spent \$350 million in the ’97-’98 Congressional election cycle to get it repealed.

So the Dodd-Frank Act, we know from that kind of pressure, and from direct admissions, was a substitute, an attempt to keep Glass-Steagall from being reenacted, after the crash of 2007-08. Had Dodd-Frank not been shoved in there, you would have had Glass-Steagall, and in fact, there were five different bills which had been introduced in the House in that same period, to restore Glass-Steagall.

So, if you start from the fact that this is an avoidance of Glass-Steagall, on the part of Wall Street, then you look at, what does it call for in its so-called “Title 2” when a big bank is insolvent—the same situation we just saw manhandled in Cyprus, and the economy crushed there—and you see that it says, to do what was done there. It says, save the taxpayers in their capacity as *taxpayers*, by taking their money in their capacity as *depositors*, and in their capacity as perhaps *holders of*

bonds in this bank. Take it from them on that side, so as, supposedly, not to take it from the taxpayers, or not to take any bailout money from the taxpayers. And keep the bank open—and the Dodd-Frank language is specific—do so, in such a manner as to maximize the value of the assets of the bank, minimize any disruption to the financial markets and the financial system, that is, prop the assets up as much as possible, while keeping the bank open.

And the more you look, you see that every guideline that has come out since 2010, from London—from the FSB [Financial Stability Board], from the European Commission, from other supranational bodies like that, and also of course, in Dodd-Frank—every guideline says the same thing. And it’s interesting that in New Zealand, they’ve gone whole-hog and done it, and it’s written right in the law, and the banks have it already in their computers, how much the depositors are going to lose, in the resolution of this bank, this particular bank involved.

So, it’s because the reenactment of Glass-Steagall was blocked in ’07-’08, and then again, in 2010, when it had *strong* support, and was crushed in the Senate by the White House and by the Treasury, Geithner; it was blocked, and we get instead, these open bank resolution regimes, which rape the depositors of their deposits.

Iceland or Cyprus

Mason: And the real effects of that raping of the deposits are tantamount to genocide, because when you look at, for example, Greece, since the beginning of the implementation of the Troika policy, or, if you look at Spain, or if you look now at Cyprus, where they’ve been running essentially, as banks had been closed, on a cash economy. And so, you’ve had many stores shutting down, you’ve had access to medical supplies limited. In the case of Spain, you have a youth unemployment rate which is [60%—ed.]

Gallagher: Yes, it’s tremendously broadening the base of who bears the cost of these bank failures, and therefore, tremendously broadening the suffering, which results from the failure of large banks in these circumstances. As you indicated, in those economies, business have just been choked from operating at all, because they’re the ones that always lose the most in a shutdown of a bank, because they have operating accounts which tend to be at the upper range of insured and beyond; so they’re bound to lose something. But when you get these kinds of capital controls and shut-

downs like in Spain and Cyprus, these businesses can't function at all.

And in Greece, the austerity has run to the point that it's just murdering people: They're committing suicide, they can't get medications. So, what they have done is tremendously broaden out the base of austerity and suffering which results from what should be done in an orderly way, sacrificing the value of these "blessed assets," these securities, which supposedly have to be protected.

There's one country in the world in the last five years, that has done it the orderly way—that's Iceland, which had two insolvent banks, each of which was bigger in relationship to their economy, than even the Cyprus banks are in relationship to the tiny Cyprus economy. And yet, Iceland closed both of those banks down, against *tremendous* threats and pressure, particularly from London, which wanted them to make whole the value of all of these assets out of somehow the funds of taxpayers in Iceland.

There was tremendous pressure against it, but they closed those down in an orderly way, even though they were very large banks. The result was relatively good: Not only were the insured deposits covered, but a sizable chunk of the uninsured deposits was covered as well, by selling the assets in the way you're supposed to do it. And they certainly removed the management. Now they're prosecuting them; they're in criminal prosecutions now. In Iceland, one of the committees of the parliament there has passed through a banking separation or Glass-Steagall Act, to the full Parliament, for a vote. And Iceland has a very un-European unemployment rate right now of 5.5% officially.

Now, it's a small economy, but nonetheless, it is a matter of political will, and courage, and leadership, to say, "The hell with all this pressure; we're going to close these banks in a proper way, no matter how big they are." If they're insolvent, they're not too big to close, they're not too big to reorganize, in the orderly way that we know from Roosevelt on.

Close Down Wall Street!

Mason: And if we do that in the United States, that opens the door for Europe to be able to follow suit.

Gallagher: Absolutely! Close down Wall Street. I mean, that's really what it comes down to: Implement the Glass-Steagall Act, and in a certain period of time, with the sell-off that will be required by all these thousands of securities units that these big commercial

banks have, sell 'em off; those units are not going to survive. There is going to be the need to put national credit into the economy. Those banks aren't lending anyway, those biggest banks, and they're going to have to be led into lending by national credit.

But the point is, that you're not going to take their assets, and put the burden of supporting their assets, at their current market value, on the broad, broad shoulders of the whole population and just crush the economy, the way it's been done in Greece, and in Spain, and in Portugal, in Ireland—incredible!

You know, Ireland went from 26% debt-to-GDP ratio to 127% debt-to-GDP ratio, in one fell swoop, in bailing out these two, what were really London banks, headquartered in Ireland.

So that's the point. And even in the case of Charles Mitchell and National City Bank, there was about \$300 million lost, by National City depositors in '29 and '30. In the economy of that time, that was a *huge* amount of suffering. This represented about 2 million shares that they had been conned or dragooned into buying with their deposits, in which they lost that money—*huge* austerity against those people at that time! Just from that one bank that Pecora put on the skewer—and that's where the term "bankster" came from, in those hearings....

So, we have to do it, immediately, on the Glass-Steagall principle. This is clearly going to happen to depositors here. We're now connected to this reignited European bank crisis, with banks failing in one country after another; we're connected, and it's already in the Dodd-Frank law, that it's going to be treated in the same way. They can make all of the assurances that they want, that they won't touch insured deposits.

But let's just look at what the European Commission did, and then what they said. They said, on March 26, in this statement by their spokeswoman Chantal Hughes: Yes, we used the Cyprus model across Europe, it is the new template, yes. But, we would never, ever, touch the insured deposits up to the level of EU100,000. *One week earlier, they were taking 7% of the insured deposits in Cyprus, in order to prop up those banks, and by all reports it was the European Commission, the very same bureaucracy that had insisted that they take the insured deposits as well—and then a week later, they're saying, "never, never would we take insured deposits"!*

So, when you read that in Dodd-Frank, it's words on paper in the same way. In a crisis, they won't be stopped.

Time for Germany To End Its Malthusian Biofuels Policy, So People Can Eat

by Georg Neudecker

The author is an activist with the Schiller Institute's Farmers' Commission.

Two years after the introduction in Germany of Super E10 gasoline (which contains 10% ethanol), it still only accounts for about 18% of car fuel.¹ The proportion is still rising, but it is far from the 80% expected by the German government. The majority of motorists continue to shun Bio Super (15% ethanol). It seems the petroleum and biofuels industries have been unable to provide convincing evidence that biofuels provide environmental benefits, because their provenance and processing cannot be documented. Skepticism prevails: Some fear damage to their cars, because it is not clear whether this Bio-soup attacks the fuel system and wrecks the engine; while others confront the ethical dilemma of “food or fuel.” No normal person wants people to starve somewhere in the world, just because you fill up your tank with biofuel. Rising global food prices are causing hunger, as well as a huge and worsening shortfall in absolute tonnage of food output, and declining capacity to produce food. This ultimately will affect everyone.

The production of biofuels is not an innovation of the last 30 years. Around the year 1900, when the automobile engine was still in its infancy, an alcohol fuel for motor vehicles was already being produced. The infrastructure was at that time very poor, with oilfields not at all developed in the modern sense. The modest refined petroleum products that existed, such as kerosene, were used mainly for lighting. Just think of Bertha Benz, the



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wife of the inventor of the first motor car: When she took the first journey from Mannheim to Pforzheim, the only places she could buy fuel were in pharmacies. The future was not yet determined, and people were experimenting in all directions. Sometimes there were more electric cars and trucks than vehicles with internal combustion engines. Only when the starter motor was invented for the engine in the 1920s, did circumstances favor the further development of engines powered by fossil fuels.

Biofuels production began in Brazil in 1925, in Recife, in the state of Pernambuco. By 1931 there were 5.4 million liters produced, mainly sold in northeastern Brazil. With the Great Depression of the 1930s, the Brazilian sugar market collapsed. In order to protect investments in sugar production, alcohol production was increased to 50 million liters, and an emergency law required fuel importers to mix 5% alcohol with their product. This law was maintained up to the 1950s. About 15 metric tons of cane are needed for the production of 1,000 liters of fuel, and after pressing out the cane juice, about three metric tons of dry, pulpy residue, called bagasse, remain, which can be used for heating. However the heat from burning the bagasse is not suf-

1. Total EU 2012 consumption of biofuels, as a share of volume of transport fuel, is 4.5-5%. The EU instituted a “Biofuels Directive” in 2007, calling for 10% of transport fuel to be biofuels by 2020; but in September 2012 the goal was changed to include a cap at 5% from food sources; the other 5% would come from non-food sources, such as straw.



When Bertha Benz, wife of motor car inventor Karl Benz, drove from Mannheim to Pforzheim to visit her mother (104 km), in 1901, she stopped at pharmacies to buy alcohol for fuel. Her real purpose was to convince the dubious Karl that the invention would sell, if the public became aware of it.

ficient to distill the ethanol from the fermented sugar juice; additional fuel is needed.

The social impact of this monoculture in Brazil is discussed in Jean Ziegler's 2011 book, *Destruction massive. Géopolitique de la faim* [Mass Destruction. The Geopolitics of Hunger]. He describes the story of Josué de Castro, author of *Geografica da fome* (The Geography of Hunger). De Castro, a world famous fighter for the right to food, had studied the effects of undernourishment and child malnutrition. When the economic situation returned to normal, the alcohol program lost its meaning.

Oil Crisis and 'Limits to Growth'

Biofuels production experienced an upsurge after the oil shock of 1973-74, an important step in the overall realignment of Western policies since the early '70s. After the possibility had opened up in the '50s and '60s that hunger might be ended through scientific and technological progress, and the "Green Revolution," as it was called then, was all the rage, the Club of Rome's famous book *The Limits to Growth* came out in 1971. The basic message was that raw materials, and also the opportunities for economic development, are limited.

The Club of Rome distributed its book throughout the world, and this propaganda in industrialized nations created the so-called "environmental movement,"

which no longer saw hunger as the enemy to be defeated, but instead found a new enemy, in alleged overpopulation: People were the enemy. The real motive for this attitude is apparent in U.S. National Security Study Memorandum (NSSM) 200, which was developed around the same time by National Security Advisor Henry Kissinger, and became the basis of American policy. The premise of NSSM-200 is that the world's raw materials are limited, and therefore, the developed nations—especially the United States—must secure unhindered access to them. The Third World countries should be kept in a state of dependence and their population growth should be suppressed. This was a declaration of war on the Third World.

Part of this realignment, and a means for the enforcement of this policy, was the reorganization of global financial flows, starting with the takedown of the Bretton Woods Agreement in 1971. This was followed in 1973, in the wake of the "oil shock," by a 400% increase in oil prices, which had been arranged at a conference of the Bilderberg Group at Saltsjöbaden in Sweden. The chairman of the Bilderbergers was Prince Bernhard of the Netherlands, who, in 1961, had co-founded the World Wildlife Fund, along with Britain's Prince Philip.

The oil price increase of 1973 meant that a large part of countries' export earnings had to be used to buy fuel. In Brazil, the cost of fuel imports increased in a few years from \$710 million to \$10 billion in 1980, accounting for 43.5% of the total import bill of \$23 billion.

The developing countries were completely ruined by the second oil shock and the high-interest-rate policy of U.S. Federal Reserve chairman Paul Volcker in 1981, and many of them traveled the same road as Brazil, using a large part of their export revenues to pay for oil and to repay their debts. Many countries, due to soaring oil prices, were forced to switch production to export-oriented products, in order to pay their bills.

'Overproduction' of the '70s and '80s

The problem was that many countries were able to export only agricultural products—coffee, bananas, citrus fruits, grains, and, increasingly, animal feed. As a result, large quantities of food and fodder came into the European Economic Community (EEC).² Germany had always needed a certain amount of imports, because its food self-sufficiency was only about 60%, and various

2. The EEC was renamed the European Union in 1993; Germany was reunified in 1990.

products are not grown here. But the markets of the industrialized nations could not cope with such a large increase in imports, and so, an agricultural policy was introduced that aimed to curb agricultural production in the European Community.

The initial response was to expand German meat production, to utilize the imported animal feed. Hog and cow barns, dairy farms, and hen batteries were built throughout West Germany, and processing plants such as slaughterhouses, and dairies and warehouses were created. Through intensive dairy and meat production, the problem of excessive feed imports was temporarily solved. Every kilo of meat required the consumption of about 5 kg of feed—not the same for all species, but something along those lines.

Soon they realized, however, that the problem of the apparent “oversupply” had not actually been solved, but had merely shifted to other domains: the mountains of butter and beef, and the lakes of milk, which were the talk of the newspapers and TV at that time. The “surplus” dominated public debate for years.

The crisis was used to dramatically change the structure of agriculture. Back in 1968, the Mansholt Plan³ had envisioned a halving of the farming population in ten years, and a shift toward larger farms. “Grow or give way” were the new bywords: For one farmer to grow, another had to go out of business.

To speed up this process, the EEC, in 1971, introduced a so-called farmer pension levy (*Landabgaberente*). Farmers could now retire early and receive a pension at age 60, provided that they leased their land to a larger, eligible farm. This had the effect of driving their family members off the land and into the broader labor market.

But when making new investments, people think about how to produce things better, more easily, and



European Milk Board

Dairy farmers dump milk in protest against production quotas and prices below the cost of production, at the European Commission in Brussels, Sept. 9, 2009.

with less manpower. Technology set the pace. Fewer farmers produced more food now than before. The limiting factor was no longer human labor, but rather the capital with which you could buy whatever technology you needed, all the way up to a fully automated system in agriculture. But it quickly became clear that the opportunities offered by technology to farms in Germany, especially in the South, were much too limited.

In 1984, the milk quota was introduced, and the permitted volumes of grain production were reduced, first on a voluntary basis, then, a mandatory one in 1992, when 15% of the arable land in the European Economic Community was idle. By the end of the 1980s, the total amount of food and fodder imported to West Germany corresponded to the amount produced in the area under cultivation, roughly 6 million hectares.

The Renaissance of Biofuels

The remaining farmers now had to increase their land holdings, buying or leasing additional land. This was done less to produce more feed—which could still be bought in large quantities as denatured cereals—but rather, to distribute the dung and liquid manure in compliance with the environmental regulations.

This was a much bigger problem. There were, at that time, already factory farms in northern Germany, and especially in the Netherlands; these let the excrement run off into the North Sea, but the authorities banned

3. European Agriculture Commissioner Sicco Mansholt wanted 5 million farmers to give up agriculture, redistributing their land to make for larger farms. Faced with widespread protests, the EEC plan was scaled back for the time being.

the practice due to the problems it created. The law required that the number of farm animals be linked to the area under cultivation.

An attempt was made to situate food processing in areas that were not adjacent to food markets. Production in the non-food sector was the topic of the day: food processing, but without generating additional food. The tentative plan was also to burn grain, but that did not make for good public relations. In looking for other options, the production of biofuels began.

During the mid-1970s, at a farm run by the Bavarian State Institute for Animal Breeding, half a dozen cattle had been prepared for a scientific study of the digestion of ruminants. It looked as though the cows had a sort of porthole in their rumen (the first of the cow's stomachs), similar to a washing machine—not quite as big, about 20 centimeters in diameter—which could be opened with a lid. A few years later, the first experimental biogas plant was built on the site of the research institute, and by 1981, there was a plant in Ismaning, near Munich, which was the largest of its time, with a capacity of 500 cattle.

Biogas (methane) was nothing new; it had previously been produced on a large scale as a by-product at municipal wastewater treatment plants. Methane has a variety of uses, not only to generate electricity. Initially, the facilities were also operated using wastes and manure, but those did not produce favorable economic results. The boom occurred only when the legal conditions were appropriately shaped by the European Economic Community, and the plants were fed with high-energy corn, like a cow.

At the same time, the Federal Ministry of Agriculture set up some research programs to look into the economic production of ethanol and its use as fuel. In 1983, at the sugar factory in Ochsenfurt, a pilot plant was built for ethanol production from sugar beet molasses, and in 1985, a facility was introduced in Ahaus-Eversen for maize, potatoes, and chicory, with a total annual capacity of 13,000 metric tons. By 1986, there were 120 plants in operation, and by 2000, there were 630. In 2002, at a combined heat and power plant in Haimhausen, a small ethanol-fueled turbine was used for the first time, instead of a diesel engine to generate electricity. Also, a fuel cell using purified biogas operated successfully.

By 2012, Germany had 7,590 biogas plants with a capacity of 3,000 MW. Currently, the largest plant in the world, the NAWARO, in Gustrow in Mecklenburg-



Germans are not crazy about biofuels, but the government and the EU want them to buy them anyway.

Prepomera, produces 46 million cubic meters of methane gas, which is upgraded to natural gas and fed into the German natural gas network. Operation of the plant requires 400,000 metric tons of corn silage. One hundred farmers within a 50 km radius deliver the corn; with a yield of 40 metric tons per hectare, this corresponds to an area of 10,000 hectares or 100 square kilometers.

If all the plans for the use of biomass that are required to achieve the EEC's objectives, were to be realized, about half of German agricultural land would have to be used for the production of fuels instead of food, and the remaining food would need to be imported.

Food or Fuel

The fact is that there never really was an “oversupply” of food, and at least since the 2008 global food crisis, this argument is off the table. The production of biofuels is now justified on different grounds: “man-made global warming,” an argument just as specious as was the idea of the overproduction of food.

What remains is the intention to reduce “overpopulation”: Britain's Prince Philip, the father of the environmental movement, wants to reduce the world population from the current 7 billion people to only 1 billion. The fastest way to achieve this is with a shortage of food. The question is whether, after 40 years, we are finally ready to break with this policy. An “exit” from biofuel production is the first step.

Translated from German by Daniel Platt

ON THE AGENDA IN 13 STATES

Glass-Steagall Momentum Puts Pressure on Congress To Act

by Nancy Spannaus

April 9—Today, the State of Maine became the second in the Union to pass a memorial demanding that Congress reinstate President Franklin Roosevelt's Glass-Steagall law, as embodied in Rep. Marcy Kaptur's HR 129. The Maine House of Representatives, in a vote of acclamation, passed Joint Resolution SP 465, which explicitly demands the reinstitution of the Glass-Steagall Act; an identical resolution had passed the state Senate unanimously on April 4.

The first state to pass a similar resolution was South Dakota, on Feb. 28.

Meanwhile, with the specter before their eyes of the bank theft in Cyprus and the murderous entitlement cuts threatened by President Obama, citizen activists, under the leadership of the LaRouche Political Action Committee (LPAC), are rapidly expanding their or-



EIRNS/Sylvia Rosas

LaRouchePAC organizing across the country (as shown here, in Lake Arrowhead, Calif., in February), including in the nation's capital, has turned up the heat on Congress to push Glass-Steagall through, now.

ganizing drive around the country, with the aim of forcing Congress, especially the U.S. Senate, to pass Glass-Steagall legislation, as a means of stopping the bailouts, and creating the basis for a real economic recovery.

As of this writing, resolutions in support of HR 129 are pending before eight additional legislatures: Alabama, West Virginia, Pennsylvania, Hawaii, Kentucky, Rhode Island, Mississippi, and Washington State.

Three additional states—Maryland, Montana, and Virginia—have allowed the pro-Glass-Steagall resolutions put before them to lapse, although supporters are continuing to agitate with their state and federal representatives to take action.

With Congress returning from recess this week, an intense battle will be joined, aimed at both expanding the

number of supporters for HR 129 (now at 47), and to get a companion bill introduced into the Senate, where the Obama Administration and Wall Street have put intense efforts to prevent passage.

No Business as Usual

State legislators are showing uncommon initiative in mobilizing support behind Glass-Steagall, which they are now understanding to be the *only* solution to the collapse of the economy, and killer budget cuts, destroying their constituents. There is activity in many other states where memorials for HR 129 have not yet been introduced.

Indicative of the level of enthusiasm, is the fact that some state representatives are actively lobbying, not only in their home states, but in others as well, to garner support for reinstating Glass-Steagall.

Also notable, was a press release put out April 8 by the Senate Majority Office of the Maine State Legislature. The release began by noting the role of Sen. John Patrick (D-Rumford) in pushing through SP 465, and quoting him as follows:

“‘For 70 years Glass-Steagall prevented the kind of financial catastrophe we experienced in 2008,’ Senator Patrick said. ‘Without Glass-Steagall, we lost an important economic stabilizer and any semblance of control and oversight we had over these megabanks. Left to their own devices, these banks were able to engage in spectacularly risky behavior that eventually brought down the entire global economy. I am all for the free market, but sometimes you need a referee. Glass-Steagall is that referee.’”

The release went on to note:

“Senator Patrick’s efforts coincide with a national effort among state legislators to pressure Congress to reinstate Glass-Steagall. U.S. Senator Angus King and U.S. Representatives Mike Michaud and Chellie Pingree have all expressed support for the reinstatement of Glass-Steagall. Representatives Michaud and Pingree are cosponsors for a bill currently under consideration in the U.S. House of Representatives that would effectively restore the law.”

The passage of the memorials in these two states stands in contrast to the motion around Kaptur’s 2011-12 bill, HR 1489, where a huge mobilization over 18 months never succeeded in getting a single memorial passed.

In addition to the memorials, LaRouchePAC organizers in Washington, D.C. are delivering messages, sometimes in writing, from state officials and constitu-

ency leaders, demanding that their Congressmen or Senators finally take action. Many meetings have been set up by citizens who have insisted that their Congressmen meet with LaRouchePAC representatives.

The Crisis Is Unavoidable

The receptivity of local constituency leaders to the LaRouchePAC program of Glass-Steagall, national banking, and NAWAPA, has been driven by a very simple process: The international bankers’ determination to save their bankrupt system is threatening to destroy the lives of the people.

This reality was driven home with drama, in the case of the Cyprus crisis, where the European Union insisted on outright theft from the bank accounts of depositors, in order to pay off the bankers. While the initial demand for taking 7% off the top of the accounts of even those with bank accounts of less than EU100,000 was rescinded, the fact that it was even proposed set off alarm bells, and the impact of the theft from larger accounts, is itself hitting hard at both honest businessmen and retirees.

When LPAC organizers add to the picture the fact that the U.S.’s own FDIC, along with the Bank of England, had produced their own study on carrying out the same policy in December 2012, and the fact that the Dodd-Frank bill contains provisions for the same kind of “bail-in” theft, the response is electric. People are beginning to realize that action on Glass-Steagall is a question of life or death.

But that’s not all. At the same time, the Obama Administration has determined to ram through new levels of fiscal austerity, which target the most vulnerable of American citizens. The leading example is Obama’s pre-announced intention to propose changing the formula for calculating the Cost of Living Adjustment for Social Security and disability and veterans’ benefits. This is a benefit cut that not even Rep. Paul Ryan (R-Wisc.), notorious for his opposition to the social safety net, has proposed.

The so-called chained CPI (i.e., “chained” to the consumer price index) would result in reducing even further the government’s calculation of inflation, which is already ridiculously understated, on the basis that people are forced to “substitute” cheaper goods for more expensive ones, when they no longer can afford them. Presently, official inflation tends to average around 1-3%, as compared to what the publication *Shadow Stats*, using Bureau of Labor Statistics (BLS) methods to calculate inflation in the 1980s, has estimated the rate

to be—between 9 and 10%! If the official rate is reduced further, the suffering will further increase.

Nor is the chained CPI the only cut Obama and his Wall Street backers—plus a substantial section of the Republican Party—have on the table. In line with the “cut costs” philosophy of his health-care “reform,” Obama wants to change the cost structure of Medicare in such a way as to discourage what adherents of this Nazi thinking call “unnecessary care,” by raising the cost.

This time around, the President’s attempt to blame the demand for austerity on the Republicans is just not working. It has been clearly established that he was the author of the sequestration “deal,” now delivering life-threatening cuts, and the current proposals for slashing Social Security and Medicare are all his.

No Way Around Glass-Steagall

There has been an extraordinary uproar in the wake of Obama’s budget pre-announcements, with even staunchly Democratic Members of Congress coming forward to insist that they will do everything in their power to prevent such cuts for the poor, as the chained CPI, from going forward. Sen. Bernie Sanders (I-Vt.) has threatened to conduct a filibuster in the Senate. And the core of Obama’s electoral constituency—from the AFL-CIO, to the Black Caucus, to the Progressive Caucus—is shouting from the rooftops, that the President’s policy is “insane,” “a historic mistake,” and a “non-starter.”

Today, a coalition of these usually loyal Democratic groups delivered more than 2 million petition signatures to the White House opposing the Social Security cuts, signatures that were collected primarily over the weekend. Leading the effort, in addition to the AFL-CIO, were three Members of Congress: Senator Sanders, Rep. Mark Takano (D-Calif.), and Rep. Rick Nolan (D-Minn.).

Yet, we’ve seen this movie before. Back in 2009, many of these same liberal groups demanded that President Obama implement a Medicare-for-All health plan, rather than the corporatist genocidal scheme that passed. Faced with Obama’s intransigence, they backed down. In 2010, these groups supported efforts by Sens. Maria Cantwell (D-Wash.) and John McCain (R-Ariz.) to get Glass-Steagall passed in the Senate. Blocked by the White House, they caved. In 2011-12, these very groups mobilized for Glass-Steagall, specifically for Kaptur’s HR 1489, getting up to 86 co-sponsors, and

generating enormous political heat. But, after they were defeated, they basically lined up to support Obama!

There is no way Obama’s genocidal plans, which have their root in the British imperial financial system, can be defeated unless Glass-Steagall is re-enacted, to cut the legs out from underneath the British financial empire. Glass-Steagall will dramatically reduce subsidies to the gambling banks, and thus put many of them out of business. Trillions in “obligations” will simply disappear, setting the stage for the establishment of a new, sound national banking system, based on Hamiltonian, Constitutional principles, and oriented to financing great projects such as NAWAPA. Entitlement cuts will be off the table, as our system is once again reoriented to promoting the general welfare and production, not the money-center banks.

This is the lesson that citizens have to drive home to those Congressmen and others who simply raise a cry of protest. We need action, not protest. Let them endorse Glass-Steagall, demand that others do, and ram it through now! They have been warned as to what horrors will happen if they don’t. If they don’t join the fight for Glass-Steagall, they will have blood on their hands as well.

REVIVE GLASS-STEAGALL Now!



“The point is, we need Glass-Steagall immediately. We need it because that’s our only insurance to save the nation.... Get Glass-Steagall in, and we can work our way to solve the other things that need to be cleaned up. If we don’t get Glass-Steagall in first, we’re in a mess!”

—Lyndon LaRouche,
Feb. 11, 2013

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Obama's Sequester Cuts Medicare Chemo; Cancer Clinics Appeal to Congress

by Marcia Merry Baker

April 8—Cancellation of cancer treatment and chaos are now hitting throughout the U.S. chemotherapy delivery system, under the immediate impact of April sequestration cuts to Medicare reimbursements to oncology centers. But the cuts are in accordance with the intent of the Obama Administration all along, to cut medical services, thus furthering London-prescribed depopulation, in the name of “balancing out” scarce resources.

Remember: The sequester formula was President Obama's idea back in August 2011. Its purpose was to force murderous austerity, and that's precisely what is happening.

The set-up for this begins with the fact that four out of five U.S. cancer patients are treated in the clinic setting, by oncologists and staff, and not at hospitals, or other medical practitioners' offices; about half of all U.S. cancer patients are on Medicare—i.e., over 65 years old. Therefore, what happened as of April 1, is that, when the Obama CMS—Centers for Medicare & Medicaid Services—cut Medicare reimbursements for chemo drugs and overhead, under the excuse of sequestration, cancer clinics nationwide were faced with losing money to the degree they cannot remain in operation, if they continue with “too many” Medicare patients. This is especially true if the patients are on expensive drugs, for which the clinic will lose the most money.

Hundreds of clinic systems have sent out notices to select numbers of their Medicare patients, informing them that they can no longer get chemo at their customary clinic. These patients are told to try elsewhere. Thousands of sick people are scrambling about, not knowing what to do. Some are turning to hospitals for their infusions; but many community hospitals have no redundancy, to provide more care. Thousands of poor, elderly cancer patients have no recourse, and are going off chemo, to a sure, and possibly early, death.

The specifics of the Medicare reimbursement cuts are that, while sequestration is said to be an across-the-board reduction of “only” 2%, the way it actually affects chemotherapy treatments in community clinics amounts to a cut of 4.5% or more. This results from the fact that Medicare reimburses the clinics for the cost of the chemo-drugs, plus 6% to cover the expenses of storing and administering them. The market prices of the drugs are fixed; so, in effect, the 2% cut must come out of that 6% for overhead, which, according to some reports, such as that by MSNBC's Max Lockie on April 7, adds up to a double-digit pay cut for personnel.

“If you get cut on the service side, you can either absorb it or make do with fewer nurses,” the director of the Community Oncology Alliance, Ted Okon, told the *Washington Post*. Dozens of clinics say they cannot absorb this and stay in business.

The current sequestration blow to community clinics comes on top of the problem that, since 2008, over 1,200 such infusion operations have closed, or consolidated, or gone into financial arrears. In poor, rural areas, the shortage of clinics is severe. People face driving long distances, the need to stay overnight, etc. Many just give up.

On March 13, the associations representing cancer clinics, oncologists, and staff, issued an emergency appeal to Congress, warning of the dire impact if the sequestration was allowed to proceed (see *Documentation*). One of the 20 signator entities, Community Oncology Alliance, has posted a petition on the official White House website, to end the treatment cuts.

As of this week, Congress comes back into session, to hear their office phones jangling, from home district callers, furious over the cancer treatment debacle. The White House remains intransigent. On April 4, Brian Cook, the Media Relations person for CMS, said that the agency can do nothing. Referring to the costs of cancer drugs, he told the *Washington*

Post, “We are unaware of any authority that could exempt [Medicare] Part B drugs from the sequestration requirements.”

Thousands Cut Off from Chemo

Examples of clinic notices and statements, cancelling treatment, were reviewed in the April 4 *Washington Post*, the April 3 *heraldonline.com* (South Carolina), and are now getting covered in the local media cross country:

New York: The North Shore Hematology Oncology Associates held an emergency meeting April 2, and decided to discontinue treatment for a third—over 5,000—of their 16,000 Medicare patients. CEO Jeff Vacirca said, “The drugs we’re going to lose money on, we’re not going to administer right now.” He said, “A lot of us are in disbelief that this is happening. It’s a choice between seeing these patients, and staying in business....”

Connecticut: The Medical Oncology and Blood Disorders clinic stated in their March letter, “We will not be able to treat our Medicare patients effective April 2013.”

South Carolina: The Charleston Cancer Center has given selected patients advance warning that their treatment may end soon. Dr. Charles Halladay said that, “We tell them that, if we don’t go this course [cutting off the most expensive cases], it’s just a matter of time before we go out of business.”

Ohio: Zangmeister Center, Columbus. Dr. Mark Thompson, who is also president of the national Community Oncology Alliance, said, “Never before have I been forced to consider financial concerns when deciding which patients to treat. Oncologists should not be put in the untenable position of continuing to treat patients at a loss—which will result in clinic closings—or being unable to treat Medicare seniors fighting cancer, in order to keep the clinic doors open.”

This assault on patients and treatment delivery, comes on top of ongoing undercutting of cancer screening, and shortages of cancer treatment drugs. For example, since the 2009 U.S. Preventive Services Task Force said that women in their 40s should forgo annual breast cancer screenings unless they knew of exceptional vulnerability—in the next year alone, there were 54,000 fewer screenings in this age bracket. Ten years ago, there were 13,400 mammography machines in the

This poster is part of a nationwide mobilization in opposition to Obama's Medicare cancer cuts.

U.S.; today, there are fewer than 12,000. More than 870 counties (out of 3,141) have none at all.

Fight Cancer: Glass-Steagall

What is required, is to immediately cancel any cutting of government functions, and to initiate specific emergency measures to continue and expand medical treatments, diagnostics, and logistics of all kinds for health care. The lead of this effort, is for Congress to re-instate the 1933 Glass-Steagall law, to re-establish sound banking, in order to have the basis to rebuild the economy, and end the current killer-austerity policy being implemented in furtherance of the bail-out/bail-in support of the dead system of monetarism and speculation.

By contrast, look at the thinking associated with the build-up of the U.S. medical-treatment system, in particular, to fight cancer, during the post World War II de-

cares. It took place in the context of the pro-production outlook of that time, in which banking and credit were understood as the means to fund activity to create a more productive future, not financial gambling.

The principle was expressed most strongly in the 1946 “Hospital Survey and Construction Act,” known as Hill-Burton, for its bipartisan Senate sponsors, Lister Hill (D-Ala.) and Harold Burton (R-Ohio). It mandated Federal/state/local collaboration for a nationwide hospital-building program, designed to provide the necessary number of staffed hospital beds per 1,000 people throughout the nation, ranging from 4.5 beds per thousand in urban areas to 6 in rural locations. By 1950, plans for new hospitals, or expansions of existing facilities, were underway across the nation. In the 1930s, out of 3,076 counties in the U.S., there were 1,282 with no hospitals at all, plus many in operation were substandard. This was all corrected by the 1970s.

In line with the Hill-Burton principle—that is, to provide desired ratios of treatment logistics per thousand people (hospitals, equipment, physicians, nurses, staff, public-health services, etc.)—a national plan was also initiated to fight cancer.

In October 1953, Congress convened a series of hearings on “The Causes, Control, and Remedies of the Principal Diseases of Mankind,” held by the House Committee on Interstate and Foreign Commerce. Each session had a different focus, such as “Health Inquiry on Cancer” and “Health Inquiry on Poliomyelitis.”

At the sessions on cancer, goals included reviewing the latest scientific understanding and questions about the disease, and to evaluate what could be done everywhere, to improve the *logistics of how to detect and treat cancer*. “National Inquiry” maps were presented, showing the location of current cancer detection centers and cancer clinics, in order to determine where more must be provided.

For example, in the 1950s, the cancer incidence rate was 34.3 per 1,000 persons over 60 years of age, in contrast to younger age brackets (e.g., it was 3.9/1,000 for ages 40 to 49), so more cancer diagnostic facilities needed to be located in areas with older citizens. This was undertaken.

However, since the 1970s, this build-up has all been drastically reduced. The takedown of the U.S. health-care delivery system came in line with the 1970s national and worldwide shift to floating currencies and casino economics. In 1971, the Health Maintenance Organizations (HMOs) were sanctioned by Federal law

for the first time. Hospital systems came to be deregulated, with fire-sale sell-off of non-profit community facilities, to privatized, for-profit syndicates.

Nationwide, the beds-per-thousand and all other critical ratios have declined below the danger point, to where the United States hospital system could barely manage to even cope with the annual 2012-13 influenza season.

Now, even this takedown is not enough for those demanding austerity to-the-death, in the name of deficit-reduction, budget cuts, fiscal responsibility, etc. Their deliberate action to cause cancellation of cancer therapy for the old and poor, and to endanger and shut down the U.S. community cancer clinics, is a call to action to change the system. Issue DNR for Wall Street—Do Not Resuscitate.

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Documentation

Tell Congress: Stop Cuts to Medicare Cancer Patients

The following is the full text of a letter sent March 13 to the leaders and full membership of Congress, by 20 entities representing the core cancer treatment sector of the United States. Among them are the American Society of Clinical Oncology, the Colon Cancer Alliance, Lung Cancer Alliance, Leukemia and Lymphoma Society, Society of Gynecologic Oncologists, and many associations representing treatment centers, including the Association of Community Cancer Centers, and Community Oncology Alliance.

Dear Majority Leader Reid, Minority Leader McConnell, Speaker Boehner and Minority Leader Pelosi:

Community-based cancer care, where until recently four out of five Americans with cancer were treated, is in serious crisis. The April 1 payment cut to Medicare mandated by sequestration further threatens to destabilize our nation’s precarious cancer care delivery system. Representing America’s cancer care providers, cancer patients, and other organizations and companies affiliated with the cancer care community, we urge you to

reject Medicare cuts to life-sustaining anti-cancer drug and biologic therapies.

Over the past four and a half years, 241 community cancer clinic sites have closed and 442 practices (often with multiple clinic locations) are struggling financially. As community cancer clinics close their doors, access to cancer care is compromised for cancer patients, especially vulnerable seniors covered by Medicare. Additionally, 392 clinics have consolidated into the hospital, with consolidation driving up costs to cancer patients and payers.¹ According to recent studies by Milliman² and Avalere,³ cancer patients, Medicare, and private insurers pay substantially less for cancer care when chemotherapy is administered in the physician community cancer clinic setting. Unfortunately, this cancer care crisis will seriously worsen with the sequestration-mandated cuts to Medicare effective April 1—access problems will multiply and costs will increase for both Medicare beneficiaries fighting cancer and taxpayers.

The Medicare Modernization Act of 2003 requires that all discounts and rebates be included in the calculation of Average Sales Price (ASP), the basis for Medicare drug reimbursement. The ASP formula mistakenly includes prompt pay discounts that pharmaceutical manufacturers extend to distributors for timely payment. This flaw artificially lowers Medicare payment for life-saving anti-cancer drugs, resulting in reimbursement below cost for many and eroding the viability of community cancer care. Even without the threat of sequestration payment cuts, 27 bipartisan members of Congress joined Representatives Whitfield, Green, Nunes, Kind, and DeGette as original cosponsors of a bill (H.R. 800) to remove manufacturer-to-distributor prompt pay discounts from the calculation of ASP and provide some additional stability to the nation's currently unstable community cancer care delivery system.

In stark contrast to this supportive legislation, imposing additional Medicare payment cuts to cancer drugs at this time would be devastating to both community cancer clinics and their vulnerable patients. Without a correc-

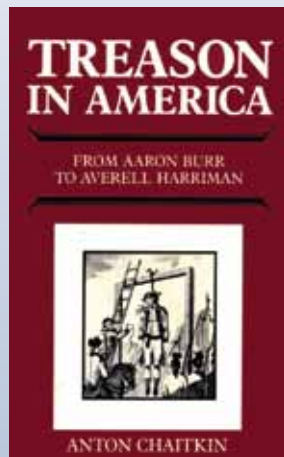
tion to the flawed Medicare payment formula, numerous additional cancer clinics will limit services or close altogether, restricting access to care or forcing cancer patients to more costly providers of care. When patients have to travel outside their communities for care, it can often result in duplicative and unnecessary services, additional co-pays, added transportation and lodging costs, and physical and emotional suffering, not to mention delays seeking treatment even as cancer progresses.

We implore you to help protect the cost-effective, high-quality cancer care delivery system for Medicare seniors fighting cancer. As Congress continues negotiations on the sequester and other federal budget matters, we ask that you keep in mind the millions of Americans who depend upon the life-sustaining drug and biologic therapies community cancer clinics provide, and the significant challenges those centers face in meeting in sustaining operations. At this time of both great promise and vulnerability in cancer care delivery, we need to strengthen, not undermine, patients' access to quality and cost-effective treatment in their communities.

Treason in America

NOW AVAILABLE ON KINDLE!

Anton Chaitkin's *Treason in America: From Aaron Burr to Averell Harriman* is an authoritative inquiry into the criminal apparatus of the British Empire and its arms in Wall Street, Boston, and the Confederate South—that usurped power in America.



The Kindle edition (from Executive Intelligence Review, 1999) is available at www.amazon.com for \$9.99.

1. *Community Oncology Practice Impact Report*, Community Oncology Alliance, March, 2012

2. *Site of Service Cost Differences for Medicare Patients Receiving Chemotherapy* Milliman, October, 2011

3. *Total Cost of Cancer Care by Site of Service: Physician Office vs. Outpatient Hospital* Avalere Health, March, 2012

Closer to War in Korea and Iran: Who Will Stop Obama?

by Jeffrey Steinberg

April 7—Cuba's Fidel Castro delivered a pointed warning this week, that the crisis on the Korean peninsula represents the greatest danger of thermonuclear war since the Cuban Missile Crisis of the early 1960s. In an April 4 signed article in the daily *Granma*, Castro wrote that the Korean situation is now "one of the most serious dangers of nuclear war since the October Crisis in Cuba in 1962, 50 years ago." Castro noted that the North Pacific region is home to 5 billion of the planet's 7 billion inhabitants. "If war breaks out there, the peoples of both parts of the Peninsula will be terribly sacrificed, without benefit to all or either of them."

After reminding the leadership in Pyongyang that Cuba has remained a loyal friend, but that provocations that could lead to a nuclear war that could wipe out 70% of the population of the planet, Castro warned to President Barack Obama:

"If a conflict of that nature should break out there, the government of Barack Obama in his second mandate would be buried in a deluge of images which would present him as the most sinister character in the history of the United States. The duty of avoiding war is also his and that of the people of the United States."

Castro is not alone in his warnings about the tripwire for thermonuclear extermination. The U.S. Joint Chiefs of Staff have moved in the past several days to carefully walk back from the brink, after sending clear signals that the United States was fully prepared to defend its Asian-Pacific allies, particularly South Korea and Japan. In a number of public statements and inter-

views, JCS Chairman Martin Dempsey asserted that, while the North Korean rhetoric has been heated, there are no signs of any menacing military deployments. Dempsey noted that every year in which the U.S. and South Korea engage in month-long joint military maneuvers, as are now underway, the North Koreans make bellicose statements, and then pull back.

The reality is that the U.S. has been operating from a "playbook" developed in December 2012, after North Korea's successful long-range rocket launch and nuclear bomb test. The playbook, enthusiastically endorsed by Obama, and embraced by his new Secretaries of State and Defense, John Kerry and Chuck Hagel, called for a series of escalating military deployments, accompanied by tightly controlled media reports, to force the North Koreans to back down. Among the measures undertaken by Obama in the past month, all in line with the playbook, have been the deployment of B-2 long-range bombers, B-52 bombers, nuclear-armed Ohio-class submarines, Aegis missile defense destroyers, and other military hardware, to the Korean peninsula and its coastal waters.

Last week, in a move aimed at walking back from the provocations, an unnamed "senior Pentagon spokesman" briefed select military correspondents on the fact that the playbook may have gone too far in provoking the North Koreans, and that there would be a series of pull-backs and other measures undertaken to cool out the crisis. A long-scheduled testing of the U.S. strategic missile defense system was postponed indefinitely, and the Obama

Administration dropped some of its provocative language.

Senior U.S. intelligence sources confirmed that the Pentagon and State Department have been conferring regularly with their Chinese counterparts. The Chinese, in effect, are functioning as honest brokers between Washington and Pyongyang. According to the sources, Chinese officials warned the Obama Administration that the North Koreans were viewing the military deployments and statements as provocations, and that Washington's behavior was driving the situation closer to the brink of military confrontation. It was this Chinese intervention, the sources confirmed, that led to the Pentagon background briefing.

In the coming days, Kerry, National Security Advisor Thomas Donilon, and Dempsey will all be traveling to Beijing to confer with their Chinese counterparts.

The British-Obama Factor

The danger is that Obama will refuse to de-escalate the threats against North Korea. In an April 7 article, Leslie Gelb, former State Department official, and ex-president of the Council on Foreign Relations, chastized Obama for remaining committed to military confrontation with Iran, the other prime target of the U.S. efforts to ostensibly prevent nuclear proliferation. Obama has repeatedly threatened to use military force to prevent Iran from obtaining a nuclear bomb. The tensions rose on the Iranian front as well this weekend, when the latest

round of UN P5+1 talks apparently failed to make progress. Catherine Ashton, the European Union's foreign minister and the chief representative of the P5+1, issued a statement after two days of talks in Kazakhstan, indicating that they had not achieved a breakthrough. This puts the Iran situation back into play as a second front where thermonuclear weapons could be used.

Kerry is now in Israel for three days of talks, and the Iran situation is at the top of the agenda. Israeli officials, including Minister of Strategic Affairs Yuval Steinitz, have issued bellicose statements warning that Washington must decide "within weeks" to take military action before Iran crosses Israel's "red line" of 225 kilos of 20% enriched uranium. During his recent visit to Israel, Obama reiterated his promise to Prime Minister Netanyahu that Washington was prepared to use military force to prevent Iran from obtaining a nuclear bomb. Now, Netanyahu is tightening the noose around Obama's neck to force an escalation in the crisis.

The lack of confidence in the Anglo-American willingness to solve both the North Korean and Iranian situations through persistent, patient diplomacy has provoked other warnings from informed quarters. Russian President Vladimir Putin gave a lengthy interview to Germany's ARD TV and radio on April 5, assailing the U.S.-Europe policy of regime-change in Syria. Graham Allison, a former top State Department official in the Reagan Administration, in an op-ed, compared Obama

Citing SDI: A Call for U.S.-Russian Cooperation

March 30—Graham Allison, a former Assistant Secretary of Defense, who was involved in developing U.S. policy toward Russia in the Clinton Administration, and is now director of the Belfer Center for Science and International Affairs at the Harvard Kennedy School, penned an op-ed in the March 28 *Los Angeles Times*, wondering what President Reagan would do, were he here today, in the midst of the U.S.-Russia ballistic missile defense impasse.

"My bet is that he would offer the Russians not only transparency about U.S. missile defense systems, but actual shared control of those systems in a reconfigured deployment that would incorporate

Russian as well as U.S. radar systems, and invite Russia to join the U.S. in deploying defenses against emerging nuclear threats."

Allison likens Reagan's proposal to "President Kennedy's pledge to send a man to the Moon." Reagan's vision, he says "was meant to stretch minds to new realities that most found inconceivable."

Allison reviews both the Soviet distrust of Reagan's motives, and the "fiery criticism at home and abroad." Today, ballistic missile defense is a "stumbling block in the U.S.-Russian relations," and requires a Reaganesque "thinking well outside the box" of proposals now on the table.

Allison's writing stands in stark contrast to the SDI 30th anniversary event held on March 19 by the Heritage Foundation, which, 30 years ago, worked tirelessly to sabotage both President Reagan's push to develop new directed-energy technologies for missile defense, and his offer of collaboration with the Soviet Union.

negatively with President Reagan. Allison wrote that, if Reagan were President today, he would immediately revive talks with Russia to build a global shield against nuclear weapons, just as he had proposed in 1983.

Now, more than ever, the world is on the edge of a thermonuclear conflict 20 years after the end of the Cold War. Today's advanced arsenals of thermonuclear weapons could be unleashed on a moment's notice.

The problem, which few understand, is that Obama is a captive of the British imperial faction typified by former Prime Minister Tony Blair. Its policy is genocide, through war, disease, and famine. The empire is more desperate than ever, due to the total bankruptcy of the trans-Atlantic financial and monetary system, and the breakdown of the physical economies of the region as well. War, under these circumstances, is the ultimate tool for Malthusian genocide and provides the perfect context for a financial reorganization, while keeping

the present power structure intact.

In a dialogue with colleagues on April 2, Lyndon LaRouche emphasized that the British ability to press ahead with their genocide plans is totally dependent upon their control over the United States, and that control depends on Obama remaining in the White House, in a position of unchallenged authority. Weaken or remove Obama from office and the British game is up, LaRouche concluded.

Despite the best efforts of the JCS, and a network of active duty and retired diplomats, and military and intelligence officers, to push back from the brink of war by reaching out to Moscow and Beijing, and pressing for an end to the escalating pattern of provocative actions and words, the fact remains that nothing short of the bringing down the Obama Presidency through constitutionally defined measures will be sufficient to prevent thermonuclear extinction.

Nuclear Experts Warn of War Danger

April 2—A group of high-level military and political leaders from Europe, the U.S., and Russia, published an op-ed in the *New York Times* today, warning of the increasing danger of nuclear war, and insisting on the urgent “Revamping of Euro-Atlantic Security.” The 30-member group, representing institutional resistance to the British Empire’s war policies, is co-chaired by former U.S. Sen. Sam Nunn, former Russian Foreign Minister Igor Ivanov, former German Deputy Foreign Minister (current head of the Munich Security Conference) Wolfgang Ischinger, and former British Defence Secretary Des Browne.

The same group had published, in February 2012, the results of its two-year study calling for an “effective Euro-Atlantic Security Community.” Obviously concerned that things have further deteriorated, they wrote the April 2 op-ed, which more stridently asserts the danger of war, as the following excerpts show:

“Security policies in the Euro-Atlantic region ... are dangerously out of date and demand urgent attention.... Cold War-era security concepts and their associated weapons and military postures continue. Large strategic nuclear forces remain deployed on

prompt launch, ready to be fired in minutes; thousands of tactical nuclear weapons are still stockpiled in Europe; a decades-old missile defense debate remains stuck in neutral; and new security challenges associated with prompt-strike forces, cybersecurity, and space remain contentious and inadequately addressed.... The alarming asymmetry between military capabilities and a true Euro-Atlantic partnership is dangerous and potentially destabilizing, undermining the trust necessary for cooperative efforts to meet emerging security threats in Europe and across the world....

“[T]oday’s leaders should move decisively and permanently toward a new security strategy, one that considers offensive and defensive military forces, nuclear and conventional weapons, and cybersecurity and space. Thinking together about these issues in an integrated way can lead to transformational change in Euro-Atlantic security and nuclear and conventional force postures from the persistent Cold War shadow of *Mutually Assured Destruction* to *Mutual Security* [emphasis added]. Issues relating to nuclear weapons and missile defense should receive the highest priority in the first five years. It should also be possible to take steps relating to conventional forces, cybersecurity and space during the initial phase....

“There is an historic and fleeting opportunity to act. There is no more important security issue for leaders to address.”

OR, CALL IT “END-GAME”:

Crux!

by Lyndon H. LaRouche, Jr.

24 March 2013

This past week-end and its immediate sequels, mark a threatened point of break-down in what has been a long wave of trans-Atlantic crisis since the assassinations of President John F. Kennedy, and that of his brother, Robert. Now, in these present times, the probable outcome now awaiting the world, is the new general warfare, perhaps an human extinction, which Queen Elizabeth II's imperial regime is currently working, overtly, to bring on very soon. Without any actual exaggeration, that is her publicly stated intention: the near-extinction, or worse, of the human species.

The threat of such warfare by the British Empire, had been apparently lurking every time one of our few truly great Presidents had been faced with the threat of assassinations by the British empire and its agents. I mean such British agents as the monstrous Aaron Burr. In fact, the effect of the assassination of President William McKinley (which brought in the British asset and virtual traitor, Theodore Roosevelt), is also typical. The overt, rabid, Ku Klux Klan fanatic Woodrow Wilson, had been among the worst, as also Calvin Coolidge and Herbert Hoover. Britain's asset Harry S Truman, may not have been officially a traitor to the United States, but the effect might have been approximately the same, but for the interventions of such leading patriots as President Dwight Eisenhower, and General of the Armies Douglas MacArthur. However, the United States has, so far, never outlived the effects of the cases of the assassinations of President John F. Kennedy, and of his brother, Robert.

The notable fact of our republic's history, to the present day, is that had Britain's Winston Churchill not played about every diversionary trick imaginable to delay a war-time victory over Adolf Hitler's regime, Harry S Truman would never have had the actual opportunity, in fact, to have been elected as U.S. President. The British empire had always remained the principal enemy (in fact) of our United States for longer than there had



U.S. Navy

Gen. Douglas MacArthur's brilliant strategy at Inchon avoided a prolonged and bloody conflict, which, had Churchill and Truman prevailed, would likely have escalated into a nuclear war. Here, MacArthur lands at Inchon with his staff.

been a United States. The British empire, for as long as it had existed, since the mass-murders in Ireland by the New Venetian Party's William of Orange, has always been the most persistent enemy of any true civilization.

I do not exaggerate in the least. I explain the situation as follows.

The crucial historical fact of modern history, has been, that, so far, the Roman Empire had never actually died. The heirs of that empire had transferred themselves to new residences and new guises in the upper region of the Adriatic, where the leading original Roman imperial families had fled to establish their new base for rebuilding their power. Such were the causes of the later emergence of growth of the imperial city of Venice, and of the subsequent "New Venetian Empire" of such as William of Orange, which had led directly into the House of Orange's wars against the France of Louis XIV, and, the subsequent mass-murderous butchery in Ireland, as a part of the conquest of the British Isles generally. The British empire was established in fact, between the intervals of the 1763 Peace of Paris and the subsequent imperial Treaty of Vienna (1815) under the batons of Metternich and the British empire's Castlereagh.

Later, Germany's dumping of Chancellor Bismarck

in 1890, uncorked an immediate series of rapid, global developments in assassinations and warfares leading into what became known as World War I, and, soon afterward, to World War II. Since that time, the assassinations of President John F. Kennedy, and somewhat later, of his brother Robert, have, in fact, led the planet to a present brink of an immediately threatened, global state of thermonuclear warfare. It was the arrant lies used to conceal the truth of the assassination of President Kennedy, and, also, of his brother, later, which permitted the otherwise preventable launching of the U.S. Indo-China war, against which General MacArthur had warned, together with President Kennedy, a war which had permitted the drift into Hell, this far, which is now threatening the entirety of the human species, even its not improbable self-extinction at the hand

of the British imperial monarchy.

So, a thermonuclear war launched by the British empire, with the United States in tow, now threatens a proximate thermonuclear warfare, a state of thermonuclear warfare which means a virtual extinction of the human species.

To provide the best qualified readers here with some urgently needed, critical insights into the historical background for the present threat of general thermonuclear warfare, I have devoted my attention in the following pages to references to three cases. Those three cases have been: the crucially unique role of General of the Armies MacArthur's decision for the crucial action of the Inchon landing in Korea; the grotesque, British irony of the famous victory of Prussia's Frederick II at Leuthen; and, also, what is rarely recognized currently, the deep-rooted role of the modern, British background in the Roman empire still today.

The Legacy of Inchon Today

The most common of the great dangers lurking in modern warfare, in particular, is to be seen in the sometimes stubborn quality of so-called "practical" outlooks by the United States on strategically grave matters of

global crises of sundry varieties. The danger to mankind represented by such “practical” dupes of (usually) the British monarchy, is to be recognized in such instances as the resistance to the U.S.A.’s Five-Star General Douglas MacArthur’s successfully overriding insistence on the celebrated achievement of the Inchon landing’s role in the Korean war.

Otherwise, Presidential candidate Dwight Eisenhower had played a related, leading part in his continuing the role which had been U.S. Presidential candidate General MacArthur’s leading part in dealing with the launching of the warfare in Korea. This matter goes much deeper, and much farther in effect, than a mere “local war” would seem to warrant. What was at issue, had been shown by the hesitation of some other U.S. commanders dealing with the Korea situation, who had, rather stubbornly, initially resisted General MacArthur’s insistence on the Inchon landing. MacArthur had momentarily overridden both the incumbent President Harry S Truman and the evil intentions of the combined policies of Britain’s pair of that time, Winston Churchill and Bertrand Russell. The price of failing to carry out General MacArthur’s policy then, would have been disastrous for the United States during that immediate interval. Truman had his typically childish revenge, not long after that.

I explain, briefly. Before proceeding further along those lines, it is imperative that we pause here, so-to-speak to set the stage for considering the implications of General MacArthur’s experience with a succession of evils perpetrated by a U.S. President Harry S Truman who served as the British empire’s virtual Wall Street-stuffed puppet, evils perpetrated under the *de facto* superior authority of the British empire’s Winston Churchill and Churchill’s leading accomplice, the frankly satanic Bertrand Russell.

Truman’s Virtual Treason

Before presenting any perspective on both the warfare in Korea and the role of Douglas MacArthur in the conclusion of the war with Japan, we must take into account the dastardly changes in U.S.A. strategic policies which were introduced under the nominal Presidency of Harry S Truman, once President Franklin Roosevelt was conveniently deceased (for Churchill and his virtual lackey, Truman). The institutions of the Franklin Roosevelt Presidency were rapidly brought under the control of the Churchill-Truman apparatus, and every semblance of the post-war intentions of the Franklin



“The actual commitment to nuclear warfare ... had been declared in the Summer of 1946, by both Britain’s Prime Minister Winston Churchill and President Harry Truman’s U.S. administration.”

Roosevelt administration was, in a large degree, overturned and reversed.

By 1948, every semblance of the strategic legacy of Franklin Roosevelt, had not only been overturned, but the most crucial elements bearing on the post-war world were largely reversed in order to begin a world-wide policy of nuclear warfare, and, very soon, the intention of rapid preparations for thermonuclear warfare. Anything deemed offensive to the British empire, tended to be overturned, according to British post-war requirements, by the lackeys of the Truman Presidency. Matters have largely remained so to the present date.

Thus, the most significant about-face, from a deceased hero-President Roosevelt, to British lackey Truman, occurred with the crime of the worse-than-useless nuclear bombardment of two cities, Hiroshima and Nagasaki, in Japan. Thus, World War II was transmogrified into being *de facto* “World War III.” Douglas MacArthur was keenly aware of that fact; instead of the end of a world warfare, a new, future world warfare, nuclear war, was begun, and has been continued up through the present date. The unnecessary, long, useless, and ruinous war in post-President Kennedy Indo-China (as General MacArthur had warned), brought about the most crucial turn, downwards, in U.S. history to date.

Such is the general background needed to place MacArthur’s part in the initial phase of the war in Korea into perspective.

Thus, the deeper issue in respect to the Inchon landing itself, was the quality of mind required to understand the grave national-strategic issues embedded in General MacArthur's insight into the effects of President Truman's role in bringing on the war in Korea. Truman's policy would have, implicitly, carried the war to the active brink of a state of thermonuclear warfare in that region.

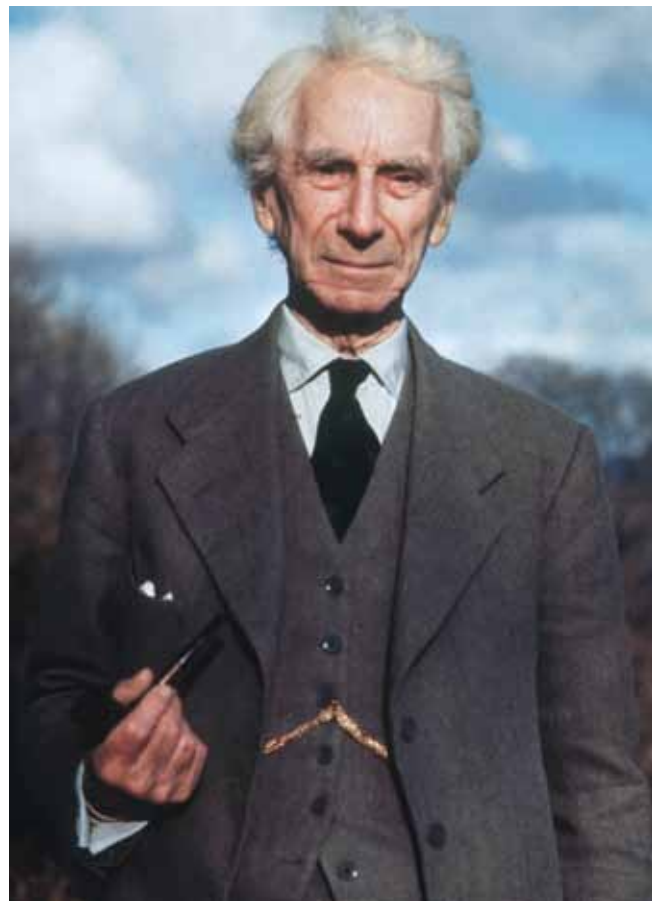
Once the possibility of an Anglo-American nuclear response in Korea comes into consideration, the truth about the attacks against MacArthur by President Harry Truman and others, is essentially de-mystified. Step back for a moment to consider the situation in an invaded South Korea, and a new dimension of elements comes into play.

Consider the following relevant, and relatively "bare" facts on background.

The U.S.A. Enters World War III

The essential facts of the initially successful, "armored Blitzkrieg" into almost the entirety of the territory of South Korea, had established a situation which tended to assure a prolonged, slow-paced "slugging match" for the U.S.A. That was considered, initially, as the best option to be expected for the array of combat forces gathered in the battered southern tip of Korea. However, there was another aspect to the strategic situation inside Korea as a whole: *the ghost in the woodwork of war then engaged within Asia, the Anglo-American nuclear (and also thermonuclear) global war-option.*

No competent understanding of the actually global implications of the war in Korea at that time, could have been recognized then, except by a special quality of citizens during those immediate years. General MacArthur showed clearly that he did recognize those crucial future prospects which most among his immediate colleagues failed to foresee. This brings the matter of Korea into the proper perspective which MacArthur obviously employed, and which leading military and political associates concerned, evidently did not. That fact, which I have just now stated, is the really crucial matter to be considered, then, as also now. The crucial issue so situated is the crucial importance of shunning blind faith in what has already been experienced, to the degree that even most leading figures in warfare and other matters, turn out to have been mere bunglers who stumble as if almost witlessly into the future, because they can never see the actuality of history beyond the



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The satanic Bertrand Russell's avowed commitment to "preventive nuclear war," was abruptly dropped in favor of the "peace" movement, with the news that the Soviet Union had developed its own nuclear capability.

immediate period of a merely "practical man's" present moments' ongoing developments in the actual course of future history.

The actual commitment to nuclear warfare, of the British empire and the Truman Administration, had been declared in the Summer of 1946, by both Britain's Prime Minister Winston Churchill and President Harry Truman's U.S. administration. Bertrand Russell was a leading intellectual influence in this scheme. It was Russell who, in the late Summer of 1946, had already declared a commitment to a virtually world-wide "preventive nuclear war," as he had done in widely published threats to this effect. At that time, it had been presumed in relevant public statements, that Russell had presumed that the Soviet Union did not yet possess effectively deployable strategic nuclear capabilities. The news that the Soviet Union had already developed such weapons, was a disappointment for "pacifist" Ber-

trand Russell, particularly when North Korea had launched its “Blitzkrieg” against South Korea.¹

At the start of their “Blitzkrieg,” the North Korea forces had launched a very effective assault with armored forces led abruptly, and virtually without effective resistance, down toward the tip of South Korea. It was a war by North Korean forces which had been prompted, rather gleefully, by the anti-Franklin Roosevelt policies of Churchill and Truman. At that junction, General of the Armies MacArthur, then based in Japan, was deployed for the defense of South Korea. However, until General MacArthur had stipulated the Inchon landing, the prospect for the U.S.-allied forces deployed into Korea faced a prolonged “slugging fest” which meant attempting to creep northward by “virtual inches of very bloody warfare.” However, that was avoided once MacArthur’s direction of the Inchon landing completely and quickly routed the North Korea forces from the region of South Korea.

With that development taken into account, the really deep issue respecting the Inchon landing, had been the need for a certain, favorable quality of mind in the strategic process which was adequate to meet the realities posed as a threatened nearness to a brink of thermonuclear warfare at that time. The actually grave danger to be considered in the matter of the Inchon landing, was not merely that decision itself, but, rather, the crucial factor to be considered was the role of the British empire of Churchill and Bertrand Russell in their shared intention to drive the Soviet Union, China, and North Korea, and the U.S.A., into an actual thermonuclear war, a war to be organized in the special interests of the British empire: a prompt and successful decision at Inchon had been a global factor in the situation at that stage of affairs. World War II leading veterans blunted much of the immediate risk of actually thermonuclear warfare.

Once that fact, and its implications, are taken into account, the continuing issue from that time, to the present date, is the danger to humanity of a national leadership which lacks both the intellect and the moral outlook of mind needed at this present time of the greatest crisis in the known history of mankind. John F. Kennedy and his brother Robert, had shown the needed qualities of leadership. The only case of a U.S.

President, since that time, who ever threatened to show the needed insights and outlooks, had been seen in the repeatedly stated policy of President Ronald Reagan on the matter of the Strategic Defense Initiative (SDI).

My intention here, is to address that matter of the danger to society represented by a leadership which lacks the quality of insight shown by such truly great U.S. commanders as MacArthur. He had had that quality; so had some other of the founders of our Republic, such as Benjamin Franklin and Alexander Hamilton, or John Quincy Adams and Abraham Lincoln, and so on. I focus my attention here on the specific quality of mind to be sought in a needed quality of leadership on which the fate of civilization depends, urgently, now, in its crucial moments of leadership of nations. It is war which lies essentially in the mind, not the battlefield otherwise, an effort on which the existence of civilization may be called to depend, urgently, at this juncture.

The Present Alternative

In my own experience, which I apply here, retrospectively, to the warfare in Korea, my own first clear insight into the implications of the warfare in Korea, came into a clear view in the interval 1956-57, when I had projected a virtually exact date for the outbreak of the deep recession which erupted on the forecast date of February 1957. That experience, which is reflected in my retrospective view of the developments in war-time Korea, assured me that the most essential distinction of the functionally performing human mind, is the ability of such a developed mind to foresee rather deeply into the future of society. That particular quality of skill, is otherwise obvious in a retrospective view of the role of General MacArthur in strategic outlook.

The conclusion to be drawn from such observations as that which I have just presented here, is that the essential difference, in principle, between man and beast, is the potential specific to the human mind, the ability to foresee the onset of the future in a certain way, in a manner specific to General MacArthur’s insistence on an Inchon landing, a strategic thrust which transformed a state of virtual perpetual warfare in South Korea, into an early and brilliantly sweeping victory. MacArthur had patriotically outwitted Truman and Churchill, a fact which is not really astonishing when one might have examined the personal record of MacArthur.

“Really practical” men tend to make a bloody mess

1. After the death of Stalin, Bertrand Russell had “adjusted” his strategic policies, by means such as enlisting that then-incoming Soviet leader into Russell’s own British intelligence organization.



Commonwealth Heads of Government Meeting

Empress Elizabeth II's "green policy," to reduce the population by about 85%, includes the empire's willingness to unleash thermonuclear warfare, with the potential for the extinction of the human species.

of everything in or about the likeness of a strategic mission of any kind.

The essential error among the nations of the world presently, has been the implicit presumption that thermonuclear warfare today is an actual option for the human species presently. Admittedly, there had been times when defensive war among nations on Earth had been a justified option. The advent of general thermonuclear warfare has eliminated that option. Any general warfare today, is thermonuclear warfare; and, thermonuclear warfare is presently war fought for the extinction of the human species. The truth of that matter presently, is to be recognized in the policies of mass-extirmination of the human population which have been avowed by the empress known as Queen Elizabeth II, as her intention to reduce the human species to no greater than approximately one billion persons, out of a present population of approximately seven billions. The very fact of the Queen's population policies under conditions of thermonuclear means of warfare, now virtually assures that any general warfare is the conduct of war fought for the extinction of the human species.

The crucial fact of that matter, is the Queen's "green policy." Such a policy as that currently presented by

the Queen, means a radical reduction of the potential existence of the members of the human species, which, in turn, means a policy for the extinction of the human species.

Nonetheless, from the standard of the tradition of the Olympian Zeus, the "radically green," progenocidal policies set forth by Queen Elizabeth II, are not unique as doctrines of practice. Mass-extirminations, such as those against Christians by the ancient Roman Empire, are more typical than exceptional in the history of oligarchical cultures. The essential difference between ancient Rome and today's British empire, is that today's technologies are better suited to bringing about an assured extinction of the human species. Extinction policies have been practiced against entire cultures in earlier times. In the meantime, that is a virtually assured result of the launching of thermonuclear warfare

under present technologies, as it is also assured from governments which demand no more than the kinds of "green" policies being promoted in Europe and North American presently.

Furthermore, there is no presently known evidence to presume that even a negligent policy of practice respecting threats from asteroids, comets, and meteors, might not be sufficient to bring about a general extinction of the human species, if effectively active measures of defense against such threats were not developed in the prospective future. Whatever the actual findings turn out to have been, any factor of such a risk is already sufficient for decisive action against such factors of risk.

The Present Aims of Warfare

No longer can civilization fairly expect to outlive the carnage of actually thermonuclear warfare. The continuation of the Solar system's present track within the galaxy, portends reasonable expectations of changes in the course of mankind's Earthly experience within that Solar system. So, the advent of thermonuclear-fusion technologies now, means the expectation of changes in the "life-style" of our Earth. Long

before two billions years ahead, the Solar system, as we have presently known it, will not be particularly habitable for our species.

That, in and of itself, is not necessarily “a bad thing.” The practical issue, is whether, or not, we are disposed to mobilize the noëtic mental powers specific to our species, to realize a certain rate of leaps in scientific practice, for each typical generation. We have recently developed operating systems, positioned on Mars, which indicate not only the onset of mankind’s outreach into development of control of Mars, in particular, while also enabling the outreach to Mars by an automated industry developed under the surface of our Moon.

Furthermore, mankind has accomplished leaps in our power to perform useful functions within certain regions of the inner set of planetary orbits. These advances are to be associated with mankind’s leaps in advances within the relevant portions of the Solar system, leaps in the successive ordering of the scale of energetic levels of thermonuclear power imparted to mankind’s intentions, as such leaps forward were brought under consideration by such figures from the 1890s and beyond as Max Planck and Albert Einstein.

Presently, the leading threats to the human species include asteroids, comets, and meteors. Those challenges can not be met competently by presently standard means. They could be met, by foreseeable options ahead. Hopefully, those discoveries, and related practices, will be realized in a timely fashion. The results would represent a blessing directly opposite to the avowed intentions of the British imperial monarchy presently.

Presently, under the leading edge of British imperial perspectives, mankind in the trans-Atlantic, and some other regions, has pushed practices into a directly contrary, mass-suicidal direction. The current British imperial monarchy, when taken into account as the true global empire which it currently still represents, is directing mankind’s policy-shaping in ways directly opposite to the requirements for the survival of the human species.

Presently, unless the policies typified by the Anglo-Saudi alliance are now promptly reversed, the likely outcome will soon be a virtual certainty of self-inflicted extinction of the human species. Nothing demonstrates that awful fate for mankind as clearly as the presently adopted “green genocide” policies, as uttered by such as the British monarchy.

It should be clear, that the thermonuclear warfare option introduced under the influence of the British imperial monarchy, is the truly most deadly enemy of mankind at this time. The policies which Harry Truman and other errant persons had promoted during the post-World War II interval to date, must now be recognized for the evil which they have actually represented. It is the challenges posed by the threats from asteroids, comets, and meteors, which must be adopted as the markers for the progress which must be realized henceforth. The only permissible wars will be those which the human species could successfully survive.

Five-Star General Douglas MacArthur is among the notable leaders from the past who supplies a model impetus for the destiny of the future of mankind. To make the future, it is required that the relevant thoughts shall be launched by the men and women whose profession is the creation of the actuality of mankind’s necessary future.

Appendix: A Matter of Principle

Among the deadliest errors in the study of history, has been the misguided belief in a deductive mode of interpreting what often passes for the study of history.

The necessary correction of the actually unscientific, deductive method of “factors” of “data” as a substitute for the top-down principles of a competent approach to history must be recognized as such. That does not mean that a bad method, such as the “Sherlock Holmes” practice of deduction, does not have any uses; it does mean that that method of deduction must never be trusted by well-advised human beings. The only competent approach to a science of human history, must be discovered by means of, first, examining the foundations of the principle of life, from the relatively more primitive standpoint of the history of the evolution of sub-human species. Once that aspect of the situation is taken into account, we may, and, indeed, must, proceed to the higher domain of the uniquely human characteristic of upward evolution; the “connecto” approach to human behavior must be excluded at all times. The Roman empire, for example, like the British empire of today, is an expression of the relatively depraved types of human beings who rely on the popular British brutishness of Conan Doyle’s “deductive” fantasies. The difference in method of mere animals from sane people, is the superseding of deductive methods, by the true noëtic principle of Classical irony.

MacArthur's Victory at Inchon: Defeating the British Empire

by Don Phau and Dean Andromidas

I know war as few other men now living know it, and nothing to me is more revolting. I have long advocated its complete abolition, as its very destructiveness on both friend and foe has rendered it useless as a means of settling international disputes. . . . But once war is forced upon us, there is no other alternative than to apply every available means to bring it to a swift end.

—Gen. Douglas MacArthur
to a Joint Session of Congress, 1951

Douglas MacArthur (1880-1964) rose to the rank of five-star general because, in war, and in strategy for peace, he had the ability to see the future. Over 65 years ago, MacArthur saw that the development of the atomic bomb could lead to the extinction of the human race, or, in his word, “Armageddon.”

The atomic bomb dropped on Nagasaki in 1945 was equivalent to 20,000 tons of TNT. The first hydrogen bomb, tested by the U.S. in 1952, had the equivalent explosive power 10 million tons of TNT. Lyndon LaRouche has said that a thermonuclear exchange today would take about an hour and a half to end human life on earth.

In his 1951 address to Congress, MacArthur warned that mankind must change its ways or become extinct. He questioned whether man could rise above the level of a beast and become truly human, and that

mankind now faced its “last chance.” He said to Congress:

“Military alliances, balances of power, leagues of nations, all in turn failed, leaving the only path to be by way of the crucible of war. The utter destructiveness of war now blots out this alternative. We have had our last chance. If we will not devise some greater and more equitable system, *Armageddon will be at our door*. The problem is basically theological and involves a spiritual recrudescence and improvement of human character

that will synchronize with our almost matchless advances in science, art, literature, and all material and cultural developments of the past 2000 years. It must be of the spirit if we are to save the flesh” (emphasis added).

When MacArthur accepted the surrender of the Japanese on the battleship *Missouri* in September 1945, ending World War II, he said “wars were now useless.” Nonetheless, at the age of 70, he accepted President Harry S Truman’s request in 1950, to command U.S. forces in the war in Korea. The Korean War was the first U.S. military engagement called “a limited war” or “police action.” Whatever it was called, the decision to fight in Korea was based on principles that were counter to everything that MacArthur believed would justify going to war.

Today’s revisionist historians portray the conflict between MacArthur and Truman as one in which MacArthur



Naval Historical Center

Gen. Douglas MacArthur, a “genius in warfare,” shown here in Manila, Philippine Islands, August 1945.

wanted to launch nuclear war against Communist China and the Soviet Union, as opposed to the “moderation” of Truman and the State Department, which feared the outbreak of nuclear war. Nothing could be further from the truth.

MacArthur: Anti-Imperialist

MacArthur shared Franklin D. Roosevelt’s vision for a postwar grand design, centered on the elimination of imperialism, that of the French, Dutch, and especially, the British empires. FDR sought to build on the wartime trust between the U.S. and the Soviet Union to transform the wartime alliance into a community of interest that would establish a world system of sovereign nation-states. Thus, the latent productive capacities of humanity could be unleashed through the development of great infrastructure projects in transportation and agriculture, including the construction of railroads, water-management and hydroelectricity projects that would industrialize the nation-states that would replace the colonies, and transform enslaved “colonial subjects” into productive and creative citizens.

MacArthur and Roosevelt shared these ideas. Their relationship began in 1914, when MacArthur, as a junior officer, served on the General Staff in Washington, and Roosevelt was the Assistant Secretary of the Navy. MacArthur also served as Chief of the General Staff in Roosevelt’s first Administration; FDR would invite MacArthur to the White House for consultations, which often had nothing to do with military affairs, but because he saw MacArthur as the “conscience of America” (Courtney Whitney, *MacArthur: His Rendezvous with History* [New York: Alfred A. Knopf, 1968]; p. 124).

MacArthur’s own strategic conceptions of Asia are drawn from his father, Gen. Arthur MacArthur, who served as military governor of the Philippines. Arthur MacArthur had been considered the U.S. Army’s foremost expert on Asia, and was passionately committed to bringing the republican ideas of the American system to Asia, where he believed America’s destiny, and that of humanity, lay. His vision was not a clash of empires, but a grand design based on a community of interest among all the powers of Asia and the Pacific. Thus, the tremendous energies of the Japanese people, who had built the most highly industrialized nation in Asia, could be directed toward aiding the de-



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Douglas’s father Arthur MacArthur, a hero of the American Civil War, presciently, had warned his son, that the “councils of war breed timidity and defeatism.”

velopment of new sovereign nations of the region. This view was, in fact, at the center of MacArthur’s own postwar policy as leader of the occupation of Japan.

As for the Soviet Union, we will see that MacArthur, like Roosevelt, realized that while there was a deep ideological divide between the U.S and the U.S.S.R., the actual point of conflict had more to do with each other’s respective strategic interests rather than ideology. Through endeavoring to bridge those differences in a spirit of compromise and trust, FDR held out the possibility of cooperation with the Soviet Union based on a community of interest.

As we will see, for MacArthur, a swift end to war required not only a successful military effort, but a diplomatic initiative that would turn the conflict into an opportunity for bridging those strategic differences. By contrast, Truman served as the British Empire’s principal instrument for destroying any hope of a realization of Roosevelt’s grand design, and transformed it into a “Cold War,” which would thenceforth hold the

world hostage to the threat of catastrophic nuclear war. It would be in this environment of nuclear terror, that the British Empire sought to secure its continued survival.

Following the death of Franklin Roosevelt, and under the guidance of the British, Truman, step-by-step, created the Cold War, first by dropping the atomic bomb on Japan within a few weeks of the last wartime summit with Stalin, as a transparent attempt to intimidate the Soviet Union, and then inviting Winston Churchill to Fulton, Mo., to deliver the threat of nuclear war in his infamous “Iron Curtain” speech. Truman soon extinguished the spirit of hope engendered by FDR.

The Doctrine of ‘Limited War’

In April 1950, two months before the outbreak of the Korean War, the Truman Administration approved National Security Council Directive NSC-68: United States Objectives and Programs for National Security. Drafted under the direction of warhawk Paul Nitze, who called it an “appropriate” response to Russia’s development of its own atomic bomb, the memorandum was, in fact, the war plan of what President Dwight D. Eisenhower would later term the “military-industrial complex.” It defined the Soviet Union as an irreconcilable enemy, declaring that “cold war is in fact a real war in which the survival of the free world is at stake.” It called for a massive military buildup which had to be completed by 1954, the so-called “date of maximum danger.” Out of thin air, it postulated that by this date, the Soviet Union would have enough nuclear weapons to launch a first strike.

Nitze told an interviewer that, when he tried to present a preliminary version of the document to then Secretary of Defense Lewis Johnson, the latter refused to even discuss it. Instead, Johnson shouted that Nitze was leading a “conspiracy” to massively increase the defense budget. In less than two years, the defense budget increased by nearly 400%, from \$12.5 billion to more than \$40 billion, and was projected to increase by 1953 to \$65 billion, had Truman stayed in power.

The bastard child of the Cold War policy was the “limited war.”

The practice of “limited wars” was one of the chief means by which the British Empire would rule the post-war world. With the death of Franklin Roosevelt, British puppet Truman launched such a war in Korea. Under

British direction, Truman’s Korean War would not be fought to win freedom for the Korean people and establish a united Korean republic, but to establish perpetual conflict in the region (something they have succeeded in doing, as today’s events show).

After Korea, the British would continue to manipulate the United States into one “limited” war after another: There would be the longest war U.S. history, the Vietnam War, and later, the Iraq War, the Afghanistan War, and now, the conflict in Syria, etc.

A Genius in Warfare

MacArthur graduated from West Point in 1903 as a second lieutenant, and was quickly promoted to the rank of general in World War I. In addition to showing exceptional courage under fire, he was promoted because he engaged enemy forces using flanking actions, which would catch his opponent by surprise.

MacArthur’s outlook was shaped by his father. He writes in his autobiography, *Reminiscences*, of his father, who was awarded the Medal of Honor for bravery in the Civil War. The senior MacArthur was promoted to the rank of colonel after leading Union troops to victory in a key battle, at the age of 19. It was through his influence that Douglas learned that wars were only to be fought in order to win total victory over your enemy. For MacArthur, wars that were fought for limited gains were wars that needlessly sacrifice those soldiers under your command.

LaRouche has called MacArthur a “genius in warfare.” MacArthur detested the “set piece” warfare which characterized World War I’s trench warfare. Then, the commanding generals of the European powers treated their soldiers like cattle to be slaughtered. World War I battles among Germany, Italy, France, and Russia, saw the deaths of millions. The soldiers were sacrificed through massed frontal battles.

The key to MacArthur’s battle successes was the art of surprise, just as one finds in a work of Beethoven or Mozart, in which the composer never writes music that is repetitious and therefore boring, but, when you least expect it, he prods your imagination, waking you up, so to speak, exciting you to look into the future for new surprises.

Douglas MacArthur’s creative spirit was first demonstrated on the field of battle in World War I. He rapidly rose to the rank of general, leading the first division



U.S. Navy

After the attack on Pearl Harbor, Roosevelt appointed MacArthur as Supreme Commander in the Pacific Area. MacArthur shared FDR's vision of a grand design for the postwar world. In this photo, MacArthur (far left), FDR, and Admiral Nimitz are briefed by Admiral Leahy, in Hawaii, in 1944.

of American soldiers to arrive in Europe. His troops were always on the offensive; he led lightning attacks, constantly catching the German army by surprise. In one battle, he reported that the Germans were so surprised that, when the American troops arrived, the Germans' coffee was still warm. He was awarded five silver stars for bravery during the war.

World War II and the Korean War

After the attack on Pearl Harbor, President Roosevelt appointed MacArthur as Supreme Commander for the Allied Powers Southwest Pacific Area, with the rank of a five-star general. MacArthur's job was to defeat the Japanese, although, he writes, he had at his command less than 10% of the total U.S. Army. This was less than 100,000 of 1 million U.S. soldiers stationed outside of the U.S., and even a lesser percentage of the Navy. Although he was never told so directly, it was clear that Roosevelt and the Joint Chiefs had made defeating the Nazis in Europe the primary goal. MacArthur would complain, but he did the best he could with the resources available.

When the Japanese invaded and captured the Philippines, MacArthur retreated with his 40,000 troops to

the island of Corregidor off the Philippines coast. Despite heavy daily bombing by the Japanese, who had total air superiority, MacArthur, cut off from food and supplies, maintained his forces. The Japanese commander sent him regular messages: "Surrender or die." MacArthur, his troops near starvation, refused. Roosevelt had to directly order him to retreat to Australia. He considered disobeying his Commander-in-Chief's order to remain with his troops (he even considered resigning his commission, and becoming a volunteer). He only left for Australia when his own officers convinced him that he could not defy a direct order from the President. His departing words to his troops were broadcast internationally, "I shall return." He did, on Oct. 20, 1944.

The Japanese outnumbered MacArthur's forces in men, planes, and ships. MacArthur launched his strategy of island hopping, rarely battling the Japanese head-on, and instead, outflanking them by cutting off their supplies to the islands where they were heavily entrenched. He defeated the Japanese forces by cutting off Japan's source of oil and coal in the southwest Pacific. Key was the Battle of Leyte Gulf of the Philippines, where MacArthur's military genius is shown by contrasting the number of dead on each side: The Japanese suffered 80,557 lives lost; MacArthur's forces, 3,320. Years later, the Japanese Emperor said the Leyte battle was the decisive battle of the war.

MacArthur's Air Force chief, Gen. George Kenney, wrote that once the Germans had surrendered, the Japanese would quickly follow; "their pride" would not have let them surrender first. Kenney reported that when he was in Washington, the consensus was that the Japanese would fight on for two more years. In July 1945, MacArthur told Kenney that the plan to invade Japan by Nov. 1, 1945, called "Operation Olympic," would never take place; they would surrender by September.

Kenney said that MacArthur made that prediction two weeks before they were informed that the atomic bomb would be used. He wrote that the Japanese were sending out peace feelers several months before Hiro-



U.S. Army

MacArthur's brilliant defeat of the Japanese at Leyte prompted the Emperor to describe it, years later, as the decisive battle of the war. MacArthur is seen, center, during the invasion.

shima, especially to the Russians, who didn't want to end the war. MacArthur saw that, cut off the oil supplies needed to wage war, Japan was finished.

On the same day that the atomic bomb was dropped on Hiroshima, before the news had reached him, MacArthur gave a press conference in Manila. He said the Japanese had no arms because their factories were not producing, and that aerial saturations were destroying their factories. The *Manila Daily Bulletin* quoted MacArthur: "The Japanese already are beaten, but their leaders hang on in the hopes of some break that will save them. . . . Their navy is impotent and their shipping destroyed. Their army is still large . . . but [is] spread out with no communications."

Years later, MacArthur said that the use of atomic bombs "was completely unnecessary from a military point of view." He had not been informed of the bomb's existence or planned use until shortly before the Hiroshima attack. If his opinion had been sought, he would have guaranteed that the Japanese would have surrendered before the bombs were dropped, and that the Emperor would be retained. He learned of the demanded terms for surrender, the Potsdam Declaration, over commercial radio.

The North Korean Offensive

On June 14, 1950 the U.S. ambassador to Korea, John Muncio, sent a message to Washington declaring that the North Koreans had launched "an all out offensive." MacArthur, who was in Japan, immediately flew to the Korean front lines. What he saw was that the South Korean forces were in total retreat.

Even at this opening stage of the war, MacArthur was already planning a surprise counterattack. He wrote, while watching the South Korean retreat, "of the pitiful evidence of the disaster I had inherited." He said that he recognized two facts: First, U.S. troops in Japan would have to be thrown

"into the breach." And second, an amphibious envelopment, as later executed at Inchon, would be necessary to offset the North Koreans' superiority in manpower to "wrest victory from defeat." President Truman appointed him the first Supreme Commander of U.S. forces in Korea.

In his autobiography, MacArthur singles out President Truman as responsible for the Korean War. He writes that the nation's leadership, after the death of FDR was "in the short space of five years . . . frittered away." At the end of World War II, Korea had been a Japanese colony, divided in half by the victorious allied powers. The U.S. took over the South, and the Soviet Union took the North, with the division at the 38th parallel. Each country supported its own government. The U.S. backed the elected government of President Syngman Rhee in the South, and the Soviets supported Kim Il-sung in the North.

Meanwhile, MacArthur was in charge in occupied Japan. There, he had to deal with Truman's then-Undersecretary of State Dean Acheson, who later became Secretary of State. In July 1949 National Security Memorandum 13/3 which had opened a discussion of "civilianizing" the occupation of Japan. A draft plan

had been drawn up that would replace MacArthur with an ambassador who would report directly to Secretary of State Acheson. MacArthur's role as Supreme Commander for the Allied Powers (SCAP) would be transferred out of Japan.

According to a member of his staff, MacArthur dismissed this "as the most outlandish of many crackpot ideas from those State Department loons." As Eisenhower and Secretary of Defense George C. Marshall wrote to MacArthur, Acheson's idea was to get the State Department to take over Japan. The Anglophile Acheson later played a direct role in getting Truman to fire MacArthur. (Gen. Omar Bradley claimed that he later learned about "the deep distrust with which MacArthur viewed our State Department ... and Acheson in particular.")

MacArthur writes in *Reminiscences* that it was a "fatal error" not to prepare South Korea to meet an attack from the North. On June 25, 1950, the North Koreans attacked in force, crossing the 38th parallel. Armed with the latest Soviet weaponry, which included the T-34 tank which was better armored than anything that even the U.S. had at the time, they swept through South Korea, taking the capital, Seoul, and driving the U.S. and South Korean forces south of the parallel.

MacArthur, then in Japan, where he led the postwar reconstruction, immediately brought everything he could move of U.S. troops and arms from Japan to South Korea, stopping the Communist offensive at the 38th parallel. He noted that, although the American forces were vastly outnumbered, the North Koreans hesitated when they saw that the Americans had entered the war. It was this hesitation which gave MacArthur time to move, and supply his forces in the South.

On July 6, MacArthur made his first call to Washington asking for reinforcements. In a message to the Joint Chiefs of Staff, he said that the U.S. was facing "an aggressive and well-trained professional army operating under excellent top level guidance and [that] demonstrated superior command of strategic and tactical principles." He asked for five full-strength divisions



National Archives

Against the advice of virtually everyone, including the Joint Chiefs, MacArthur carried out a surprise attack at Inchon harbor, which Admiral Halsey later termed, "the most masterly and audacious strategic course in all history." Here, MacArthur observes the shelling of Inchon from the USS Mt. McKinley, Sept. 15, 1950.

and three tank battalions. To his amazement, the response from Washington was that he would get nothing.

MacArthur would later learn that the denial of aid from Washington was because the British were controlling Truman. Three weeks later, what he did get, was a visit by Truman's personal envoy, Averell Harriman. When he met Harriman, MacArthur writes that he learned that there was no U.S. policy for the Far East, and "that foreign influences, especially those of Great Britain, were very powerful in Washington; that there was no apparent interest in mounting an offensive against the Communists, that we were content to block their moves, but not to initiate any counter-moves...."

By the end of July, the North Koreans had seized all of South Korea except for the southeast corner of the peninsula. Truman appointed MacArthur commander of all UN and international forces. MacArthur, without authorization from Washington, ordered an immediate bombing of the North Korean capital Pyongyang. Later, MacArthur wrote that he never considered himself as UN commander, but as the Supreme Commander of the Asian Pacific forces of the U.S. Army.

The press let loose with an attack on the appointment of MacArthur. The *New York Times* wrote he was acting as “a sovereign power in his own right,” and that “his planes attacked the North Korean capital before Truman authorized any such actions.” It was the beginning of an unrelenting press attack.

Inchon

The North Koreans had taken over all of Korea, but under MacArthur’s command, the U.S. armed forces used the “art of surprise” to move on the flank. MacArthur led a surprise amphibious landing in Korea’s central western port of Inchon, behind North Korean lines, executing the plans he had devised when the war began. Inchon was a heavily fortified city in North Korea near the captured South Korean capital, Seoul.

The North Koreans never expected that MacArthur would get his troops near the city. Inchon was two miles inland, and only reachable through a narrow river passage connecting the city with the Yellow Sea. The passage to Inchon has the second-highest tides in the world, and its waters were only deep enough to float a boat for two hours in the morning. Except at high tide, the passage turned into two miles of mud. A boat that didn’t get in and out during high tide would be hopelessly stuck in mud.

MacArthur proposed to make an amphibious landing of 70,000 Marines on Sept. 17 at Inchon, during high tide. Biographer William Manchester (*American Caesar*) wrote that once they heard of MacArthur’s plan, “Every flag and general officer in Tokyo ... tried to talk him out of it.” The Joint Chiefs dispatched from Washington the Chief of Naval Operations, Adm. Forrest Sherman, and Army Chief of Staff Lawton Collins, who told MacArthur that a successful landing at Inchon was an “impossibility.”

MacArthur writes that at a meeting of the nine commanders of the Pacific theater, the generals spent 80 minutes explaining why the landing was impossible. Their thinking was based on the logic of past experience. MacArthur’s reaction is an example of why Larouche has called MacArthur a “genius.” MacArthur was able to forecast his success at Inchon, because he was undeterred by the “practical” experiences of his fellow generals.

MacArthur wrote that, after the generals finished speaking, “I waited a moment or so to collect my thoughts. I could feel the tension rising in the room....

If ever a silence was pregnant, this one was. I could almost hear my father’s voice telling me as he had so many years before, ‘Doug, councils of war breed timidity and defeatism.’”

MacArthur spoke for the next 30 minutes, telling the generals: “The enemy, I am convinced, has failed to prepare Inchon properly for defense. The very arguments you have made as to the impracticabilities involved will tend to ensure for me the element of surprise. For the enemy commander will reason that no one would be so brash as to make such an attempt. Surprise is the most vital element of success in war.” He said he would “cut the enemy’s supply line and seal off the entire southern peninsula.... By seizing Seoul I would completely paralyze the enemy’s supply system—coming and going.” MacArthur concluded, “I can hear the second hand of destiny. We must act now or we will die.... Inchon will succeed and it will save 100,000 lives” (*Reminiscences*).

Seemingly convinced, General Collins and Admiral Sherman wired the Joint Chiefs that they thought MacArthur’s plan for the Inchon landing was sound. But their belief in MacArthur’s plan didn’t last long. The next day, Sherman commented to a staff officer that he didn’t share MacArthur’s “optimism.”

Even up to a week before the Inchon invasion, now named “Chromite,” Collins said that he “still had reservations,” and one author added that Collins feared the enemy might be able to reinforce the Inchon-Seoul area quickly. As Arthur MacArthur had warned his son, the “councils of war breed timidity and defeatism”; the next day six of the Navy chiefs met, convinced that they needed a safer landing area at a beach south of Inchon. They sent Sherman to plead with MacArthur, but MacArthur, according to biographer James, “would not yield.”

A week before the target date, with all the details worked out, and with all the troops having arrived from Japan, MacArthur received a message from the Joint Chiefs of Staff. He writes, “The message expressed doubts of the success and implied the whole movement should be abandoned,” adding, “What could have given rise to such a query at such an hour? Had someone in authority lost his nerve? Could it be the President?” MacArthur replied to the message, “I regard the chance of success of the operation as excellent,” and explained why. MacArthur waited for a reply. He writes that “a short cryptic message arrived from the Joint Chiefs.” They approved the operation. MacArthur inferred that



PLA Daily/Lin Min

MacArthur asked Truman for permission to cut off the Chinese from supplying the North Koreans by bombing the bridges across the Yalu River, which bordered China and North Korea. Truman ordered that MacArthur could bomb only the bridges on the North Korean side. MacArthur replied that he couldn't bomb half a bridge. In December 1950, the Chinese entered North Korea in force, with over 200,000 troops, as seen in this photo.

he could bomb the bridges, but only on the North Korean side of the border, not the Chinese side. MacArthur replied that he couldn't bomb half a bridge.

China then entered the war, reinforcing the North Koreans. When MacArthur was criticized for wanting to counterattack and expand the war into China. He wrote that he wanted to end the war, not spread it. He stated publicly, a number of times, "Anyone in favor of sending American ground troops to fight on Chinese soil should have his head examined." His plan to retake Korea, however, was stopped by the British.

While MacArthur did not want to send ground troops into China, he did believe that Truman was ready to abandon

"it had been the President who had threatened to interfere and overrule...."

On the night of Sept. 14, 262 ships of seven nations entered the narrow inlet to land at Inchon. The landing was successful and Inchon was captured. MacArthur went on and defeated 30-40,000 North Korean troops at a cost of 536 allied killed and 2,500 wounded. Adm. William Halsey, Commander of the South Pacific fleet, called it "the most masterly and audacious strategic course in all history."

The Chinese Enter the War

In the months that followed, the UN passed a resolution calling for the unification of Korea. Truman gave MacArthur permission to move his troops through North Korea. MacArthur succeeded in capturing all of North, as well as South Korea. At the same time, Chinese leader Mao Zedong was sending warnings that the UN troops, under MacArthur's command, would face a response by the Chinese Communists. MacArthur asked Truman for permission to cut off the Chinese from supplying the North Koreans by bombing the bridges across the Yalu River, which bordered China and North Korea. Truman's response was equivocal: He gave MacArthur orders that

all of China, including the Republic of China on Formosa, to the Communists. MacArthur formed alliances to fight against Truman's policies, which were controlled by the British. One of his allies was a young Congressman from Massachusetts, John F. Kennedy. In *Reminiscences*, MacArthur quotes from a 1945 speech that Kennedy gave in Salem, Mass., criticizing Truman's policy toward China:

"During the postwar period began the great split of the minds of our diplomats over whether to support the Government of Chiang Kai-shek or force Chiang Kai-shek out as a price of our assistance, to bring Chinese Communists into his government to form a coalition...."

MacArthur writes, "What our young men have saved, our diplomats and our President have frittered away." "This is a tragic story of China whose freedom we once fought to preserve." Later, after being fired by President Truman as Supreme Commander of the United States in the Korean War, in 1951, he repeated this in an address to Congress.

Backstory: New Guinea

Inchon was not first time that MacArthur used the strategy of hitting the enemy by surprise behind his

lines. It was a strategy he had used in defeating the Japanese in World War II.

Soon after attacking Pearl Harbor in December 1941, the Japanese proceeded to take over the South Pacific, taking over the Philippines and the Dutch Islands around New Guinea, sources of key war resources, such as oil, tin, bauxite, and rubber. The Japanese plan was to then seize Australia. MacArthur planned to stop them by upsetting their takeover of New Guinea.

MacArthur's chief of the Air Force, General Kenney, writes that "Lacking naval forces and amphibious equipment to dislodge the Japanese ... he made the first air envelopment in history. There was no precedent for his seizure by air of landing areas within a few miles of the enemy positions. There was nothing in the books that advocated or even suggested flying two divisions of infantry with their light artillery ... and landing them on the flank and in the rear of the enemy positions." His soldiers would have to depend for ammunition, food, evacuation and replacements solely on the Air Force. MacArthur's own staff was against the operation and recommended withdrawal, as they did not believe that the air resupply would work. Kenney said it was called "MacArthur's gamble." But the gamble paid off. Kenney writes that MacArthur's "spirit and leadership carried his forces along the long road back to the Philippines and placed him finally in Tokyo...."

Truman Fires MacArthur

After MacArthur's success at Inchon, and the U.S. capture of North Korea, Truman asked to meet with MacArthur. They met on Wake Island in the Pacific on Oct. 15, 1950. MacArthur wrote about his impression of Truman after this meeting: "He seemed to take great pride in his historical knowledge, but it seemed to me that in spite of his having read much, it was of a superficial character, encompassing facts without the logic and reasoning dictating those facts. Of the Far East he knew little, presenting a strange combination of distorted history and vague hopes that somehow, some way, we could do something to help those struggling against Communism."

In December 1950, the Chinese entered North Korea in force, with over 200,000 troops. MacArthur



MacArthur held Truman responsible for the Korean War. He wrote that, after the death of FDR, the nation's leadership was "in the short space of five years ... frittered away." The two are shown here at their (strained) meeting on Wake Island in October 1950.

called for a naval blockade of mainland China and a bombing of Manchurian bases.

On Dec. 1, 1950, MacArthur gave an interview to *U.S. News and World Report*, which was picked up and published in many U.S. and European papers. In it, the general criticized Washington for its refusal to allow him to pursue the Chinese forces. He stated that those limitations were an enormous handicap, and without precedent in military history.

Acheson said that MacArthur, by going public with his views, "had perpetrated a major act of sabotage of a Government operation." Truman responded, saying that MacArthur "was ready to start general war. I was not." MacArthur, in his autobiography, wrote that Red China was already fully at war with the U.S.

The ostensible reason that Truman fired MacArthur, was that the general had disobeyed Truman's order that no one was to make a public statement on Korea without it first being approved by Washington. Author Courtney Whitney wrote that Acheson's State Department was following British orders to have MacArthur fired, that MacArthur's message had run afoul "of plans being hatched in the State Department to succumb to British pressure...."

Behind Truman was British Prime Minister Clement Atlee, who had just written a "position paper" on reaching a ceasefire on the basis of the 38th parallel. Immediately after Truman's response to MacArthur,



National Archives

MacArthur was fired by Truman (on orders of the British), ostensibly for violating the President's order against any public statements about Korea. Here, back in the U.S., MacArthur addresses a crowd of 50,000 at Soldier's Field in Chicago, April 1951.

Atlee flew to Washington to hold private meetings with Truman. From Dec. 4 to Dec. 8, Atlee, Truman, and their staffs met at the White House and on the Presidential yacht. Truman brought Acheson, Marshall, and Bradley. Atlee brought Field Marshal William Slim, Air Marshal Lord Tedder and Amb. Oliver Franks. Truman was warned to be careful of Atlee's tactics, but Truman said that their relationship was never in doubt: "Loyalty to principles and friends was the British attitude, and it was America's too."

Atlee proposed that MacArthur be removed from running the war in Korea, and instead that a UN Committee run it. On advice from Marshall and Bradley, Truman rejected Atlee's proposal. It was shortly afterward, that the Joint Chiefs rejected MacArthur's plan for a naval blockade of the Chinese mainland, claiming it would disrupt trade between Britain and Hong Kong.

On March 24, 1951, MacArthur issued a statement, which was printed in newspapers throughout the country, in which he called for negotiations with the field commanders of the enemy forces in Korea to realize the political objectives of the United Nations. In response, Truman issued directives through the Joint Chiefs that no one in the government was to make any political statements. In effect, Truman had already decided to fire MacArthur, and was now just waiting for an oppor-

tunity. That moment came when a private letter that MacArthur had written to House Minority Leader Joseph Martin, critical of the Joint Chiefs' policies, was released to the press and read on the floor of the Congress by Martin. This letter ends with MacArthur's famous words "There is no substitute for victory." Acheson called it an open declaration of war on the Administration's policy.

On April 11, the *Chicago Tribune* leaked the story that Truman had issued orders to fire MacArthur to Secretary of the Army Richard Pace. Bradley informed Truman that MacArthur knew of his planned firing, and that he was going to resign immediately. Truman's response to Bradley was: "The son of a bitch isn't going to

resign on me. I want him fired."

Thus ended MacArthur's 15 years in the Pacific.

In December of 1950, while he was commanding the UN forces in Korea, MacArthur had written that "at one o'clock in the morning, Truman summoned the press to the White House and announced his [MacArthur's] relief from command of the Far East.... [H]e was apparently of the belief I was conspiring in some underhanded way with the Republican leadership. This was completely erroneous. I had no part whatsoever in the political situation. Although nominally a Republican, probably because of my attraction to Abraham Lincoln, I had always expressed admiration for the accomplishments of the Democratic Party, and appreciation of its many leaders. Such criticisms as I have made have never been of parties, but what I regarded as concrete instances of mistakes and failures of the parties."

MacArthur continued: "I had heard much of President Truman's violent temper and paroxysms of ungovernable rage, and have noted with growing concern his increasingly indecisive handling of the Korea situation. From strength in his original decision to free and unite Korea, he had, step by step, weakened into a hesitant nervousness indicative of a state of confusion and bewilderment."



Thomas Shafer

President Eisenhower accepted MacArthur's plan to end the Korean War by holding a conference between Ike and Stalin. In a memorandum, MacArthur wrote, "It is my own belief that the Soviet masses are just as eager for peace as are our own people." Unfortunately, Stalin died before the meeting could take place. The two U.S. leaders are shown here in Tokyo in May 1946.

MacArthur strongly implied that Truman was on the verge of a nervous breakdown: "It was quite apparent his nerves were at the breaking point—not only his nerves, but what was far more menacing in the Chief Executive of a country at war—his nerve."

Postscript: MacArthur Gives Eisenhower a Plan To End the War

After MacArthur's dismissal, the Korean War would drag on for another two years, becoming the U.S.'s most bloody "police action," as the Truman Administration called it.

MacArthur, however, had come up with another plan.

On Dec. 17 1952, he authored a memorandum, calling for a two-party conference between Eisenhower and Stalin, because the inclusion of other powers would only assure failure. The U.S. had such a mandate, since it had been designated as the agent of the UN in the conflict. Such a conference would explore the world situation as a "corollary to ending the Korean War." The goal would be to allow Germany and Korea each to unite under forms of government to be popularly determined, whereby the neutrality of the former, as well as Austria and Japan, would be guaranteed by the U.S.,

U.S.S.R., with all other nations invited to join in as co-guarantors. This would include withdrawal of all foreign troops.

In addition, he called for the U.S. and the Soviet Union to include in their constitutions a provision outlawing war as an instrument of national policy, with all other nations doing the same.

If such agreements could not be reached, the Soviets would be informed of the U.S. intention to clear North Korea of all enemy forces. This would include bombing the logistics centers in China and, if necessary, the use of nuclear weapons. MacArthur saw this intention as leverage for reaching an agreement which would, in the end, be in the mutual interest.

He concluded, "It is my own belief that the Soviet masses are just as eager for peace as are our own people. I believe they suffer the delusion that there are aggressive intentions against them on the part of the capitalistic world, and that they would welcome an imaginative approach, which would allay this false impression. The Soviet Union is not blind to the dangers which actually confront it in the present situation, and it might well settle the Korean War on equitable terms such as those herein outlined, just as soon as it realizes we have the will and the means to bring the present issues to a prompt and definitive determination."

Eisenhower adopted MacArthur's policy and took positive steps to implement it. But he lost his potential partner with Stalin's death in March of 1953. MacArthur's grand plan died with him.

Today, the actions of the Joint Chiefs of Staff and its head Gen. Martin Dempsey in preventing our current mad President Barack Obama from launching nuclear war, reflect the legacy of General MacArthur's commitment to end war.

Whether there is a future for man, whether we explore the Solar System and beyond, will depend on whether people like MacArthur, and today like Lyndon LaRouche, come forward and assume the leadership of the nation.

Hollywood Movie Slanders MacArthur

by Donald Phau

April 8—The recently released film about General Douglas MacArthur, “The Emperor,” continues the tradition of vile slanders against the renowned general, who represented a best of American military thinking into the 20th Century.

Premiered on March 6, the film stars Tommy Lee Jones as MacArthur. Beginning with MacArthur’s landing in Tokyo in 1945 as the Supreme Commander Allied Powers (SCAP) to take command of the American occupation of Japan, the film portrays MacArthur as a shouting, cursing, overweight thug. That in itself is a significant lie: the actual MacArthur never screamed, was fit and trim throughout his life, and was an intellectual.

The movie is 90% Hollywood fluff, centered on a love story between MacArthur’s fictitious legal assistant, General Fuller, and a Japanese girl he had met in college in the United States, before the war. The movie revolves around MacArthur’s order to Fuller, giving him 10 days to provide the evidence that Japan’s Emperor Hirohito ordered the attack on Pearl Harbor.

This is the context for the most significant lie of the film.

In the movie, MacArthur dispatches his assistant to Hirohito’s palace with an invitation to the Emperor to come to MacArthur’s headquarters. Coming from the general, such an “invitation” would be taken as a command. But the “invitation” never happened. In his autobiography *Reminiscences*, MacArthur wrote:

“Shortly after my arrival in Tokyo, I was urged by members of my staff to summon the Emperor to my headquarters as a show of power. I brushed the suggestions aside. “To do so,” I explained, “would be to outrage the feelings of the Japanese people and make a martyr of the Emperor in their eyes. No, I shall wait and in time the Emperor will voluntarily come to see me. In this case, the patience of the East rather than the haste of the West will best serve our purpose.” He

added: “The Emperor did indeed shortly request an interview.”

MacArthur then very movingly described his first meeting with the Emperor, whom he understood was seen as a near-god by the Japanese people. While the movie accurately portrays Hirohito telling MacArthur, in an abbreviated statement, that he takes full responsibility for the war, Tommy Lee Jones’ reaction was a smile and a handshake. In his memoir MacArthur’s real reaction shows something very different.

“I tried to make it easy for him as I could, but I knew how deep and dreadful must be his agony of humiliation. I had an uneasy feeling he might plead his own cause against indictment as a war criminal. There was considerable outcry from some of the Allies, notably the Russians and the British, to include him in this category. Indeed the initial list proposed by them was headed by the Emperor’s name.

“Realizing the tragic consequences that would follow such an unjust action, I had stoutly resisted the efforts. When Washington seemed to be veering toward the British point of view, I had advised that I would need at least one million reinforcements would such an action be taken. I believed that if the Emperor were indicted, and perhaps hanged, as a war criminal, military government would have to be instituted throughout all Japan, and guerilla warfare would probably break out. The Emperor’s name had been stricken from the list. But of all of this he knew nothing.

“But my fears were groundless. What he said was this: ‘I come to you, General MacArthur, to offer myself to the judgment of the powers you represent as the one to bear sole responsibility for every political and military decision made and action taken by my people in the conduct of the war.’ A tremendous impression swept me. This courageous assumption of a responsibility implicit with death, a responsibility clearly belied by facts of which I was fully aware, moved me to the very marrow of my bones. He was an Emperor by inherent birth, but in that instant I knew I faced the First Gentleman of Japan in his own right.”

That meeting was the beginning of a close working relationship that was key in rebuilding Japan. It was a Japan that for the next five years MacArthur helped shape into a major democratic power freed from the aristocratic class which had ruled Japan for centuries. It’s a MacArthur whom the British and Hollywood want to make sure the American people never know.

Unanswered Questions: The Strategic Defense of Earth

An Open Letter Prepared in Response to the March 2013 Congressional Hearings:

- Threats from Space: A Review of U.S. Government Efforts To Track and Mitigate Asteroids and Meteors, Part 1. March 19, House of Representatives Committee on Science, Space, and Technology
- Assessing the Risks, Impacts, and Solutions for Space Threats. March 20, Senate Committee on Commerce, Science and Transportation, Subcommittee on Science and Space

Prepared by:

Kesha Rogers: Twice-nominated LaRouche Democrat for the 22nd Congressional District of Texas. Ms. Rogers ran her 2010 and 2012 campaigns on a platform for full funding of NASA and impeachment of President Obama, solidly securing the Democratic primary victory both times.

Jason Ross: Editor-in-Chief, *21st Century Science & Technology*. The Fall/Winter issue of *21st Century* is an 88-page double issue, dedicated to the subject of planetary defense, featuring articles and interviews covering the various aspects of the challenge.

Benjamin Deniston: Staff writer for *21st Century Science & Technology*. Mr. Deniston heads up planetary defense research for *21st Century*, contributed to the Fall/Winter issue, and, along with Mr. Ross, has participated in international conferences on the subject.

March 29th, 2013

Distinguished Members of the United States Congress:

In March, the House of Representatives and the Senate held independent hearings inspired by the February 15, 2013 surprise impact of the Chelyabinsk meteorite and the close flyby of asteroid 2012 DA14, featuring relevant witnesses from the government, military, academia, and industry. It was good to see that this issue is being addressed by the federal government. However, while some useful discussion was generated, clarifying what the United States has done on this issue and what is yet to be done, we were shocked by what was missing from the discussion.

The subject at hand is the continued existence of human civilization. Can we honestly say that the United States is measuring up to this challenge? The decisions now being made, or not made, will affect all humanity, past and future. The Chelyabinsk meteorite impact delivered a clear warning: *We can no longer delay and stall our expansion into space, as we have increasingly done over the past decades.* Defending the Earth from threats from space will not be accomplished with a few specific telescopes or missions, but raises more fundamental questions:

What type of future are we going to create over the next two decades? Over the next two generations? And what are we doing right now, *today*, to make that future a reality?

The simple fact is that we are already far behind where we could have been, and where we must be. Currently, mankind sits blind, unprotected, and vulnerable to extinction, a situation we must do everything in our power to change as rapidly as possible.

The following six critical points were either completely missed or misrepresented during the March 19th and 20th hearings, and must be addressed to ensure a comprehensive defense of Earth.

1. Cooperation with Russia on a Strategic Defense of Earth

At the March congressional hearings, there was no mention of the Russian offers for strategic cooperation with the United States on planetary defense. This is very strange. These offers have been repeated since the Fall of 2011, starting with Dmitri Rogozin, who is currently the Russian Deputy Prime Minister in charge of defense and space industry, and is heading up the creation of the Russian Foundation for Advanced Research Projects in the Defense Industry (Russia's equivalent of DARPA). In 2011, Rogozin proposed that the United States and Russia openly cooperate on both missile defense systems and planetary defense systems. Calling this the "Strategic Defense of Earth," he said that this is an important opportunity to collaborate in addressing challenges that are larger than any one nation. It was reported at the time that then-President Dmitri Medvedev showed interest in the proposal.

In 2012, the Russian Security Council Secretary, Nikolai Patrushev, placed asteroid defense on the agenda of the June 2012 Global Security Summit in St. Petersburg, and since the Chelyabinsk meteorite impact on February 15, 2013, Rogozin, Patrushev, and an array of other top Russian officials have repeated this offer, including the head of the Russian Parliament's Foreign Affairs Committee, Alexei Pushkov, who said: "Instead of fighting on Earth, people should be creating a joint system of asteroid defense. . . . Instead of creating a [military] European space defense system, the United States should join us and China in creating the AADS—the Anti-Asteroid Defense System."

With the Cold War long over, and the United States facing extreme financial and economic crises, which prevent us from addressing this challenge alone, it is perplexing that this offer is not being discussed or pursued by the U.S. Congress. We should also note that

this concept of U.S.-Russian strategic cooperation on planetary defense goes back to the work of Dr. Edward Teller, who, in the 1990s, worked with other veterans of the LaRouche-Teller-Reagan SDI in promoting open strategic cooperation with Russia on planetary defense.

The most recent calls from Russia came on March 12, when the Upper House of the Russian Parliament (the Federation Council) hosted a high-level round table discussion on the subject of planetary defense, featuring top Russian representatives from Roscosmos, the Russian Academy of Sciences, the Ministry of Emergency Situations, the Ministry of Foreign Affairs, the Ministry of Defense, Rosatom, Energia, the Center for Planetary Defense, and more. A repeated theme of the Russian discussion was the need for close collaboration with the United States and other nations. Strangely, there has been almost no coverage of this extremely important discussion in the western media, and it was not even mentioned at the March 19 and 20 U.S. Congressional hearings.

2. The Constitutional Implications of Planetary Defense

The supreme law of the United States government, our Constitution, opens with a simple and clear declaration of purpose:

"We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America."

Protecting the territory and interests of our nation from asteroids, comets, and meteoroids, falls under the federal government's obligation to "provide for the common defense," and the failure to pursue the adequate means to do so would mean the government is neglecting its primary responsibility. NASA Administrator Bolden's statement during the House hearing, that currently, our only response to certain scenarios of a threatening asteroid impact, would be to "pray," is not encouraging. It must be emphasized that the scenario he was responding to is among the most likely scenarios for the next asteroid impact.

Presently, NASA is not being provided the means to meet its 2005 mandate to find 90% of near-Earth objects down to 140 meters in diameter, by 2020. The

2010 National Research Council report, *Defending Planet Earth: Near-Earth Object Surveys and Hazard Mitigation Strategies*, stated:

“Finding: Congress has mandated that NASA discover 90 percent of all near-Earth objects 140 meters in diameter or greater by 2020. The administration has not requested and Congress has not appropriated new funds to meet this objective. Only limited facilities are currently involved in this survey/discovery effort, funded by NASA’s existing budget.”

While we are failing to support even this modest effort, presently, there is no government-directed mission to find asteroids down to the size of 30 meters in diameter and provide enough warning time to prevent the impact from occurring. According to NASA’s most recent estimates, we presently know of less than 1% of the total expected population of the asteroids ranging from 30 to 100 meters in diameter, a size large enough to destroy an entire metropolitan area and kill millions of people, if one were to strike a major city.

The efforts of certain private initiatives and foundations, such as the B612 Foundation’s Sentinel Mission, are certainly commendable. However, even these efforts will not find all the potentially threatening asteroids that could do serious damage to the Earth, and, *more importantly, such efforts do not alleviate the obligation of the federal government to lead this effort.* Again, it is the government’s job to provide for the common defense.

Is the present policy of the United States government to leave the defense of Earth to philanthropists?

3. Long-Period Comets

Neither of the March hearings addressed the challenge of long-period comets (those with periods longer than 200 years). While it is clear that long-period comets strike less frequently than near-Earth asteroids, they are harder to see and deflect, and must be discussed. Because of their long periods, they spend the vast majority of their time in the outer depths of the Solar System, where they are undetectable by our current observation systems. By the time we do detect them, they are generally only a few months to a few years away, providing a very short warning time. This short warning time, coupled with the fact that they are generally significantly larger than near-Earth asteroids and can travel much faster, make deflection missions to stop a long-period comet impact extremely

difficult, if not impossible with current capabilities.

For more information, see the 2010 National Research Council report, *Defending Planet Earth: Near-Earth Object Surveys and Hazard Mitigation Strategies*, pages 22, 80-83; and the 2009 IAA report, *Dealing with the Threat to the Earth from Asteroids and Comets*, pages 45-47, 111-113, 119.

4. Statistics vs. Knowledge

Unfortunately, much of the discussion of planetary defense quickly falls to statistics. Statements claiming that we don’t have to worry about future impacts because the “chances are so low,” are irresponsible at best.

We can all recall the havoc that Hurricane Katrina created in New Orleans in 2005, and the tragic results of not preparing for the “100-year storm” because it was believed that it was unlikely to hit any time soon. With the threats from even smaller asteroids, down to 30 meters in diameter (of which we have discovered less than 1%), the consequences could be much worse than a Category 5 hurricane, and we could lose an entire city. A single long-period comet could eliminate all human civilization. It would be negligence to replace or delay a much-needed policy of serious space expansion and planetary defense with statistical arguments.

It must be emphasized that statistics do not represent real knowledge. Specifically, statistics do not provide an understanding of the underlying dynamic nature of the Solar System. For example, from 1840 to 1880, there was an anomalous increase in the number of large meteor sightings around the world, as recorded independently in both China and Europe (see *Meteorite Falls in China and Some Related Human Casualty Events*, by Kevin Yau, et. al., Meteoritical Society, 1994). While these particular meteors were not large enough to cause severe damage, the periodic global increase indicates that asteroid impacts do not necessarily follow a random statistical distribution, and we must look for a larger dynamic that we don’t yet understand.

The only truly competent basis for policy is real knowledge. Until we have an adequate understanding of the entire asteroid population, and a comprehensive means to defend the Earth from these asteroids and comets, downplaying the danger by use of statistical estimations borders on criminality.

5. Reverse Obama's Impeachable Takedown of NASA

Operating under the governing principle of the Preamble to the Federal Constitution, to “provide for the common defense” and to “promote the general Welfare,” the systematic takedown of NASA’s capabilities by President Obama amounts to an impeachable offense. The recent sequestration cuts, and the just-announced additional cuts on top of sequestration and earlier cuts to the manned space program, threaten NASA’s in-depth capabilities, which in turn, threatens all mankind.

To defend all human civilization, past and future, from the threats of asteroids and comets, the best chance we have is to unleash NASA, providing all the funding necessary for NASA to again excel in its role in leading the United States into space and increase cooperation with other leading nations, especially Russia and China.

The challenge of defending the Earth requires mankind to have dominion over the entire inner Solar System as a territory. This means expanding our knowledge of the inner Solar System, and expanding our ability to act quickly and efficiently throughout this entire territory. In addition to specific efforts, including those discussed in the hearing, this requires the general expansion of NASA and our space-faring capabilities. This includes the accelerated development of the broad-based space infrastructure required to provide mankind with quick and efficient access to the Solar System, most emphatically, the development of industrialized basing operations on the Moon, the development of outposts on Mars, and the development of advanced propulsion systems utilizing the high energy-flux densities of thermonuclear fusion reactions (while working toward breakthroughs in harnessing the power of matter-antimatter reactions). These are medium- to long-term missions, but are fundamental for mankind’s future survival in the Solar System. They have already been delayed for decades, and absolutely require our immediate attention now.

6. Financial Reforms To Make All of This Possible

The supreme principle of the Preamble of the Constitution, including providing for defense, and promoting the general welfare, overrides any speculative financial obligations. If we are told we cannot afford to

invest in these needed space efforts, but we can continue to pour money into a program to “bail out” (or “bail in”) bankrupt investment banks, then something is fundamentally wrong, or potentially treasonous, with our national policy decisions. For example, the looting of the population of Cyprus is only the latest scheme in the past five years of bailouts, and, unless this process is stopped, such schemes will come here to United States. We can no longer place the speculative debt of the trans-Atlantic financial system above the interests of our population and our posterity.

The reinstatement of the Glass-Steagall financial regulations of Franklin Roosevelt is absolutely necessary to stabilize the finances of the United States. Only by freeing the economy and the government from the obligation to maintain the value of hyperinflationary speculative assets, can we issue new credit, under the auspices of a Hamiltonian national bank, for real investment to improve the conditions of the nation.

The role of NASA, in both exploration and defense, as part of an international Strategic Defense of Earth effort, is among the most important investments we can make as a nation.

In conclusion, we must rise to the challenges placed before all mankind by the events of February 15, 2013, and respond with what some might call “outside-the-box thinking.” However, “outside the box,” in this case, is simply outside the Earth, and this is nothing more than meeting the basic challenges facing mankind. The entire territory of the inner Solar System must now be seen as our domain, as a wild frontier in desperate need of the organizing hand of man. Properly understood, planetary defense is nothing less than the natural progress of mankind, progress that has already been long delayed, and progress that is absolutely necessary for the continued existence of mankind.

With the defense of humanity at stake, we must respond with boldness, and appropriately reinterpret the most ancient of directives from the standpoint of the challenges now facing mankind:

... Be fruitful and multiply, replenish the inner Solar System, and subdue it; and have dominion over all that moveth therein...

Kesha Rogers, Kesha@swlit.com; Jason Ross, Jason@21stCenturyScienceTech.com; Benjamin Deniston, Benjamin@21stCenturyScienceTech.com

From the SDI to the SDE: Managing the Inner Solar System

Representing the LaRouchePAC Basement Science Team, Benjamin Deniston addressed the March 23 Schiller Institute conference, “A New Paradigm To Save Mankind: After 30 Years: The Need for the Principle of the SDI Today!” Other conference speeches can also be found in the March 29 and April 5 issues of EIR. Videos of the full conference are available at www.schillerinstitute.com. Deniston, whose speech was titled, “Let Us Pursue the Common Aims of Mankind within the Territory of the Inner Solar System,” was introduced by Helga Zepp-LaRouche.

I want to open with a reference to the very dramatic impact over Russia, on Feb. 15 (**Figure 1**). It’s been referenced a number of times. But this was the largest asteroid impact we’ve had in over 100 years. And frankly the object, although being a larger object to us, was relatively small compared to the types of objects floating around the Solar System, that we’re going to have to contend with. This one was about 17 meters across. When it came into the Earth’s atmosphere, it hit the atmosphere at such a fast speed, the estimates are around 40,000 mph! That was the speed of this object, and when it impacted the atmosphere, it was like hitting a brick wall, and it literally exploded, and sent a blast wave down.

As we all know, there were over 1,000 people injured, structural damage to a number of cities, broken windows and damaged buildings; but we should just emphasize that we’re very lucky that no one was killed by this impact. This was *just* on the borderline of something that could have been a major tragedy. And as was said, we had no warning. There was no warning this was coming; we were basically blindsided.

Now, if this thing had been maybe 20 meters across, 25 meters across, maybe 30 meters in diameter, just a little bit larger than it was, this could have leveled the entire city of Chelyabinsk, and it could have been a tragedy, in which many people were killed.



EIRNS/Stuart Lewis

Benjamin Deniston told the conference: “Mankind must go out and manage and develop the entire territory of the inner Solar System.”

The point is, this is a wake-up call for the entire world. It happened to hit over Russia, but it could have hit anywhere: It could have hit Mexico City; it could have hit Berlin; it could have hit New York; it could have hit Washington, D.C. So it underscores the existential importance of the proposal for an international Strategic Defense of Earth.

The Russian Proposal

That proposal was put forward in the Fall of 2011, by Dmitri Rogozin, [who then became] the Deputy Prime Minister of Russia. And he proposed, in the context of the tensions around the U.S. forward placement of ballistic missile systems, that the United States and Russia should collaborate, openly, on both missile defense systems, and also on defending the entire planet from asteroids, comets, and meteors, and other threats coming from space.

FIGURE 1



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Since this proposal was offered, it's been echoed and promoted by an array of top-level Russian officials, and the most recent expression of this was a very large and important meeting in the Upper House of the Russian Parliament, where an array of all the relevant officials came forward, discussed the issue, and you saw a repeated emphasis on the fact that this needs to be international, that no one nation has the capability of doing this, and that this would be a perfect basis for U.S.-Russian cooperation.

Unfortunately, the United States government has been foolishly silent on this issue of U.S.-Russian strategic cooperation on planetary defense, defending the Earth. Now, this idea of uniting nations in a defense of Earth—in a defense against missiles, and also a defense against asteroids and comets, as one program—is not a new idea. The general concept for U.S.-Russian strategic cooperation on both of these issues does go back to the early 1990s, in particular associated with the efforts of Dr. Edward Teller, and an array of other top military, defense, and scientific officials of both the United States and Russia. And some of this discussion came forward in a series of international conferences in the early '90s, held in Erice, Italy; Lawrence Livermore Lab in the United States; and ironically, Chelyabinsk, Russia; and a number of other locations.

But the basic reality of the matter is as true today as it was then: No single nation, alone, currently has the

capability to defend civilization from being threatened or potentially eliminated by these cosmic threats. And a true Strategic Defense of Earth will require open collaboration between the largest and more forward-oriented nations. And we've been emphasizing that that list must focus on the United States, Russia, China, and India, as the largest and most forward-oriented nations in the world.

The Inner Solar System

Now, any true, comprehensive defense of Earth immediately directs our attention to the entire volume of the inner Solar System. You're dealing with orbiting bodies; you're immediately dealing with a territory that covers the entire inner Solar System, a region spanning beyond the orbit of Mars, within the orbit of Venus; and this entire region must

become accessible to mankind's influence, if we're actually going to be able to defend life in the Solar System.

There are generally two approaches to dealing with this challenge. The first one, which tends to dominate most policy discussions, is what you could call a practical view of the problem, and that's based upon the concept of mankind attempting to remain essentially an Earth-based species, somewhat blindly reaching into space from an Earth-based mode of existence. We might send out some satellites, maybe even have some small manned missions into space, but essentially, the idea is, we're living here on Earth, and we're just poking around in what remains an underdeveloped and foreign territory, which is basically alien to the perceived realities of daily life here on Earth.

Now, in this view, the inner Solar System is, as the saying goes, "out of sight and out of mind." The perceived identity of the human individual in society, in this idea, is likewise fixed to the idea that the individual believes mostly in just what he or she experiences here on Earth. Now, I would emphasize that this impact over Russia, although we're lucky it was not much worse, forewarns of the existential failure of that view.

The second, more hopeful view, is that mankind must go out and manage and develop this entire territory of the inner Solar System. This does not mean we're going to go send people to live on Mars tomor-

row; we're not ready to do that. But it means we must rapidly expand our understanding and access to the entire inner Solar System. It means we must come to view the Earth from the vantage point of the processes of the entire Solar System, and we must view the human individual from the standpoint of his or her contributions to forever acting upon and changing those larger

processes. And the point is, this is what mankind naturally does, and this is what mankind must naturally continue to do.

For example, on Earth, when we're dealing with river systems, if we're dealing with wild rivers, we don't just let them run wild; we build massive dams, we hold back and tame threatening river systems which would otherwise periodically cause catastrophic flooding, and major loss of life: We control these systems. And we must apply this same outlook to the Solar System as a whole: And we must look to the floods of asteroids, comets, and meteors permeating our Solar System, and we must control these, for our own defense, and our own benefit, gradually reshaping the inner Solar System to be more conducive to the requirements of life.

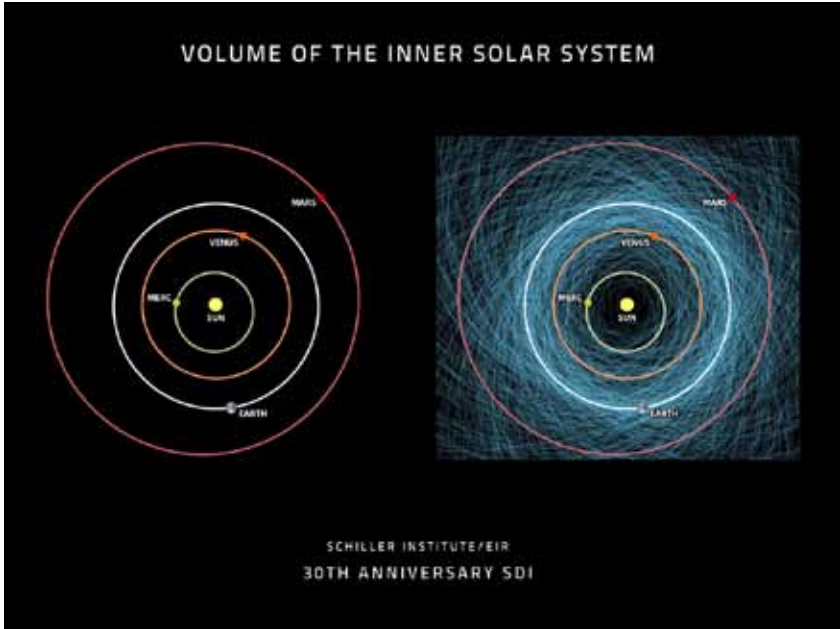
The Asteroid Population

To make this point clear, I'm going to give a brief sketch of what we do and do not know about the asteroid danger. We can go to the next image (**Figure 2**). Now the point is, that even in our immediate neighborhood of the inner Solar System, we still know frankly very little. On the one side, you see the basic standard view of the inner Solar System with the orbits of the four inner planets, something most people are familiar with. On the other side, you see the same image, but you have thousands of orbits of asteroids added on to the picture, and it looks pretty dramatic.

However, this is nothing compared to what we actually need to discover. What you should be able to see in the blue orbits on your right here, is only a very small percentage of the total asteroid population. Currently, NASA, by its best estimates, believes that we presently know about 1% of the total number of asteroids, just in this inner Solar System region, which could potentially pose a threat to the Earth.

Go to the next slide (**Figure 3**): Here we have this broken down into different size ranges, and you can see the correlated effects, of were one of these to impact, what would be the region of the damage of an impact. So you

FIGURE 2



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FIGURE 3



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have everything from smaller objects, again, larger than the one that hit on Feb. 15, but which could take out an entire city, to those that would take out a nation, to a continent, and to some that would have global catastrophic effects.

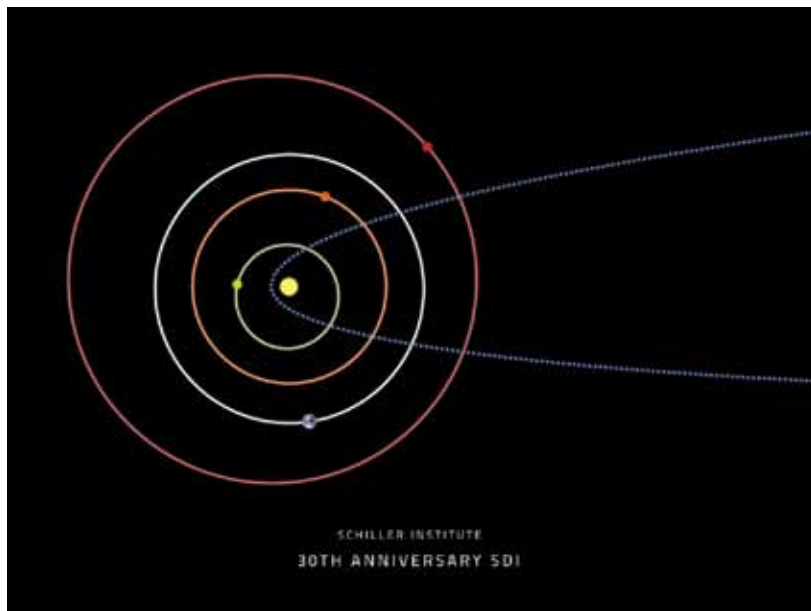
As you can see, we've done a decent job in finding the very big asteroids, specifically, but we're very, very far from understanding the total population. For asteroids ranging from 30-100 meters across, which are large enough to level an entire metropolitan area, we have a useful reference for this, which is what happened in 1908, with what's referred to the "Tunguska impact," where an object that they believe was somewhere between 30 to 50 meters across—so within even the smaller range of this smaller size range—impacted over Siberia, and leveled trees, completely leveled the territory over an area of 2,000 sq km, which is the size of any major metropolitan area.

So, again, if any of these were to impact over any major city, there would be basically nothing left—and we know less than 1% of the population of these objects, just in our immediate neighborhood in the inner Solar System! And currently, as of today, the most likely scenario for another impact, would be one where one of these would hit with little or no warning. Maybe, ideally, you might have a couple days' warning, if anything.

The vast majority of the asteroids that have been discovered were found mostly with ground-based telescopes, and ground-based telescope systems, that were designed to find these larger objects, which are much easier to see. However, currently, we're reaching the limit of what these ground-based capabilities can find, and we're in desperate need of expanding our space-based observation systems, to find all of these potentially threatening bodies.

Now, I don't have the time to review all of the current, ongoing and proposed efforts, but there are a number of things on the table, coming from amateur astronomers, from private foundations, from governments—there's some international activity—some of it is very good. But the bottom line remains that nothing that is presently on the table, either as an active program, or a program that's being designed and built and supported, would have the capability of actually

FIGURE 4



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systemically finding all of these threatening objects, and providing enough warning time to defend the Earth.

And I also have to emphasize, that in looking at this table, when this issue comes up, the discussion quickly falls to statistics: What's the likelihood of this impact? What's the likelihood of that impact? What's the estimated population level? And it must be emphasized, that estimations and statistical approximations are *not* principled knowledge, and they do not represent any ability to forecast what will and won't happen in the Solar System.

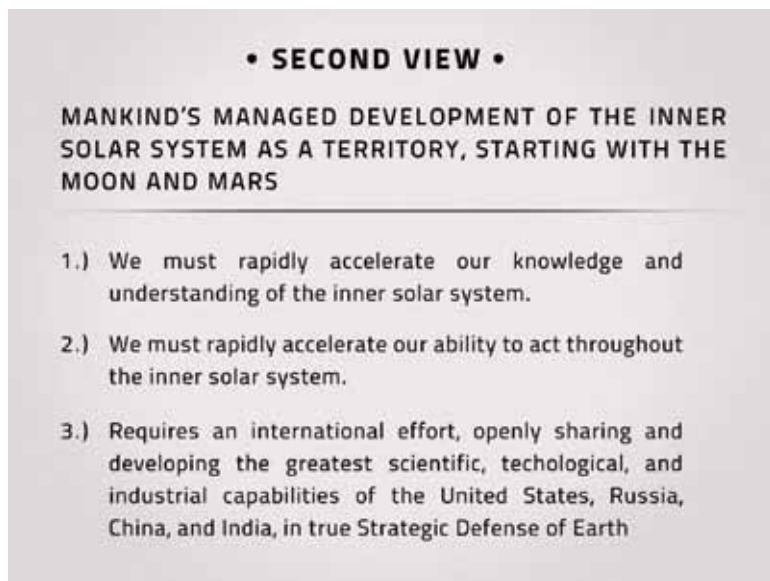
And just to put it on the table, I want to highlight the work that's going on the Basement, being led by my associate Jason Ross,¹ in leading up what you might call an anti-statistical approach, to this challenge of the asteroid and comet threat, based upon the work of Johannes Kepler and Carl Gauss, in pursuit of a forecastable knowledge of the structure of the Solar System as a whole.

Long-Period Comets

Let's go to the next slide (**Figure 4**). Now, none of this discussion, and really, none of the current activity

1. Ross presented this in the March 20, 2013 LPAC Weekly [Report](#), and posted the related material on a [page](#), including a written report, "Asteroid Harmonics: [Research Update](#)."

FIGURE 5



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What We Know, and What We Don't

So, with just a brief sketch on what we do and do not know, the question is what does this mean for the idea of the Strategic Defense of Earth? And if we go to the next slide (**Figure 5**), I'm going to focus on the second viewpoint, the second of the two contrasting viewpoints from my opening; the second being that: the implications for a Strategic Defense of Earth, mean mankind must manage and develop the entire inner Solar System as a territory, starting with the Moon and Mars. And this means we must first rapidly accelerate our knowledge and understanding of the inner Solar System.

Second, we must rapidly accelerate our ability to act throughout the inner Solar System, throughout the entire territory.

And third, this will obviously require a major international effort, openly sharing and developing the greatest scientific, technological, and industrial capabilities of the United States, Russia, China, India, and other nations, if we are to have a true Strategic Defense of Earth.

Currently, we have no tested defense system. If we want to go out and actually stop an asteroid from impacting the Earth—change its orbit, slow it down, blow it up, whatever we need to do to stop an asteroid from impacting the Earth—we have not tested anything. We have not demonstrated any comprehensive system to stop these impacts. There are some existing technologies that could be used, which, theoretically, under certain specific scenarios—there are many drafted proposals for other specific scenarios—but when it comes to an actual case where this would have to happen, currently, these are all just on paper. And beyond even what's been discussed, there are many threats that are not even being considered: The idea of deflecting these smaller asteroids, or the idea of deflecting these long-period comets, is not even on the agenda of discussions for planetary defense, on the major national-international levels.

So, we go to the next slide (**Figure 5**): There are a number of potentially feasible methods we could utilize to prevent an impact. As of today, there are only two methods that are probably feasible with the current technology, one being basically running a spacecraft into the object, to slow it down; and this would require, most likely, many years of warning time before impact,

that's going on in nations or internationally, even begins to address a second issue, which I'm just going to touch on, which is the issue of long-period comets, which potentially pose an even greater challenge than that of asteroids. Although they're less frequent, they come from a different part of the Solar System; they come from the farthest depths of the Solar System, where they're presently impossible to see with our current technologies. And they also generally come in much faster, and are much larger. So, for all we know as of today, there could be a comet heading towards the Earth that's three years away, and we would have no idea. And with our current technologies, any attempt to deflect one of these objects would take much longer than three years, especially if it were a decent-sized comet.

And here, you see illustrated a typical orbit of a long-period comet, whose eccentricity stretch is way past the orbits of the inner planets. Your orbits are mostly circular; even a lot of the asteroid orbits are somewhat elliptical, but still circle around the Sun. These long-period comets have extremely eccentric, extremely elongated orbits. So, if for example, this were the size of the orbit of Pluto, with the Sun in the center, you could have these comets that would take orbits like this, that will spend the vast majority of their time, way out, in the distance of the Solar System. We have no capability of seeing objects when they're that far away, and we have no warning time for these types of objects.

so you could slow it down just enough by running into it, so that it would eventually miss the Earth, five, ten years later. Or, we could utilize a thermonuclear device in one of a number of ways, to either slow it down or break it up.

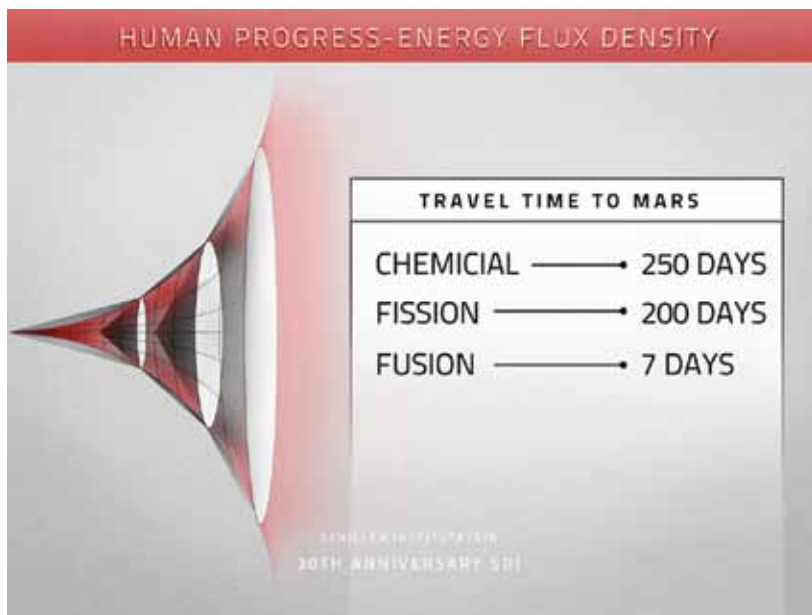
There's a lot to go into on this discussion, I can't obviously get into all the details here. But what would and wouldn't work, and what you would want to do, would depend on a number of factors: the size of the object, what the object is made out of, the nature of its orbit, and how much warning time we have. And I should just mention that these two methods—this came out in a National Research Council report on planetary defense, in 2010—that despite all the discussion of the different methods we could potentially use, and there's a lot of wild ideas out there, for different methods we could potentially use, there are only two that are really feasible: the kinetic impact and the thermonuclear explosive device.

We Have Lost 20 Years

It should be emphasized that back in the early '90s, when Dr. Teller and others were getting involved in this issue, that was also the state then. We haven't advanced in 20 years. Twenty years ago, at an international conference at Los Alamos Lab, part of the conference was a technology assessment, and they wanted to assess what technologies they had at the time; what technologies would they expect to be developed in 20 years; and what technologies would exist in 30 years. And 20 years later, we haven't developed *any* of the technologies they expected to be developed in 20 years. In terms of planetary defense, we're still at the broad-based technology of 20 years ago!

Now, instead of going into the details—we have a report put out by *21st Century magazine*, which goes through a lot of the nitty-gritty, the specifics and details on planetary defense—but for the limited time I have here, I'm going to focus on what we could call the determining factors in planetary defense. And that goes to the fact that human progress in general, and human survival, has always depended upon, and will always depend upon, increasing what we call the energy-flux density of the human species. And this consideration of what is the energy-flux density we can wield, per

FIGURE 6



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capita, of power for our scientific capabilities, subsumes the idea of planetary defense and space exploration generally.

To give one example, we're currently limited by chemical propulsion systems, to travel around the Solar System. And quite frankly, to draw an analogy, chemical propulsion is basically the equivalent of the covered-wagon days of Westward expansion, with the oxen pulling the covered wagons that moved to the West. There's a lot of advanced stuff that's done, a lot of advanced mathematics and engineering involved in doing these missions, but in terms of our actual capabilities in space, we're at the equivalent of the covered-wagon days' expansions into the West!

In the United States, when we wanted to develop the West of the North American continent, we built railroads, we built new cities, we built irrigation systems, we developed the entire territory. It's a completely different concept than just sending out one mission, and coming back. So now, for travel to Mars, for example, as you can see here, using chemical propulsion, the standard propulsion systems that exist today, it's a 250 day trip (**Figure 6**). And your departure time comes only once every two years. So not a lot of flexibility in our ability to move around in the Solar System.

This is for a trip to Mars, but if you have to go and intercept an asteroid, you have similar constraints.

Long travel times, narrow windows when you can launch, so it's a very limited capability we have. As our organization has presented a number of times, if you move to nuclear fission you can slightly improve that, but if you go fusion, if we go to a thermonuclear-fusion-propulsion system in space, you're talking about the ability to cut a Mars trip down to the order of days! And this would completely revolutionize our ability for planetary defense as well.

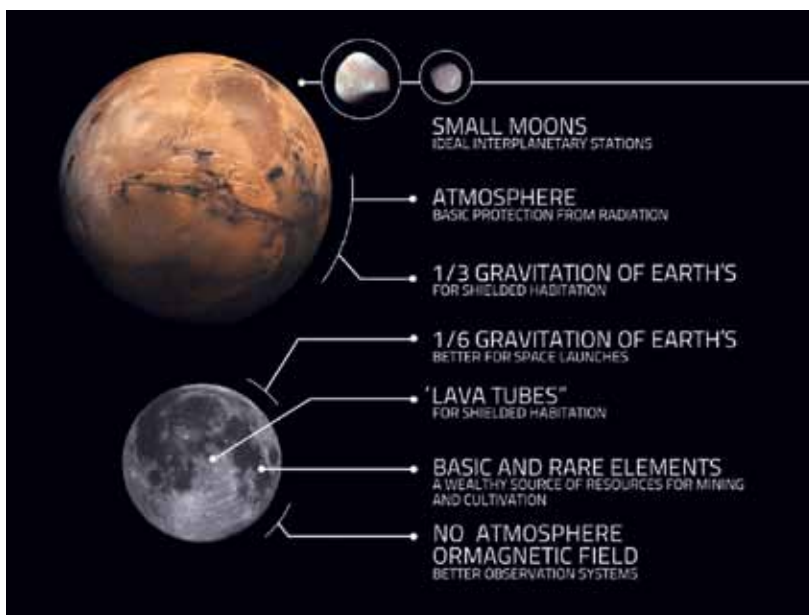
So the point is, mankind's efficient access to, and ability to act within, the entire Solar System, absolutely depends upon the development of higher-powered sources: thermonuclear fusion especially, with an eye towards matter-anti-matter reactions. This is the only way to ensure that we can provide quick and efficient access through the entire inner Solar System, both for defense and for exploration. This obviously allows for quicker intercept times to go meet a threatening object; we can deliver a larger mass, and large payload to that object, and we can apply a greater density on-site, for whatever density of energy to that object, for whatever deflection means we desire.

Managing the Territory

Next slide (**Figure 7**). Ultimately, what we have to do to ensure the defense of Earth, is, we have to develop these systems, in conjunction with the development of the Moon and Mars as our outposts in the inner Solar System; and this takes us again, to our second viewpoint on planetary defense: that of mankind managing the territory of this inner planetary region.

The natural benefits of the Moon make it an ideal location for industrial development, a launching point for easy access to the Solar System; the lower gravity makes for easier launches; there are abundant resources on the Moon that can be developed on-site, to develop an industrial capability on the Moon itself, so we don't have to lift material up off the Earth; we can just take it from the Moon itself. We have certain structures, such as these lava tubes, which provide great shielding for bases. And of course, the close proximity to the Earth makes it possible for remote and automatic control of Moon-based systems from

FIGURE 7



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the Earth, so this doesn't have to be manned by people all the time.

However, this is a step, and Mars is our major outpost for mankind to begin to truly manage and develop the inner Solar System for the defense of Earth. Compared with other planetary bodies, Mars clearly provides the best gravitational, atmospheric, and proximity considerations, for mankind's expansion into the Solar System.

So a true success in the Strategic Defense of Earth depends upon inverting the currently prevalent sense-perceptual view of mankind on Earth, where we're basically blindly reaching into space. We have to replace this view with a second view: that of understanding the Earth from the standpoint of mankind as a creative force in the entire inner Solar System, managing and developing this as a new territory. We must unite key nations in an international effort to this effect, and pursue what Dr. Edward Teller called "the common aims of mankind."

So, with issues such as these, defending all of human civilization from threats from space, we have to respond with boldness, and even reinterpret some of the most ancient directives given to mankind from the standpoint of the challenges of today. So, I would say, we must "be fruitful and multiply, we must replenish the Solar System and subdue it, and have dominion over all that moveth therein."

Editorial

Reopen the Saudi File!

Developments and intelligence emerging over the last week in Iraq, Syria, and Jordan once again make it urgent to expose the role of the Saudi royal family and its Wahhabite relatives in Qatar in building up the al-Qaeda terrorist international for the British oligarchy. The evidence also underlines the need to remove President Obama from the Presidency on the grounds of treason, for building up al-Qaeda's forces in Libya, Syria, and also in Mali and Afghanistan, where U.S. and allied troops are being killed by the very same terrorist networks.

Make no mistake: The al-Qaeda network in Syria, the most well-known of which is Jabhat al-Nusra, is the very same network that killed U.S. Ambassador Chris Stevens and three other Americans in Benghazi, Libya, on Sept. 11, 2012; which killed the American workers and others at the BP gas plant in Algeria in January 2013; and which, operating as the Taliban in Afghanistan, killed six Americans in one day on April 6, 2013, in coordinated terrorist attacks.

Now, just weeks after Obama's new Secretary of State John Kerry announced increased support for the Syrian opposition, and stated outright that the U.S. will not interfere in any way with our "allies"—Saudi Arabia and Qatar—sending thousands of tons of weapons into the hands of al-Nusra, the command of al-Qaeda in Iraq has openly boasted that al-Nusra is nothing but a formal al-Qaeda affiliate.

Yet there is no indication that Obama, obsessed with the British imperial agenda of overthrowing Syrian President Bashar al-Assad, will stop the flow of arms and money to the al-Qaeda interests.

There is no doubt that the weapons from the Saudis and Qataris are going to al-Nusra.

In an article in the April 9 *Al-Monitor*, former CIA officer Bruce Reidel, who spent nearly 30 years with the agency, wrote that Jabhat al-Nusra is the largest, most dangerous, and fastest-growing al-Qaeda group in the world. A large number of the foreign jihadist fighters come from the United Kingdom, he says, and the estimates he cites say that one-quarter of the rebel fighters in Syria are with al-Nusra.

"As the Syrian civil war gets ever more violent and destructive, there is a big beneficiary: al-Qaeda and its franchise in Syria, Jabhat al-Nusra, which is now the fastest-growing al-Qaeda front in the world, attracting fighters from across the Islamic world," Reidel wrote. He says that today, al-Nusra is focused on destroying the Assad regime, but its ultimate aim is to attack the United States and threaten all U.S. allies in the Levant, especially Israel and Jordan.

The British empire's jihadists consider the nation-state to be their enemy, making them perfect partners in the Queen's drive for global genocide.

Patriotic Americans have a ready-made tool for derailing Obama's support for the Saudi-British-jihadi game. It starts with demanding Congress declassify the 28 pages of the 9/11 Commission report which document the Saudi role in funding and arranging the 9/11 attack on the United States. There is already Congressional motion, led by Rep. Walter Jones of North Carolina, demanding that these pages be released.

Once Americans have the documentary proof of Saudi sponsorship of 9/11 One and Two, the British-Obama game will be up, and the decks cleared for a sane foreign policy. Demand Obama release the 28 pages on Saudi involvement in 9/11—*before* the horror spreads any further.

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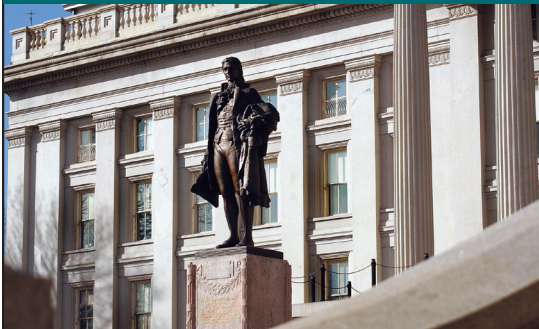
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