

## EIR Daily Alert Service

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## EDITORIAL

### **Explosive BRICS Summit Shows Western Critics Are Worse Than Blind to Reality**

Aug. 24, 2023 (EIRNS)—The just-concluded BRICS 15th Summit in Johannesburg, South Africa, has just proved that there is in fact a new world being born. Tremendous interest in the kind of concrete economic development being offered by the BRICS led to a breakthrough in

attendance and the first addition of new members since 2010—including Saudi Arabia and Iran, which until six months ago had cut all diplomatic ties with each other.

Despite this, media pundits in the West insisted on only one thing: It won't work. "There are too many differences," "it's just a desperate attempt by the autocratic Putin and Xi," or even "it still won't displace the U.S. dollar" were among some of the noises heard across the U.S. and Europe, when they even commented on it at all. In reality, the actual news these pundits were pushing was the announcement of their absolute irrelevance.

As said by Brazil's President Lula da Silva today: "Many said that BRICS were too different to shape a common vision. But experience demonstrates the opposite. Our diversity strengthens the fight for a new order which accommodates the economic, geographical and political plurality of the 21st century." That theme resonated throughout the halls in Johannesburg: The era of neo-colonial hegemony is over—the future demands sovereignty and equality for all!

As host South African President Cyril Ramaphosa said when he opened the final BRICS-Africa Outreach and BRICS Plus Dialogue: "When reflecting on the purpose and role of BRICS in the world today, we recall the Bandung Conference of 1955, where Asian and African nations demanded a greater voice for developing countries in world affairs. The Conference called for the recognition of the equality of all nations, large and small. We still share that common vision of a fair and just world."

It is exactly this "Spirit of Bandung" that Helga Zepp-LaRouche referenced in her Aug. 19 "Appeal to the Citizens of the Global North," which she said is rising again within the Global South. These countries "are painfully aware of the fact that colonialism has persisted in its modern form," as there are still 1 billion people permanently on the brink of starvation, 2 billion without clean drinking water, and 940 million with no access to electricity—yet they get lectured about whom to trade with and how to use their resources.

The calm yet passionate response from the nations of the Global South—as expressed in the explosive events at this week’s Aug. 22-24 BRICS Summit—is being ignored by leaders in the West, and will relegate them to the trash bin of history if they continue ignoring the demands of so much of the world.

Remarks by the President of the BRICS New Development Bank (NDB) Dilma Rousseff put that reality squarely on the table. “Today, NDB is a well-capitalized bank with very low leverage, and it has all the conditions to expand its role as an important tool to carry out the sustainable development projects that our countries need,” she said. The BRICS bank, insistent on its position of not imposing any “onerous conditionalities,” is becoming a legitimate lender for the development of nations—outside the control of Western-dominated financial system.

The White House’s indirect response to this was embarrassing. National Security Advisor Jake Sullivan announced that President Biden will visit India for next month’s Sept. 9-10 G20 summit to “reaffirm the U.S. commitment to the G20 as the premier forum of economic cooperation globally.” Clearly nervous about the growing sentiment exhibited by the BRICS and Global South, Sullivan added that “we need to ensure there are high-standard, high-leverage solutions to the challenges countries are facing, and a way to get the most bang for our buck is through the World Bank and the IMF.” Does anyone actually believe him?

Rather than try to ignore—or worse, try to stop—what is actually an unstoppable process, nations of the so-called Global North should instead join hands with the BRICS to bring about a better and more just economic order. This is the urgent task citizens must take up today.

As Indian Prime Minister Narendra Modi said in response to India’s recent landing of a lunar rover on the south pole of the Moon: This was not a success merely for India, “This success belongs to all humanity.”

Sign and circulate Helga Zepp-LaRouche’s [“Appeal to the Citizens of the Global North: We Must Support the Construction of a New Just World Economic Order!”](#)

- Watch [Harley's Updates](#) with Harley Schlanger on Friday August 25, 2023: Every weekday morning on The LaRouche Organization, Schlanger will give you the strategic briefing you need to start your day.

## NEW STRATEGIC & ECONOMIC ARCHITECTURE

### **BRICS Leaders Announce 'Historic' Expansion with Six New Members**

Aug. 24, 2024 (EIRNS)—At a press conference held early this morning in Johannesburg, attended by four leaders of BRICS nations—China's President Xi Jinping, Brazil's Lula da Silva, Indian Prime Minister Narendra Modi, South African President Cyril Ramaphosa, and by Russian Foreign Minister Sergey Lavrov—India's Modi announced that leaders of the five member nations had agreed by consensus to welcome six new nations to become full-fledged members of the BRICS: Argentina, Egypt, Saudi Arabia, Ethiopia, Iran and the United Arab Emirates (U.A.E.). Their membership will take effect on Jan. 1, 2024.

Notably, Modi and Xi were seen chatting as they walked into the room together and had a brief bilateral meeting on the sidelines of the summit.

In his remarks, Modi announced that the group had agreed on “the guiding principles, standards, criteria and procedures for expansion of the BRICS” and emphasized that the modernization and expansion of the BRICS should serve as a model for all global institutions that need to reform in changing times. India has always favored expansion of the BRICS, he said, underscoring that this new expansion will provide energy and direction to the group. After extending a welcome to the six new members, he added that for other countries that had expressed interest in joining the BRICS, India will work to build a consensus so that these nations can participate in BRICS “as partner countries” which will be discussed at the next BRICS summit in Kazan, Russia in October 2024.

Xi Jinping told reporters that the five members “unanimously agreed” to invite the six new nations to join, and called the expansion “historic,” as it shows BRICS’ determination to pursue “unity and cooperation” with the broader Global South. The expansion represents a new starting point for BRICS cooperation, he said. It will bring “new vigor” to the BRICS cooperation mechanism and further strengthen motion toward world peace and development. “As long as we work together,” he added, “there’s a lot that BRICS cooperation can achieve, and the future will be bright.”

In his remarks, Brazil’s Lula da Silva stated that “the relevance of the BRICs is confirmed by the growing number of countries interested in joining the BRICS. Brazil welcomes with great satisfaction” the six nations as new members of the BRICS, he said. He also extended warm congratulations to “my dear friend,” Argentine President Alberto Fernández, “a great friend of Brazil and of the developing world.” He observed that “many said that BRICS were too different to shape a common vision. But experience demonstrates the opposite. Our diversity strengthens the fight for a new order which accommodates the economic, geographical and political plurality of the 21st century.”

Lula also reported that the BRICS had set up a working group to study the adoption of a reference currency that could be used for transactions among member countries. He said that is “could increase our payment options and reduce our vulnerabilities.” Brazilian magazine *Época* quoted the President as saying that “in this world in transition, the BRICS offer us a source of creative solutions to the challenges we face.” He called for even greater expansion of the group in the near future.

### **New Member States Welcome Invitation To Join the BRICS**

Aug. 24, 2023 (EIRNS)—Leaders of the six nations revealed as new members of the BRICS responded to the announcement by Indian Prime Minister Narendra Modi this morning.

Egypt: In a statement released by the Egyptian Presidency, President Abdel Fattah el-Sisi said, “We value the trust bestowed upon us by all member states of the [BRICS] bloc, with whom we share robust ties, and

we look forward to fruitful collaboration with them in the coming period, as well as with the invited countries.” This comes with the aim of achieving the group’s objectives of enhancing economic cooperation among member states, he said, adding that the group is meant to uphold the voices of Southern nations in addressing diverse developmental issues in a way that supports the rights and interests of developing countries.

United Arab Emirates: From Johannesburg, U.A.E. President Mohammed bin Zayed tweeted on X that “We respect the vision of the BRICS leadership and appreciate the inclusion of the U.A.E. as a member to this important group. We look forward to a continued commitment of cooperation for the prosperity, dignity and benefit of all nations and people around the world.”

Ethiopia: Prime Minister Abiy Ahmed hailed what he called “a great moment” for his country. “Ethiopia stands ready to cooperate with all for an inclusive and prosperous global order,” Abiy tweeted.

Iran: President Ebrahim Raisi, in Johannesburg, called the decision of to expand the BRICS “commendable,” and said Iran’s membership will have “history-making” benefits. “BRICS can help solve the problems of the international community,” he remarked, underscoring that “global trust in the effectiveness of BRICS is increasing.” Moreover, “the Islamic Republic of Iran very resolutely supports the successful endeavors of BRICS in line with de-dollarization from the trade and economic interactions between the members and also making use of local currencies.”

Saudi Arabia: Foreign Minister Prince Faisal bin Farhan said from Johannesburg that “we look forward to developing this cooperation to create new developmental and economic opportunities and elevate our relationship to the aspired level.” According to Al Jazeera, the Prince told Saudi channel Al Arabiya that the Kingdom welcomed the invitation but would review the details in order to make an “appropriate decision” before the January 1 date for joining.

Argentina: In a message to the nation this morning, President Alberto Fernández emphasized that membership in the BRICS “strengthens us” and

“opens a new scenario for Argentina.” Now “we are going to be protagonists of a common destiny in a bloc that represents over 40% of the global population. We will continue to strengthen fruitful, autonomous and diverse relations with other nations of the world,” as “the BRICS are for Argentina a new opportunity. ... Projecting a peaceful, friendly, realistic and dignified nation toward the world is at the heart of our foreign policy,” he said, reported *Página 12*.

### **Rousseff’s Vision for BRICS New Development Bank—By and For Developing Countries**

Aug. 24, 2023 (EIRNS)—Central to the ability of nations to escape the cycle of endemic poverty is having credit for productive economic investment. That’s what has been controlled and largely restricted by the Western-dominated IMF and World Bank, which treat developing countries’ economies as accounting problems to be balanced, making loans with strings attached, and often leaving the borrowing nation in worse shape and with more debt than before it took the loan.

Speaking Aug. 23 at the BRICS Summit in South Africa, the New Development Bank’s (NDB) President Dilma Rousseff likely caused many within the trans-Atlantic financial establishment to panic. Her remarks clearly indicate that a serious bank, intent on the generation of significant amounts of credit for development, is in the works. As such, she also made a powerful distinction between the NDB and the existing multilateral development banks: “Our financial support is provided without onerous conditions.”

Though the NDB’s capital base is small and the bank is only planning to lend \$18.2 billion during 2023 and 2024, it is playing an important role in the BRICS process, and was spoken of very highly by leaders throughout the summit. It is also of note that the bank, over the recent period, has struggled with liquidity problems, which have held it back from accomplishing more, including “15 months without carrying out any public issuance of dollar-denominated securities,” due to the Western sanctions against Russia and crushing interest rate hikes. The new admission of more

capital-rich United Arab Emirates and Saudi Arabia into the BRICS and the NDB at the Aug. 22-24 BRICS summit will surely improve the bank's limited capital base.

Two developments stand out, however, regarding the significance of the NDB as headed up by Rousseff. One, it has committed to selling bonds within the local currencies which the bank is operating, allowing it to leverage local capital—including government capital—to support its lending. It has conducted that in China, and now, on Aug. 15, for the first time in South Africa, and is beginning the process in Brazil as well.

Second, and more importantly, Rousseff made the point that the NDB is committed to lasting physical investments into developing nations. She has made that point several times before, but reiterated in her remarks that “the NDB is a bank created by and for developing countries.” “For developing countries and emerging economies, it is about overcoming the condition of mere suppliers of commodities, considering the immense wealth we have in rare earths and various ores,” she said. “The Global South needs to seek to add value to its wealth and its source of sustainability. It needs to seek reindustrialization with new characteristics.” Rousseff also warned that nations of the Global South cannot become “consumers of ‘high-technology platforms’ products, limited, in our economies, to being passive users of digital applications. So we need smart and productive connectivity.” Finally she declared: “The NDB does not act alone. We need to work increasingly closely and directly with our member countries to better identify their most significant needs and focus our support on projects that have the greatest additional impact.”

Rousseff was President of Brazil in 2014, when she hosted the BRICS Summit in Fortaleza, where the decision was taken to form the New Development Bank and Contingent Reserve Arrangement.

### **Modi and Xi Meet, Agree on ‘Expeditious’ Efforts To De-Escalate India-China Border Conflict**

Aug. 24, 2023 (EIRNS)—Apparently it was not a formal meeting, but India's Prime Minister Narendra Modi and China's President Xi Jinping

did converse on the sidelines of the BRICS Summit in Johannesburg, according to *The Hindu*, which reported that the discussion had occurred Aug. 23. The upshot of the “conversation” as reported, is that the two leaders agreed to step up efforts for an “expeditious de-escalation” along the disputed area of their common border, called the Line of Actual Control, or LAC, so that overall relations can improve.

Indian Foreign Secretary Vinay Kwatra, the number two in the External Affairs Ministry, informed Indian journalists in Johannesburg briefly today: “In a conversation with President Xi Jinping of China, Prime Minister highlighted India’s concerns on the unresolved issues along the LAC in the western sector of the India-China border areas. Prime Minister underlined that the maintenance of peace and tranquility in the border areas, and observing and respecting the LAC are essential for the normalization of the India-China relationship. In this regard, the two leaders agreed to direct their relevant officials to intensify efforts at expeditious disengagement and de-escalation.”

Their “conversation” was not spur of the minute. Two days before the summit began, *The Hindu* reported that the 19th round of talks on the border between the militaries (the India-China Corps Commander Level Meeting) “had resulted in a joint statement last weekend, seen as a positive sign ahead of a possible Modi-Xi engagement” during the BRICS summit. That joint statement did, indeed, describe their talks as “positive, constructive and in-depth,” in line with guidance from their respective leaders.

“For India, this BRICS summit carries special importance,” *The Hindu* noted. “This is the first in-person summit since the military standoff with China at the Line of Actual Control began in 2020, and Prime Minister Narendra Modi will come face to face with President Xi Jinping at the BRICS meet. While they have attended the Shanghai Cooperation Organization (SCO) summit in Samarkand, and had a brief meeting at the G20 in Bali last year, at the BRICS summit they will be in a very small group of four (with President Putin attending virtually), and will have many

opportunities to hold bilateral talks. This meeting would be significant in terms of resolving the LAC situation.”

So much for London’s games. Just the week before the BRICS summit, infamous former Goldman Sachs economist Jim O’Neill, now parading as the Baron of Gatley, had brazenly assured the *Financial Times* that the City of London’s financiers need not worry about their speculative system: “It is a good job for the West that China and India never agree on anything, because if they did the dominance of the dollar would be a lot more vulnerable,” he pronounced.

### **Ramaphosa Opens BRICS-Africa Outreach and BRICS-Plus Dialogue, Hails Spirit of Bandung Lives!**

Aug. 24, 2023 (EIRNS)—Following the formal proceedings of the five member countries at the BRICS 15th Summit in Johannesburg on Aug. 24, host [South African President Cyril Ramaphosa](#) gave opening remarks to the broader audience in attendance during the week. Ramaphosa powerfully evoked the “Spirit of Bandung,” referring to the Non-Aligned Movement founding summit in Bandung, Indonesia in 1955. His remarks indicate the true spirit the BRICS nations are taking up today:

“When reflecting on the purpose and role of BRICS in the world today, we recall the Bandung Conference of 1955, where Asian and African nations demanded a greater voice for developing countries in world affairs. The Conference called for the recognition of the equality of all nations, large and small.

“We still share that common vision of a fair and just world. We still seek to overcome polarity and division. We want a world without barriers between North and South, East and West. We still seek a world in which we work together underpinned by mutual respect.

“Through the 15th BRICS Summit and this Dialogue we should strive to advance the Bandung spirit of unity, friendship and cooperation.

“In South Africa we have a world for this: Ubuntu. Ubuntu is a practice based on the understanding that our success, prosperity and well-being depends on the success, prosperity and well-being of others.”

Ramaphosa went on to discuss the task before BRICS and the Global South’s hope of economic development, after years of tolerating an economic model which saw wealth stolen from their countries in return for minimal progress.

“It is the right of Africa and the entire Global South to fully reap the benefits of global trade and investment. Without trade and investment our economies cannot thrive and our peoples’ material conditions cannot improve. As the African continent we are determined that the continent’s substantial resources are harnessed for the benefit and development of Africa’s people.

“To make use of these opportunities, Africa is looking to the BRICS partnership to unlock infrastructure and development financing. This was part of the founding vision of the New Development Bank. The Bank is playing a leading role in efforts to increase the resilience of the Global South, and to bring fairness to global trading and financial systems by strengthening the use of BRICS currencies.

“We have to reform global economic, financial and political governance, including the multilateral trading system, so that we create a conducive environment for fair trade. While many countries of the Global South are seeing significant progress in industrialization, technological development, innovation and the digital economy, they are not fully reaping the economic benefits.”

## SCIENCE & INFRASTRUCTURE

### Kenya-Ethiopia SGR Railway Plans To Resume Construction

Aug. 24, 2023 (EIRNS)—The Kenyan government has resumed plans to build the Kenya-Ethiopia Railway. Construction will begin in 2025. It will be a standard-gauge, high-speed electric railway and cost \$13.8 billion. The

railway line will run from the new Lamu port in Kenya, to Ethiopia, and then later be extended to South Sudan, covering a distance of 3,000 km. It will link the brand-new port to Isiolo, Kenya, and later will branch into three routes to the three nations' capitals—Addis Ababa in Ethiopia, Juba in South Sudan, and eventually Nairobi in Kenya. According to the LAPSSET Corridor Development Authority, the agency that manages the project, the government of Kenya is arranging for \$9 million from the African Union infrastructure fund to finance feasibility and engineering studies. The acronym LAPSSET stands for “Lamu Port, South Sudan, Ethiopia Transport Corridor.” The railway is part of the proposed \$22 billion Lamu Port-South Sudan-Ethiopia Transport Corridor and will likely include the building of oil pipelines, a refinery plant, roads, and airports.

On Aug. 3, it was reported that another frozen rail project, the Standard Gauge Railway (SGR) between Kenya and Uganda has also been revived and will improve the infrastructure in the so-called Northern Corridor. According to a joint statement released by the two governments, resumption of the project depends heavily on how quickly the financing can be arranged. The Kenya-Uganda SGR extension from Naivasha, Kenya to Kampala, Uganda could eventually be expanded to Uganda's border towns with Rwanda and South Sudan. The two countries transport ministers signed an agreement to jointly seek financing. Discussions have opened with European and West Asian funders. China, which had financed and built the SGR in Kenya, declined to finance this extension.

### **‘India Took a Walk on the Moon!’**

Aug. 24, 2023 (EIRNS)—“Chandrayaan-3 ROVER: Made in India. Made for the MOON! The Ch-3 Rover ramped down from the Lander and India took a walk on the Moon!,” the Indian Space Research Organization (ISRO) happily reported today in a tweet. It promised more updates to come—soon.

Chandrayaan-3's lander “Vikram” is named in honor of Vikram Sarabhai, the father of the Indian space program, who made major contributions to the development of science in multiple fields in India. He

founded the Indian National Committee for Space Research in 1962, which evolved into the ISRO in 1969.

The rover was named Pragyan, which means “wisdom” or “supreme intelligence” in Sanskrit.

Two of the three Chandrayaan-3 mission objectives have now been met: “to demonstrate safe and soft landing on lunar surface,” and “to demonstrate rover roving on the Moon.” The third objective, “to conduct in-situ scientific experiments,” is being readied. ISRO has a more detailed breakdown of the [mission’s objectives](#) on its website.

## STRATEGIC SHOWDOWN

### Washington Warmongers Go Berserk

Aug. 24, 2023 (EIRNS)—While much of the rest of the world is celebrating the landing of India’s Chandrayaan-3 at the South Pole of the Moon and the achievements in Johannesburg, South Africa of the BRICS Summit, the lunatics in Washington are trying to hype up their proxy war against Russia in Ukraine. Secretary of State [Tony Blinken](#) tweeted a statement on X (formerly Twitter) in which he declared: “For 9 years, Russia has occupied Crimea and subjected its residents to a campaign of brutalization and repression. But the people of Ukraine have not backed down, not even after the Kremlin’s illegal and horrific invasion. Crimea is Ukraine. Russia’s aggression must end.”

Political analyst and former UN weapons inspector [Scott Ritter](#) replied: “If one ever wonders why the U.S. has lost the respect of thinking people around the world, allow me to introduce fact-challenged exhibit A, our unthinking Secretary of State.”

Meanwhile, Sen. Lindsey Graham was in Kiev yesterday raving that only 3% of the U.S. defense budget has supposedly wiped out 50% of Russia’s combat capacity. “This is the best investment for American security ever; Ukraine is a fantastic partner—we have not seen such a partner since Churchill,” he claimed. Graham claimed further that U.S.

intelligence had made an error ahead of Russia’s full-scale invasion of Ukraine, greatly overestimating the strength of the Russian army. “When the Russian invasion began, we were told that Kiev would fall in four days, and the country—in three weeks,” Graham adds. “This was the biggest misunderstanding of Ukrainians and overestimation of the Russian army by our intelligence. I myself thought the Russian army was better than it is.”

## COLLAPSING WESTERN SYSTEM

### **Jake Sullivan Says Forget China, the Old IMF Paradigm Is Better for the Global South**

Aug. 24, 2023 (EIRNS)—During an Aug. 22 briefing at the White House, the often delusional [National Security Adviser Jake Sullivan](#) crassly asserted that when President Joe Biden goes to New Delhi on Sept. 7-10 for the Sept. 9-10 G20 Summit in India, the U.S. will demonstrate by its “leadership,” together with its “allies and partners,” that it can respond to the pressing needs of the Global South. Washington will do that by proposing to bolster existing multilateral development banks and “reshaping” and revamping the thoroughly discredited institutions of the dying old order, the IMF and World Bank.

Judging from his attack on “the scale of the P.R.C.’s coercive and unsustainable lending through the Belt and Road Initiative,” Sullivan seems to have had the BRICS on his mind, whose 15th annual summit was beginning the same day in Johannesburg, South Africa. He proclaimed that while in New Delhi, Biden “will also reaffirm the U.S. commitment to the G20 as the premier forum of economic cooperation globally, including by committing to the U.S. hosting the G20 in 2026.” By 2026, what will be left of the rotting old paradigm?

Undeterred by reality, Sullivan insisted, “we need to ensure there are high-standard, high-leverage solutions to the challenges countries are facing, and a way to get the most bang for our buck is through the World Bank and the IMF, which are highly effective and transparent international financial institutions that were founded on and continue to embody U.S.

leadership.” Reshaping “and scaling up the World Bank” will allow it to “more effectively deliver both poverty reduction and inclusive economic growth,” he argued, boasting that the World Bank/IMF can come up with \$50 billion in lending for middle-income and poor countries. Then, with help from “allies and partners” that amount will quickly grow to \$200 billion—and this is the proposal that Biden will bring with him to New Delhi.

Sullivan also played up that prior to Biden’s trip, Vice President Kamala Harris will travel to Jakarta, Indonesia, Sept. 4-7, to attend the U.S.-ASEAN and East Asia summits, in order to, among other things, “review the unprecedented expansion in U.S.-ASEAN relations under the Biden-Harris administration.” She’ll focus on “our shared prosperity and security,” climate, economic growth, and, of course, upholding and strengthening “international rules.” That should make everyone feel safe.