

## EIR Daily Alert Service

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- Schiller Institute International Conference: ‘Things Must Never Be the Same’
- Russia Has the Europeans by the Gas Pipe
- European LNG Prices in One-Day Soar to \$1,300 PTCM; West Blames Russia While Planning Gazprom Boycott
- German Publisher and Journalist: Ukraine Has Lost the War, We Need a Peace Plan Now!
- Ukraine Official Admits Social Destabilization, Collapse Faced
- Why Can’t the U.S. Increase Oil-Refining Capacity?
- U.S. Business Leader Says 85% of American Companies Have Stayed in Russia
- British Home Secretary Signs Assange Extradition Order, but Legal Avenues Still Available To Appeal
- Putin Tells St. Petersburg Forum, the Unipolar World Is Dead; Deluded West Would Do Well To Admit It
- The Three Stooges Do Kiev: Public Narrative and Non-Public Agenda
- Macron on Russia: ‘Geography Is Stubborn’

## EDITORIAL

### Schiller Institute International Conference: ‘Things Must Never Be the Same’

June 17 (EIRNS)—The two-day international deliberative process organized by the Schiller institute, “[There Can Be No Peace Without the Bankruptcy Reorganization of the Dying Trans-Atlantic Financial System](#)”

commences June 18. It is designed to allow the Institute's co-thinkers from all around the world to inspire the multiple circles of individuals and institutions with which they are in touch to engage in discovering the solutions to the complex maelstrom of transition into which the world has been presently plunged. A new development and security architecture can indeed be given to the world, but not without a fight. Russia, China, India, and the United States, must be brought into accord with the higher community of principle embodied in Lyndon LaRouche's Four Laws, and envisioned in the World Land-Bridge proposal.

On June 17, RT quoted from Russian President Vladimir Putin's keynote to the [St. Petersburg International Economic Forum](#): "Those who believe that things are going to be back to the way they were before the breakout of conflict in Ukraine are wrong. It is a mistake to suggest that the times of turbulent changes can be waited out and that things will return to normal; that everything will be as it was. It won't."

Many in the Anglosphere believe too strongly in their own barely-noticed axioms to avoid a fatal "descent into the maelstrom," doomed to litter the shoreline of history with the bleached remains of the scores of failed empires that came before. "Nothing beside remains." Though many believe the fight against this society's self-destruction to be unwinnable, our humanity and optimism demand otherwise. The intellectual tradition of Nicholas of Cusa and Gottfried Leibniz, both of them successful fighters for the higher resolution of often deadly ideological conflicts afflicting the human race, has been restored and qualitatively advanced by Lyndon LaRouche. It can now become hegemonic, largely through LaRouche's work and that of thinkers like biogeochemist Vladimir Vernadsky, whose work is the subject of two talks this weekend. Creative breakthroughs that both discover and employ the laws of the physical universe to improve humanity's self-government through technological progress, are the basis for the true science of physical economy—not money.

It is, however, necessary not only to know the enemy of progress, but to name that enemy and defeat it. It is not flesh and blood, but a belief

structure called “the empire of the mind.” LaRouche described it this way in an answer to a question in 1996:

“The way the British empire functions is like the Persian host. Inside the Persian host, you had an inner core of fighters, who were called the ‘immortals.’ These were the sons and daughters of leading Persian families, generally oligarchical families, whose sons and daughters would take up a military profession as the Achaemenid fighters’ core. But the Persian empire had a limited number of the so-called ‘immortals,’ with their basket-work shields. Most of the Persian empire was composed of a host of auxiliaries, like Napoleon’s horde marching into Russia, in 1812. An army of, not French, but mercenaries! Auxiliaries!

“The power of the British, at the core—they’re very powerful, at the core. Very tough. At the core. Of course you’ve got a lot of haw haws, and goof goofs, and so forth, around there, but you’ve got a few inner core that really know what’s going on. They’re dangerous. But, like the Persian empire, the British empire is a Babylonian host, ruled by the Whore of Babylon, reincarnated in the form of the mad cow who sits on the throne over there. So, therefore, when you get into a period where all of these auxiliaries, admirers in the financial community, and you ought to see these goofballs that run the trust funds in New York City these days. They’re absolute goofballs! Read the *Wall Street Journal*. There isn’t a brain in the joint! They’re all babbling idiots.

“But the British depend upon their auxiliaries. Their auxiliaries in every country, the prostitutes, who are owned by the British, who suck up to the British, who would think that the greatest thing in the world would be to stand within 6 meters of the Queen!...

“Now, these are the auxiliaries. These are the Persian host. Come a financial crack, all of these idiots start jumping out of windows and doing other wild things. They are routed. Self-routed by the breakdown in their dream, their delusion. So, at that point, the inner core, while it’s still tough and dangerous, its auxiliaries aren’t functioning so well. That is the time you defeat them.”

- Watch [Harley's Updates](#) with Harley Schlanger on Monday June 20, 2022: Every weekday morning on [The LaRouche Organization](#), Schlanger will give you the strategic briefing you need to start your day.

## COLLAPSING WESTERN SYSTEM

### Russia Has the Europeans by the Gas Pipe

June 17 (EIRNS)—After reducing gas supplies through Nord Stream 1 by 60%, Gazprom has announced today that it will deliver only 50% of gas supplies to Italy. France is also not receiving a minor amount of Russian gas, which normally flows through Nord Stream 1. Russia is thus hitting the “co-belligerent” Europeans with the deadly gas weapon. We are one step before a real emergency, with rationing and energy cuts especially in Germany and Italy, where gas constitutes a major component of the national energy mix.

German Economy Minister Robert Habeck (Green) said that if it is not possible to fill up gas reserves, mandatory government rationing will be necessary. “We will be forced to adopt further saving measures, if needed, by law,” Habeck told ARD television. Gas reserves are only 56% full. The head of the Bundesnetzagentur regulator, or Federal Network Agency, which is under Habeck’s ministry, has proposed to reduce home heating to 18°C (64°F). Housing Minister Klara Geywitz, a Social Democrat, said instead that she “considers a government-mandated freezing as nonsense.”

In Italy, Green Transition Minister Roberto Cingolani said that if the gas cuts are confirmed, a state of emergency will be implemented, also with mandatory government-ordered cuts, rationing measures, such as turning off public lights and air conditioning, etc. The Russian gas embargo is driving gas prices, already high, even higher. Electricity and gas bills are already unpayable. According to the retail association Confcommercio, the electricity bill for households has doubled in one year, from a total of €32

billion in 2021 to €59 billion in 2022. For tertiary activities, it has increased by 140%.

There is not much that European governments can do to avoid a catastrophic disruption in energy supplies this summer, and a worse one next winter, unless they surrender in the war they have waged against Russia. Even Italian Prime Minister Mario Draghi has openly admitted that EU sanctions are backfiring. In a press conference after his visit to Kiev, Draghi said that although oil and gas sales from Russia to Europe have dropped, price has increased, so that Russia has not lost and Europe is in trouble. In this context, the proposal to put a cap on energy prices gains strength.

What is to be done? “We will talk about it at the next EU Council meeting,” Draghi said.

### **European LNG Prices in One-Day Soar to \$1,300 PTCM; West Blames Russia While Planning Gazprom Boycott**

June 17 (EIRNS)—Isn't that what the Malthusian Davos crowd, the Great Reset, and the Green New Deal wanted? To increase fossil fuel prices to discourage their use and “make solar and windmills competitive”—and certainly lower the birth rate.

Like the cuckold, who, seeing his wife in bed with her lover, puts a gun to his own head, and responds to their hilarity: “Don't laugh, you're next!” How long can Europe survive under these conditions? The U.S. elite seem willing to sacrifice all of Europe (including Ukraine) for their self-proclaimed purpose of “weakening Russia.”

Not to be ignored in the creation of this huge, 25% price increase, which will damage all of Europe, is the role of Perfidious Albion via its colony of Canada. Canada, in line with its anti-Russia sanctions policy, refused to return the Siemens Energy turbine used in Gazprom's Nord Stream pipeline sent to it for maintenance: Gazprom had to initially cut back supply to 100 million cubic meters because its pumps can't run without the turbine; a second blockaded turbine is forcing Gazprom to cut supply to 67 mcm.

Canada, whose head of state is the Queen Elizabeth, is not only home to ultra-right Ukrainian second- and third-generation immigrants that support the Azov Battalion and related Nazi networks. The most egregious case is the former Foreign Minister, currently Finance Minister and Deputy Prime Minister Chrystia Freeland. Her maternal grandfather Michael Chomiak (Ukrainian: Михайло Хом'як, Mykhailo Khomiak) has been identified, though the claim is disputed, as a Nazi collaborator in World War II. He was the editor-in-chief of the Ukrainian anti-Semitic daily newspaper *Krakivs'ki visti (News of Krakow)* for the Nazi regime.

## STRATEGIC WAR DANGER

### German Publisher and Journalist: Ukraine Has Lost the War, We Need a Peace Plan Now!

June 17 (EIRNS)—In one of the leading German talk shows, “[Maischberger](#)” (ARD) on June 15, top establishment journalist and publisher Wolfram Weimer spoke out forcefully for a negotiated peace to stop the war, on the eve of the Kiev visit of Scholz, Macron, and Draghi. He is well connected in international and German media. This kind of intervention has been lacking recently in national talk shows. On the contrary, when somebody has dared to speak out against the continuation of the war, or otherwise criticize it, they have been heavily attacked. Something else may be going on behind the scenes—at least a faction fight, which hopefully, may gain more ground. While it seems that Weimer’s intervention was not widely covered in mainstream media, social media have partially picked it up, and it is now included at the end of his Wikipedia biography.

In what the ARD website called “the moment of the evening,” Weimer said “We have to admit to ourselves an unpleasant truth, and that is that Russia has won this war. ... In fact, Russia has practically conquered the Donbass now.” The territorial gains are huge, he said, and the land connection to Crimea is there. He asked: “How is Russia going to lose this war now? Ukraine doesn’t have the strength, even with the weapons we can

still supply,” Weimer said. According to him, Russia is winning the battle even in the game of international sanctions. “We cannot win this war, we must end it as soon as possible.

Weimer then demanded, “Actually, Berlin must now present a peace plan.” ARD Berlin journalist Kerstin Palzer interjected that she does not believe that Scholz would finally go to Kiev and then say: “Dear Ukrainians, give up now. That is absolutely inconceivable.” Weimer countered: “We are talking about a ceasefire. The call to arms cannot end this political game. Surely we have to get to a moment when this war stops.” When Palzer followed up again with “Scholz and Macron have been on the phone with Putin for weeks, and as far as I know, nothing comes of it.” Weimer underlined again: “This war is lost, as much as it hurts.”

His intervention came in the talk show which dealt with the current crises and what the government is doing or rather failing to do, with German Justice Minister Marco Buschmann, SPD co-chairwoman Saskia Esken, Kabarett actor Mathias Richling, a pensioner from Bavaria, and ARD Berlin journalist Kerstin Palzer. In the earlier part of that discussion, Weimer criticized the governing coalition for “showing no leadership.” He called inflation “the biggest political problem Germany currently has. ... They throw money out with all hands. That produces consequences as far as inflation. ... Inflation is not fate, it is the result of wrong monetary policy,” Weimer stressed. He called for ECB president Christine Lagarde to urgently change her policy.

Weimer worked as economics editor for *FAZ*, was editor-in-chief of *Die Welt*, *Berliner Morgenpost*, of *Cicero* and *Focus*, before he founded the Weimer Media Group, which publishes *The European*, *Wirtschaftskurier*, and *Pardon*. He has a weekly column for n-tv. From his background he is a conservative liberal; his wife runs the yearly Ludwig Erhard conferences. (He wrote his dissertation in the U.S. on the controversy around the Bank of North America.)

## Ukraine Official Admits Social Destabilization, Collapse Faced

June 17 (EIRNS)—The British Monarchy’s leading defense think-tank, the Royal United Services Institute (RUSI), opened its portal June 14 to a desperate plea for yet more international aid for Ukraine penned by [Oleksandr Danylyuk](#), the head of Ukraine’s Center for Defense Reforms and “a coordinator of the NATO-Ukraine intergovernmental platform for early detection and countering hybrid threats.”

Danylyuk has served in post-Maidan governments variously as Finance Minister, Secretary of the National Security and Defense Council, Special Advisor to the head of Ukraine’s Foreign Intelligence Service, and advisor to the Minister of Defense. Clearly, he has been a “London boy” going back to the 2000s, when he worked on reform of the U.K. tax system for McKinsey & Company out of their London office and then headed a hedge fund.

No triumphalist tone was heard here; stepped-up international aid is “Ukraine’s only hope,” Danylyuk wrote. Now that the war has become a war of attrition, “Russia has the upper hand.” Wars of attrition are won by the party which has the resources to continue, and unlike the Russian economy, Ukraine’s economy is “destroyed,” he wrote.

He described Ukraine as an economy and a government in the process of disintegrating. The country’s ports are under naval blockade. “The ongoing fuel crisis is likely to be exacerbated by a gas crisis as winter closes in.” (So much for the Zelenskyy government’s offer this week to supply more Russian gas to Europe!) “The financial and budgetary crisis may leave the Ukrainian government without the ability to pay salaries and pensions and create the preconditions for social destabilization.”

And then, this remarkable admission:

“Wars of attrition are won by the rear, and the only rear left in Ukraine is the international coalition in support of Ukraine, which was formed in April 2022 in Ramstein, Germany.” A rather weak reed!

## U.S. POLITICAL AND ECONOMIC

### Why Can't the U.S. Increase Oil-Refining Capacity?

June 17 (EIRNS)—The answer to that question is straightforward. According to data in the May 2022 “Monthly Refinery Report” produced by the U.S. Energy Information Administration, U.S. operable refinery capacity has fallen by about 1 million bpd since the beginning of 2020. Quoted by Zero Hedge, Reuters senior markets analyst [John Kemp](#) notes that according to the report, about two-thirds of the loss can be attributed to the shutdown of three U.S. refineries: Philadelphia Energy Solutions in Pennsylvania, which closed its refinery (335,000 bpd) after an explosion and the operator went bankrupt; Marathon in California (161,000 bpd) is converting its Martinez refinery to a biofuels facility, as part of California’s energy transition program; and in Louisiana, Shell closed its Convent refinery (240,000 bpd), as part of its strategy of transitioning to a low-carbon future, and when it also failed to find another buyer.

Kemp points out that even before the Covid pandemic, the likelihood that the transition to more electric vehicles would reduce fuel demand made many refiners reluctant to replace obsolete or damaged equipment, let alone increase capacity. In addition, capacity reductions were accelerated due to pandemic-driven drops in fuel consumption, which created extra financial pressures. The reality is that the industry is struggling to manage these long-term pressures on the refining system, considering the projected increase in alternative-powered vehicles.

Moreover, decisions regarding refining can't be easily reversed given the large amounts of capital involved in refinery upgrades and reconfigurations, the long lead times for planning and construction and lengthy payback periods. So, the result is that for 2022 and 2023, available capacity is largely fixed and is almost all being used already, so there aren't good options for increasing output in the short to medium term. In a letter to the White House this week, responding to Joe Biden's demand that oil companies immediately increase refining capacity, the American Fuel and

Petrochemical Manufacturers trade association explained the nature of the constraints on refining that the industry must contend with.

### **U.S. Business Leader Says 85% of American Companies Have Stayed in Russia**

June 17 (EIRNS)—Every time that Secretary of State Tony Blinken and National Security Adviser Jake Sullivan get the chance, they like to brag about what they call the mass exodus of American companies that have left or will leave Russia, purportedly delivering the Russian economy a lethal blow. But yesterday, TASS reported that Robert Agee, President & CEO of the American Chamber of Commerce (AmCham) in Russia, reported to the St. Petersburg International Economic Forum that “about 85% of our [American] companies have decided to stay in Russia. Only 11% have left the country, and another 4% are still thinking.”

AmCham is the largest foreign business organization in Russia, which defines its mission as enhancing commercial relations between Russia and the global business community, which has deteriorated since Crimea rejoined Russia in 2014.

### **British Home Secretary Signs Assange Extradition Order, but Legal Avenues Still Available To Appeal**

June 17 (EIRNS)—British Home Secretary Priti Patel today signed the order for the extradition of Julian Assange to the United States. In a statement, the Home Office asserted that “the U.K. courts have not found that it would be oppressive, unjust or an abuse of process to extradite Mr. Assange. Nor have they found that extradition would be incompatible with his human rights, including his right to a fair trial and to freedom of expression, and that whilst in the U.S. he will be treated appropriately, including in relation to his health.”

Assange has been held at the maximum-security HM Prison Belmarsh in London since 2019, without having been charged with any crime in Britain, and is in failing health because of the barbaric conditions in which he has been held. In a statement released today, WikiLeaks declared that “this is a dark day for press freedom and British democracy.... It was in Priti Patel’s

power to do the right thing. Instead she will always be remembered as an accomplice of the United States in its agenda to turn investigative journalism into a criminal enterprise.”

Assange’s wife Stella Moris and his legal team have vowed to continue the fight for Assange’s release. They have 14 days in which to appeal the decision.

## NEW ECONOMIC ORDER

### Putin Tells St. Petersburg Forum, the Unipolar World Is Dead; Deluded West Would Do Well To Admit It

June 17 (EIRNS)—In his keynote address to the St. Petersburg International Economic Forum (SPIEF) today, [Russian President Vladimir Putin](#) delivered a *tour de force* in describing the world situation, telling his audience that he wanted to begin with the same point he made at the World Economic Forum in Davos a year and a half ago—that the unipolar world is dead. “There is no way around it. This era has ended despite all the attempts to maintain and preserve it at all costs.” The flawed concept of a unipolar world is based on the idea that there is just one “albeit strong power with a limited circle of close allies, or, as they say, countries with granted access, and all business practices and international relations, when it is convenient, are interpreted solely in the interests of this power. They essentially work in one direction in a zero-sum game. A world built on this doctrine of this kind is definitely unstable.”

Putin pointed to the willful blindness of the U.S. and Western powers that, following the Cold War, ignored the emergence in recent decades of new “increasingly assertive” centers of power, with their own political systems, models of economic growth and the right to protect themselves and secure their national sovereignty. These are “genuinely revolutionary tectonic shifts in geopolitics, the global economy and technology in the entire system of international relations.” These “dynamic and potentially strong countries and regions are growing,” Putin said, and their interests can no longer be ignored.

Putin excoriated Western states for refusing “to notice obvious things, stubbornly clinging to the shadows of the past.... They seem to believe that the dominance of the West in global politics and the economy is an unchanging eternal value.” But, he warned, “nothing is eternal.” Western nations are trying “to reverse the course of history. They seem to think in terms of the past century,” considering that any nations outside the so-called “golden billion” are a backwater, are colonies and second-class citizens. Any nation that does not blindly obey is punished or crushed.

The Russian President went through a quite detailed and systematic discussion of the Russian economy, assessing its problems, priorities and accomplishments, especially under the onslaught of the “sanctions blitzkrieg” which the West deluded itself into thinking would “suddenly and violently” crush the Russian economy, industry and people’s living standards. “This did not work,” Putin pointed out. The propaganda about the dollar at 200 rubles and economic collapse was just information warfare. “Real life has belied these predictions.” But, he said, “to continue being successful, we must be explicitly honest and realistic in assessing the situation, be independent in reaching conclusions, and of course, have a can-do spirit, which is very important. We are strong people and can deal with any challenge.... The entire thousand-year history of our country bears this out.”

Putin described the challenges of building up production, increasing supply in the domestic market and restoring demand. There has been success in gradually lowering interest rates and inflation, but more must be done. Every effort must be made to improve people’s living conditions, to provide housing, transportation and new infrastructure, restore bank financing and protect the most vulnerable citizens. He called for going beyond just import substitution, to produce high-quality goods employing advanced state-of-the art technology.

It is European countries, Putin said, that are suffering the brunt of the sanctions imposed on Russia. “Sanctions as a weapon have proved in recent years to be a double-edged sword damaging their advocates and architects

just as much, if not more.” He estimated that the EU’s direct calculable losses from the “sanctions fever” could exceed \$400 billion this year, whose victims are the European people, whose savings are being eaten up. Putin asserted Europe has in fact lost its political sovereignty, “its bureaucratic elites are dancing to someone else’s tune, doing everything they are told from on high and hurting their own people, economies, and businesses.” Eventually, he warned “Such a disconnect from reality and the demands of society will inevitably lead to a surge in populism and extremist and radical movements, major socioeconomic changes, degradation and a change of elites in the short term.”

What is happening in the world economy today, Putin explained, has nothing to do with Russia’s special military operation in Ukraine. Rather, the world has been driven into this situation “little by little, by many years of irresponsible macroeconomic policies pursued by the G7 countries, including uncontrolled emission and accumulation of unsecured debt.”

## DIPLOMATS SIT AND TALK

### The Three Stooges Do Kiev: Public Narrative and Non-Public Agenda

June 17 (EIRNS)—There is a public narrative about the visit of French President Emmanuel Macron, German Chancellor Olaf Scholz and Italian Prime Minister Mario Draghi to Kiev on June 16, but there is also a non-public one. For instance, *Die Welt* wrote: “Scholz, Macron and Draghi, who went to Kiev, privately persuaded Zelenskyy to negotiate with Russia.”

As the newspaper reports, the three advocated providing Ukraine the status of a candidate for EU membership. But, “behind closed doors,” they most likely attempted to persuade Zelenskyy to sit down at the negotiating table with Putin, *Die Welt* claims.

The economic damage suffered by European countries from the crisis is growing stronger. It is increasingly difficult to compensate for it. “Economic growth has slowed down, inflation has reached a record level,” *Die Welt* writes.

Indeed, as impressive as it could sound, the decision to give EU “candidate status” to Kiev changes nothing for the moment. Balkan countries have been waiting for years as candidates and are still waiting.

The website “[La Tunisie Numérique](#)” reported yesterday: “When Macron says that ‘new discussions’ with Kiev are necessary, it is mainly to say that Europe is willing to help, on condition that Zelenskyy should reconsider his thinking. And when the French President says that, he is saying what he has thought all along: We have to negotiate with Moscow, split the difference—most likely grieve for a few pieces of Ukrainian territory. In order to achieve his aim, Macron will make a vague promises about Ukraine’s EU membership, but that will not have to be done for another 15-20 years. In other words to put the affair off to the Greek calends, when the geopolitical reconfiguration demanded by Putin subsides....”

Draghi also made a sibylline (others would say Delphic) reference to the problem, saying that EU institutions must be deeply reformed “to simplify access procedures.” But what does that actually mean?

Each of the three went to Ukraine representing a shrinking minority in their country, which still backs sending weapons to Kiev. So, they do not represent their populations. Nevertheless, in his public speech in Kiev, Draghi proclaimed, “We are here to help Ukraine in the war”! He further declared that they want to help Ukraine achieve peace, but that it is up to Kiev to decide what peace should look like (but we’ve seen that, already).

### **Macron on Russia: ‘Geography Is Stubborn’**

June 17 (EIRNS)—Largely ignored by the French and international media, these are Macron’s comments in Romania on Russia. While playing all sorts of games, in terms of perception and personal image, Macron reflects some of the real worries in Europe which are aware of the rolling shock waves in the areas of food and energy that will destabilize many regions, especially Africa. Responding to reporters on June 15, [French President Emmanuel Macron](#), during his visit to French NATO troops in Romania, said the following:

“But we want to build peace. This means that at some point we all want the shooting to cease and the discussions resume. I simply used this formula, in constant connection with President Zelenskyy, as he perfectly understood, to repeat that we Europeans share a continent. And since geography is stubborn, it happens that at the end of it, Russia continues to be there. It is there today, it was there yesterday, it will be there tomorrow. ... And so I have never shared the view that today we would wage war on the Russian people and that tomorrow we would want to annihilate them, because that is what is sometimes said.... No! Because at some point, when we have helped [Ukraine] as much as possible to resist, when, I hope, Ukraine has won and above all when the shooting has stopped, we must negotiate. The Ukrainian President, and his leaders, will have to negotiate with Russia, and we Europeans will be around the table, bringing with us a guarantee of security, these are elements that belong to our continent. This is the reality of things and this is the only principle that I simply repeated. At some point, it will come. And therefore any excessive talk will not allow this moment to come. But our future is at stake.”

The next day, in Kiev, Macron, after meeting Zelenskyy, said: “I want Ukraine to be able to regain its territory, its sovereignty,” quoted on TF1’s 8 p.m. news. “We must help Ukraine to hold on in a war that will last. But we do not have to decide the conditions of the end of this war in place of the Ukrainians.... The choices that will be made on the territories, the concessions or lack of concessions, are up to the Ukrainians to make.”