

A Global Coalition Emerges: Productivity, Not Money!

by Nancy Spannaus

Aug. 18—“The world has suddenly changed for mankind,” Lyndon LaRouche said on Aug. 12. The old values and alignments, ensconced in the dying trans-Atlantic financial system, are being abandoned, and China, Russia, India—and many other nations—are falling into line with a new system, of which the developments around the new institutions established by the BRICS (the organization of Brazil, Russia, India, China, and South Africa) are emblematic. At the core of this is a new system of value, based on the productive powers of labor, and a new platform of productivity, with the future power of a helium-3-fueled fusion economy.

The new system emerging starts with recognizing that valuation by money and the markets is dead. As LaRouche put it during his Aug. 15 webcast (www.larouchepac.com), “So, all of these things about worrying about money: Don’t worry about money! Money is often more a *disease* than it is anything else. What we’re going to have to do, is we’re going to have to make a fundamental change in our entire economy. And this is being done now. . . .”

To complete the transition, peacefully, requires bringing in the United States, through actions that begin with implementing Glass-Steagall, and the rest of LaRouche’s Four Laws of physical-economy (see *EIR*, June 13, 2014). That is the challenge that now faces political leaders in the U.S., in the form of removing the obstacles to that transition—starting with House

Speaker John Boehner, President Obama, and then, the whole Wall Street system.

A New Coalition

The pulling together of this new coalition, which offers hope for all mankind, did not begin with the BRICS Brazil Summit on July 14-16, but that Summit represented a turning point. Particularly important was the establishment of the de facto alliance between nations of South America, especially Argentina, with the BRICS grouping, around both defensive actions against threats from the British system, and for breakthrough infrastructure projects, such as a transcontinental railway and a new Central American Isthmus canal, this time through Nicaragua (see *EIR*, July 18, 2014).

Over the past month, the significance of the shift underway has been reflected in a series of rapid changes in orientation in many nations around the planet, from accommodation to the British imperial diktat, to a perspective of collaboration for physical economic development. Most dramatic have been the developments in Egypt, which we summarize below, but the same kind of commitment to sovereign national development—considered *verboten* by the IMF/World Bank system and its geopolitical mindset—has been demonstrated elsewhere as well.

“I think we are going to have to look at a coalition of nations,” LaRouche stated Aug. 17. “We have Russia;



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Lyndon LaRouche: “I think what we are going to have to do is really go out to create a global coalition to crush the British Empire out of existence.”

we have China; we have India; we have the countries of South America and so forth; we have what’s going in Egypt now; we have other things of the same nature. I think what we are going to have to do is really go out to create a global coalition to crush the British Empire out of existence. That’s the only solution. Otherwise, you are going to have a piecemeal kind of warfare, and you don’t want that. So you have to say that the people who *don’t* do that, are the criminals, because they are causing a war by their actions, and since they are causing a war, they are to be blamed, and held to account for it. If someone comes in to intervene to cause warfare, they are guilty of warfare.”

The Fraud of Money

During the Aug. 15 webcast, LaRouche laid out the broad parameters of the change in values required.

“We now have to institute *a new institution of economy*,” he said. “We’re going to have to start doing it now. The whole thing will be based, actually, on the power which is lodged in nearby space. That has never been touched before. It has never been effectively touched before. It is now *going* to be touched; it’s going

to be used, now. And therefore, we’re going into a completely new system, and you’ll find everything—all of the people you hated, or should have hated, we’re going to be rid of them—not kill them, but just be rid of them. You’re going to find out that the wealthiest people in the United States are worthless—the *most* worthless....

“Major financial interests of the United States and elsewhere—have been *selling out* the system. They’ve given a new system of values. Those new values are the ones that are going to be used. These are the same values that are going to be picked up in South America, the same values that—Egypt is a part of this—the same values that are represented in Russia, the same things that are represented in China! *These* are the values. There’s where the power lies.

“You want to *create* something? Make it! How do you make it? You create it.”

LaRouche’s emphasis should not be foreign to those familiar with the history of the American political-economic system, which was uniquely based, including within our Constitution, on credit system, based on continuous scientific and technological progress, *not* “free markets.” Indeed, the system being put into effect by the BRICS nations is “more American” than what is current being done by the government of the United States!

In following up on LaRouche’s remarks, *EIR*’s Dennis Small underscored LaRouche’s point about the fraud of money, and an economy based on it, with a short update on the state of such an economy.

The current dying system, Small pointed out, is measured in *money*. And the amount of money is growing rapidly. Take those gambling debts called derivatives. They are growing at a rate of 22% a year, creating upwards of \$1 quadrillion “worth” of “value.” (One could also mention another area of growth of worthless value—a stock market surge based on companies buying up their own stock in order to make paper profits.)

Look at what is happening to societies that live, and make decisions, based on this money system, Small said. “Take the economy in Europe: Youth unemployment in the worst countries is over 50%.... The real unemployment rate in a country like Italy, which has

important industrial capabilities, is over 25%.”

Add to this the impact of Europe’s accession to the economic sanctions against Russia dictated by the EU and NATO, and you have a whole new level of disaster, within the productive economy, including agriculture.

And, contrary to everything the Obama Administration has uttered, the U.S. economy is not far behind, when actually measured in physically productive terms.

The Alternative Takes Shape

At the center of the BRICS coalition lie three of the planet’s most populous and powerful nations—Russia, China, and India—each determined to follow a pathway of sovereign development, despite being under sustained attack from the trans-Atlantic nations. While the new institutions which the Brazil meeting formally established—a New Development Bank and a Contingent Reserve Arrangement, initially capitalized at \$50 billion and \$100 billion, respectively—will not go into effect for a number of months, the political process of collaboration, both in preparation for new projects and defense against financial warfare, has taken off.

The Western nations and financial institutions have taken note of the BRICS Bank as a potential competitor, although officially, the BRICS have denied that intent. In an Aug. 12 wire, the Voice of America cites an Indian analyst noting that the BRICS can bring down the whole scheme of controlling other nations by sanctions. The wire also quotes a professor at Beijing University’s Center for African Studies, celebrating the fact that developing countries “finally ... got some alternative sources to get funding for infrastructure, and they do not come with conditionalities.”

The professor was referring to the standard IMF and World Bank “strings” attached to every loan, strings that include austerity and privatization—and usually preclude investment in the kinds of major high-technology infrastructure projects desperately needed throughout the world. By contrast, the new BRICS institutions, and the parallel Asian Infrastructure Investment Bank being established by China, have no such conditions attached.



Russian Presidential Press and Information Service

President of China Xi Jinping and Russian President Vladimir Putin celebrate the signing of the huge contract for natural gas supplies from Russia to China, May 21, 2014. The two countries play a key role in the new BRICS coalition.

Most visible in the immediate post-BRICS process has been the diplomacy between Russia and a number of nations which are bidding to replace the food imports that Russia has now sanctioned from countries that have imposed sanctions upon it (see article in *International*). Russian officials have held high-level discussions on this subject with Turkey, Egypt, China, Ecuador, Brazil, and Argentina. On Aug. 18, a high-level Argentine delegation, including agro-industry executives, arrived in Moscow, with an agenda of rapidly signing agreements to accelerate Argentine exports to Russia.

But most significant for the long haul is the collaboration on the next platform of technological development, defined by the necessary shift to a power source based on nuclear fission and thermonuclear fusion, and the exploration of space. China is taking the lead in this respect, with its lunar program, and its explicit goal of mining the Moon for helium-3, the most productive fuel for a nuclear-fusion based economy (see “China To Industrialize Moon: Realize Promise of Thermonuclear Fusion,” *EIR*, Aug. 15, 2014). Collaboration between China and Russia on space science is already well underway.

A story in the *Russia-India Report* of Aug. 14, gives a picture of how collaboration between these two nuclear nations is expanding beyond just building nuclear power plants. Nuclear scientists are working together on fast breeder reactors, the thorium fuel cycle, blanket acceleration systems, high-current proton and ion ac-

celerators, and controller thermonuclear fusion. In addition, India and Russia are discussing construction of a nuclear facility for distillation desalination systems—which would resolve the problems of clean water supply on India’s coastal belt, and in principle, in underdeveloped areas generally.

The benefits of joining with the BRICS nations, which are developing the advanced technologies needed for the future, and have the ability to provide a safety net for nations in trouble or under attack, obviously make it extraordinarily attractive for others to join. Among those publicly indicating their desire to do so is Iran, where the *Tehran Times* of Aug. 10 published a story on a researcher at the Department of Planning and Budgeting of Iran’s Majlis (parliament) Research Center, who outlined the advantages for Iran, should it join. These include strengthening Iran’s ability to neutralize the burden of sanctions, and making Iran an “official hub of power in the Global South and in the Middle East.”

LaRouche’s Road to Recovery

No discussion of the current BRICS development would be complete without at least indicating the significant role played in laying the groundwork for it by economist LaRouche. From the early 1970s on, LaRouche and his organization have been putting out ideas to governments, on how to save the world’s population from the hell of the post-industrial, pro-fascist shift, implicit in the destruction of the New Bretton Woods system on Aug. 15, 1971.

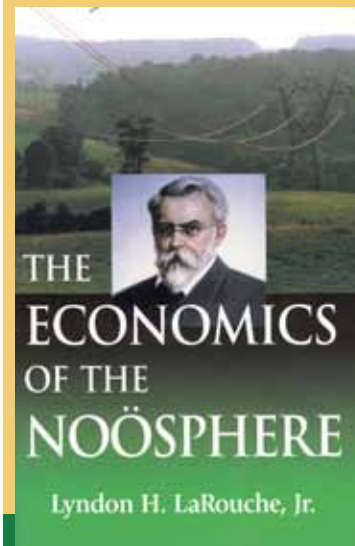
Crucial to those ideas, which have been laid out in books, magazine articles, conferences, and face-to-face discussions, was LaRouche’s central concept that human progress, and economic value itself, depend upon human creativity as expressed in scientific development (a science driver), which increases the energy-flux density of an economy’s power sources, and thus the potential relative population density of a territory. Money, to the contrary, is simply a tool which should be managed in order to facilitate ever higher levels of physical productivity in the economy. It has no intrinsic value whatsoever.

LaRouche’s basic textbook, *So You Wish To Learn All About Economics?*, first published in 1984, has been translated into most of the world’s major languages, including Russian, Chinese, French, German, and Spanish, and circulated widely in the intelligentsia of the relevant nations.

As of the late 1990s, LaRouche began to specifically propose an alliance very similar to the core of the BRICS today, among Russia, China, and India. In his 1999 Presidential campaign program book, *The Road to Recovery*, LaRouche identified the Eurasian triangle of China, Russia, and India as the “Survivors Club.” This grouping, which, in 1997, was beginning to recognize its mutual dependence in the face of monstrous attacks from the British imperial banking system, is “a natural partner of the real U.S.A.,” LaRouche argued then, because it represents a rational approach to cooperation on physical economic development.

That “real U.S.A.” has yet to emerge, although certain high-level forces in the United States have come to the conclusion that the current insane trans-Atlantic financial system can’t last, and are looking to the perspective put forward by LaRouche—his Four New Laws, and cooperation between the U.S. and China with a mission of a helium-3-fueled thermonuclear fusion economy—as the unique solution to the crisis.

To join this “Survivors Club,” the U.S. will have to first dump Boehner, Obama, and the scoundrels now in charge. And then, the real challenge will begin.



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

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