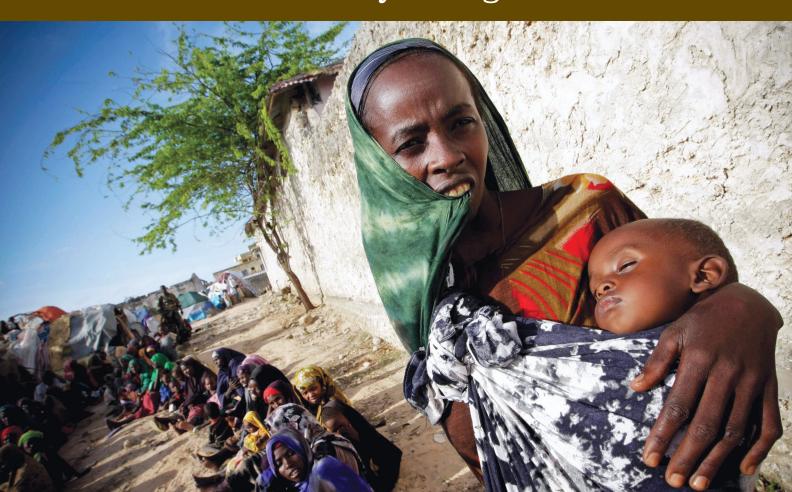


Former UN Official: Banks Are Awash in Dope Money Emergency Mobilization for Glass-Steagall/NAWAPA Thermonuclear War Danger Grows Over Syria, Iran

# British Try To Salvage \$9 Trillions by Killing Billions



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### From the Managing Editor

The lid is blowing off the pot of lies and cover-stories with which the financier oligarchy has attempted to convince people that "recovery is just around the corner." Our *Feature* quotes the IMF itself, from its April *Global Financial Stability Report*, that a \$3.8 trillion meltdown of the Eurozone banks is imminent. In fact, the situation is much, much worse: A senior finance ministry source told us that an earlier draft of the report concluded that the true figure was *at least \$9 trillion*.

Complementing Dennis Small's article on this financial blowout is our interview with Antonio Maria Costa, the former head of the UN Office on Drugs and Crime. He presents the evidence that top banks have been and still are being kept solvent by drug-money.

In *Economics*, we document the hideous cost in human lives of the policies of the financier oligarchy: specifically the starvation of millions in Africa's Sahel region, even as U.S. corn supplies that could feed people are being diverted to ethanol production! The starvation is not due only to indifference on the part of those who could help: It is a deliberate policy of population reduction.

Meanwhile the danger of global war escalates, with madman Obama at the helm in the United States. The ghoulish quote of the week award has to go to the Bush Administration's top torture advocate, John Yoo, who wrote on April 30 that "the President should ignore [the UN] when authoritarian nations try to veto wars that are necessary to preserve the peace...." See *International* for our report on both the drive for war and the actions of those opposing it.

Lest you conclude that this week's issue is all bad news, I emphasize several excellent reports on what the LaRouche movement and others are doing internationally to fight for a new financial system and a Renaissance. Most critically, LaRouchePAC has launched a renewed mobilization for Glass-Steagall, national banking, and NAWAPA. And don't miss the *Music & Culture* section, with reports from the Schiller Institute's Berlin conference, remarks by Lyndon LaRouche, and a thoughtful piece on "thinking," from the LPAC Basement Team.

Susan Welsh

# **EXERCIPATE**



AU-UN IST/Stuart Price

A Somali woman holds her severely malnourished baby outside a tent serving as a medical clinic in Mogadishu.

Cover

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The IMF, Britain's planetary policeman for fascist economic policies, issued its semi-annual Global Financial Stability Report in mid-April, warning of an imminent \$3.8 trillion meltdown of Eurozone banks. But a senior finance ministry official attending the meeting told EIR that an earlier draft version, seen by the source, concluded that at least \$9 trillion would be needed to bail out the private European banks this year. As Lyndon LaRouche has repeatedly warned, the entire trans-Atlantic system is hopelessly bankrupt.

#### Antonio Maria Costa: Former UNODC **Head Talks About Drugs in the World** Banking System.

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Argentine President Fernández's announcment that she had signed a decree expropriating 51% of the formerly stateowned YPF company, held by the Spanish oil firm Repsol since 1998, has enraged the financiers of London and Wall Street, who are howling that she has "broken the rules!"

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# British Try To Save \$9 Trillions by Killing Billions

by Dennis Small

April 24—The International Monetary Fund, the British Empire's planetary policeman for fascist economic policies, issued its semi-annual *Global Financial Stability Report* in mid-April, warning of an imminent \$3.8 trillion meltdown of Eurozone banks—about 10% of the assets on their books—which could spread to the United States "through derivatives markets." Made public on the eve of the April 20-22 IMF-World Bank meeting in Washington, D.C., the published version of the report was rewritten to vastly *understate* the actual magnitude of the blowout. A senior finance ministry official attending the meeting told *EIR* that an earlier draft version, seen by the source, had painted a much worse picture of the non-performing debt on the books of the big European banks, concluding that at least \$9 trillion} would be needed to bail out the private European banks this year.

Senior U.S. intelligence sources had reported earlier this year, around the time that the European Central Bank (ECB) had opened its hyperinflationary trillion-euro bailout window known as LTRO, that the European banks would need an estimated \$8 trillion to avert total meltdown in 2012.

In other words, nearly 25% of the face value of all the financial assets on Eurozone banks' books is worthless—by London's own admission. And that is really just the tip of the iceberg. As Lyndon LaRouche has repeatedly warned, the entire trans-Atlantic system is hopelessly bankrupt.

"We are having a collapse of the existing empire," LaRouche stated on April 21. "It's disintegrating, disintegrating economically and every other way. It's on the edge of the United States being pushed, through the British control of Obama, into launching a full-scale, thermonuclear launch.... So you have a factor of desperation and insanity from that desperation."

#### **London Knows This Is End-Game**

A public relations charade was also put together at the IMF-World Bank meeting, to announce amid great fanfare that a \$430 billion IMF fund had



Spain's banks have billions, if not trillions, in non-performing debt sitting on their books, which could implode at any moment. The draconian cuts in spending and living standards have only made things worse. Here, more than a million Spanish workers take to the streets across the country in protest, February 2012.

been cobbled together to help bail out the Eurozone banks. That fund in fact does not exist, but even if it did, it would cover less than 5% of the non-performing assets on the banks' books.

The British Empire's real policy is altogether different—and involves a race against time. London is hellbent on ramming through the European Stabilization Mechanism (ESM) by early July, so that it can be used as a platform to unleash big-time hyperinflationary bailouts—on the order of magnitude of the \$29 trillion "big bazooka" that U.S. Treasury Secretary Tim Geithner and Federal Reserve head Ben Bernanke deployed in the U.S.

But London faces enormous obstacles. There is a significant rebellion against the ESM underway in Italy, Ireland, and elsewhere. The Dutch government has just collapsed. And most importantly, the first round of the French elections did not go as London desired; and incumbent President Nicolas Sarkozy faces likely defeat by François Hollande in the May 6 second round, in a political environment shaped by the ideas of Presidential candidate Jacques Cheminade, a friend and associate of Lyndon LaRouche (see article in *International*). Hollande has toyed with the idea of some sort of bank separation (although not the required Glass-Steagall total reorganization championed by Cheminade) and has also announced that he wants the ESM and related

European pacts rewritten before France will approve them—to London's absolute horror.

Furthermore, the European banking house of cards may not make it to July in any event. The Spanish situation is particularly explosive, and may bring all of Europe down with it in the weeks or even days ahead. Despite borrowing EU316 billion from the ECB's LTRO facility in March (almost twice the amount borrowed in February), Spain's banks have billions, if not trillions, in non-performing debt sitting on their books, which could implode at any moment. And what the IMF, the ECB, and the EU are demanding of the Rajoy government in Spain—further drastic cuts in government spending, and in the population's employment and standard of living—is tantamount to political suicide in a country that already suffers Europe's highest official unemployment rate of 23.6%, not to mention a horrific youth unemployment of over 50%.

As the *Daily Telegraph*'s Liam Halligan wrote on April 21: "Governments around the world are petrified the eurozone could implode, sparking another 'Lehman moment'.... Europe's almost entirely unrestructured banking sector remains bombed-out, sitting on trillions of euros of undeclared losses.... This is unsustainable."

#### Genocide, in a Fit of 'Peak'

The published IMF Global Financial Stability Report said that, under their worst case (or "weak policies") scenario, so-called "deleveraging" by European banks could reach \$3.8 trillion in asset sell-offs by the end of 2013—about 10% of their total portfolio. "This retrenchment could reduce euro area credit supply by 4.4% and GDP by a further 1.4% from the baseline after two years. Such large-scale deleveraging under the downside scenario would have consequences well beyond the euro area. The fire sale of bank assets could have a significant impact on asset prices and market liquidity. Through derivatives markets, stress could be transmitted to U.S. banks," the report warned.

The report praised the hyperinflationary moneypumping efforts that have been carried out so far on both sides of the Atlantic, but demanded that much, much more worthless Monopoly money be pumped into the system. "Bond markets remain fragile and volatile.... A credible firewall that is large, robust, and

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flexible enough to stem contagion" is needed. The IMF demanded that the current European Financial Stability Facility (EFSF) and planned ESM funds be used to lend money directly to the banks, and not to their host governments: "The facilities constituting the euro area firewall should also be allowed to inject capital directly into banks if the situation warrants it." They also called for swift fiscal integration of Europe—i.e., drastic austerity imposed by a supranational dictatorship.

Another IMF report published in April, its World Economic Outlook, was less circumspect about London's frankly fascist policy proposals. Lifting a page from the Third Reich's "useless eaters" program, the report focused on what for them is the terrible fact that people around the world are living three years longer than expected. According to accounts in Reuters and other media, the IMF annual study stated that this will increase the "cost of aging" (measured in terms of pensions; not even including health-care costs) by 50%. Bemoaning that "longevity is a bigger risk than thought," the IMF demanded that countries begin to "prepare now for the risk of longer lifespans." This should include plans to cover increased costs by: 1) reducing pension benefits; 2) raising taxes; and 3) increasing the retirement age, including by automatically linking it to longevity.

London's *Daily Telegraph* elaborated on what the IMF study means for the United Kingdom, reporting, with dismay, that one-third of all babies born in the U.K. today are expected to live to the age of 100. Chancellor of the Exchequer David Osborne has pushed novel solutions to financing this unfortunate fact, including working on new financial products linked to longevity, specifically the idea of "self-insuring against longevity risk"—which sounds an awful lot like Nazi euthanasia.

The fuller backdrop and justification for the British Empire's stated policy of reducing the world's population from 7 billion to 1 billion people—as most famously advocated by Prince Philip himself, with his announced desire to be reincarnated as a virus to help that process along—was also rolled out in April, with the announcement by the Club of Rome and the World Wildlife Fund (WWF) that they were launching an 18-month campaign, on the occasion of the 40th anniversary of the publication of the Club's 1972 book *The Limits to Growth*, to further the genocidal intentions outlined in that book.

On May 7, a major report will be issued titled "2052:

A Global Forecast for the Next Forty Years, a Report to the Club of Rome by Jorgan Randers." Randers was one of the co-authors of the original *Limits to Growth*, and for decades has been a top official of the WWF, founded by Prince Philip and his Nazi twin, the deceased Prince Bernhard of the Netherlands.

As if to prove LaRouche right in everything he has ever charged about such incompetent forecasters, the WWF-Club of Rome crowd has taken a page from their own unscientific "peak oil" hoax (which is the incompetent exercise of extending the idea of a peak output from an individual oil well, to the entirety of global petroleum production); they now talk about "peak population," and even "peak civilization." As *Smithsonian* magazine reported, the "2052" report argues that, "Slowly but surely we are approaching 'Peak Civilization,' and when that bubble pops we'll see the crash manifest in the form of famine, disease and global conflict."

#### **Time for Creativity**

Readers will benefit by comparing that oligarchical view of man and the universe, to the concept of human creativity in a creative universe, as developed by La-Rouche, for example in his remarks on the April 18 "LPAC Weekly Report":

"Nonliving processes seem to operate in what we call normal clock-time, normal clock-time sequence. Life appears to work that way, but it doesn't actually do that. And above all, human creativity absolutely does not do that. And human creativity represents the expression of a principle, expression *in* mankind and *by* mankind, which is not dependent, as such, on any lower form as an antecedent. That is, you do not get life from non-life. You do not get human creativity from mere biological existence. But rather, you get what we know, what we recognize as creativity, as an expression of the lawfulness of the universe....

"If we do not understand mankind and creativity, if we stick to these things we're trained to believe in, these things will prevent us from ever accomplishing our mission. We have to now, finally, come to the point that we recognize this principle: That the universe itself, starts with creativity as a principle. That's the name we would give to it, if we want to identify it: Creativity itself is a principle, a universal principle. The universe is based on that principle, at least as far as we know it: that the existence of the human mind is the highest expression we know of, on which everything depends, that creativity!"

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#### **Spain at the Crossroads**

Political and financial circles on both sides of the Atlantic are abuzz with calls for the EFSF to directly lend money to the area's bankrupt banks—especially Spain's—even before the ESM comes on line (if it ever does), in order to forestall an imminent blowout of the whole trans-Atlantic system.

"Europe's bold program to defuse its financial crisis by injecting cash into the banking system is running out of steam," the *Wall Street Journal* complained on April 19. "Banks in Spain and Italy have little left" of the billions the ECB lent them through the LTRO.

Panic over Spain's banking system, led by the Inter-Alpha group's Santander Bank, is hardly surprising. Spain's central bank announced April 18 that the percentage of non-performing loans (three or more months of non-payment) on the books of Spanish banks, rose in February to 8.16% of the total, up from 7.91% the month before. This is the highest non-performing rate since October 1994. For real estate loans, the non-performing share is a deadly 21%.

Property values are expected to collapse by a further 40%, according to the daily *El Pais*: "If this extreme forecast were confirmed, the blow would sink the real estate companies and, in chain reaction, the banks." Angel Berges of the AFI (International Financial Analysts) stated that the whole sector has to be bailed out, because if banks and others try to sell the properties on their books—which is the Rajoy government's proposal—they will have to lower their prices by 99%, he said. Already leading banks such as Santander, Caixa, and Bankia are offering fire sales of foreclosed properties seized by the banks, with price reductions of up to 80%.

Things have gotten so bad that, in mid-April, Santander announced that it would be using EU750 million of its money to buy back its own bonds, in a desperate effort to prevent their total collapse. In late April, Santander added that it was selling off its holdings in Mexico and Florida, to try to scare up some cash.

For Spain, life under continued IMF and EU policies means the nation's death. On March 30, Prime Minister Mariano Rajoy imposed a stunning EU27.3 billion in government spending cuts. In a country with nearly 24% unemployment, benefits for the unemployed will be cut by 5.5%, at the same time that total unemployment is officially expected to increase by 630,000 this year, bringing the unemployment rate to

26% of the workforce. All of this is being imposed in the context of skyrocketing interest payments on the debt—which are of course left intact in the Rajoy plan—while the tax base is contracting rapidly. In fact, pretty much the entirety of the 27.3 billion euros in cuts already went to pay interest on past monies owed.

Health and education expenditures, which are largely handled by Spain's 17 regional governments, are being particularly targetted by London. Those regional governments account for half of all government spending in the country, and fully 60% of their budgets consist of health and education spending.

On April 17, the Rajoy government met with the health ministers of all the regions and proposed that: a) retirees will have to pay 10% of the cost of their medicine (they now get it free); and b) employed workers will have their co-pays rise from 40% to 50-60% of the cost of the medicine. This will cut EU3.7 billion from the budget, out of the total of 10 billion the government plans to cut from health and education.

To blackmail the fractious regional governments into slitting their own throats, the national government is offering to help them pay about EU27 billion in unpaid bills from suppliers, with loans at 5% interest provided by a EU35 billion special government fund. In return, the 17 regional governments would have to agree to a "viability plan to guarantee budgetary stability and equilibrium," i.e., to be put into receivership and have fascist cuts imposed as per London's demands.

But it would be unfair to say that London does not have an employment plan for Spain. They do—in whoreticulture.

Sheldon Adelson, perhaps the world's leading casino and gambling magnate, recently offered to come to Spain's rescue. Adelson is the owner of the Las Vegas Sands casino-hotel, the big bankroller of Newt Gingrich's Presidential campaign, a buddy of Israel's Bibi Netanyahu, and an all-around leading light of the circles around Britain's dirty money and organized crime syndicate, Dope, Inc.

Adelson, in Macao for the mid-April inauguration of his new Sands casino there, which is the biggest gambling complex in the world, announced that he was proposing to invest \$35 billion in Spain for the construction of 12 casino resorts, of 3,000 rooms each, to attract 11 million new tourists per year (largely from Russia and Eastern Europe). This would create 300,000 new jobs, he claimed. All Spain has to do is

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"loosen its labor laws" a bit.

Russia Today reported that there is a political uproar inside Spain about this "offer," with protests that this will dramatically increase prostitution in Spain, which already "employs" 370,000 in the "prostitution industry"—which incidentally, is legal in Spain. Not surprisingly, 90% of these women are "trafficked," i.e., they are run by organized crime, meaning Britain's Dope, Inc. dirty money apparatus.

#### A Bridge to Africa

Aficionados of feudalism in Spain—such as those who defend

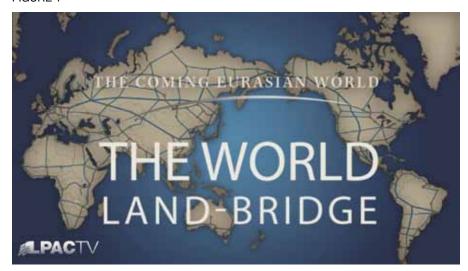
Don Quixote's encounter with the whore Maritornes in Miguel de Cervantes's great Classic (see *EIR* Jan. 9, 2004)—and other British dupes, may favor such an approach. But Spain deserves better, as does all of Europe; and the LaRouche movement is elaborating that alternative

As part of an upcoming Marshall Plan for the hightechnology development of all of southern Europe, as a stepping stone for Europe's central role in developing the dying continent of Africa, the highlights of a program for Spain—whose priority would be the productive reemployment of the country's labor force, especially the youth—would include:

• A Tunnel under the Strait of Gibraltar. Spain will function as the key link between the European and African components of the World Land-Bridge (Figure 1), with a high-speed rail line running under the Strait of Gibraltar into Morocco. Although only 14 kilometers separate the continents at this point, the depth of the water (some 300 meters) would require that the actual length of the tunnel be about 50 km. This compares with 50 km for the existing English Channel tunnel (although water depth there is only 45 meters), and 35 km for each leg of the proposed Bering Strait tunnel (at 54 meters depth), which would make use of the islands of Big Diomede and Little Diomede to simplify the task of connecting the 85 km separating Alaska and Russia.

There are, of course, significant technical challenges in the Gibraltar case, including the fact that the Alpide Belt, which is a mountain range that extends

FIGURE 1



along the southern margin of Eurasia and runs right through the Strait of Gibraltar, is the second-most seismic region on the planet, after the Pacific Rim of Fire.

As part of this project, it would be appropriate to return Gibraltar to Spain, from which the British stole it in the 1830s.

- **High-speed rail technology**, including magnetic levitation, should be a Spanish priority. Spain is already a leading international producer of high-speed rail, and it should develop this capability for use inside the country, across Europe, and into Africa. This scientific endeavor could well be called "Project Alfonso the Wise," in honor of the 13th-Century Spanish humanist king, who led all of Europe in developing the science of astronomy.
- **High-technology agriculture and fishing.** Spain has historically had major capabilities in these fields, which must be protected and developed for its own consumption, and export—both the foodstuffs *and* the technology—to Europe and Africa.
- Nuclear energy must replace the insane current emphasis on windmills and solar power, which produce neither the energy output nor the energy-flux density levels required by modern society. In fact, Spain's elephantine solar power sector is an international scandal, due to absurd government subsidies which are now being withdrawn, under the pressure of budget austerity.

Even the addled Don Quixote knew that it made sense to get rid of windmills.

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Interview: Antonio Maria Costa

# Former UNODC Head Talks About Drugs in the World Banking System

by Andrew Spannaus

From 2002 to 2010, Antonio Maria Costa was the Executive Director of the United Nations Office on Drugs and Crime (UNODC), head-quartered in Vienna, Austria. He became world-famous in January 2009—only months after the meltdown of the trans-Atlantic banking system—when he stated, in an interview with the Austrian weekly Profil, that massive cash flows from the global narcotics trade were brought into the banking system to rescue banks after the interbank money markets shut down.

As Dr. Costa makes clear in the interview below, he has been at the center of efforts for almost 30 years that have investigated the interface between organized crime and banking, particularly efforts on money laundering. His work at UNODC put him at the center of international efforts to coordinate anti-narcotics and -crime activities around the world.

On March 13, Costa teamed up for a live Internet debate from London, titled, "It's Time To 2009 Frescu End the War on Drugs," with former New York State Attorney General, and then Gov. Eliot Spitzer, and former U.S. anti-drug czar Gen. Barry Mc-Caffrey (ret.). Costa makes clear in the interview what financial interests are behind the campaign for drug legalization, and presents what amounts to a wake-up call for Glass-Steagall, and measures to end the interface of crime and banks.

Dr. Costa was interviewed by Andrew Spannaus in Italy on April 12, 2012.

**EIR:** Dr. Costa, in 2007 and 2008, the trans-Atlantic banking system essentially froze up as the interbank markets stopped functioning during the financial crisis. You have stated in the past that at that time, cash from the narcotics trade moved in to fill the gap in the finan-



UN/Eskinder Debebe

Antonio Maria Costa headed the UN Office on Drugs and Crime. In 2009, he charged that huge sums of drug money were funnelled into the rescue of the banking system.

cial system. Could you elaborate on that and tell us about the link between banks and narco-money in the system?

#### In the Beginning: The Mafia

Costa: I have to go back to the origin of the whole thing, and of the process of trying to clean the banking system from mafia infiltration. So we go back to the previous century. The relationship between the banking system and the mafia started in the 1960s and '70s. In the '60s and '70s, the mafia basically handled cash in large amounts, although not as large as today because international crime was much smaller. It was mostly Italian, North American, and with some other affilia-

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tions, but it was limited in size.

Then, with the progressive opening of borders, communication, and business, in the late '70s and beginning of the '80s, organized crime, which also had established roots outside of Italy, started to use the banking system to transfer assets, to move their money around the world.

It is at that time—in the early '80s—that I was at the OECD in Paris, where we started noticing a significant amount of recycling of mafia assets through the banking system. So we launched the first exercise. It started in 1984, resulting in a key paper which I personally submitted to the G7 summit—at that time it was the G7—meeting in Paris, on the 14th of July, I recall. The G7 summiteers approved the establishment of the first and foremost anti-money-laundering institution, the Financial Action Task Force.

FATF, of which I am one of the founders, started to be very active with specialized recommendations. Your readers may be familiar with this. And these recommendations started biting, slowly and progressively, at least in the major financial institutions, on both sides of the Atlantic, but not only. Because of this, the recycling of criminal money through the banking system was reduced very significantly.

A few years later—let's say in 2002 and 2003—the first crisis hit, the IT bubble burst—and the banking system, which had spread enormously because of globalization, started to be infiltrated again by criminal assets. Namely, the anti-money-laundering controls which worked very effectively in Europe and North America in the 1990s, were weakened significantly in a number of off-shore jurisdictions which were much weaker. This started a new cycle of penetration of crime money.

The 2008 financial crisis, still unfolding, hit the entire trans-Atlantic banking sector. The illiquidity associated with the banking crisis, the reluctance of banks to lend money to one another, and so on and so forth, offered a golden opportunity to criminal institutions—which had developed huge financial power, money which was liquid because it could not be recycled through the banking system in earlier years. At this point in time, we're talking about the 2008-11 period, the need for cash by the banking sector and the liquidity of organized crime created an extraordinary opportunity for a marriage of convenience, namely, for organized crime to penetrate the banking sector.

We've had a number of historic episodes. The Wa-

chovia Bank<sup>1</sup> in New York is the most important one. According to the U.S. Justice Department, Wachovia recycled \$480 million over a period of three years. That was the most dramatic case, although there are similar cases, perhaps not in terms of size, but there are other well-known institutions both in Europe and North America.

The tragedy of the Wachovia case is that those who were responsible for the recycling of Mexican drug money were let go without any retribution. If not opening the gates to more of such criminal behavior, that fact certainly gave evidence that—and here I'm branching into something else, into drug control—the major instrument to fight drug trafficking, namely following the drug money and seizing it, well, that instrument is now lost.

#### The Banks Were Looking for Cash

**EIR:** Just to follow up on this point: Did the financial crisis offer an opportunity for the criminal associations to get their money in, or was the financial crisis an opportunity for the banks to bring more money in? Which side does it come from?

Costa: The penetration of the financial sector by criminal money has been so widespread that it would probably be more correct to say that it was not the mafia trying to penetrate the banking system, but it was the banking sector which was actively looking for capital—including criminal money—not only as deposits, but also as share acquisitions and in some cases, as a presence on Boards of Directors.

**EIR:** You spoke of Wachovia Bank in New York. What are the major venues where this takes place internationally? Are there specific venues, specific institu-

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<sup>1.</sup> In March, 2010, the Obama Administration Department of Justice concluded a non-criminal settlement with Wachovia Bank regarding the bank's laundering over several years of \$378 billion for Mexican money-exchange houses, many linked to cocaine cartels. Although the DOJ in only one case established that \$110 million in narcotics-related transfers were conducted, with Wachovia not fulfilling its anti-moneylaundering reporting responsibilites, sources have stated that billions of dollars of narcotics money was actually involved. The London Guardian reported on April 3, 2011, "A FinCEN source says that \$20 billion already examined appears to have 'suspicious origins.' But this is just the beginning." FinCEN is the U.S. Treasury Department's anti-moneylaundering investigations unit which continues to investigate the Wachovia case. Emails from the private security company STRATFOR, revealed by Wikileaks, discuss a team of former CIA investigators, employed by the Mexican government, estimating \$70 billion in narcotics money run through the Wachovia channel-ed.

tions, specific types of institutions?

Costa: At the UN Office on Drugs and Crime—my former job—our responsibility, and my own role, has never been one of indicting people, or even pointing fingers at individual institutions or financial entities. Our role has always been one of making public opinion and governments in particular aware of the problem, and therefore assisting them to remedy whatever the problem is. So I will not, and I have not in the past—leaving aside the more evident case of Wachovia—I don't want to point at individual institutions.

For sure the FATF recommendations, as tight as they are, offer a certain amount of protection. But these recommendations work where they are taken seriously and are implemented. There are rogue jurisdictions, there are off-shore centers—typically people say in the Pacific, but it's also in Africa, it's also in Latin America, and so forth—where the very key principle behind the FATF recommendations, the so-called principle of

"Know your customer," and therefore not accepting money if it is made available by people you do not know—that principle is not followed.

And if that principle is not followed, once money enters a financial institution in a rogue jurisdiction—at times in very large amounts—it can be transferred very rapidly, with practically zero controls, anywhere else in the world. So the Wachovia case proved very clearly that people were not necessarily walking into a branch of the bank somewhere in New York City with a suitcase full of cash. No, the deposit would be made in Mexico, or in some of the Central American countries, and then it would find its way to the Wachovia Bank in the U.S.

**EIR:** Have the new rules and agreements on blacklist countries reached since the financial crisis made a difference? There has been a stated intention to stop this, but has it actually changed anything?

Costa: Not really. Countries very aggressively fight

### UN Drug Office: Dope Cash Rescued Banks

Antonio Maria Costa, director of the United Nations Office on Drugs and Crime (UNODC), singled out the role of drug money in propping up the disintegrating financial system, in an interview published in the Jan. 27, 2009 Austrian weekly Profil. Here is an excerpt.

The drug trade at this time could be the only growth industry, with little unemployment. The money that is being made, is flowing only partly back into illegal activities, in parts of Asia, Africa, and South America, where it is used to bribe politicians, buy elections, or finance insurgents, such as the Talibans in Afghanistan, the Tamil Tigers of Sri Lanka, or the FARC in Colombia, for example....

[The rest of the money] is fed into the legal economic circulation through money laundering. We do not know how much, but the volume is imposing. As such, seen from the macroeconomic effect, this is simply bringing in investment capital. There are indications that these funds also ended up in the fi-

nance sector, which has been under obvious pressure since the second half of last year....

It appears that interbank credits have been financed by money which comes from the drug trade and other illegal activities. It is naturally hard to prove this, but there are indications that a number of banks were rescued by this means....

In many cases, drug money is currently the only liquid investment capital, to buy real estate, for example. In the second half of 2008, liquidity was the biggest problem the banking system had, and therefore, this liquid capital became an important factor....

To get around the electronic surveillance of bank transactions, now criminals stash their funds in cash sums which can be up to hundreds of millions of dollars. This is the way they try to hold these funds liquid....

We have to consider the interdependence of drugs and criminality; anything else would be irresponsible.... Legalization would inevitably send abuse way up.... [When the British gave out over EU100 million to compensate Afghan farmers for their opium crops] it had the opposite effect. Within one year, the cultivation doubled, because the farmers knew that if the drug traders did not buy their opium, then, "I'll get my money from the British."

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any attempt to be downgraded. A FATF downgrading is almost the moral equivalent of a credit agency downgrading. Unfortunately, I dealt with a very large number of Western African countries through which we—when I was the head of UNODC—spotted a lot of narcotics coming from Colombia, Venezuela, Brazil, on its way to Europe. What we have also seen, and this is not surprising, in many of these Western African countries, is the rapid growth of a banking sector which is not justified by the size of these economies, by the complexity of the real economy there.

EIR: To come back to the United States and European side of the question, you wrote a paper on your website entitled "The Economics of Crime," and there you spoke of "an army of white-collar criminals—lawyers, accountants, realtors, and bankers—who cover up for the [drug traffickers] and launder their proceeds." So you're saying that the structure is also in the banks and the organizations in the Western countries. Are governments and government agencies prepared to deal with this? What do they need to be effective? Is it a question of intention, or is it a question of not having the proper instruments?

**Costa:** I would say probably both. Between the proper, well-organized banking system on the one hand, and the mafia and criminal organizations on the other

### Offshore Banking Centers Are British

While there are dozens of "offshore banking centers" internationally, where lack of reporting requirements facilitate organized crime, the so-called British Crown colonies consistently appear at the top of the list.

According to the 2010 Global Financial Centres Index, for example, the five leading offshore financial centers are all in British sovereign territory. They are:

- 1. Jersey
- 2. Guernsey
- 3. Isle of Man
- 4. Bermuda
- 5. Cayman Islands

hand, between these two entities there is an army of bankers, financial advisors, realtors, notaries, lawyers, and so forth, that are very much part of the problem.

I have seen very little effort to hit them. Our countries, our societies, our governments, must be able to break that link between the real criminals, the ones who go around with guns in their belts, and the bankers. In the financial institutions there are people who are involved in laundering not necessarily the money, but the paperwork which is necessary for making blood money licit.

#### A Role for Glass-Steagall

**EIR:** *EIR* is well-known for proposing the reorganization of the financial system based on the Glass-Steagall Act of 1933; that is, the separation between commercial banks, ordinary banking functions, and investment banks, which have all of the operations that have to do with the financial markets and speculative functions.

Would you support a Glass-Steagall approach, and if you would, do you think this could have a role as regards transnational crime and the financial proceeds from that?

Costa: I'm not sure this would have a role in terms of fighting the penetration of criminal money in the banking system, although I'm in favor of it, for other reasons which are more related to trying to avoid the sort of crisis we just experienced. I'm definitely in favor of a Glass-Steagall type of legislation, not only for America, but everywhere in the world. Actually, I would even go beyond that. I am very much in favor of some of the European formulations—I guess the French have been particularly active on that, and the Germans as well—regarding putting some brakes on financial transactions, through taxation or other mechanisms; the so-called "sand in the wheels," an expression used when I went to school, to [the University of California at] Berkeley.

The banking system has a fundamental role in supporting the real economy, but when it becomes an end in itself, I start having some reservations. There is no problem making money through purely financial activities, but if they become destabilizing to the system at large, then I believe that this is a perverse type of development. As a consequence, and to conclude on this, not only a Glass-Steagall sort of separation between commercial and financial activities, but I strongly support also cooling the financial transactions in order to render them part of the stability of the system and not a destabilizing force.

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EIR: An opposite approach to the question of illicit money in the financial system from the drug trade is that of legalization. You recently participated in a highly publicized discussion on this question with other individuals, notably former New York Gov. Eliot Spitzer; Gen. Barry McCaffrey (ret.) who was the drug czar in the United States; and, on the other side, Virgin [Atlantic Airways] founder Richard Branson, who recently has helped step up the campaign for legalization publicly quite a bit. What is your opinion of this campaign, in particular in terms of its ramifications for the financial system?

Costa: It is most unfortunate that the question of drug abuse gets caught up into the debate about the

reform of the financial sector. Drug abuse is a dramatic problem worldwide: It kills half a million people a year. Drug addiction is a health condition. And therefore, anything which can be done to reduce the health problems caused by addiction—well, this should be done on the basis of the health dimension of drugs.

Look at the North American border between Mexico and the United States: A real war of sorts broke out there, that has caused 50,000 casualties so far. This is a perverse example of how lack of drug control has created a situation that people claim can only be redressed by legalizing drugs.

Now, please ask yourself: Why is the Mexican-U.S. border so dramatically affected by the war caused by

### Costa: Drug Legalization Is New Opium War

March 22—Here is an excerpt from Antonio Maria Costa's remarks to the March 13 Google/YouTube Internet debate on drug legalization, in which he participated with Gen. Barry McCaffrey (ret.), and former New York Attorney General and Goveror Eliot Spitzer.

With a passion uncommon in today's jaded culture, Costa went straight after the British East India Company's Opium Wars against China in his remarks:

Those arguing for legalization in the debate say, "Stop the war on drugs." I say stop *all* drug wars. Let me explain.

The people at this table represent 10% of humanity, and we propose drug policy for the world, forgetting the drug crime which we perpetrated? You see, in 2012, we celebrate a dreadful anniversary, one that makes my guts twist and turn: 150 years from the end of the Opium Wars, when the West, our countries, forced China to consume drugs. At that time, just like now, greedy investors—it was the East India Company as you recall—wanted to make money by poisoning the Chinese with opium. China opposed this. Our countries went to war; our countries won the war and forced the Chinese to consume drugs for



Former New York Gov. Eliot Spitzer



Gen. Barry McCaffrey (ret.)

a century. Tens of millions of people died in China from addiction, war, and famine.

The tragedy of drug legalization *we* forced on China dwarfs what is happening in Mexico, in Guatemala, Colombia, etc.

To conclude, when I hear investors in Europe and North America advocating drug legalization, behind the fig leaves of a campaign to stop the war on drugs, I cringe, and I say: Stop all drug wars, whether fought by bullets or by bombs; investors' greed can be as harmful as mafia guns. Drugs have come from both sides of the aisle, therefore vote no, and vote against this motion [to legalize].

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drugs? Because of several conditions: money laundering in the United States which facilitates the recycling of Mexican drug money; free trade in military-grade weapons in the U.S., which are smuggled into Mexico for organized crime; then you have a flourishing cocaine market in the U.S.; then add to this corruption in Mexico. All of that causes the grave circumstances of today, which are erroneously approached via proposing the legalization of drugs. I'm afraid these two countries will have to attack their internal problems, and not by imposing on other countries, especially Africa or Asia, legalization of drugs. It is a problem of their own.

#### **Lessons of the Opium Wars**

EIR: You have mentioned in this context the British Opium Wars, in speaking about the question of legalization, the effects it has on the population, and in whose interest it is. Because obviously, some people, when they speak of legalization, say it's in the interest of the population: People can do whatever they want, and also then, we would take away the criminal aspect. But it seems that the historical parallel has shown something very different.

Costa: Yes, it did. While we have global examples of drug control, and the results it produces, we also have one very tragic example of drug legalization. I am referring to the two Opium Wars when Great Britain imposed opium legalization on China. Now that was done for commercial reasons, and not for colonial reasons, under the pressure of the East India Company, which itself made a huge amount of money by poisoning the Chinese.

This is an interesting example, because while we hear of legalizing drugs in order to weaken organized crime, and we hear proposals to legalize drugs because human beings are supposed to be free in what they decide, what we are seeing is something else: We are seeing big commercial interests lining up to develop drug brands, brands of drugs which today are prohibited, like cocaine, like marijuana, like opium and heroin and whatever else.

There are big commercial interests over there, almost—and this is mostly in Europe and North America—as if people were saying: Well, we lost all manufacturing to the Orient. What are we left with? We are left with the service industry. What can we do? Well, we can develop drug brands—another way of supporting Western banking and commercial interests. I am afraid it would be an historic error whose dimensions only future generations would recognize.

**EIR:** Let's take a step backwards to the question of production and trade. Victor Ivanov, the director of Russia's Federal Drug Control Service, has been very active recently regarding the drug trade and how to stop it. He has cited your work as well. In particular, as regards Afghanistan, Ivanov has said that the drug trade could be stopped in Afghanistan. He thinks that if the Shanghai Cooperation Organization and NATO were to work together, the SCO could stop the trade essentially coming out of Afghanistan, if NATO would work to block the channels inside.

So how important is this type of cooperation internationally to stop both the drug trade and the laundering then of the proceeds into the Western economies?

Costa: The Shanghai Cooperation Organization and NATO working together would certainly help. We see in Afghanistan, the mirror image of what we have seen in the past in Colombia and earlier in Peru: the symbiosis between illicit activity related to drugs, and insurgency. In these three countries—as was also the case in the eastern part of Myanmar, and to a large extent, also Laos and Cambodia, and in the Bekaa Valley [Lebanon]—we see that insurgents, in one way or another, either protect the farmers, such as in Colombia with the FARC and ELN, Peru with the Shining Path, the Taliban in Afghanistan; or they protect the trade, for example, the al-Qaeda of the Maghreb, protecting the trade of cocaine across the Atlantic coming from Colombia and Brazil, going through West Africa, and then the Sahara, and then to Europe.

So we see in all of these cases, insurgency protecting the drug trade, to gain the resources which are needed for their insurgent purposes.

In the case of Afghanistan, we have seen that NATO had never been involved, not to any significant extent, in counter-narcotics operations. It was only—and here I must say that my office played a key role in convincing NATO to recognize that the opium economy was generating a large amount of money for the Taliban—NATO became involved in attacking high-value targets, whether they were individuals or networks or deposits. And I insisted: Do not touch the farmers. The farmers' attitude is a political question, a social issue. But the traffickers and the traders are a criminal activity, and since crime has been funding insurgency, they should become a legitimate military target.

It worked. After a while NATO had some afterthoughts, and that is probably the reason why at the moment we still see Afghanistan caught in this double

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"Britain imposed opium legalization on China," Costa said, and the East India Company "made a huge amount of money by poisoning the Chinese." Shown: English ships destroy Chinese war junks in Ansons's Bay, 1841. Painting by Edward Duncan (1843).

war of narcotics being produced and exported on the one hand, and of course, insurgency.

#### **International Cooperation Is Essential**

**EIR:** What is the role of the European Union in this situation? That is, in terms of supranational organizations, as opposed to nations. Regarding the drug trafficking and money laundering in general, do you think these issues can be addressed effectively by supranational organizations, or does it really depend on the specific drive and intention of nations that then may cooperate?

Costa: The role of nations is crucial, and will remain crucial, also because law enforcement is fundamentally a national responsibility. Supranational institutions, such as the European Union or international organizations like the United Nations, or Interpol for that matter, have a key role in integrating the law enforcement activities that are carried out at the national level. They cannot be replaced.

For example, in France, only the French police can arrest people. But the French police may be alerted through Interpol, or by other law enforcement officials of other countries, about certain illegal activity going on, money laundering, and so on and so forth. In other words, nothing can replace international cooperation in fighting crime.

EIR: A final question. To come back to the financial system: In the speech I mentioned by Ivanov at the CSIS [Center for Strategic and International Studies] in Washington, he said that he would support a total reorganization of the global financial system as a way to get the drug money out. I would ask for your view of what needs to be done in general terms to get the drug money out of the financial system, out of our economy.

Costa: I can repeat what I said earlier. Current efforts to fight money laundering have been successful, if we only refer to the formal banking sector. When we go to other forms of money transmitted across borders, for example, the *Hawala* system [an informal system of money-brokers, located in the Middle East, Africa, and South Asia—ed.], we see limited ability to

comply, or perhaps even limited willingness to comply. And therefore, all these sorts of mechanisms have to be monitored, and the same recommendations have to be enforced. And there are other activities as well: The travel industry, the casino industry and so forth, are only indirectly considered by the anti-money-laundering recommendations. Unless we hit them very hard, there are going to be other forms of channeling resources.

The inability or unwillingness of our financial regulators and our law enforcement to punish those who have been involved in money laundering is another incentive; this must come to an end. I don't think we need new organizations. We just need to make sure that what is decided at the international level is complied with. At the moment, I see limited willingness to comply, especially at a time of financial crisis.

The other element is corruption. We see organized crime as one problem, drug trafficking and drug addiction as other problems, money laundering as another problem, the role of white-collar people as another issue, and corruption as another issue. In a sense, all these issues are interconnected. So the fact that international agreements are compartmentalized, to fight corruption, or organized crime, or drug trafficking—in a sense, it's the whole culture of society which has to be looked at, because all of these are different manifestations of the same problem.

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# **EXECONOMICS**

#### UNLESS OBAMA POLICY IS DUMPED

# The Lives of 30 Million Africans Hang in the Balance

by Marcia Merry Baker

April 23—Emergency food aid and starting up hightech water and agro-industrial projects are now a life-or-death requirement for 30 million people from the West Sahel through the Horn of Africa. We summarize how 25 million tons of crops—e.g., corn and soy—are needed for processing for immediate delivery of food relief-products, and near-term reserves, at a time when world grain supplies, especially corn, are drastically short. Yet leading trans-Atlantic government officials are merely spouting sentimental rhetoric; they are condoning genocide by failing to take the measures needed.

In fact, due to the dominance of British imperial policies for the past decades, the necessary food reserves to meet this catastrophe are *not there*. This reality must be faced and reversed, immediately.

What is required short-term is to mobilize to get the food relief flows going full tilt, and to commission a wartime-style international crop and livestock production effort for increasing output. That is not happening.

The point is, that genocide is the policy of the power centers in control, best called the neo-British Empire, operating out of London, the Obama Administration, and the interconnected Bill Gates/Warren Buffett philanthropo-fascist apparatus at the UN, and in Rome and Chicago. These circles know full well the scale of harm and death proceeding in Africa, and are opposed to the necessary actions to address it. They are issuing a barrage of expressions of fake concern, especially in the countdown to the May 18-19 Group of Eight meet-

ing at Camp David.

This is embodied in reports, and manifest in a mid-April spate of speeches and activities in Washington, D.C., involving Tony Blair; Rajiv Shah, the director of USAID (a Bill Gates operative); and others. On April 16 and 17, Shah called for more public-private partnerships with mega-corporations in Africa, and a host of other delphic non-solutions, under the ruse of the Obama/London "Feed the Future" program. We must "make space for the private sector," he said.

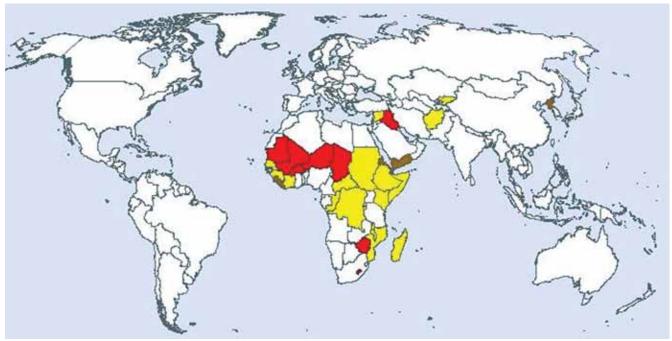
This activity is part of a rush *to be seen and heard* expressing care about mass hunger and death in Africa, all the while that a blueprint for global genocide is in the works for the Rio+20 (UN Conference on Sustainable Development), to be held in Rio de Janeiro June 20-22.

The only way to wipe out this deadly British empire operation—which is, moreover, associated with the threat of world war—is to dump the British imperial cartel/free-trade system, and its puppet, Barack Obama. That will pave the way for not only supplying immediate food, but to launch the massive infrastructure projects, such as the TransAqua plan to re-direct some of the Congo River watershed flow northward to the Chad Basin, and begin to transform the Sahel, now in ecological collapse. Only this approach will rebuild the productivity of the world's nations, and, at the same time, provide the short-term possibility of meeting immediate emergencies.

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FIGURE 1

Countries Requiring External Assistance for Food



UN Food & Agriculture Organization

Darker coloring reflects extreme need.

#### 30 Million Need Food Aid Urgently

**Figure 1** gives a world snapshot of the 34 nations in serious need of outside aid for their basic food supply, as of this month. At least a billion of the world's more than 7 billion people do not have enough food, but those in the countries shown are in urgent need.

The six nations of the Western Sahel stand out as a continuous region, where, as shown in **Figure 2**, there is extensive drought.

There are at least 16 million people, among the total population of 65 million, across the seven Sahelian nations shown, suffering from lack of food, and in dire need of aid. The roster of these people, by country, from east to west (from the UN Food and Agriculture Organization, March 9, 2012):

**Chad:** 3.6 million (28% of the population)

**Niger:** 5.4 million (35%) **Mali:** 3 million (20%)

**Burkina Faso:** 1.7 million (10%)

**Senegal:** 850,000 (6%) **Gambia:** 713,500 (37%) **Mauritania:** 700,000 (22%)

The FAO in March reported, "Total 2011 cereal production in the Sahel was on average 25% lower than in

2010, but as much as 50% lower in Chad and Mauritania. There were also localized, huge food production deficits in other countries (up to 80%)...."

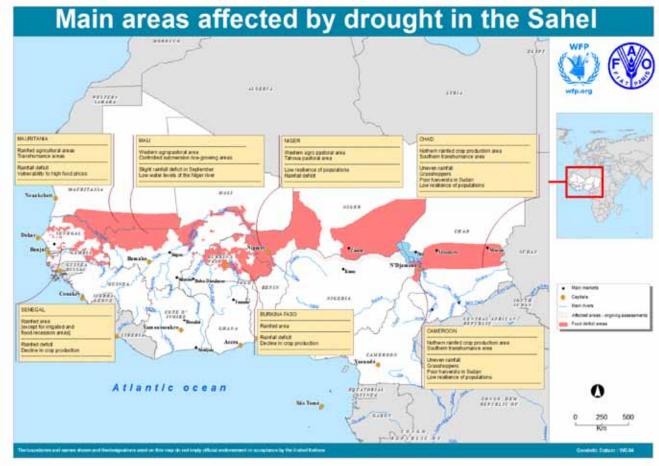
The FAO summarizes aspects of the Sahelian crisis, as "due to a combination of factors, including drought, sharp declines in cereal production and high grain prices; a shortage of fodder for livestock; a reduction in remittances from migrant workers in several countries; environmental degradation; displacement; and chronic poverty deepened by chronic crisis."

When the numbers for those continuing to suffer food shortages in the Horn of Africa are added to the Sahelian 16 million, plus hundreds of thousands in the Mediterranean littoral nations, the total persons in need of food aid comes to 30 million, at the most conservative count.

#### **Need: 25 Million Tons of Grains-for-Aid**

To fully mobilize to acquire, process, and ship needed amounts of food relief, calls the question on the inadequacy of world grain production at present, which is way below requirements for nutrition and reserves. Consider this in one simple way: Look at the tonnage of grain for aid requirements for 30 million people, as

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UN Food & Agriculture Organization

compared with volume of grain stocks (carryover, or reserves) currently extant, from which to provide the food relief. *The food isn't there!* 

For 30 million people, this means 15 million metric tons (mmt) of grains to be milled for emergency food product right away, at a half ton a year per person; and add another 10 million tons for processing for relief foods for stand-by for the near future, until local

agriculture can be built up.

If you make the 25 mmt of fortified food aid product out of corn and soy, for example, as is commonly done, then the corn required comes to 15-20 mmt, depending on the volume of soy incorporated. This year in the United States, where much of the world's food relief products are made, only 20 mmt of corn will be on hand as carryover! Or maybe not even that. (U.S. Department of Agriculture April 10 report World Agriculture Supply and Demand, WASDE 505-23)

Year-to-year "carryover" or ending stocks of corn in the U.S. went from 44 mmt in 2010, to 29 mmt in 2011, and now are forecast for 20 mmt this year. The United States output of corn accounts for one third of all world production.

As it is, there is a worsening corn supply shortage in the United States, even lacking a commitment for rush-

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<sup>1.</sup> The rough calculation for minimal subsistence grain rations for a person for a year, is about a third to a half a metric ton, or 1,100 pounds of cereal (for direct utilization, and very little indirect utilization, through the animal protein chain). Think of this as the way some oldsters in the U.S. will recount how they lived through the 1930s Depression years on corn meal, three times a day. It is preferable to provide relief products containing supplements (vitamins, minerals, oils), and needing minimal cooking, since fuel is likely scarce. (The additional grain per person, over and above 1.5 pounds a day, is for losses from shipping, milling, and storage, as well as minimal meat production, e.g., literally, for chicken feed.)

aid to Africa. One cornbelt state leader of the National Farmers Union said in Washington, D.C. in April, "Look in the bins. The corn isn't there. That's what I am worried about."

The outstanding reason for corn's apparent scarcity now, is the Obama corn-for-ethanol policy, part of the go-green insanity of the British empire "alternative" fuels hoax. Some 126 mmt of U.S. corn is being being burned for fuel yearly! If only one fourth of this was milled for food relief, there would be plenty more for livestock rations; and at the same time, farming capacity going into corn-monoculture, could be freed up to produce a variety of other crops of national and international priority. This will require parity-pricing for farmers, and a re-tooling of infrastructure for handling, storing, shipping, and processing. The current policy of U.S. food-import dependency must stop.

Other corn-exporting nations likewise have low stocks. South Africa's ending stocks dropped from 5 mmt in 2010, down to 3.5 mmt last year, and only 2.42 mmt forecast for 2012. Argentina's corn ending stocks fell from 1.2 mmt last year, to 1 mmt forecast for this year.

#### London/Obama: Talk, Block Aid

The message from the London philanthropy/aid networks, is: 1) falsely extol science for agriculture, meaning for the benefit of Monsanto, DuPont, BASF, et al.; 2) demand "free" (rigged) market practices for the commodity cartels; 3) enforce deals with the megacartel companies; 4) declare concern for women and smallholder farmers; and 5) stand by as millions go hungry, suffer, and starve.

These points can be found in such recent locations as the annual message from Bill Gates in January, and two recent reports in advance of the G8 Summit in mid-May: The April 10 report by the ONE Campaign, headed by rock star Bono, calling for a "Thrive" outline, for the G8 countries to be nice and donate to small farmers; and secondly, the March 7 Chicago Council on Global Affairs White Paper to the U.S. government, "G8 Agricultural Development Working Group Proposal: U.S. Leadership in Global Agricultural Development and Food Security."

The most strenuous advocate for blocking any food aid mobilization is Dan Glickman, former U.S. Secretary of Agriculture, who went on Bill Gates' payroll at a new agriculture division at the Chicago Council of Global Affairs in 2009; and now is co-chair of a group

formed in 2011, called AGREE, funded by the world's largest foundations, including the Rockefeller Foundation, to pressure national governments against financial re-organization, and against restoring agro-industrial development.

On March 7, Glickman moderated a discussion on *The Future of Food*, the new book by Prince Charles, at an Aspen Institute event. Their royal message was to let them eat cake, like His Royal Highness does.

But it's Rajiv Shah who takes the cake, with his blatant examples of how to simultaneously talk aid and further genocide. He spoke on April 16, at the Global Philanthropy Forum in Washington, D.C., keynoted by Tony Blair, who runs the Africa Governance Initiative, to impose grinding imperialist measures on the continent. Then on April 17, Shah gave more details at a Washington event, funded by Nestlé, which he keynoted, "Boosting Harvest, Fighting Poverty: Collective Action Through Feed the Future."

Shah singled out several projects in Africa—all of the type demanded in the last 15 years by the British Foreign Office and Tony Blair, to be model imperialist operations. The Obama Administration codified its commitment to this outlook in its effort called "Feed the Future," announced by Obama in 2009. Blair explained at a London event in March, that private investors can flock to Africa, because "the returns are there, the trajectory is positive ... investment done right holds the key to Africa's future...."

Shah reported in detail on investments in Africa, saying that these are the "private partnerships" which work, and that the Obama Administration is for "only those solutions that scale...." He said that large agricultural businesses "can help the supply chain." Obama will be hosting the G8, and these are the kind of new projects we can put into place, Shah stressed:

- JP Morgan Capital has provided funding for the African Agricultural Capital project, based in Kampala, to in turn, fund 20 farming operations.
- PepsiCo, in Ethiopia, now has contracts with thousands of chickpea growers, mostly women, to buy their farm output, for Pepsico to process into humus, including a sideline for food aid.
- Swiss Re, the mega-insurance firm, provided innovative rainfall policies in the Horn of Africa, and during the 2011 drought, made payments to 700 farm families.

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# Battle Against ESM Expands Across Europe

#### by Our European Bureau

April 20—The German Bundestag is scheduled to approve the Fiscal Compact and new European rescue fund called the European Stability Mechanism (ESM) on May 25. Thus, only a few weeks remain for the opponents of this codification of bank bailouts and austerity policy to mobilize to stop it. The Social Democratic Party and the Greens plan to approve it along with the government coalition; only the Linke (Left) party and a handful of dissidents in other parties are against it.

Still, resistance is growing substantially outside parliament. Only a few weeks ago, the Civil Rights Solidarity Movement (BüSo), headed by Helga Zepp-LaRouche was practically the only group that not only opposed the Compact and the ESM, but also demanded a referendum on both treaties, and on the euro itself.

Many of these demands are being reflected in the campaign by the "More Democracy" initiative, which was launched at a press conference in Berlin on April 12. This alliance is demanding a referendum before May 25, and is promoting this plan with a huge lobby campaign among elected officials. It has also secured the legal assistance of former Justice Minister Herta Däubler-Gmelin for a lawsuit against the Compact and the ESM, to be brought before the Constitutional Court. They have demanded a preliminary injunction by the Court which would forbid payments into the ESM until the legal complaint has been decided. Without German money, the ESM could not take effect as planned on July 1.

The demand for a referendum is gaining support from such groupings as the Taxpayers Coalition, and many experts in state and international law at German universities, such as Christoph Degenhardt (Leipzig), Peter Neumann (Dresden), Dietrich Murswieck (Freiburg), and Karl Albrecht Schachtschneider (Nuremberg-Erlangen). Christian Social Union (CSU) parliamentarian Peter Gauweiler, Die Linke, as well as several other groups, are planning more suits before the Constitutional Court.



www.mehr-demokratie.de

The "More Democracy" group protests the EU bailout policy in Berlin, April 16.

The Treaty Establishing the ESM, signed on Feb. 2, 2012, applies only to the Eurozone countries, and creates a permanent rescue fund to bail out member countries—and thereby the banks that have loaned them money. It is to be run by a Board of Governors, one governor appointed by each national government; the unelected Board will have broad powers without being subject to national parliamentary approval, and with its members immune to prosecution. It is supposed to take effect on July 1, if it has been ratified by countries representing 90% of its capital requirements.

The Fiscal Compact, signed on March 2, 2012 by all EU countries except the Czech Republic and the United Kingdom, requires all participant nations to have a balanced budget or a surplus. It is supposed to take effect on Jan. 1, 2013, provided 12 of the Eurozone countries have ratified it.

#### **Resistance Elsewhere in Europe**

Next to Germany, Austria is the country showing the greatest resistance to these supranational measures. The ruling coalition of Conservatives and Social Democrats does not command the two-thirds majority necessary for ratification. Two of the three opposition parties, the FPÖ (a right-wing anti-immigrant party) and the BZÖ (a more moderate split-off from the FPÖ), want a referendum before the Parliament votes. So far, no deadline has been set, because the government hopes, through political concessions, to pull the Greens onto its side.

In Italy, deliberations on the ESM are supposed to begin in Parliament at the end of April. A group under

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the leadership of Sicilian activist Lidia Undiemi, with the support of the online publication *Wall Street Italia*, is leading an extraparliamentary campaign against the ESM. Movisol, the sister organization to the BüSo in Germany, and LaRouchePAC in the United States, supports this resolution, and is mobilizing for it. Undiemi is a leading member of the social-liberal party, the IDV.

The resolution says, among other things: "The risk is great that sovereignty will be transferred to a financial organization, followed by a wave of austerity policies that will hit the citizens." It calls for "a public discussion of the ESM Treaty," an end to austerity, and defense of the real economy. The corrupt speculators should pay for the crisis themselves, and there should be a means to ensure that the ESM will not be taken over by organized crime, since the ESM is supposed to be immune from criminal prosecution, according to the resolution.

On April 12, former Italian Economy Minister

Giulio Tremonti, interviewed in the daily *Corriere della Sera*, attacked the technocratic government of Mario Monti for its economic policy. Tremonti demanded separation of the banks and an investment policy, and attacked the moneypumping of the European Central Bank, which has only temporarily brought down the cost of refinancing the Italian debt. These methods deal only with symptoms, but not with the disease, he said. "It is like trying to cure an alcoholic with alcohol."

Tremonti also attacked the brutal tax "reforms" of the Monti government and demanded that "the dominant power of the financial circles"

be broken. "Productive banks that accumulate private savings to finance businesses, families, and municipalities must be separated from the speculative banks that are gambling in the financial casino. The latter can jeopardize their own money if they want, but not that of the public—i.e., our money—as was previously the case. And finally, the insanity of speculative derivative contracts should finally be banned."

In Ireland, Thomas Pringle, an independent member of Parliament from Donegal, filed a complaint chal-



Irish parliamentarian Thomas Pringle filed a lawsuit challenging the constitutionality of the EU austerity treaties.



© European Community/Christian Lambiotte
Former Italian Economy Minister Giulio
Tremonti compared the ECB's moneypumping policy with "trying to cure an
alcoholic with alcohol."

lenging the constitutionality of significant features of the treaties on both the ESM and the Fiscal Compact. "Both treaties raise significant policy issues, at the level of EU treaty law and Irish constitutional law," he said. He wants to challenge the constitutionality of the treaties before the "austerity treaty" referendum on May 31.

Pringle charged that in effect the ESM "can direct the State to raise sovereign debt, give the money so raised to it, and can then decide, where, when, whether, and how it is to be spent. Therefore, Ireland will not have power to control decisions

regarding the use of funds raised by it."

Pringle was active in the last Irish referendum, the "No to Lisbon" movement.

The referendum could end up with a "no" vote, because the Sinn Féin party is mobilizing against further bank bailouts. The Sinn Féin holds 14 seats (8.4%) in the parliament of the Republic of Ireland, and is the second-largest party in the Northern Ireland Assembly; it is the only party that has elected representatives in both parts of the Irish island.

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# Argentina Flanks the Empire, Re-Nationalizes YPF Oil Firm

by Cynthia R. Rush

April 21—In a move that has unnerved the City of London and its allies on Wall Street and across Europe, Argentine President Cristina Fernández de Kirchner announced on April 16 that, in the name of recovering "hydrocarbon sovereignty," she had signed a decree expropriating 51% of the formerly state-owned YPF (Yacimientos Petrolíferos Fiscales) company, held by the Spanish oil firm Repsol since 1998. The remaining 49%, she said, would be controlled by her nation's oil-producing provinces.

Repsol, which is largely a front for British and other foreign financial interests, had "stripped" YPF, the President said. Its failure to invest or explore had created such a shortage that, for the first time in 17 years, Argentina was forced to import oil and gas in 2011, despite possessing plentiful resources. Not to have taken this action, she said, would have made Argentina an "unviable nation, not due to a lack of resources, but to business practices," and Repsol's model of predatory finance.

The audience of governors, trade unionists, political leaders, and a large contingent of enthusiastic young people gathered at the Casa Rosada—the Presidential Palace—applauded jubilantly to the reading of the decree, whose first article states, "[I]t is declared to be of national public interest, and as a priority objective of the Republic of Argentina, achieving self-sufficiency in hydrocarbons, as well as in the exploitation, industrialization, transportation, and marketing of hydrocarbons, so as to guarantee economic development with social equality, job creation, increase in competitiveness of various economic sectors, and equal and sustainable growth of different provinces and regions."

As a signal of her intention to completely reverse policy, the Argentine President named Planning Minister Julio De Vido, a staunch nationalist and longtime collaborator of both Fernández and her late husband Néstor Kirchner, as YPF's interim president. Axel Kicillof, the nationalist Deputy Finance Minister, will be De Vido's co-chairman. New Argentine management has already been put into place, and De Vido and Kicillof have announced plans to immediately gear up production by drilling and repairing up to 1,000 wells. Several foreign oil firms have indicated their desire to stay in Argentina and increase oil and gas production.

"We Argentines are changing history," President Fernández declared two days later, as she inaugurated a 24-hour public television channel dedicated to science, technology, and industry. Referring to the YPF expropriation, she explained that "history is not built as one wants, but as one can. History's path is winding, with ups and downs and obstacles to avoid. But I believe that we Argentines are changing history—that which we did not want to write, and which others wrote for us."

#### **Kicking Over the Chessboard**

The Argentine President's bold defiance has enraged London-allied political and financial leaders and their media outlets, all of which are howling in unison that she has "broken the rules!" The expropriation "goes against globalization's rules," complained Josefina Vázquez Mota, Presidential candidate of Mexico's ruling PAN party. Britain's Reuters huffed that "international patience" with the Argentine President had been wearing thin even before the expropriation, because of her "rule-breaking policies."

Spanish Prime Minister Mariano Rajoy, whose own grip on power is precarious, was so terrified by the implications of President Fernández's action, that he insisted the re-nationalization be considered not as just a Spanish matter, but one of "global" significance to be dealt with "by the international community."

Why? Because at a time of the gravest strategic global crisis and social upheaval, characterized by the disintegration of the trans-Atlantic financial system, and the London-steered threat of thermonuclear war

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presidencia.gov.ar

Argentine President Cristina Fernández de Kirchner announces the expropriation of the formerly state-owned oil company YPF on April 16. Under the ownership of the Spanish company Repsol, oil exploration and development were neglected in favor of dividend payments to shareholders, forcing Argentina to import oil and gas.

targetting Russia and China, the City of London sees Fernández's "rule-breaking" assertion of sovereignty as a very dangerous threat. She has intelligently outflanked her nation's historic enemy, the British Empire, which demands that national sovereignty be wiped off the face of the Earth, replaced by the supranational fascist austerity now ripping apart the nations of the Eurozone.

Her actions are reminiscent of, and a sequel to, those taken by her late husband and former President Néstor Kirchner in 2005, when he announced a debt restructuring that offered creditors a 75% "haircut." No country in recent history had ever dared affirm that the welfare of its people came before the interests of foreign creditors—other than Lyndon LaRouche's friend, Mexican President José López Portillo, back in 1982. In 2006, Kirchner paid off the entire \$9.8 billion that Argentina owed to the IMF, and subsequently declared, "There is life after the IMF, and it's a good life."

While the Kirchners' measures infuriated the London and Wall Street financial predators, they haven't escaped the attention of opposition forces inside Greece and Spain who are resisting the draconian austerity regimes imposed by their governments.

The global banking elites' worst nightmare is that other nations might follow Argentina's example. This is why IMF Managing Director Christine Lagarde stated so fiercely several months ago that any comparison between Greece and Argentina, or the suggestion that Greece should adopt an Argentine-style debt restructuring, was "odious" to contemplate.

#### 'Taking Back What Is Ours'

Also offensive to London is the fact that Repsol was part of the "Spanish"—read, British-controlled—imperial recolonization of Ibero-America, which saw mass privatizations in the 1990s of many former state-sector companies, bought on the cheap.

YPF, founded in 1922

as the first state-owned oil firm in the world, was an object of immense pride for Argentines, a prized tool in the strategy for national industrial development. Army Gen. Enrique Mosconi, the nationalist who served as YPF's director from 1922 to 1930, transformed it into a revered national institution by fighting for the legislation that protected the country's reserves from the predatory practices of such foreign oil trusts as Royal Dutch Shell or Standard Oil, and by investing in the basic infrastructure and technology which allowed it to expand output and benefit the Argentine people with lower consumption costs and higher living standards.

Argentina achieved oil self-sufficiency through the policies of Mosconi and the YPF. The company became a model for the rest of the continent, and the subsequent creation of state-run oil firms in Mexico, Colombia, Brazil, Bolivia, Venezuela, and Uruguay owed much to Mosconi's influence. In 1928, he toured the continent to discuss how to achieve economic independence through the defense and development of oil and other natural resources.

In a 1927 radio address on "Oil and the Latin American economy," Mosconi warned that "the nations of Latin America which, like us, exploit oil, and have no coal deposits, or none that are commercially exploitable, must protect the sources of this liquid fuel from all influences that are not eminently nationalist; that fuel is

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A YPF terminal off the coast of Argentina. The company was privatized in 1993 by President Carlos Menem. Wall Street's man in Buenos Aires.

the base upon which future industrial organization will be built."

In an act of treason, Argentine President Carlos Menem privatized YPF in 1993, and Repsol bought it in 1998. Now, from the Empire's standpoint, Cristina Fernández has done the unthinkable. She intends to *reverse* the policy of looting that decades of those Spanish-British privatizations represented, by declaring that energy and oil sovereignty is "a matter of State." This is "not a party or partisan issue," she said, but one related to "a sustainable country, one that has development and growth; it has to do with our own history."

Most of the countries in the world "are absolutely reluctant to leave in the hands of private interests and out of state [control] a resource that was always strategic but is of vital character, and that's why I've made the decision we've adopted today," she said on April 16

As even the City of London's *Financial Times* and the British news service Reuters had to admit, Repsol used YPF as its "cash cow." After Argentina defaulted on its foreign debt in 2001 and fell into a catastrophic economic collapse, YPF went from being Repsol's "crown jewel to an albatross," Reuters reported on April 16, "although it still provided substantial cash flows for reinvestment elsewhere in the world.... Repsol preferred to milk the company for dividends rather than invest."

Between 2001 and 2011, Argentina's oil reserves dropped by 50%, President Fernández reported. In the five years between 2006 and 2011, the oil and gas trade surplus dropped by 150%. By 2011, the country had to

import oil and gas worth \$9.34 billion. Yet, while Repsol shrank oil production, its profits rose by 113% between 2003 and 2011, thanks to the rising oil price.

#### **Apoplexy and Some Sanity**

European monetarist leaders and their London and Wall Street friends have spent the days since April 16 shrieking that they would make a bloody example of Argentina, predicting it would be forever "isolated" from the global community and suffer the fate of a pariah. Bloomberg news ser-

vice trumpeted on April 19 that Argentina's representatives "would be shunned" at this week's annual meeting of the IMF and World Bank in Washington.

Speaking for the Empire directly, Britain's Foreign Secretary William Hague bellowed on April 18 that President Fernández's takeover of YPF "goes against all the commitments Argentina has made in the G-20 to promote transparency and reduce protectionism." Fulminating against Argentina's "protectionism," such as restricting imports, Britain, he said, would work "with Spain and our EU partners to ensure the Argentine authorities uphold their international commitments and obligations."

Italian Prime Minister and IMF toady Mario Monti wrote to President Fernández to complain about tariff barriers she had imposed that restricted Italian imports, demanding that they be immediately lifted. Rajoy threatened to call for Argentina's expulsion from the Group of 20 and to lodge a complaint at the World Trade Organization. The *Wall Street Journal* entitled its April 18 editorial "Why Not Expel a Thieving Buenos Aires from the G-20?"

Repsol chairman Antonio Brufau literally called for regime change in Argentina, charging that its people had a government "they didn't deserve," and urging that immediate international action be taken to force it to become a "normal" country.

Despite the threats, the Empire hasn't been able to secure the punishment of Argentina it hoped for.

One question is what the United States will do. While Spain's Foreign Minister José Manuel García-Margallo boasted on April 19 that he had secured Sec-

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retary of State Hillary Clinton's agreement to collaborate with Madrid in crafting retaliatory measures against Argentina, Clinton herself has said little publicly. State Department spokesman Frank Toner made fairly tepid remarks on April 18, characterizing the YPF re-nationalization as a "negative" development that could "dampen the investment climate" in Argentina, and adversely affect the economy.

In the past, Clinton has enjoyed a warm personal relationship with Fernández. It remains to be seen whether NerObama will pressure her into taking a more aggressive stance against the country.

Prior to this week's IMF meeting, various European leaders threatened that these multilateral bodies would officially denounce Argentina. That didn't happen. Instead, the head of the IMF's Western Hemisphere Division, Chilean Nicolás Eyzaguirre, stated that "this is pretty much a bilateral problem between Argentina and Spain. We as a multilateral organization don't have any particular comments to offer...."

During the meeting, several Ibero-American media widely publicized comments of Argentine Finance Minister Hernán Lorenzino asserting that neither the IMF nor the World Bank should have anything to say

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about the YPF re-nationalization, because "Argentina is a sovereign country and makes its decisions without depending on what any international agency says, but rather on what the President thinks is best for Argentines." Lorenzino also harshly attacked the IMF's austerity policies, from which he said Argentina had long since distanced itself.

Not so subtly, the ministers of the BRICS grouping—Brazil, Russia, India, China, and South Africa invited Argentina to join them in a joint statement on trade and development policy presented at the meeting of G-20 Trade Ministers in Mexico.

Brazil's refusal to play the British game here is particularly important. When Argentine Planning Minister de Vido visited Brazil on April 20 for discussions with Energy Minister Edison Lobão, he also met with President Dilma Rouseff for half an hour. On the YPF matter. Rousseff told de Vido, "We do not interfere in internal affairs of other nations, nor will we issue any value judgments." Both President Fernández and de Vido have said that Argentina intends to work closely with Brazil's Petrobras oil firm to both gear up production inside Argentina, and to help all of South America obtain energy self-sufficiency.

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# **INTRINTERNATIONAL**

**OBAMA IN FLIGHT-FORWARD** 

# Thermonuclear War Danger Grows Over Syria, Iran

by Jeffrey Steinberg

April 24—The U.S. Navy, under orders from President Obama, is scrambling to pre-position sufficient military forces in the Persian Gulf region to launch a full-scale attack on Iran at any time between now and early Autumn. While the U.S. military—led by Joint Chiefs of Staff Chairman Gen. Martin Dempsey—has made its opposition to any military action against Iran at this time clearly known to the President, his top national

security advisors, and to top Israeli government, military, and intelligence officials, senior Pentagon sources confirm that there is no confidence among the top American military brass that the President is paying any attention.

According to one senior Pentagon source, the nightmare fear is that if Israeli Prime Minister Benjamin Netanyahu orders an attack by the Israeli Defense Forces against targets in Iran, President Obama will order the U.S. military to "finish the job." These fears are based on three years of experience with this President, and the growing recognition that he is in a reckless "Emperor Nero" frame of mind.

And that is the precise equation

that the British Crown circles that own Obama are playing on. While details remain scant, top Democratic Party sources have reported that former British Prime Minister Tony Blair was in the United States all of last week on a secret assignment for the British Crown—an assignment undoubtedly linked to the war plans against Iran and Syria, which are ultimately being steered out of London. Blair, according to the



Obama's ordering of a U.S. Naval buildup in the Persian Gulf indicates a dramatic heightening of the danger of war. Here, a U.S. Navy supply operation in the Gulf.

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sources, met with Sen. John Kerry (D-Mass.), Chairman of the Senate Foreign Relations Committee, other Congressional leaders, with UN Ambassador Susan Rice, and, likely, with Obama.

As was the case with President George W. Bush and the 2003 Iraq invasion, Blair is again playing a critical role, steering Washington into another disastrous war. Except this time around, the prime targets are Russia and China—and the war will be, in all likelihood, a thermonuclear war that could lead to the extinction of humanity.

No sane military commander in the U.S., Russia, or China has any interest in such madness. But President Obama is in a full-blown Narcissist flight-forward, and that is why the danger of a sudden

launch of military action in the Persian Gulf cockpit can rapidly escalate into the kind of superpower confrontation that puts humanity in the greatest conceivable peril.

According to several recent news accounts, the U.S. Navy now has as many as 430 Tomahawk missiles forward deployed in the Persian Gulf region. There are now two U.S. aircraft carrier groups—the *USS Enterprise* and the *USS Abraham Lincoln*—in the vicinity of the Arabian Sea and the Persian Gulf. And the missile-launch submarine, the *USS Georgia*, is also in the area. A senior Pentagon official further confirmed to *EIR* that any attack on Iran ordered by the President will also involve the U.S. Global Strike Forces, including B-2 long-range bombers that can be deployed from the continental United States.

In the range of 60% of the entire U.S. arsenal of nuclear warheads are deployable through the Navy's submarine fleet, which is heavily concentrated in the Persian Gulf and Pacific Ocean regions.

As of May 7, the U.S. and Jordan will be hosting joint maneuvers that will run until the end of the month, involving thousands of soldiers and sailors, and the participation of 17 other countries.



White House/Pete Souza

The recent visit of the Queen's favorite Tony Blair to the U.S. was likely meant to foster preparations for the next war. Here, Blair meets in the White House with Obama, Cabinet members, Netanyahu, and King Abdullah of Jordan, in January 2010.

Russia and China have repeatedly warned that the U.S. and NATO deployments, including the unilateral deployment of missile defense systems in Europe, the Middle East, and the Asia-Pacific region, pose the threat of a new thermonuclear arms race—and worse.

In response to the growing threat level, Russia and China are tightening their military cooperation, as well as their joint war-avoidance diplomacy. Beginning April 23, the Russian and Chinese navies began the largest-ever joint maneuvers in the Yellow Sea. At the same time, the United States, along with the Philippines, Japan, and Australia are conducting their first-ever joint maneuvers in a contested area in the South China Sea.

Addressing midshipmen at the U.S. Naval Academy at Annapolis last week, Secretary of State Hillary Clinton made every effort to push back the war clouds. She dismissed the idea that there was any danger of a new Cold War between the United States and China, arguing that trade and diplomatic collaboration between the two powers was so developed that all areas of dispute could and would be resolved through deeper understanding and diplomacy. Unfortunately, her

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words were drowned out by the behavior of her boss, President Obama.

#### 'Humanitarian' Interventionism on Steroids

On April 23, President Obama used the occasion of a visit to the Holocaust Museum in Washington to launch his latest and most ambitious assault on the U.S. Constitution and the United Nations Charter. Ignoring the ongoing efforts of UN and Arab League envoy Kofi Annan to reach a negotiated ceasefire and political reform in Syria, and the recent successful opening round of the P5+1 (UN Security Council Permanent Five plus Germany) negotiations with Iran, Obama announced a new Executive Order, imposing additional sanctions on the two countries, accusing them of conducting cyber-warfare against their own populations in violation of human rights.

Later in the day, top Obama aides Valerie Jarrett and Samantha Power hosted a White House event, initiating the Atrocities Prevention Board, a new National Security Council and Cabinet-wide body that will target foreign governments who are alleged to be planning future "mass atrocities" against their own populations. Obama declared, in his August 2011 Presidential Study Directive 10, that the prevention of mass atrocities and genocide is a "core interest" of the United States. Under the guise of this doctrine, which has been called "R2P" ("Responsibility to Protect"), President Obama is asserting the right to take the United States to war without any consultation or approval by the Congress, in clear violation of Article 1, Section 8 of the U.S. Constitution. In the same light, the President is also asserting that previous notions of national sovereignty, and the barring of preventive war-both core principles of the United Nations Charter—are null and void.

The President is working from a script first spelled out in public in April 1999 by then-British Prime Minister Tony Blair in Chicago. Blair, speaking during the Kosovo War, declared that the world had entered a post-Westphalian and post-national-sovereignty phase, in which the collective authority of the international community could dispose of any government under the guise of "humanitarian interventionism." This is an imperial doctrine as old as the Roman Empire. This is the British Imperial doctrine driving President Obama's national security and foreign policy.

To put it in blunt terms: The President of the United

States is asserting the right to wage preventive war—the very crime for which the Nazis were tried and convicted at Nuremberg. In his speech at the Holocaust Museum, and then in a Fact Sheet announcing the establishment of the Atrocities Prevention Board (APB), the President cited the illegal Libya War as the precedent for what will now be an all-agency Executive Branch crusade. Sources close to the White House report that the National Security Council staff who worked on the founding of the APB has already assembled a list of 80 countries that could be on the target list. Without a doubt, both Russia and China are near the top of the list.

The President has already announced that he has ordered the Director of National Intelligence to prepare a first-ever National Intelligence Estimate on the prospects of mass atrocities around the globe.

The APB will convene at least once a month, under the chairmanship of Samantha Power, a George Soros asset, who made her career promoting "humanitarian interventionism" in Africa. Another leading proponent of the R2P doctrine of preventive war and the end of national sovereignty, Derek Chollet, is scheduled to be confirmed later this week as Under Secretary of Defense for International Security Affairs, a top Pentagon planning post. Chollet is currently at the National Security Council, where he was recently put in charge of the "Plan B" task force plotting a Libya-style foreign military intervention into Syria, to overthrow the Bashar al-Assad government.

Russian Foreign Minister Sergei Lavrov has warned repeatedly in recent days that those who proclaim the Kofi Annan mission a failure are, in fact, attempting to create a *fait accompli*, by arming the opposition to the Assad government and waging an international propaganda campaign.

Russia has announced the permanent deployment of its naval vessels to the eastern Mediterranean waters off the coast of Syria.

Any provocation by British stooges in Washington or Tel Aviv at this point is a spark that can ignite thermonuclear World War III. The top Pentagon brass has every reason to lose sleep.

The only sane option is the immediate ouster of President Obama by impeachment or by invoking Section 4 of the 25th Amendment. Anything less ensures that the British finger remains on the U.S. nuclear war trigger, and that means the potential extinction of all life on this planet.

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# Cheminade Launches 100 Candidate Slate To Rally National Resistance

April 23—As the results of the April 22 first round of the Presidential elections in France were announced, Jacques Cheminade and scores of his campaign workers were focussing on the mission ahead, of building from the recognition that the candidate and the Solidarité & Progrès party now have throughout the country, to consolidate a movement of national resistance. The immediate opportunity to do so is the National Assembly election on June 10, in which S&P will present a slate of 100 candidates to keep the pressure up for the real solutions.

In his remarks Cheminade said he was hardly surprised by his results, that it was more or less what he was expecting, given that he only received 0.4% of the total media coverage allocated to the ten candidates from January to March 19, and even less before that. Officially, Cheminade was credited with only 0.25% of the vote, or 90,000 votes.

Yet, with his intense campaigning on media (180 interviews over the past five weeks) and in the streets during the official campaign period, Cheminade succeeded in polarizing the debate on the systemic nature of the financial-economic crisis and the necessity for a global Glass-Steagall banking reform and a public credit policy, as opposed to the austerity which the European Union is shoving down the throats of Europe's people to save the banks. His programmatic message will be a rallying cry for the French population, as they face the choice between the two top vote-getters in the first round, Socialist candidate François Hollande (about 27%) and incumbent President Nicolas Sarkozy (about 26%).

Cheminade's statement assessing the strategic issues in the Presidential campaign run-off, follows.

#### Cheminade's Statement

"The result of the Presidential elections corresponds, alas, to what could be expected. The run-off



EIRNS/Julien Lemaître

Jacques Cheminade found a warm reception for his message of creating a world "without the City and Wall Street," in his campaigning in city centers throughout France.

will unfold between François Hollande and Nicolas Sarkozy anti-climactically. François Hollande, absent a tacit agreement between Nicolas Sarkozy, certain elements of the Front National, and the pseudo-centrists, will win the second round on May 6. However, he is not now prepared to cope with the offensive that the City of London and Wall Street will launch against France, because his propensity toward consensus leads him to underestimate the financial oligarchy's reaction.

"Under such conditions, as of May 7, François Hollande will show signs of resisting the world of finance and will thus face an all-out offensive for which he is ill-prepared. Thus, that is why we will have to support him by ourselves becoming, in France, in Europe, and in the world, the vanguard of this resistance, and by expanding the struggle. Otherwise he will give in, in the image of François Mitterrand, and proceed to carry out a social purge, more or less moderate. In that case, we

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will have to expose his subservience and oppose it uncompromisingly.

"As for myself, during this campaign, I've been subjected to a policy of exclusion, taken to the extreme by *Le Monde*, which put me on the Index, or a policy of defamation, in which the March 21 broadcast on "La Chaine Parlementaire" was the most appalling and revealing example.

"Therefore, the votes I did receive came from determined activists, who took my program seriously, by overcoming the dubious image this policy attempted to propagate.

"It is with these voter-activists that we will field 100 candidates in the June 10 legislative elections; they will show in the coming storm, that they are as capable as I am to argue for our ideas.

"My thoughts go to the 585 mayors who endorsed my candidacy, to the activists of Solidarité & Progrès who fought with all their hearts, and to all those whom I met in our organizing in the streets. They also go also to to the workers at Petroplus, Schindler, the Fonderies du Poitou, Erhel Hydris, Fournier Laboratories, PSA-Aulnay, and Florange-Mittal, whose workplaces are immediately threatened by the looting of the financial system in which we live.

"My every determination will go to supporting our 100 candidates, men and women, who will be the reference points in the approaching storm and who will show the way out to safety."

#### Cheminade's Final Electoral Call

# Why You Should Vote for Me

April 21—On April 20, hours before the official Presidential campaigning ended in France, ahead of the first-round vote on April 22, Jacques Cheminade urged Frenchmen to vote for him in a video and written message. Here is an English translation.

We are now at the end of the election campaign.

The purpose of this meeting is to explain why you must vote for me the day after tomorrow, that is, for the ideas I have done my best to uphold.

- The first reason is negative: **rejection of the heirs of the party regime**, who have held onto power with the success we have seen: the failure to pass the political 'driver's license test" has driven France up against the wall of economic reality, and led to arrangements among friends: the man who presents himself as "the candidate of the people" [Sarkozy] is going to the [luxury] Crillon Hotel with his contributors; the man with the Rose [Socialist François Hollande] associates with bankers to seek "a true balanced budget"; and [Left Front] Jean-Luc Mélenchon got lost in the Buisson [meaning "bush," a reference to a right-wing friend of his]. The candidates of the people are not often seen where people hang out.
- The second reason to vote for me, is that I presented a correct diagnosis of the crisis in 1995, and so, you can trust me more than the others, because I wrote the prescription to cure it.
- The third reason is that I am the one who posed the crucial issue in this campaign: Either the State restores its control over the debt, i.e., the issuance of currency and credit, with a National Bank and a public investment fund, or the State continues to turn the debt over to the banks, whose gambling debts are paid off by the European Central Bank with increasingly indulgent credit. This is called the golden rule of budget balancing that the right wing wants to write into the Constitution—it disguises the bailout of the losers so that the losers can pay back the winners, while subjecting the people to a crippling social purge. This is the austerity of Chancellor Brüning in the Germany of the early 1930s, and of Pierre Laval in France in 1935—a policy admired by Benjamin Lancar, who heads Mr. Sarkozy's People's Youth, and which led to the consequences that we know. Léon Blum, during his trial in Riom on 20 February 1942, correctly denounced "the advocates of extreme austerity who led Europe into chaos."

They have returned and are at it again in Greece.

- The fourth reason to vote for me is that the reason I have been attacked much more than the others, and constantly harassed, is that I represent the worst enemy of the system that has led us to disaster. A vote for me is a vote against the financial oligarchy, a vote for someone who respects the voters.
- Finally, the fifth reason is that the left will soon have control of all the institutional power centers: the Presidency, the National Parliament, the Senate, and the local governments. That is a good thing, because the left will have no more excuses. At that point, I will be the one, with a leverage proportional to the

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number of votes I receive or to the attention I have drawn, who will put them on probation, to see whether they take up the challenges posed by history.

• I was the first one to denounce the blackmail of the financial instrument that Eurex¹ issued against the French debt on April 16. I was the one who denounced the world of the City [of London] and of Wall Street, its speculative funds and alternative platforms, which have operated in complete darkness ever since France applied the European directive on Fi-

nancial Instruments Markets on November 1, 2007. This is not a conspiracy, but an existential issue, for them, and for us. Either Europe will defend the interests of the people, or be under the yoke of the City and Wall Street.

#### Seeing with the Eyes of the Future

The storm is approaching: A vote for me means choosing a Pantagruel over the Panurge<sup>2</sup> of politics.

You will notice that I haven't spoken to you of space or of nuclear energy: They are essential issues, but they come later. I represent in this respect the middle and the long term, striving among the blind who are Green, and the politically visually impaired, to see with the eyes of the future, of reason and of the heart.

Solidarité et Progrès, the party that supports me, will present 100 candidates in the upcoming legislative elections (not I myself, as has been wrongly stated, but Solidarité et Progrès).

In order to prove that, beyond the Presidential elections, people other than me, increasingly numerous and increasingly attuned to of the customs of our country, will be able to express the ideas that I attempted to uphold, hopefully better, and even more forcefully.

Finding such candidates, men and women, is not a problem for Solidarité et Progrès. Financing their campaigns, on the other hand, is. Because political funding in our country, as it is now organized, is reserved for



Communication by Internet was a major avenue for Cheminade's Presidential campaign, providing an effective alternative to the news media, which often slandered the candidate.

those who already in power, in particular, for legislative elections. Just as we need to break the financial strangle-hold in order to ensure social justice in Europe and in the world, we also need to break the financial stranglehold which denies access to politics to some. Our task will be to do that, and also to put on the table themes that have been absent, such as foreign policy, political institutions, health care, housing, and culture—as well as the problems of local governments in France and in the departments outside the mainland. In a country where the productive tools are being destroyed and austerity is being imposed, where the banks gamble on food and air, yet politicians talk about other things. People blame each other, and what is essential is left unsaid.

In sum, we are fighting against deception.

I will say a few words on the campaign itself.

We took part in this campaign in very difficult conditions:

- Because of a lack of financial means compared to other candidates (a budget of EU300,000), whereas even the other "small" candidates had a budget twice, thrice, or even five times as much, and the five heirs (Mme. Le Pen and MM. Mélenchon, Hollande, Sarkozy, and Bayrou) had a budget between ten and more than fifty times more.
- Because of the campaign waged by certain press and by certain politicians who tried to pervert my message by presenting me as an "eccentric" or a "good-natured loon" (to quote them), although all they had were index cards about me, having usually read nothing from my program. The lynching at La Chaîne parlementaire and France 2 on the program "Des paroles et des actes" (Words and Actions) were just the climax of that cam-

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<sup>1.</sup> See "Cheminade Lambastes Eurex Speculation," *EIR*, April 20, 2012.

<sup>2.</sup> Characters from François Rabelais' 16th-Century satirical masterpiece, *The Lives of Gargantua and Pantagruel*.

paign, which discredited its authors themselves.

• Finally, because of the attitude of certain written press, of which the extreme case is *Le Monde*, who decided to put me on the Index.<sup>3</sup> I would remind you that in the April 10, 2012 edition, a footnote stated: "We did not question Jacques Cheminade, which is the policy adopted by *Le Monde* since his candidacy was made official." Such an unprecedented attack on political pluralism reveals the state of mind which Hubert Beuve-Méry [the founder of *Le Monde*] criticized at the end of the 1930s, by attacking "this strange conception of journalism which should normally bear increasingly bitter fruit."

In short, the silence imposed, or the relentless attempt to destroy a candidate described as "eccentric," indicates that something else is going on.

#### **LaRouche: Enemy of the Financiers**

One expression of the cause is the constant mention of the name of **Lyndon LaRouche** (never by myself), in a context of untruths, of quotes taken out of context, and of accusations reminiscent of the practices of totalitarian regimes. I know (and I have the proof) that the U.S. Embassy has been spreading this message in France for more than 30 years, including through many Internet sites, to harm me, because they fear the spread of LaRouche's ideas in Europe.

So let us say something about Lyndon LaRouche, since those who attack me constantly bring him up. La-Rouche has been and remains the enemy of the world of the City and Wall Street, and vice versa. He represents in the United States the spirit of the Founding Fathers, of Lincoln, Franklin Roosevelt, and what the Kennedy brothers attempted to realize. One of his most steadfast supporters was Mrs. Amelia Boynton Robinson, the grand lady of the American Civil Rights movement together with Rosa Parks, and the first person to organize a trip for Martin Luther King in the South of the United States.

In France, when LaRouche was subjected to a McCarthy-type political trial in the United States, the Résistants in France rose up to defend him: Marie-Madeleine Fourcade and Jean-Gabriel Revault d'Allonnes. Ramsey Clark, Lyndon Johnson's Attorney General, and author of the civil rights laws, described the judicial and political harassment against LaRouche as the most serious and the most extreme case of perversion of justice and of political bias that he had ever

come across in the U.S. history of the 20th Century.

I myself did not mention the name of LaRouche in this Presidential campaign, although I considered it normal to put his references in the links on my Internet page. Therefore, I feel I owe this explanation to those who have questions and legitimately wanted to look into the matter.

For the others, who acted like picadors in using La-Rouche's name like a spike to try and exhaust the animal—in other words, me—I propose we get back together in the next months and years.

I would just conclude by emphasizing **our interventions in the street**, where in scores of towns, with or without me, we brought together fifty to one hundred people, such as in Lille, and we were encouraged and supported by **men and women looking for a political alternative**, and who are increasingly angry. During my trips, in train stations, on the trains, and in the street, I personally met French people who spontaneously came up to express their support and to wish me "bon courage."

To conclude, I would mention what happened at the end of a meeting organized by the feminist association "Ni putes ni soumises" ("Neither whores nor subjects"), when a man and a woman came up to me to say they would vote for me because of the attitude the media had toward me. I had to convince them that not all the media were at fault, but a certain band of journalists who naturally took orders from what they perceived to be the dominant powers.

This woman and this man then told me something I had not thought of myself: "You just spoke of your position on the rights of women. And we just realized that there are several pages in your program about 'the development of the family and the fight against sexism.' We realized that you have really fascinating things to say about that, as well as about run-down neighborhoods and immigration. But the journalists never once asked you a question about that; they only kept trying to ridicule your position on space exploration, like children in a sandbox who imitate their neighbors."

I think that French women and men are ready to show that they do not support the incompetents, the deceivers, and the bullies, and that support for my ideas will be vigorously shown. I call on all undecided voters, those who would abstain, and dissidents, to support me. I simply hope, because the situation in Europe is so serious, that it will be done as soon as possible. In any case, contrary to what certain people hope, I am not alone—and I will be less and less alone.

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<sup>3.</sup> A reference to the list of books banned by the Catholic Church beginning in 1559, by Pope Paul IV.

# Russian Website on LaRouche's SDI

April 16—The Russian website Terra America today came out with the first installment of a series of articles and interviews about the American economist Lyndon LaRouche, to which the prelude had been the site's interview of LaRouche on the Strategic Defense of Earth and other space exploration prospects, published on April 13 (see *EIR*, April 20).

A major theme in the 3,000-word article is La-Rouche's understanding of Russia's strategic place in the world today, which Terra America authors Kirill Benediktov and Mikhail Diunov termed unique among major American and European figures.

The <u>article</u> is illustrated with the image of a Summer 2008 *EIR* cover picturing Russian Prime Minister Vladimir Putin with military officers and bombing victims during Russia's conflict with Georgia in South Ossetia, and titled "LaRouche: Putin Was Right, Acted To Prevent World War." The allusion to today's strategic situation would be hard to miss.

The new article notes that LaRouche is popular in Russia, and has influenced a range of public figures and writers such as Eurasian Economic Community official Academician Sergei Glazyev, economists Mikhail Khazin and Andrei Kobyakov, and journalists Alexander Prokhanov (editor-in-chief of the weekly Zavtra) and Maxim Kalashnikov. The Terra America authors emphasize: "Lyndon LaRouche is practically the only major Western intellectual who continues to view Russia as a key player on the international scene.... The ideology that triumphed after the fall of the Berlin Wall consistently and deliberately downplays Russia's role in the world, without regard for how things actually stand. Meanwhile, LaRouche says that Russia 'together with China, and India, and the United States, represents the only hope for the rescue of ... the world, from the greatest crisis in modern history."

#### 'Truth and Lies'

Under the subhead "Truth and Lies about La-Rouche," the article refutes a number of myths about LaRouche that are often attached to his name in Russia: that he is a "Senator," that he is a "millionaire," and that he advocates a "gold standard." The refutation of the latter point includes references to the Russian text of LaRouche's *So, You Wish To Learn All about Economics*.

Turning to a discussion of who LaRouche really is, the authors use some gossipy material from Wikipedia, but that takes a back seat to more accurate characterizations of how LaRouche's life-long antipathy to the British Empire was shaped by his post-war experience in India at the moment of independence, his early attacks on the Wiener-Shannon information theory doctrine, and the pro-growth outlook he introduced into radical student layers in the late 1960s.

The subhead "The Father of Star Wars" introduces one of the most honest accounts of the Strategic Defense Initiative ever published in Russia. The authors acknowledge that the Soviet Union had serious directed-energy anti-missile programs in the 1970s, about which LaRouche was aware through the work of his physicist colleagues and friends in the Fusion Energy Foundation (Terra America links to an archive copy of a 1977 issue of *Fusion* magazine, containing an article on "The Science Behind the Soviet 'Superweapon'"). They excerpt LaRouche's November 1993 interview with human rights activist Victor Kuzin, in which LaRouche detailed his interaction with the Reagan Administration and Soviet officials in 1982-83.

#### A Science-Driver

They report the concept of SDI as an economic science-driver, as well as a war-avoidance approach; the ice-out of LaRouche after Soviet leader Yuri Andropov rejected the SDI; and the interest in LaRouche's work from various Soviet institutions at that time, both positive interest on the part of the Central Mathematical Economics Institute of the Soviet Academy of Sciences, and the "less friendly" attitude of Soviet circles linked with the International Institute of Applied Systems Analysis and the Club of Rome.

Although LaRouche's representatives visited the Soviet Union in 1979, and again in 1982, the article says, the invitations stopped after Andropov's vehement rejection of the SDI.

The prelude to the Terra America series, LaRouche's interview on the SDE, is being linked to and blogged on various Russian websites, including the widely watched oko-planety.su (Eye of the Planet) portal and a blog called Kosmos ("Space").

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### **National**

#### **EMERGENCY RESOLUTION**

# Glass-Steagall, National Banking, and NAWAPA XXI

April 21—The LaRouche Political Action Committee initiated a nationwide mobilization today to win support for the following emergency resolution to the U.S. Congress. It is being circulated for endorsement by state and local governing bodies and other institutions, to press Congress to act immediately to re-instate the Glass-Steagall banking standard, as the first step toward implementing a National Banking system and the NAWAPA XXI proposal for infrastructure development on a continental scale.

The strategic, economic, and financial well-being of the United States stands confronted with an existential threat, virtually unparalleled in its history. The driver for this threat is the breakdown of the international monetary system; the trigger is the imminent collapse of the euro system. Every measure that the Obama Administration has taken to bail out this monetary system, just as the Bush Administration did in 2007-08, has only made the situation worse. More than \$29 trillion has been pumped into this bailout, whose hyperinflationary damage could prove to be more deadly than the wars on three continents that it threatens to unleash.

Hospital closings, school closings, factory shutdowns, violations of national sovereignty and Constitutional law, the breakdown in public safety, and skyrocketing suicide rates in Greece and other countries, are the rule, not the exception, as European countries submit to the

dictates of the made-in-London supranational bailout.

The United States has a proud tradition of effective combat against this type of financial oppression and chaos. Indeed, the Constitutional Convention was convened in 1787, six years after we had defeated the British on the field of battle in the Revolutionary War, so that we might defeat the British in the economic and financial realm, where they had unfortunately been effectively sabotaging the Founding Fathers' aspirations for true national sovereignty. Embedded in the Constitution that was crafted at that Convention, are the principles of the credit system that Alexander Hamilton and George Washington deftly wielded, turning monetary debts into circulating credit through the use of the powers of Congress and national banking, and the launching of national internal infrastructural improvement projects, which functioned to secure unfettered economic sovereignty for the United States and its people.

Abraham Lincoln successfully applied the Founding Fathers' credit system principles in his war against the British-backed Confederacy, with the implementation of his Greenback policy, and the launching of the long-delayed construction of the Transcontinental Railroad. Franklin Delano Roosevelt, likewise, applied these credit system principles, in his war with the economic royalists of Wall Street and their allies in London. First, he enacted the Glass-Steagall banking legislation

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as a major blow against Wall Street's speculative practices. Then, he launched his Four Corners development project perspective, including the construction of the Tennessee Valley Authority (TVA). His Reconstruction Finance Corporation (RFC) and TVA were two prime examples of credit system policies at work.

President John F. Kennedy embodied the same essential outlook, with his Apollo program, and his vigorous support for large-scale water projects throughout the Midwest and West of the United States. Sadly, when Kennedy was assassinated, his bold, multi-generational development outlook died with him. It is urgently necessary for America to revive its sense of mission, and its sense of strategic boldness in outlook. This can be achieved through the immediate re-enactment of Roosevelt's 1933 Glass-Steagall legislation, and a subsequent restoration of the U.S. System of Public Credit through the construction of NAWAPA XXI, the greatest economic development project in American history.

NAWAPA XXI is a 21st-Century version of the original 1964 North American Water and Power Alliance proposal for continental water management. The program has been updated and expanded in the NAWAPA XXI LaRouchePAC Special Report (March 2012) to specifically address today's economic needs, including the necessary re-establishment of the U.S. System of Public Credit.

It will create a continental system of water regulation to redistribute 11% of now-wasted runoff waters of northern Canada and Alaska to make the Great American Desert bloom, and turn would-be flood waters in one area into the means of fighting drought in another, all through the construction of a massive infrastructural network which can direct these flows and provide a scientific analysis for their best use. New infrastructure corridors involving most of the continent will lead to a re-industrialization of the United States, and the first industrialization of Alaska and northern Canada.

Water supplied by NAWAPA XXI will generate 42 gigawatts of surplus power for the United States and Canada, and supplement the existing water flows of the four major river basins in the U.S. Southwest, while irrigating 19 million acres of farmland (nearly doubling the total irrigated acreage to 41 million acres), and 3 million new acres in the Northern High Plains states, as well as farmland in Canada and Mexico.

As is demonstrated in a four-phase critical path outline, the unprecedented magnitude of this project, which will employ well over 4 million people in productive employment, is designed to generate a sufficient amount of present and future economic activity to enact a restoration of the public credit as a source for investment.

With a Glass-Steagall reorganization of the banking system that ties the remaining valid debts to the future economic activity of NAWAPA XXI, through the credit emissions of a new U.S. Credit Fund or National Bank, the United States will regain its status as one of the leaders for global development for the benefit of all nations, in the tradition of John Quincy Adams. Therefore, the \_\_\_\_\_\_\_\_ of \_\_\_\_\_\_\_ hereby calls on the United States Congress to take emergency action to initiate the speedy implementation of programs to build and implement NAWAPA XXI, in the following way:

- Reinstatement of the Glass-Steagall Act, to achieve the separation of fictitious debts from legitimate debts, and to enable a retroactive annulment of all government guarantees or reimbursements for private gambling debts;
- Once Glass-Steagall has been implemented, the vast machine of economic activity associated with NAWAPA XXI will allow the U.S. to make good on all valid state, municipal, and Federal debts that it deems necessary to fund. This program will be the basis for the emission of necessary credit through a sovereign U.S. Treasury, in collaboration with a newly established U.S. Credit Fund, sharing similar qualities of the First and Second National Banks of the United States, the Greenback-based national banking system of Lincoln, or the RFC of Roosevelt;
- Establishment of a Credit Fund under authorization of the Congress. The timetable and choice of funding for valid debts and actualizing of new credit emissions will be tied with the investment cycles of NAWAPA XXI and related infrastructure and industrial needs, not the demands of Wall Street or international private banking interests.

The authorized NAWAPA XXI planning body will work with the relevant governments to determine how to meet pre-construction and construction-phase needs, while simultaneously increasing the power of all the layers of the economy involved.

Be it further resolved, that a copy of this resolution shall be forwarded to members of Congress from the state of \_\_\_\_\_\_ and also be delivered to the President of the United States.

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## Panetta Testimony Reaffirms Need for Rep. Walter Jones' Impeachment Bill

by Nancy Spannaus

April 23—Intensive questioning of Defense Secretary Leon Panetta during a lengthy hearing on Syria in the House Armed Services Committee April 19, reaffirms the urgent need for the passage of Rep. Walter Jones' (R-N.C.) House Concurrent Resolution 107, a bill which mandates immediate moves for impeachment of *any* President who launches a war without the express approval of Congress. By evading a direct answer to questions on the President's legal authority to go to war, Panetta essentially repeated his earlier admission that the President can act on his own authority, despite the Constitutional mandate to the contrary.

Jones introduced HCR 107 on March 7, in the context of the increasing drumbeat for U.S. military action against Syria and Iran, along the lines of the Obama Administration's blatantly unconstitutional assault on Libya, and the subsequent assassination of its head of state. Jones' resolution simply restates the relevant section of the U.S. Constitution, as follows:

"Resolved by the House of Representatives (the Senate concurring),

"That it is the sense of Congress that, except in response to an actual or imminent attack against the territory of the United States, the use of offensive military force by a President without prior and clear authorization of an Act of Congress violates Congress's exclusive power to declare war under article I, section 8, clause 11 of the Constitution and therefore constitutes an impeachable high crime and misdemeanor under article II, section 4 of the Constitution."

So far, only four Congressmen, all Republicans (Dan Burton of Indiana, Mike Coffman of Colorado, John J. Duncan, Jr. of Tennessee, and Tom McClintock of California) have added their names to Jones' resolution, although popular support for HCR 107 is running high. In the midst of the hysterical drumbeat for a "Middle East" war, which would turn rapidly into a thermonuclear confrontation with Russia and China, it is incumbent on American patriots to remedy this scandalous situation, post-haste.

#### The Hearing

The grilling of Panetta on the issue of whether President Obama would act on his own to go to war was apparently coordinated between Jones and Rep. Randy Forbes (R-Va.). While it was not referenced, both Congressmen clearly had in mind the testimony given by Secretary Panetta in a Senate hearing March 6, where, under questioning by Sen. Jeff Sessions (R-Ala.), Panetta argued that the President could commit to war upon the request of the United Nations, without getting approval from the Congress. These remarks, coming almost coincident with the introduction of Jones' resolution, caused an appropriate firestorm among those concerned about maintaining Constitutional law, not to mention, with preventing the drive toward World War III.

As in the earlier exchange with Sessions, Panetta, on behalf of the President, made it clear that the Administration does *not* have any intention to adhere to the Constitution. He danced around, and tried hard, for the most part, not to be specific. While paying lip service to the Constitution and the War Powers Act, Panetta ultimately cited Congress's "power of the purse," and claimed that approval by the UN Security Council or fulfillment of obligations to NATO allies were mandatory, but that the President would not come to Congress *before* initiating military action.

We reprint below substantial excerpts from the hearing dialogue, taken from the transcript provided by *Congressional Quarterly*. After a question from Jones about whether President Obama would consult with Congress before taking military action in Syria, Panetta said:

"We will—we will clearly work with Congress if it—if it comes to the issue of the use of force. I think this administration wants to work within the War Powers provision to ensure that we work together, not—not separately."

Jones continued: "And I hope that if there is a decision, including Iran, as well as Syria, if a decision is

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DoD/U.S. Navy Petty Officer Chad J. McNeeley

Defense Secretary Leon Panetta is grilled by members of the House Armed Services Committee April 19, on the Obama Administration's unconstitutional wielding of the power to wage war without Congressional approval.

made to commit American forces, that the president would feel an obligation to the American people, not to Congress necessarily, but the American people, to explain and justify why we would take that kind of action.

"And again, I'm talking about a situation where we're not being attacked. We just see things happening in other countries that we don't approve of. And I would hope, and I think you did give me this answer, but if you would reaffirm that if we have to use military force, and as we're going to initiate that force, if it's going to be our initiation that causes that force, that the president—any president—would come to Congress and the American people and justify the need to attack."

Panetta responded: "Congressman, as—as you understand, this president, as other presidents, will operate pursuant to the Constitution. The Constitution makes clear that the commander-in-chief should act when the vital interests of this country are in jeopardy. And I believe this president believes that if that in fact is the case, he would do that in partnership with the Congress in terms of taking any action."

(Note than the Constitution takes no note of the President deciding on the "vital interests.")

Jones noted the efforts of Forbes to nail down Defense Secretary Robert Gates on the same issue, in the early moments of the Libya war, saying that Gates never gave a straight answer. Jones implored Panetta not to follow the Libyan precedent.

Panetta replied, still evasively, "Congressman, what I can assure you of, is that as long as I am secretary we won't take any action without proper legal authority."

A little later, Forbes himself continued the questioning on this issue, relentlessly. After his introductory remarks, the following ensued:

Forbes: And when we talk about vital national interest, probably there's no greater vital national interest that we have than the rule of law. And so sometimes we have to just ferret that out and see what that is. And as I understand what you have indicated to this committee, Mr. Secretary, and correct me if I'm wrong, you believe that before we would take military action against Syria, that it would be a requirement to have a consensus of permission with the international

community before that would happen. Is that a fair statement? And if not, would you tell me what the proper...

**Panetta:** I think that's—I think that's a fair statement.

**Forbes:** If that's fair, then I'd like to come back to the question Mr. Jones asked, just so we know. I know you would never do anything that you didn't think was legally proper, and you said that the administration would have proper legal authority before they would take any military action.

So my question is, what is proper legal authority? And I come back to, as Mr. Jones pointed out, in the War Powers Act, it's unlikely we'd have a declaration of war, but that would be one of the things. Certainly, we know if there's a national attack that would be one of them.

And then the second thing, of course, in the joint—I mean the War Powers Act—would be specific statutory authorization. Do you feel that it would be a requirement to have proper legal authority, that if you did not have a declaration of war or an attack on the United States that you would have to have specific statutory authority—in other words, the permission of Congress—before you'd take military action against Syria?

**Panetta:** We—we would—we would not take action without proper legal authority. That's...

**Forbes:** And I understand. And in all due respect, I don't want to put you in interrogation, but we're trying

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to find out what exactly proper legal authority is, because that's what we have to act under. And we don't have the president here to chat with him or have a cup of coffee with him and ask him. You're the closest we get. And so we're asking, from your understanding and as Secretary of Defense, what is proper legal authority? Would that require specific statutory authorization from the United States Congress if we had not had a declaration of war or an attack upon the United States?

**Panetta:** Well, again, let me put it on this basis. This administration intends to operate pursuant to the War Powers Act. And whatever the War Powers Act would require in order for us to engage, we would abide by.

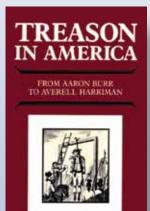
**Forbes**: ...I just come back to if there's no declaration of war, no attack upon the United States, and if we're going to comply with the War Powers Act, would that require specific statutory authority by Congress before we took military action on Syria?

**Panetta:** Again—again, under the Constitution, as I indicated, the commander-in-chief has the authority to take action that involves the vital interests of this country, but then, pursuant to the War Powers Act, we would have to take steps to get congressional approval. And

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South—that
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**Forbes:** You'd have to take steps to get that approval, but would the approval be required before you would take military action against Syria?

**Panetta:** As I understand the Constitution and the power of the president, the president could in fact deploy forces if he had to under—if our vital interests were at stake, but that ultimately, then, under the War Powers Act, we would have to come here for your support.

**Forbes:** So you'd get the support of Congress *after* you began military operations [emphasis added]?

[This is precisely what President Obama never did in the unconstitutional Libya operation.]

**Panetta:** In that—in that particular situation, yes.

Forbes: And then, just one last thing, and make sure I'm stating this correctly, it's your position that the administration's position would be that we'd have to get a consensus of permission from the international community before we'd act, but that we wouldn't have to get specific statutory authority from Congress before we would act?

**Panetta:** Well, I think in that situation, if the international action is taken pursuant to a Security Council resolution or under our treaty obligations with regards to NATO, that obviously we would participate with the international community. But then ultimately, the Congress of the United States, pursuant to its powers of the purse, would be able to determine whether or not that action is appropriate or not.

#### **The Bottom Line**

Contrary to what Panetta said, nowhere in the Constitution is there any provision giving the President the authority to override Congress's exclusive power to declare war, if some "vital interest" is at stake. Furthermore, Congress's so-called "power of the purse" is completely separate from the issue of Congress having the sole authority to declare war.

In effect, Panetta repeated his statement to Sessions, that if the President decided to go to war, as he did against Libya, on his own authority, he would do so. This makes him a clear and present danger to the mainenance of the U.S. Constitution, and he must be removed from office, Constitutionally, as soon as possible.

Passage of HCR 107 would put him immediately upon notice—while the impeachment proceedings begin.

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#### Obama Robs Americans of the Future

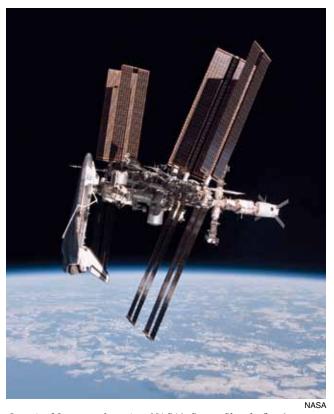
## Shuttle Opened the Next Space Frontier

by Marsha Freeman

April 20—The transport on April 17 of the Space Shuttle orbiter *Discovery*, from its home base at the Kennedy Space Center in Florida, to its retirement home near Washington, D.C., allowed the American public to reflect upon what this unique space exploration capability had accomplished over its 30 years of service.

But the reason that thousands of people in the Washington area and beyond took their children out of school, and stood on rooftops, bridges, and highways as *Discovery* circled overhead, was not to reminisce, but because it reminded them that space exploration defines the task for the future, a future that is being robbed by the Obama Administration. If there were any feeling of melancholy among the Shuttle workers accompanying *Discovery* or the citizens who saw her that day, it was not because the Shuttle is being retired, but because there is nothing to replace it.

Over three decades, the Space Shuttle fleet of five



Over its 30 years of service, NASA's Space Shuttle fleet's most long-lasting accomplishment was the construction of the International Space Station, seen here in May 2011, with the Shuttle orbiter Endeavour docked to it, on the left. Over the coming decades, what is learned on the Station will lay the basis for deep-space missions to come, such as those of Mars exploration.



EIRNS/Stuart Lewis

Over its lifetime, Space Shuttle Discovery completed 39 missions in orbit, traveled more than 140 million miles, and spent 365 days in space. The wear and tear on the vehicle was clearly seen when it was rolled out (right), for the ceremony to transfer it from NASA to the National Air & Space Museum. The Enterprise, in pristine condition (left) never flew in space, but was used for aerodynamic testing, and is externally identical to the flight-worthy orbiters. It will be on display at the Intrepid museum in New York City.

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IRNS/Marsha Freeman

All of the astronauts who have commanded missions aboard Discovery were present at the orbiter's roll out. The mission for the fleet now, they all stressed, is to inspire the next generation of space explorers.

orbiters carried out extraordinary missions: launching science probes to the farthest reaches of the Solar System; deploying telescopes, including the Hubble Space Telescope, that could peer farther into the Universe than any instrument before them; repairing errant satellites; and opening space travel, for the first time, to scientists, engineers, school teachers, and others from dozens of nations around the world.

But the Space Shuttle's true legacy is what it has done to help create the future.

#### **Preparing for Mars**

After the first manned landing on the Moon, in July 1969, NASA put forward a three-phase program to build upon the accomplishments of Apollo: As lunar exploration continued, a reusable space transportation system to low Earth orbit would be used to build an orbiting space station. This would lay the basis for later manned missions to Mars.

The Space Shuttle fleet was the enabling capability to build the permanently manned International Space Station (ISS), which is the home and workplace for six crew members. On board, experiments underway are discovering the deleterious effects of microgravity on human physiology, the increased virulence of harmful

bacteria and viruses, and palliative measures that could keep crew members healthy.

Partial-gravity centrifuges on the station could give us a preview of the challenges that living in a one-third Earth-gravity on Mars will present to future colonists. There are discussions underway to simulate the multi-minute lagtime in communications that will exist between a crew on Mars, and Mission Control in Houston. New technologies, such as plasma rockets for propulsion, will be given a trial-run on the station, before they are deployed to deep space.

It is at the ISS that mankind will prepare for mis-

sions back to the Moon, and later, to Mars.

#### **Inspiring the Next Generation**

Throughout the ceremonies and celebrations for *Discovery*'s transfer from NASA to the Smithsonian Institution's National Air & Space Museum, the top NASA leadership continued its campaign to try to deny the indefensible shutdown of the nation's manned space program, by the Obama Administration. By all accounts, very few people were convinced.

At the *Discovery* transfer ceremony on April 19, former astronaut and former Sen. John Glenn expressed his disappointement that the Shuttle fleet was being prematurely retired, and that the orbiters will now be museum exhibits. He had personally appealed to the White House after President Obama came into office, to reverse President Bush's policy to retire the Shuttle fleet, before there were a replacement.

Not only did the Obama Administration not reverse that foolish decision, it proceeded to *cancel* the next-generation Constellation manned space-flight program.

The space program represents "America's pioneering nature," Glenn said, and the main job of the Space Shuttle orbiters now, is to inspire the next generation of explorers.

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### Music & Culture

# Classical Music: The Highest Expression of Creativity

The Schiller Institute's conference in Berlin on Feb. 25-26¹ closed with a panel on "The Coming Humanist Renaissance." Helga Zepp-LaRouche introduced it, and the speakers were Italian soprano Antonella Banaudi and Swedish tenor Raymond Björling, whose presentations are published below. Completing the section is a contribution from Shawna Halevy of the LaRouche Basement science team, "Thinking Without Words."

Zepp-LaRouche started by making clear that this is not some "nice" panel on Classical music, divorced from political reality. On the contrary, Classical culture is indispensable for overcoming the current existential crisis of mankind.

The danger of global thermonuclear war, which was the theme of earlier conference presentations, remains as urgent as ever, she said, as she reported opposition to war against Iran or Syria, coming from U.S. Chairman of

the Joint Chiefs of Staff Gen. Martin Dempsey, warnings by Russian Prime Minister Vladimir Putin, and others.

On this background, she said, a paradigm shift is urgently necessary in people's image of what it means



EIRNS/Christopher Lewis

Helga Zepp-LaRouche welcomes Swedish tenor Raymond Björling to the Schiller Institute conference in Berlin.

to be human, and their understanding of globalization and the system of empire.

"I think we will only emerge from this existential crisis," she said, "if we can agree on the common goals of mankind; if we say we shall desist from imperial, geopolitical, chauvinist, racist, colonialist, and similar ambitions, and that we simply say we, as human beings, are united by higher goals than what

<sup>1.</sup> Covered in previous issues of *EIR*, and available in video at http://www.schiller-institut.de/seiten/201202-berlin/konferenz.html

divides us into petty interests of a so-called geopolitical character.

"The common aims of mankind, as we heard in earlier presentations, include the next scientific frontier in the development of the Arctic and in the development of manned space flight. But it must be associated with a humanistic Renaissance, which advances the ideal of mankind; that democracy is exactly what Plato said; or Thucydides, the first historian, who stated in his book on the Peloponnesian War that the other side of the coin of democracy is tyranny.

"Look at the people today who are supposedly upholding democracy and using it as a pretext for 'humanitarian' interventions in the sovereign affairs of other states that are not so democratic, as the EU does for example, or the U.S. Administration, which currently has abrogated almost all constitutional rights.

"Thus, it is not democracy that should be the basis for decisions, where the diversity of opinions, all of which are wrong, never adds up to the right policy; rather we need to reach the point that mankind, or a growing part of mankind, begins to think scientifically, orients its thinking to verifiable universal principles, and likewise to the principles of the great Classical art, because these are just as universal and eternal as scientific knowledge."

The final panel of our conference, she concluded, is dedicated to this theme: How Classical art fosters the idea of man as a creative individual, who discovers his humanity through the celebration of beauty.

### LaRouche: Classical Music And Scientific Discovery

The following is an excerpt from the LaRouche Weekly <u>Report</u> of April 18.

The definition of Classical composition is exactly this: that Classical composition actually produces a result which is expressed as human creativity. But it is expressed as if it were coming from the future, into the present.

Then you look at living processes, and you that see the concept of life also works as coming from the future into the present, in which you're looking backwards. You look at nonlife, when called nonlife, you look at that as clock-time, one clock-time. When you look at Classical musical composition, and its creativity, your sense of it is in reverse. You foresee the effect before it happens! That's the essence of Classical composition. And that's also the characteristic of all actually creative human activity.

Every discovery of principle occurs exactly in the same form as Classical musical composition. You start with a problem; you get an idea, think it through; and you get to a point, and suddenly, you get a breakthrough! And you find that you are actually anticipating the future, with respect to the present. The same

thing is true of life: You never get life from nonlife. You never get creativity from mere life. Our understanding of the universe is in that order.

And therefore, as we enter the challenge of the Solar System, and beyond, we go from what's called a chronic system, but once you enter into this area, you don't have a chronic system any more. And therefore, we have to redefine our view and definition of the universe and its principles, as a working universe, because the normal sense of space and time, no longer exists. As Einstein already saw, space and time are qualities which people believe in generally, but which do not actually exist, as Einstein's proof demonstrates it.

So therefore, you look at it with aid of Classical musical composition, and how the person who's performing it, or experiencing it, responds to it: that when they foresee the solution for the composition, they get an anticipation of discovery, before they arrive at the discovery in a normal way. In other words, they start with the score, but they do not deduce the composition from the score. The discovery itself defines the discovery—that is, you get this déjà vu sense—you experience this—and this is the principle we're fighting with and the principle we're dealing with. That obviously, the universe is organized in this way, and our existence proves that. The problem is, that we are not conditioned to think in this way, and therefore, we use a kind of thinking which does not correspond to reality.

#### Antonella Banaudi

## Art and the Logos

Here are excerpts from soprano Antonella Banaudi's speech to the Schiller Institute conference in February. It was translated from Italian.

The title for my "expressions" is: "Education as Singing, and Singing as Education." It will probably be more of a free digression than an orderly journey. As someone once said: Speaking of music is like dancing architecture.

I would like to recall some words that have become part of our culture and can be understood outside of any specific religion: "In the beginning was the Word, and the Word was with God."

The "Word" does not mean a word in the strict sense that we mean it today. The Word is sound, the vibration of all that is alive, and thus means life and creation, and creation is the language of the Creator. Logos is the medium of all form. The Word is total knowledge of the absolute, beyond appearance. The Word is the word of God who names things, makes them evident, the Principle to which every person aspires....

Now I do not want to enter into a sterile debate which counterposes music and words, on which of the two must serve the other. I think that a musical genius is a person who is able to reveal the soul within the envelope of the words, who can translate the secret of the poetry into the architecture of sound. And it doesn't matter how the word is treated as human language, or if it is split up, broadened, even torn apart, taking it far away from our common manner of using it.

I would like to add a reflection, maybe a hint of a reflection: Music is the intermediary between word and principle. Words without music are not poetry. Music without poetry is not the Logos....

#### The Poetry of Art

Any type of study is a process, an enterprise of improvement. Art, however, is a process aimed at improving oneself, but not as something unconnected to reality. Art must not be used to detach oneself from reality, to find a solitary Eden of sterile and ephemeral beauty. The improvement of oneself also leads to the

improvement of what is around us.

There is no distinction between spirit and matter. They are only different levels of perception of reality. Art can unite physical reality and transcendent reality. Art puts us in contact with the Principle, with the Logos understood as reason and ratio, and what is music if not reason and relationship? It puts us in contact with what Heraclitus defined as Lightning—Fire in the sense of continuous genesis, Immanence. Music, above all, can put us into contact with Immanence, with the eternal soul that constantly re-creates itself.

In our lives we have the gift of being able to be illuminated through art and the poetry of art, of experiencing the meaning of a moment, of this cosmic breath of which we are a part. Art educates our soul, the essence that must be constantly nourished and re-created.

This search for beauty and reason is, in itself, a beautiful adventure, and it is even more beautiful to share it with other "adventurers." Through song, we live this invaluable experience; we are instruments of ourselves. We can create the sound in each moment, and to do this, we must learn to experience it tirelessly, even with nimbleness and luminosity, vital but also black, but totally. Only by performing great music or listening to it performed by great musicians can we experience this continuous moment, even in the construction and organization of everything, in a vital tension towards the infinite.

Do you recognize the urgency, the mad drive toward aspiration, constructed and fueled moment by moment, with every sound and melodic line and harmony and color, dense and tense even in silence, until the final *Presto* of the fourth movement of [Beethoven's] Ninth Symphony?

Well then: How can I learn to live every fraction of a moment so intensely? It may seem obvious, but it can be learned by educating ourselves with practice, with patience and method, improving concentration, the capacity for interior visualization in the constant search for the best, from an aesthetic, physiological, and expressive standpoint, with the flexibility to invent and experience new paths, with a constant assimilation, but also contemporaneously with projection toward the future, ready to imagine the next moment.

#### The Study of Singing

Now I would like to shift to a more practical terrain, since I have to respond to the questions that have been posed to me, and which you may also have.



EIRNS/Christopher Lewis

World-renowned Italian Soprano Antonella Banaudi demonstrates her art at the Schiller conference. "The study of singing," she said in her speech, "is a privileged form of education, because it belongs to art, and thus to a creative process."

The study of singing is a privileged form of education, because it belongs to art, and thus to a creative process; because it belongs to music, and thus to the vibration of the Principle; and because I myself am the instrument of transmission of the secret (fortunately the great composers have given me this possibility).

And now, let us begin to educate ourselves. We start by eliminating preconceived ideas about our own voice (the greatest discoveries were made precisely because scientists were able to "forget" prior progress, and not be influenced by it, to be courageous and brazen in challenging preconceived ideas, constructing their own personal vision of the world). And so we start to do this in our own small way! When we study, we must be completely open to finding what our voice really is. Study for a certain "result," for example, the power of sound under the illusion that we can do without the other requirements of *bel canto*, will lead to a potentially ugly voice, which nobody will want to listen to.

Pursuing agility at all costs will make us superficial and boring. I still remember how a young woman, a light soprano, wanted to impress me with a very fast performance of a famous aria. What I actually heard was a soprano that was more superficial than light. Passing over a beautiful passage at supersonic speed, only quick flashes of color remain in your memory,

which are completely insignificant.

Respect for your own voice means respect for yourself.

The attitude that we have toward it is the mirror of how we deal with ourselves. I am not only speaking of the aesthetic aspect of the voice. I am speaking of vocal personality and its artistic effectiveness, its capacity to transmit a vision with its own language, an idea, a meaning and an ideal creation that goes beyond what is evident

Returning to the supersonic speed: In my view, in music and in art in general, the best results are achieved when you go slowly, especially at the beginning. Painting begins with the cleaning of the brushes, the preparation of the canvas, the mixture of the

colors, painting a background, some angels, the drapery of a garment; how much study was needed to paint the flesh of a face? An eye? Apart from the laws of ratio and proportion between figures, the study of light, to come to express its ... Secret, including through a hidden teaching?

#### Why Study Vowels?

I sense that at the beginning, some of my students are surprised at how much time I spend on the study of vowels. It is a slow process, a continuous process of listening, for the training of the inner ear, for a continuous process of exclusion of what is less beautiful, to lighten the path, to be able to choose the best, in a continuous process of experimentation, always referring to what we have found that is beautiful, because the beautiful is our guide. It is a study of the beginning, and then, the repeat of it, for each new piece that we intend to perform.

Almost nothing that is art is taught theoretically. We can only teach and experiment and choose that which takes us down the best path and the right path, the only one which reflects inner truth. A great artist is one who is able to be himself while participating in Truth, in Principle.

This is why I believe that the study of singing does

not involve an aesthetic choice, but a moral one, in the sense of truth joined with goodness and beauty.

And thus for me, through the study of vowels by the student, and the study of the student herself, we reach a balanced position to obtain a bright and lively voice, even in the darker portions, with *legato* and flexibility and agility, so that the instrument is able to partake in the idea that governs the world. The voice does not give sound to words; it gives sound to the inner meaning of a composition. Each time must be a rediscovery and recreation, with the sense of marvel of the original sound through the Word.

Our spirits must participate in the music through the voice. And we can only do that if our technique has become transparent with musical emotion, in communion with the color of the idea. I don't much like the word "interpretation," because it could be confused with an interference that is too strong, in our partial vision of the idea expressed musically. I prefer "partaking" in the musical emotion.

At times it is very simple to change the color of a voice. I remember a calculated, ponderous, and also boring execution of "Già il sole dal Gange." Just think of a film clip of the Sun that rises over the Ganges, with its clear shine, and let yourself be taken by the movement of the music, like a boat on a wave, and immediately the quality of the sound changes, in an easier, and happier execution! This is a very simple example. I can say that until our imagination is shaped by that which the author has translated into music, we will not achieve an artistic quality of performance.

Only if we know our own nature can we educate it, improve it, strengthen it, be artists of ourselves.

Perhaps I can compare the study of singing to a sort of knowledge of the house in which we live.

At the beginning it seems that the light is sufficient to live in, but we don't know exactly how it is built or what is inside it. We use the same areas, the same chair, ... but then we begin to discover the rooms, clean them, throw off prejudices and habits, and useless and troublesome furnishings. We open the windows, let in the light; we are no longer content with artificial light. We need true light, that of the Sun, our fire. Usually a house that has been cleaned and ordered is much more beautiful than we had considered in the semi-darkness, neglected because of distractions or other reasons. Often we discover that we like it better this way, we live better than before, we breathe more easily, and people are happy to come and visit us.



EIRNS/Helene Møller

"The study of singing does not involve an aesthetic choice, but a moral one, in the sense of truth joined with goodness and beauty," said Banaudi. Here, she conducts a master class in Boston in 2008.

#### The Pazzi Chapel

And now we come to the final digression: I recently went to the Pazzi Chapel, in Florence of course, the Florence of Brunelleschi and Ficino....

In its naked proportion and simplicity, in the balance of light and colors, it gave a beautiful resonance to the sound of my voice: a demonstration that it is the proportion, the idea translated into construction, that resonates inside of us. The emotion I felt in hearing a response from the stone, that almost supported me in singing, as if the stone were alive, and expressing itself through cosmic vibration, made me feel part of a whole that unites stone and man, in a harmony that is the reason for the existence of everything. It is the same harmony that we seek and experience when singing together, playing together, participating in a sort of rite/celebration that is beyond religion, and is profoundly moral and human.

#### Raymond Björling

## Four Generations in A Family of Musicians

Raymond Björling, a Swedish opera singer, and grandson of the world-renowned tenor Jussi Björling (1911-60), spoke at the concluding panel of the Schiller Institute conference in Berlin on Feb. 26.<sup>1</sup>

It's nice to be here in Berlin, it means a lot to me. When I was seven years old, we moved here to Berlin—me, my mother, my sister, and my father. My father was a good opera singer and he was engaged at the Deutsche Oper, here in Berlin, where we lived in Königsallee, near the big forest, Grünewald. It was a fantastic time, because we came here straight from America, where I was born in 1956.

My father made his debut in 1962 in Göthenburg, Sweden performing as Pinkerton in *Madame Butterfly*, and then he was engaged to move down here, where I went to the Deutsch-Amerikanische JFK-schule, where I learned to speak the language fluently in those days, which is one of the reasons I am back here.

Ulf [Sandmark] wanted me to speak on singing and my background, but it is so interesting to learn that the LaRouche movement is integrating music and art into its political work. That is fantastic, because music and art are so very, very important to human beings, more than we would actually believe. It has been the main purpose for my family.

#### **Great-Grandfather David Björling**

My grandfather's name was Jussi Björling, and he was considered the world's greatest tenor in his day. The work, however, had begun before Jussi. His father, David, was a great singer, a very special man. He wanted to sing at a very early age, and he was very stubborn. He was only 15-16 years of age, when he started to sing professionally, with choirs, and he wanted to go to [music] school.

His father had a problem with that, because in those days you had to learn a trade. In our family, we were



FIRNS/Christopher Lewis

Raymond Björling addresses the Schiller Institute conference, with a photo of his grandfather Jussi Björling on the screen behind him.

blacksmiths, so David was supposed to become one too, against his will. His father didn't know what to do with him, because without an education,would not be able to support himself or a family. His father was so upset, that he sent him off to a friend of his, a very tough man, who said he would make a man out of this boy. After a month, though, he sent David back, saying: "I can do nothing with him, he's too stubborn! He only wants to sing and play music."

David therefore left his family for Stockholm, where he began to study music. He was a smart man, because every time that the King appeared publicly, David would be there too, singing. The King of Sweden in those days, Oscar II, himself wanted to be a tenor; because he was so impressed with David's singing, he ended up paying, out of his own wallet, for him to study at the conservatory of music in Vienna. There he studied, got a good degree, and came back to Sweden, to make his debut in Gothenburg, on the eve of World War I, performing Pinkerton in "Madame Butterfly," as my father did after him. He was a great singer, and I have read the great reviews he received. But when the conductor later tried to instruct him, he refused stubbornly, and therefore, shortly after, his opera career ended, because he was considered too difficult to work with.

Instead, he found work making machines that separate cream from milk, until he grew tired of that, and suddenly, one day, he disappeared. Nobody knew where he went, so that after a few years, a death certificate was

<sup>1.</sup> The video of his presentation is at http://www.schiller-institut.de/seiten/201202- berlin/bjorling-english.html

almost written out. But he had taken the boat to America, and had started to sing, just to make a living, in restaurants and all around.

Somebody was impressed, and took him to the Metropolitan Opera school, where he ended up studying under [Enrico] Caruso himself. However, when Caruso began to instruct him, he would become very stubborn again, saying, "No, I want to sing in my own way." At one point, there was a big disagreement, to the degree that Caruso slapped him in the face and David slapped Caruso back, and he packed his bags and went back to Sweden.

In Sweden, they only now discovered that he had been to New York. He went back up north, to Borlänge, Dalarna, and met a beautiful lady by the name of Esthersund. She was singing in a choir, in which they met; they fell in love, and all of a sudden began to produce all of these boys! [shows photo] There had been four boys, but the fourth boy, Karl, died at birth, and his mother died of tuberculosis. Therefore David was left alone with these three boys.

He started singing with them at a very early age, 4-5 years old. He taught them how to sing, and took them out to perform concerts. This constellation was called the Björling Male Quartet, and they sang all over, and the small boys, standing on boxes to elevate their height, would cause many ladies to cry. David would perform with them, although unfortunately, there's no recording of him—it was said that he had a marvelous voice. As the boys grew older, after a while, he took them back to America.

They toured all over America for 18 months. In the Swedish and Scandinavian regions of the U.S., a lot of people recognized the popular Swedish songs. They became so popular, that you could make an analogy to Michael Jackson and the Jackson family. It was just like that.... It was a very remarkable family, who all sang. Olla, the smallest one, only started his singing career later; my father was an opera singer, my aunt was an opera singer, so I think that we've had nine family members who sang professionally.

#### 'Music Is So Important...'

Music has meant so much for my family, and also gave us a chance to stay alive, by the little money it offered. Music is very, very important, and it's sad to see the modern culture, the pop culture, that just wants to make a profit and simplifies everything, instead of trying to find art that talks to your heart and gives you something....

A man who has written one of the most beautiful

songs regarding art and music is Franz Schubert, "An Die Musik," which I would like to perform for you....

So, you see music is very important to all of us. Of course it's very important to us who sing and perform it, but even for young people nowadays, think about how important music can help to soothe people. Music is a universal language, and if you know music, you can talk with anyone in the whole world who understands music. We don't need scores with notes, we just need the music, and then we can perform together.

That's fantastic and should be a part of politics in this world, because it can break up the ice. The problem in the world is that we don't understand each other. If everybody could speak the same language, it would be easier. It's the same for these boys—these boys didn't have an education, but with the music, they could perform together. They could go all over the world and people could understand them. All of these three boys became great singers. You have of course heard of the three tenors, but these three boys, actually, could have been the three tenors.

There is something to say about the color of their voices. The only way that their voices differed, was that Gösta, the oldest one, his voice sounded like gold; Ulla sounded like silver; but Jussi had a sound like steel. That's how they were divided in character, but otherwise, it's very hard to tell the difference among the three. It came from their father, who had this idea of how you should sing, and that gave them hope for life, and meant that they could travel the world and communicate through their music.

#### Grandfather Jussi Björling

Jussi started very young; he was only 17 years when he came to the opera school in Stockholm. Now, that is a very young age, so the head of the school, John Forsell, only reluctantly let the boy audition. After performing, Jussi came up to Forsell, who was quiet—not a word was said. After a couple of minutes, he looked up from his desk and said: "Mr. Björling, I cannot do anything for you!" So that Jussi thought that he had done a bad audition, but Forsell continued: "No, I cannot do anything, God has already done everything." So, he was accepted at the opera school, which was tough for such a young person with all the tough competition, but the quality of his voice was so good, that nobody picked on him, in any way, shape, or form.

One day, when he came late to a choir session in a big church, the conductor told him they could not use him,

that he should go home and never come back. Jussi walked out and slammed the door, but then he opened the door again and said, "Okay, I am going, but try to find a better tenor, if you can!"

So, he knew of his greatness, and his voice took him all the way to the Metropolitan Opera. This, of course, was a big thing, because when you go to the Metropolitan, you don't just go to the Metropolitan, but you tour all the big opera houses in the United States. So, in this way he became world famous.

He was back in Sweden during the [Second World] War, and couldn't go back [to the United States], because he was afraid of crossing the sea and getting bombed, so he stayed in Europe and toured all over. He once sang

here in Berlin, after the war, and became a star in Europe.

Once there was a young man in Italy, by the name of Luciano Pavarotti, who listened to one of the old recordings of Jussi Björling and was inspired to try to become as good as Jussi. I met Pavarotti once, and he told me that he would have otherwise become a professional football player. There are pictures where you can see him dressed up for football, very slim and tall. But, then the opera took over, and he became a little bit bigger.

#### 'I Couldn't Stop Singing'

All of this has of course colored my life and myself as a singer. I didn't want to sing, actually, because I grew up in the backseat of a car with my mother, touring all over, with my father in the front seat and a pianist next to him. We did this for a couple of years, which was very boring for a young boy. I didn't want to have the same kind of grown-up life, where you always have to sit there at the concerts, not allowed to laugh at anything, because it was very serious business.

And so I decided not to start singing. I tried to do something different after school. I tried to become a salesman and did a lot of jobs, up until the day that my father became a little bit nervous about all of this. One day put his arm around my shoulder, looked me in the eye, and said, "Please, you have to try to sing." I agreed, and then from that day on, I just couldn't stop. That is what hap-



Jussi Björling (1911-60), was considered the world's greatest tenor in his day.

pens when you start with music: It grabs you, and once you're in there, you cannot leave.

So, I'm here. I'm still going to sing. Now nobody else wants to hire me, because I don't know anything else apart from singing, but it's a fantastic world. I want to sing a little Swedish song for you, which can be compared with "An die Musik," by a Swedish composer named Carl Leopold Sjöberg, and the song is called "Tonerna," meaning tones." In life, we have a lot of thoughts that go around in our mind and often mess us up, but as the text says, the tones, the music, soothes and heals....

Here's another picture of Jussi. I am very, very proud of

him. Proud to be his grandson. This is my father, Rolf Björling, when he sang here in Berlin. I really wished I could have stayed longer or even permanently here, but times were hard and my father had gotten a job in Sweden, as both he and my mother were longing for Sweden, with their family and everything. We moved back in 1965. My sister, who actually started singing first, was sent to a music school, which I wasn't, because they thought I was too young. My sister and I then ended up doing a concert together, in which she was so nervous, that she ended up quitting singing completely, even though she had a very beautiful voice. Instead, she became an interior decorator, and works with that and with art in Sweden. My mother is a very good painter, so art is in our family.

Art is not easy, these days, because most people think of it as a hobby, which is really sad, since that holds people back. There's not much money in art and music, unless you're a big star, of which there are only few.... That's something we have to change. We have to see art as something big in our lives, which means something to us. Everywhere you look, there's an artist behind it, which we tend to forget....

Finally, before I leave, I want to perform one last song, which has always been one of my favourites, namely Ludwig van Beethoven's "Adelaide." And that is my final word today. It has been a pleasure talking to you today and I hope to see you all again.

## Thinking Without Words

by Shawna Halevy

A contribution from the LaRouchePAC Basement Team.

Do you think about how you think? How does it occur? Do you think in a sequence of logical steps? If you were to write out a thought, would what you wrote reflect how you came to your idea? Is the end product the same as your thought process? To be clear, we are not talking about just any type of thoughts, such as impressions, a memory, a simple opinion, or an urge, but a principled discovery; something you would consider a profound and fundamental idea.

If you are a teacher, or have tried to communicate a complex idea, these questions have come up naturally to you. Did you find with students or others, that you really couldn't "just say it," and expect them to understand the idea? That explaining it doesn't get them to think it for themselves either?

The issue of discovering and communicating ideas has been addressed quite explicitly elsewhere on the LaRouchePAC site. I would like to add to this discussion the simple question: In what form do your thoughts occur? Do they appear in words? Or other types of sensed objects? Does a data-ticker scroll through your brain? Or is it more like scenes from a movie? Before further analyzing ourselves, let us look into another mind. Let's ask Albert Einstein how he thinks:

"No really productive man thinks in such a paper fashion. The way the two triple sets of axioms are contrasted in the Einstein-Infeld book [*The Evolution of Physics: From Early Concept to Relativity and Quanta*, by Einstein and Leopold Infeld] is not at all the way things happened in the process of actual thinking. This was merely a later formulation of the subject matter, just a question of how the thing could afterwards best be written. These thoughts did not come in any verbal formulation. I very rarely think in words at all. A thought comes,

and I may try to express it in words afterward.... During all those years, there was a feeling of direction, of going straight toward something concrete. It is, of course, very hard to express that feeling in words; but it was decidedly the case, and clearly to be distinguished from later considerations about the rational form of the solution."<sup>2</sup>

In another instance Einstein addresses the same question: "The words or the language, as they are written or spoken, do not seem to play any role in my mechanism of thought. The psychological entities which seem to serve as elements in thought are certain signs and more or less clear images which can be "voluntarily" reproduced and combined. This combinatory play seems to be the essential feature in productive thought—before there is any connection with logical construction in words or other kinds of signs which can be communicated to others. The above-mentioned elements are, in my case, of visual and some of muscular type. Conventional words or other signs have to be sought for laboriously only in a secondary stage, when the mentioned associative play is sufficiently established and can be reproduced at will."3

And to sum it up most succinctly, Einstein writes: "I have no doubt that our thinking goes on for the most part without the use of symbols, and, furthermore, largely unconsciously."<sup>4</sup>

#### If Not Words, What Then?

If Einstein doesn't think in words, then how does he think? He has hinted at it already by bringing up the process of "play," and voluntary synthesis or combination of thoughts. The discovery of a new idea can be related to a surprise, the "Eureka!" moment. To accomplish this, the imagination cannot be constrained by fixed answers or characterizations, but has to be able to fly past the shadows of experience (the objects that can be pointed to and named), to the unseen.

So, if not words, in what means does Einstein think? He pointedly says: "I often think in music." What does it mean to think in terms of music? Does he have chords constantly playing in his head? Does he see sheet music in his mind? "...when we communicate through forms whose connections are not accessible to the conscious mind, yet we intuitively recognize them as something

http://www.larouchepac.com/node/21237 and http://www.larouchepac.com/metaphor-intermezzo and http://www.larouchepac.com/node/21206.

<sup>2.</sup> Wertheimer, "Productive Thinking."

<sup>3.</sup> Jacques Hadamard, *The Psychology of Invention in the Mathematical Field*, 1944, Appendix II, "A Testimonial from Professor Einstein."

<sup>4.</sup> Albert Einstein, Autobiographical Notes, 1946.



"I often think in music," Einstein said. He is shown here with his beloved violin, in January 1931.

meaningful—then we are doing art."<sup>5</sup> This would indicate that music is closer to the subconscious thought process then any other system of language, and therefore closer to the more ideal parts of thought. This makes sense in relation to what Einstein said earlier, about his thoughts being directed, pulled on, as if from outside, to the correct destination.

The same thing happens in the unfolding of a well-composed piece of music. Classical music is a reflection of the tension and resolution that goes into grappling with paradoxes. Hence, why Einstein would say: "Every great scientist is an artist." As one of his biographers put it: "[Music] was not so much an escape as it was a connection: to the harmony underlying the universe, to the creative genius of the great composers, and to other people who felt comfortable bonding with *more than just words*" (emphasis added).<sup>6</sup>

Others would agree: To get a better idea of what thinking in terms of music, as opposed to words, means, let us turn to a contemporary of Einstein's, the Russian scientist V.I. Vernadsky:

"Music seems to me to be the deepest expression of human consciousness, for even in poetry, in science, and in philosophy, where we are operating with logical concepts and words, Man involuntarily and always limits—and often distorts—that which he experiences and understands. Within the bounds of [Russian poet Fyodor Ivanovich] Tyutchev's 'a thought once uttered is untrue,' in music, we maintain unuttered thoughts.... It would be quite interesting to follow in a concrete way the obvious influence of music on scientific thought. Does it excite inspiration?"<sup>7</sup>

It is common to associate moods or feelings with certain harmonies or keys, for example, a minor key as melancholy, but what we are talking about in Classical music are thoughts that could not be expressed otherwise. Thoughts so deep and eternal that they are outside the customary language culture. They both precede and are higher than what can be obtained in a conversation, putting music closer to the innate ideas of the soul.

#### 'Songs Without Words'

A more explicit discussion of words versus music in expressing a true idea is taken up by Felix Mendelssohn in composing his "Songs Without Words"—a clear polemic against belittling music to a mere tonal painting of pastoral scenes, or to a mimicry of a sensual poem:

"People often complain that music is ambiguous, that their ideas on the subject always seem so vague, whereas everyone understands words; with me, it is exactly the reverse; not merely with regard to entire sentences, but also as to individual words; these, too, seem to me so ambiguous, so vague, so unintelligible when compared with genuine music, which fills the soul with a thousand things better than words. What the music I love expresses to me, is not thought too indefinite to be put into words, but, on the contrary, too definite.... If you ask me what my idea is, I say—just the song as it stands; and if I have in my mind a definite term or terms with regard to one or more of these songs, I will disclose them to no one, because the words of one person assume a totally different meaning in the mind of another person, because the music of the song alone can

<sup>5.</sup> Einstein, "The common element in artistic and scientific experience," *Menschen*, February 1921.

<sup>6.</sup> Walter Isaacson, Einstein, His Life and Universe, 2007.

<sup>7.</sup> V.I. Vernadsky, "Thoughts and Sketches: Les musiciens ne font que commencer a connaître la jouissance du sens historique" [Musicians are only beginning to understand the pleasure of the sense of history]; W. Landowska, Musique ancienne, translated by Bill Jones. Vernadsky's question has been addressed in a blog post on www.larouchepac.com by this author.

awaken the same ideas and the same feelings in one mind as in another—a feeling which is not, however, expressed by the same words. Words have many meanings, and yet music we could both understand correctly. Will you allow this to serve as an answer to your question? At all events, it is the only one I can give—although these too are nothing, after all, but ambiguous words!"

This to me says that there are pure thoughts, musical thoughts, that can't be translated into words. These are the closest to preconscious thoughts and processes. Felix says that the people who complain about music are not secure in thinking of principles that are above sense-perceptions. They would be grateful to be given a handbook to life that they could follow, as if they were obeying a parking sign.

But would such people be developed enough mentally to understand something as universal as gravity, which cannot be sensed directly, nor be described (in terms of what causes its effects) by equations or a basic definition, and which does not exist as an object, but is most real and powerful? Would someone in this state or with this capacity be able to understand something as ephemeral as love? They would miss the meaning of both these concepts by looking them up in a dictionary, although they could not deny their existence and influence.

#### Furtwängler Defends Beethoven

The same Richard Wagner who attacked Mendelssohn as a Jewish musician who corrupted German Romantic music with intellect, criticized Beethoven's Ninth Symphony, by saying that the music does not match the words. Wilhelm Furtwängler, the greatest conductor of the 20th Century, defends Beethoven from "the fallacy which results from attempting to record the idea rationally in words—a task which is, of course, impossible without sacrificing the substance of the idea to a very considerable extent.... Beethoven, more than anyone else, had an urge to ex-



Wilhelm Furtwängler, the greatest conductor of the 20th Century, defended Beethoven from attack by the fasicst composer Richard Wagner: Beethoven, said Furtwängler, "would not allow the textual form of a word to dictate to him what form his music should take."

press everything in a purely musical form. The musician in him felt inhibited, not inspired by a text: He would not allow the textual form of a word to dictate to him what form his music should take. Thus Beethoven becomes completely himself only when he is free to follow exclusively the inherent demands of music."<sup>10</sup>

We should recognize Beethoven's desire to be free from any "textual form of a word," and to live on the musical thought, as similar to Einstein's concept of play and unconscious thought. From this we can gather that music is not limited to an *expression* of imaginative

<sup>8.</sup> Goethe also says, in the fourth part of "Dichtung und Wahrheit," "I have already but too plainly seen, that no one person understands another; that no one receives the same impression as another from the very same words."

<sup>9.</sup> Felix Mendelssohn Bertholdy to Marc-André Souchay, Lübeck. Souchay had asked Mendelssohn the meanings of some of his "Songs Without Words." Berlin, Oct. 15, 1842. William Empson, author of *Seven Types of Ambiguity*, would agree, although he considered language a tool, rather than a hindrance to express ideas.

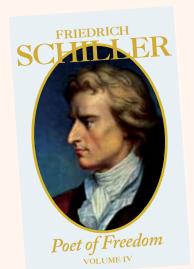
<sup>10.</sup> Wilhelm Furtwängler, "Concerning Music," 1953. This is not to say that Beethoven was not inspired by poetry, but is only to emphasize that Beethoven is superior to someone like Wagner, because he was not operating on story-lines, what could be called "program music," or more recently, movie music.

ideas, but is actually man's creation, enabling him to model the highest, most productive and organic thought processes; to become more conscious of his creativity, and have more power to wield it.

Johannes Kepler discovered that the musical harmony man uses to externalize his creative mind, is also found in shadow form, in the Solar System, the creative expression of God's mind. Maybe the well-tempered system as we know it today, is best at communicating genuine ideas because it's both a reflection of, and is bounded by, physical principles and laws, unlike simple words. You could say that Classical music is the closest the "subjective" gets to the "objective." Human thought and expression, as noted by Einstein, can be stated as the being and becoming. We start with the living absolute, an ideal—say, a discovery—and then try to communicate it by assembling parts which most approach a representation of our idea. In physical science we're given the shadow first (an observation of experience or some other evidence, the parts or the becoming), and have to work backwards to know the idea which generated it. "Thus it is no longer surprising that Man, aping his Creator, has at last found a method of singing in harmony which was unknown to the ancients, so that he might play, that is to say, the perpetuity of the whole of cosmic time in some brief fraction of an hour, by the artificial concert of several voices, and taste up to a point the satisfaction of God his Maker in His works by a most delightful sense of pleasure felt in this imitator of God, Music"—Kepler's *Harmonice Mundi*.

To conclude (if this can be done in words): The true scientific imagination is (at least) non-verbal. In order to free our minds from literal thinking, we have to ask ourselves: Does the way language is currently used bound our thinking? Do we let an internal teleprompter tell us what to think? We understand that language is useful and necessary, for explaining things to others, but is it sufficient? Is it sufficient for true higher thinking? We see with Einstein that the secret to science is to go beyond language. The secret that humanity has developed for thinking about how we think, is Classical music. We use music as a model of pure thought; as a tool for willful creativity, allowing for reflection and improvement of our thinking. This leaves me with the question: Is thinking not only non-verbal, but is it nonvisual as well? Is thinking non-sensual entirely?

## "There is a limit to the tyrant's power."



—Friedrich Schiller, Wilhelm Tell.

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#### **Editorial**

### Has Civilization 'Peaked'?

Forty years ago, the infamous oligarchical depopulation lobby known as the Club of Rome launched one of the most pernicious documents of all time, *The Limits to Growth*. In that document, the authors—culled from academia—purported to prove that mankind was going to run out of limited resources over the next 40 years, and had to adjust its lifestyle, and numbers, accordingly. Since that time, the Limits to Growth thesis has been inserted within government and supranational government institutions worldwide, so-called educational institutions, university curricula, and much more—basically every aspect of popular culture.

The results have been the total immiseration, deindustrialization, wars, and genocide we see today.

Of course, the Club of Rome lied, as have all such "economists" since Thomas Malthus. Their assumptions were explicitly that mankind would stick to current technologies, but in fact, they and the financial oligarchy centered in the City of London that bred them, have done even more than that, sabotaging transfer of current technology to the developing sector, and suffocating in their cradle the advances on which scientific and technological progress depends.

On May 7, this evil crew plans to do it again, and release an update on *The Limits to Growth*, called 2052: A Global Forecast for the Next Forty Years. Working directly with Prince Philip's World Wildlife Fund, the Club of Rome will hold a press conference in Rotterdam, in which they will argue (according to Smithsonian Magazine) that "slowly but surely we are approaching 'Peak Civilization,' and when that bubble pops, we'll see the crash manifest in the form of famine, disease and global conflict."

The Club of Rome release will not be merely an academic exercise. It will be just one of a series of studies released toward the convening of the Rio+20 Summit scheduled for Rio de Janeiro, Brazil on June 20-22, a UN conference intended to be the forum for new international treaty agreements against human and scientific progress, all in the name of "sustainability" and the "environment": global dictatorship.

The LaRouche movement, then in its infancy, waged a major campaign to destroy the pseudoscience of the Club of Rome in the early 1970s—and the British Malthusian oligarchy remembers it well. But the vast majority of policy circles bought the clap-trap hook, line, and sinker—bringing us to the disaster we face today. With its bankruptcy looming (for reasons totally related to its adoption of zero-real-economic-growth, antiscience policies), the British Empire is determined to crush the opposition, even if it means threatening, or taking, the world to thermonuclear war

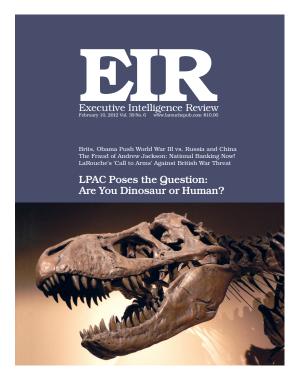
The question before us is not really what the British oligarchs are up to; their inhuman policies are well-known. The question is whether there are sufficient people, among them policymakers, who will fight to save mankind from this genocidal horror. Leadership must emerge to join with the LaRouche movement internationally, to crush this anti-human movement now.

If leaders do not come forward to defend mankind's essential nature, as a creative being with the responsibility and ability to have "dominion over the Earth" and create progress using our Godgiven creative powers, civilization will indeed have "peaked." But don't blame nature; blame yourself.

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