

EIR Daily Alert Service

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EDITORIAL

G7: The World Will Little Note, Nor Long Remember What They Said There

June 14 (EIRNS)—To quote a Chinese professor’s acerbic and brutally accurate observation, just before the G7 heads of state and government met at a resort in an impoverished area of Great Britain: “Far from confronting China, these Western leaders are only in confrontation with reality, and with the interests of the American people and the people of the world at large.” Trying to impose an insane new financial bubble called “Green New Deal,” based on deindustrializing advanced economies and making developing nations unsurvivable, the leaders of the trans-Atlantic democracies are too worried about bailing out their own banking systems to offer anything of value to the rest of the world. And as for the “rules” of their “rules-based order,” the same observer aptly said, “The time when a small group of countries can impose the rules on others, is past.”

A counter-Belt and Road Initiative from the G7? The ugly April speech by the Brits’ top “green” banker Mark Carney to African leaders, in which he told them to give up land, resource and industry development to get “carbon offset” cash payments from the likes of Microsoft, looks like all there is.

The heads of state and government, in their summit just concluded, renewed a pledge *made in 2009, and several times since, without result*, to “spend \$100 billion a year to help poorer countries cut carbon emissions.” Specifically, the G7 said they pledged to “mobilize \$100 billion/year from public and private sources, through to 2025.” None of the seven “leading” nations promised anything specific, just as they have not during the past 12 years.

This does not look at all like an “alternative to China’s Belt and Road Initiative” so much spoken of by the seven rather economically desperate heads of state and government. Unless the “private sources” refers to tech and other giants like Microsoft, maliciously buying their way out of carbon

emissions for executive jets and the like, by paying cash to take developing nations' land and resources out of development.

Moreover, along with this new “green finance” bubble is coming rising and spiking inflation, especially in food, which is plaguing much of the world. Home and vehicle prices in the United States are rising at 15-20 annual rates. The European Construction Industry Federation warns of frightening rates of increase in iron, steel bars, tar, construction materials for concrete and wood structures “threatening recovery after the pandemic.” The entire developing sector is struck hard by price increases across all categories of food, which the UN Food and Agriculture Organization says have averaged +38% over the past year.

China repeatedly warns the United States Federal Reserve that its money-printing, and the European Central Bank's (each now ten times their size after the Great Financial Crisis), are unleashing a dangerous worldwide inflation. A cartoon in China's *Global Times*, a Da Vinci knockoff of “The Last Supper,” called “The Last G7,” shows an American bald eagle at the center of the table reassuring its “disciples” with a printing press that takes in toilet paper and spews out dollars.

Confrontation with China and Russia by the “green” new order (now Build Back Better World instead of “Great Reset”) may start war that will escalate and destroy much of humanity, or set off a hyperinflation. It cannot defy physical-economic reality.

The unique starting point which can lead both to recovery and to gradually increasing great-power cooperation, is the common mission of building a modern healthcare and public health system in every nation in the world. The “next pandemic” may be COVID-22, and the vaccines now vaguely being promised to the world sometime that year, may have been defeated by the virus by then. There must be hospital, clinic and lab building everywhere, providing the power, freshwater, housing, and training of recruits throughout the developing nations particularly.

Everything for this new paradigm is being continuously worked out and created through the conferences of the Schiller Institute: The next, two-day

international conference is June 26-27. To Register, “[For the Common Good of All People, Not Rules Benefitting the Few!](#)”

It’s what we do there, that the world may remember.

- Watch [Harley’s Updates](#) with Harley Schlanger on Tuesday, June 15, 2021: Every weekday morning on [The LaRouche Organization](#) website, Harley will give you the strategic briefing on what you need to know to start your day.

COLLAPSING WESTERN FINANCIAL SYSTEM

Equivalent of 255 Million Jobs Lost in 2020, and Still Now, Says ILO

June 14 (EIRNS)—The International Labor Organization at the beginning of June published the latest in its periodical reports on the global workforce during the pandemic, “[World Employment and Social Outlook, Trends 2021](#).” It has found that as of the end of March 2021, some 115 million fewer people were working around the world than were employed, in any manner, in 2019. This increase in outright unemployment is 3.5% of the worldwide labor force. But the loss of work since the onset of the COVID-19 pandemic at the end of 2019, is considerably larger. The ILO concluded that “the equivalent of the hours worked in one year by 255 million full-time workers” had been lost to pandemic-triggered unemployment and underemployment. This likely means that as of the end of March, many more than 250 million workers—or 7.5% of the entire worldwide workforce—had lost at least some of their work.

As of the end of the third quarter of 2020, the ILO estimate of lost work was equal to the employment of 550 million full-time workers. So some lost work has resumed, but the loss of income and food security has been disastrous, especially in North and East Africa and Southwest Asia.

IRS Leak Showed Billionaires Not Paying Much Tax

June 14 (EIRNS)—ProPublica investigative news agency has released a report—“[The Secret IRS Files: Trove of Never-Before-Seen Records Reveal How the Wealthiest Avoid Income Tax](#)”—on U.S. federal tax payments by 25 more or less well-known billionaires. All 25 combined had a wealth increase of \$401 billion in the five years 2014-18, and paid federal taxes of \$13.6 billion on that increase in wealth, or about 3%. Median U.S. household income was about \$70,000/year, and the median household paid 14% on those earnings. Couples with earnings higher than \$628,000/year paid a 37% rate on the amount above that.

The ultra-wealthy are no more required by tax law than others to report all that wealth accretion as income as long as it remains stored in the form of investment holdings, usually stocks. But ProPublica also ascertained the actual realized income of the billionaires in those five years, with the following results:

Warren Buffett paid \$24 million, or 20%, on legally taxable reported income of \$125 million. But what ProPublica calls his “true tax rate,” based on his total increase in wealth over 2014-18, was 0.1%. Jeffrey Bezos paid \$973 million or 22% on legally taxable income of \$4.22 billion. There were years outside the 2014-18 period in which he paid no federal tax at all, namely 2007 and 2011. Bezos’ “true tax rate,” according to ProPublica, was also below 1% for 2014-18.

Sir Michael Bloomberg paid \$292 million or 29% on \$10 billion in legally taxable income. His “true tax rate” was 1.3%. Elon Musk paid \$455 million, or 30%, on \$1.52 billion legally taxable income. His “true tax rate” was “higher” than most, at 3.27%.

George Soros paid no federal taxes at all during the period, claiming he lost money.

Carl Icahn’s lack of any tax payments in 2016 and 2017 is illustrative of why ProPublica’s “true tax rate” is useful to show what the billionaires get away with. Icahn used deductions of interest paid on loans to escape federal

taxes despite legally reportable gross income of \$544 million for those years. It is standard for ultra-wealthy individuals and groups which buy properties—real, tangible or personal—to borrow in order to make acquisitions rather than using their own wealth, so that interest deductions cancel out significant chunks of the increase in that wealth. These deductions allow the very wealthy to realize and report some of their wealth increase while still paying no tax on it.

This is but one way that the tremendous increases in relative wealth of the richest individuals and groups have shifted more and more of the U.S. federal tax burden onto middle-income earners, while the national tax burden as a whole has shifted from federal taxes to state and local taxes and user fees.

GREEN NEW DEAL

European Green Deal Maniacs Have To Digest Swiss Voters' Anti-Green Referendum Rejections

June 14 (EIRNS) —The fact that with 51.6 and 61% respectively, the Swiss population defeated plans backed by special legislation for a CO2 tax and for a total ban of pesticides in referenda yesterday, implies, as Germany's leading news weekly *Der Spiegel* reports, that for the time being, the Swiss government's ambitions to make its country the first to ban pesticides, have been crushed. It remains a totally open question how Switzerland will now meet its promises signed at the 2015 Paris Climate Agreement, the weekly says.

Germany's state-run Deutsche Welle news agency tries to still push the illusion that things might be corrected sooner or later in Switzerland, quoting Swiss Environment Minister Simonetta Sommaruga as claiming that the referenda were “not a vote against climate protection,” that “the debates of the past weeks have shown that many people want to strengthen climate protection—just not with this legislation.” How new legislation would come about, however, as other media write, is yet rather uncertain,

because government and parliament have worked on the defeated laws for several years.

Hysteria in Germany seems to be moderate still, which may change once the full impact of the Sunday referenda has been digested. There is so far more hysteria on the anti-terrorism law which the Swiss backed in a parallel referendum: Radical pro-climate actions like occupation or blockades of bank building, road blockades and the like which have repeatedly occurred in the past can now be termed “threat to public security” and punished much more harshly. And police can now pre-emptively detain people suspected of planning a disruption or terrorist act even under “climate-protection” pretexts.

UNITED STATES POLITICAL AND ECONOMIC

Unreality of U.S. Anti-China Policy Produces a Strange Whistleblower Case

June 14 (EIRNS)—An op-ed in *Global Times* this past April 27, headlined “Why U.S. Will Lose a War with China over Taiwan Island,” was written by a science advisor to the U.S. Marine Corps working in the Pentagon, Franz Gayl—and Gayl says “They [*GT*] actually toned it down, if you can believe that.” The unusual whistleblower lost his security clearances after a second *Global Times* op-ed in May, and is resigning from his job for the Marines; nonetheless, as the *Washington Post* quoted him in a June 13 article, “I’m glad that I did it ... but it was probably a step too far for the Marine Corps.”

Strikingly, none of the remarks quoted from Gayl in the *Post* article are discussing details of the reasons for his judgment regarding a conflict over Taiwan; rather, they are comments on the blooming unreality of Pentagon strategy and all-of-government geopolitical ideas. “If we don’t talk about this now, we are going to sleepwalk into this conflict” between the U.S. and China, he says. And he elaborates: “Any reasonable man or woman would say that it’s outrageous for a civil servant working inside the bowels of the Pentagon to write on a communist news site, right? Under any other

circumstances, I'd say yeah. But I needed to get this thing elevated." His letter submitting the op-ed to *Global Times*, after it was rejected by many American publications, commented: "I will probably get in some trouble for reaching out to an authoritative Chinese publication to raise issues that counter bad U.S. policy. But the imminent war will be a tragedy we will all regret."

Gayl is 64, married with three grown children, and in no way an expatriate type although his Pentagon career is clearly over. His previous trouble with military brass was from a whistleblowing episode in 2007, and involved Gayl observing long delays in up-arming the armored vehicles called MRAPs in Iraq, which resulted in many U.S. service members' deaths. Several U.S. Senators praised him as a hero for it, including then-Sen. Joe Biden. This time no one is calling him a "hero," because he's blowing the whistle on an insane war policy whose ideological grip spans both Houses and both parties in Congress as well as the Executive and military leadership and much of academia. There are legions of sleepwalkers.

Gayl is again quoted: "I knew the things I was saying weren't going to get approval, but ... we are running out of time as a country."

Global Times' coverage of the case, "[Pentagon Whistleblower under U.S. Govt Probe for Publishing Op-Eds at *Global Times*](#)," on states "Within the U.S., there have been debates whether the U.S. should change its long-term strategy of 'strategic ambiguity' over Taiwan to 'strategic clarity'—making clear that the U.S. will defend Taiwan if and when a war breaks out." But the authors conclude that China, which seeks peaceful reunification with Taiwan, does not renounce the use of force in reserving "the option of taking all necessary measures to guard against external interference and secessionists in Taiwan."

COVID-19 AND FAMINE

Ibero-American Nation's Prove Diplomacy by Example, Sharing Their Vaccine Production

June 14 (EIRNS)—The first 400,000 doses of the AstraZeneca vaccine produced by Argentina and packaged by Mexico were delivered by the Mexican Air Force over the weekend to Bolivia, Paraguay and Belize: 150,000 each for the first two; 100,000 for the last, much smaller country. Another 811,000 doses, now ready for injection, were shipped back on commercial airlines to Argentina, for its use. Mexican Foreign Ministry officials report some 500,000 vaccines should be shipped to El Salvador, Honduras and Guatemala “shortly,” and others after that.

Accompanying the vaccines to La Paz, Bolivia, Mexican Deputy Foreign Minister for Multilateral Affairs and Human Rights declared in a joint press statement with Bolivian Foreign Minister Rogelio Mayta, that “we are one people, one community,” and we are most happy that we are able to help. Mayta agreed that “we are a single brotherhood.” He thanked Mexico, assuring Delgado that when Mexico needs help, Bolivia will be there for Mexicans, too.

Mexico's Deputy Foreign Secretary for Latin America and the Caribbean Maximilian Reyes Zúñiga reported in a June 13 op-ed for Mexico's *El Economista*, he headlined “[Latin American Solidarity; A Diplomacy of Results](#),” that Mexico will be sharing the Chinese Cansino vaccine which it is preparing to produce and its own “Patria” vaccine, now in Phase 2 trials, with the rest of the region. He then delivered a pointed message to those like the Biden administration and other G7 nations who have ignored the needs of other nations:

“We are not just fulfilling a commitment made. This also entails our vision of solidarity with Latin America and the Caribbean, a diplomacy of results which places the common good before the egotistical interests which often dominate international relations. By helping others, we help ourselves. Mexico trusts in the power of leading by example, and that our actions will benefit not only the people who receive the vaccines, but that

they will be a powerful image so that other countries do the same and also act in solidarity.”

‘The Eagle Has Landed’! America Actually Sent First Vaccines Overseas

June 14 (EIRNS)—It took 47 days, from the time of President Joe Biden’s bold announcement that 80 million vaccine doses would show the world how to conquer the pandemic, to the arrival of the first doses. The U.S. Embassy in Trinidad and Tobago announced that on June 12, some 80 vials of Pfizer vaccine had arrived (480 doses), with the inspiring message: “We believe that every vaccine counts.”

Of some note, the country has received 67,200 doses from COVAX, and another 100,000 doses from China’s Sinopharm. A second 100,000 doses of Sinopharm arrives today. Only another 400 or so such U.S. shipments as the one on June 12 would come close to matching the Chinese.

The Plan To Turn Africa into a Breeder of New COVID-19 Mutant Strains

June 14 (EIRNS)—The Africa Region of the World Health Organization (WHO) reports that 47 of their 54 countries will fail to meet the most minimal of COVID-19 vaccination levels—10% of the population by the end of September. The original plan was to vaccinate 20%—the health workers, the elderly and the health-compromised—by June 30, but that plan was pushed back recently, at the World Health Assembly, to half of that by Sept. 30. Only 32 million doses have been applied of the 500 million dose plan. To get to half of that, 218 million more doses are needed.

For the last four weeks, official new cases have been on the rise, representing the beginning of a third wave in Africa. Egypt, South Africa, Tunisia, Uganda and Zambia have a bulk (72%) of the new cases. Zambia more than doubled their daily new cases last week, going from 700 to 1,600. South Africa has had the most cases and the most deaths (57,000), and only 183,000 jobs for 58.5 million people. (That’s proportional to about 1 million jobs for Americans rather than the 300 million-plus actual). When COVID took off in India in the second week of April, South Africa had

about 800 official new cases/day. In the last two weeks, up through yesterday, the 7-day average has gone from 3,400 to 7,200 per day. Neighboring Lesotho, which has been averaging about 1-3 new cases/day for over 3 months, jumped from June 12 to June 13 from 6 to 72 new cases.

WHO's Africa Regional Director Dr. Matshidiso Moeti summed up: "As we close in on 5 million cases and a third wave in Africa looms, many of our most vulnerable people remain dangerously exposed to COVID-19. Vaccines have been proven to prevent cases and deaths, so countries that can, must urgently share COVID-19 vaccines. It's do or die on dose sharing for Africa."

Pfizer announced in May that it would provide upwards of 2 billion vaccine doses for low- and middle-income countries, with "at cost" pricing for the low-income countries. Last week, Biden took them up on 500 million of the 700 million doses they offered to America for this purpose, of which 200 million are to be delivered to COVAX between August and December. Africa's share in August and September should amount to around 20% of the 218 million more doses needed for half of their minimum. And it will do nothing in June and July for the threatening third wave.

WHO's Director Dr. Tedros Adhanom Ghebreyesus has been clear that Western countries—particularly America—are putting themselves in jeopardy by leaving the 20% most infectable people in the world unprotected, choosing to vaccinate their least-endangered groups, such as children. However, the simple reality is that, even after vaccinating every child in the United States that will accept the vaccine, there is presently a glut of almost 100 million unused, and never-to-be used vaccines, with another 200 million scheduled for delivery to the government by Pfizer and Moderna in June and July. Of these 300 million doses, Biden plans to ship out 80 million. (This separately from Biden's "500 million" participation in the Pfizer plan.)

That arithmetic says there are 220 doses that can be sent to Africa throughout June and July. To not do so is a plan to turn Africa into a breeder of new COVID-19 mutant strains.

STRATEGIC WAR DANGER

7,800 NATO Troops Invade Africa in AFRICOM's African Lion Maneuvers

June 14 (EIRNS)—The largest peacetime military exercise ever on African soil began on June 7, when troops from nine nations, including NATO, began maneuvers in Morocco, with extensions in Tunisia and Senegal. Moroccan activities are concentrated around Kenita Air Base, with naval gunfire exercises offshore, said to include the Moroccan navy, according to the AFRICOM release. Originally set to take place in March, and last six days, this is the 17th year these exercises are taking place.

While planning for these exercises—including the choice of targets to “invade”—took place months ago, this year’s exercises take place in a heightened level of tension on the continent. Officially, AFRICOM is talking about the political situation in Morocco, which has seen a flare-up of a decades-old Polisario separatist movement, which for years has claimed a section of Western Sahara (south of Morocco) it calls the Sahrawi Republic, a conflict which implicitly involves Algeria and Spain. But the true conflict is on the global geopolitical level.

On June 13, French President Emmanuel Macron announced that France’s “anti-terror” military Operation Barkhane—under cover of which the former colonial power had deployed over 5,000 troops and air support to five Sahel countries (all former colonies) including Mali, Chad, Burkina Faso, Mauritania and Niger—would come to an end. After seven years of failed engagement against jihadist terror, popular sentiment has begun to turn toward Russia, which has been effectively engaged in training troops in Central African Republic for years.

In reality, any “invasion of Africa” is a folly. The United States has only one (official) base in Africa, Camp Lemonnier, in Djibouti, on the opposite

end of the Sahara Desert. Like most others, this military exercise, which is linked to the U.S. European Command's "Defender" series "to counter malign activity in North Africa and Southern Europe," has its targets set on Russia and China.

SCIENCE AND INFRASTRUCTURE

Russia and China Reveal Major Nuclear Developments

June 14 (EIRNS)—On June 7, the China National Nuclear Power (CNNP) company announced it had received approval to build its small modular reactor (SMR) demonstration plant, the APC100. The multi-purpose 125 MW pressurized water reactor, also referred to as the Linglong One, is designed for electricity production, heating, steam production or seawater desalination.

In the works since 2019, the APC100 is a miniaturized version of the company's commercialized APC1000, according to the *World Nuclear News*. "The small reactor demonstration project is of great significance to promote the safe development and independent innovation of nuclear power," CNNP said in its press release. The SMR will be built in Changjiang on Hainan Island, home to China's home-grown Hualong 1 PWRs, construction of which began in March.

The following day, on June 8, the Russian State Atomic Energy Corporation Rosatom inaugurated the construction of the 300 MW lead-cooled BREST-OD-300 fast neutron reactor, part of its "Proryv" (Breakthrough) project to close the nuclear fuel cycle. Through the high-energy neutrons, the BREST 300 will be able to "recycle" used fuel rods. "The nuclear power industry's resource base will practically become inexhaustible thanks to the infinite reprocessing of nuclear fuel. At the same time, future generations will be spared the problem of accumulating spent nuclear fuel," Rosatom Director General Alexey Likhachov was quoted as saying by *World Nuclear News*.

“Rosatom’s newly inaugurated Pilot-Demonstration Energy Complex will combine a nuclear power plant, spent nuclear fuel reprocessing plant, and fuel re-fabrication plant all on one site for the first time in history. Russia’s fourth-generation lead-cooled fast reactor with improved safety will serve as a core of the new complex,” Sputnik reported.

NEW WORLD ECONOMIC ORDER

Iraq Plans Eight Nuclear Reactors, Looks to Russia for Help

June 14 (EIRNS)—Iraq is seeking to build eight nuclear power plants by 2030, to eliminate its endemically bad electricity footprint, a product of destruction by the Children of Satan—most recently of George Bush’s 2003 Iraq War destruction, but going as far back as Israel’s 1981 bombing of the (almost complete) Osirak nuclear reactor. The oil-rich country, OPEC’s second-largest producer, is seeking to go nuclear partly under pressure from global green decarbonizers, who are trying to raze all oil production from the planet.

According to Bloomberg News, which interviewed Kamal Hussain Latif, chairman of the Iraqi Radioactive Sources Regulatory Authority, “Iraq is seeking to build eight reactors capable of producing about 11 GW.” The project is expected to cost about \$40 billion and the Iraqi state is seeking outside partners to fund it through loans that it would pay back over 20 years. It has had talks on collaboration with France, the U.S., Russia and South Korea.

Detailing the sorry state of electricity in Iraq, Bloomberg reports that Iraq currently has 18.4 GW capacity, which includes 1.2 GW imported from Iran. They estimate “normal” demand to be 28 GW—exceeding 30 GW in the “torrid” summer months. By 2030, Iraq’s demand is expected to rise to 42 GW, so the 11 GW nuclear that they are seeking is right in step with demand.

OTHER

Turks Prefer Russia to NATO by 80%

June 14 (EIRNS)—In a recent survey of 2,500 Turks, conducted by the Areeda survey firm, 90% did not think that NATO would support Turkey in a potential dispute; 79% responded that between the U.S. and Russia, they would choose Russia as a partner in international relations; 58% described Russia as a “strategic partner” as opposed to 35.5% for the United States. When asked, “Do you think Turkey should cooperate with the U.S. when conducting its foreign policy?” 73% said no. Although Turkey is a member of NATO, Ankara, along with Tehran and Moscow, comprise the Astana Process guarantors group for peace in Syria, between Damascus and opposition rebels, and supporting the UN peace process.