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- World Leaders Must Unite Around an ‘FDR’ Approach To Solving the Existential Crisis Facing Mankind
- British Dictate U.S. Election Strategy to Democrats
- Trump Explains Intelligence on Alleged Russian Bounties Was Never Worthy of Presidential Attention
- Will Susan Rice Be Biden’s Running Mate?
- Russians Overwhelmingly Back Putin’s Constitutional Amendments
- Indian Prime Minister Modi Places a Call to President Putin after Russian Referendum
- Democrats Double Down on *New York Times* Russian Bounties Hoax, Demand Sanctions against Putin
- ‘Brazen Liar’ Pompeo Again Foaming against China as the ‘Most Unfree Nation’
- Who Is the Loser in the U.S. Confrontation against Hong Kong?
- U.S. Breaks 50,000 New COVID-19 Infections, as *JAMA* Finds 27,000 More U.S. Deaths in Early 2020
- Improvement in U.S. Employment, but Completely Misrepresented by New Report

EDITORIAL

World Leaders Must Unite Around an ‘FDR’ Approach To Solving the Existential Crisis Facing Mankind

July 2 (EIRNS)—The proper way to commemorate the upcoming July 4 anniversary of the signing of the Declaration of Independence, a document

of universal importance for all nations to this day, is by carrying that same spirit forward into organizing an urgent summit of world leaders around the New Deal and Good Neighbor policies of American statesman Franklin Delano Roosevelt. In her weekly webcast yesterday, Schiller Institute founder and Chairwoman Helga Zepp-LaRouche picked up on British Prime Minister Boris Johnson's announcement of the adoption of FDR New Deal-style economic policies by his government, by stating:

“If, however, Boris Johnson would be serious about it [the New Deal approach], and he would immediately agree to participate in the summit called by Putin, and would insist that the New Deal in the tradition of Franklin D. Roosevelt is being made the subject of such a P5 summit, then it could be taken seriously and would actually be a useful contribution.”

There is little doubt that such an approach would be welcomed by Chinese President Xi Jinping, who told a Seattle business group during a visit to the U.S. in 2016: “In my younger years ... I was interested in the life story and thinking of Washington, Abraham Lincoln, Franklin Roosevelt and other American statesmen.”

The same holds for Russian President Vladimir Putin, whose call for a new, global security architecture in his famous 2007 speech at the Munich Security Conference, was shaped around FDR's approach after World War II: “It is well known that the field of international security goes well beyond issues of military and political stability. It involves the stability of the world economy, overcoming poverty, economic security, and the development of a dialogue among civilizations. This all-encompassing, indivisible character of security is expressed in its fundamental principle, that ‘the security of each is the security of all.’ As Franklin Roosevelt put it in the first days after the outbreak of the Second World War, ‘When peace has been broken anywhere, peace of all countries everywhere is in danger.’ These words remain topical today.”

Trump has also turned directly to FDR on numerous occasions, including in his victory speech the night of the 2016 election, stating: “The forgotten men and women of our country will be forgotten no longer.”

President Trump’s leading participation in such an international summit would also be the perfect rejoinder to the British-led efforts to remove him from office, either now with fabricated scandals (such as the absurd Russian “bounty-gate” hoax), or by trying to defeat him in the November elections, by attempting to blame *Trump* for the economic and coronavirus pandemic crises which *the British* in fact caused by 50-plus years of their policies of economic looting.

Nor is there any doubt that the global systemic breakdown crisis makes such a summit of leaders urgently necessary, whether it be under the aegis of a Four Power meeting of the U.S., China, Russia and India, as Lyndon LaRouche long proposed, or the five permanent members of the UN Security Council, as Putin has called for—so long as the agenda is building a New Paradigm of world peace based on universal economic development.

U.S. POLITICAL AND ECONOMIC

British Dictate U.S. Election Strategy to Democrats

July 2 (EIRNS)—A signal piece published by Yahoo Finance on June 30 and headlined “Trump’s Worst Nightmare May Be Happening,” served to conduit a key British component of their strategy for the November U.S. presidential election. Senior columnist Rick Newman, who is also a regular commentator on CNN and NPR, wrote the article based on the “findings” of IHS Markit, which he casually described as a “forecasting firm.” In fact, IHS Markit is a London-based global information provider formed in 2016 with the merger of IHS Inc. and Markit Ltd., with 13,000 (!) employees and annual revenue of \$3.6 billion in 2017. One of its subsidiaries is none other than Jane’s Information Group, publisher of London’s authoritative defense publication, *Jane’s Defence Weekly*—the very heart of British military intelligence.

So what are the marching orders of the British establishment for a strategy to sink Donald Trump, should their efforts to topple him before the November elections fail? “President Trump still has a chance at reelection, but it’s contingent on a quick economic recovery and the containment of

the coronavirus. Both may be slipping away,” Newman wrote. Therefore, hang the COVID-19 crisis and the collapsing economy around Trump’s neck like an albatross.

A resurgence of the pandemic in the U.S. could also lead to further economic depression, IHS stated. “If that unfolds,” Newman confided, “the timing would obviously be terrible for Trump. Voters would be reeling from mounting unemployment and renewed public health fears just as they head to the polls on Nov. 3. No president in modern times has won reelection in the midst or immediate aftermath of a recession, and there’s no reason to think Trump would be an exception. His famous base is loyal, but not large enough.”

On cue, the hapless Joe Biden traveled to his hometown of Wilmington, Delaware on June 30, to hold his first news conference in three months to try to capitalize on what he called Trump’s “historic mismanagement” of the coronavirus pandemic. “It’s almost July and it seems our wartime President has surrendered, waved the white flag and abandoned the battlefield.” Biden announced the release of his plan to fight the pandemic, and immediately got waves of favorable coverage in the media with headlines such as ABC’s: “ ‘Donald Trump Is In Retreat’: Biden Ramps Up Attacks on COVID-19 Response amid Rise in Cases Nationwide.”

Trump Explains Intelligence on Alleged Russian Bounties Was Never Worthy of Presidential Attention

July 2 (EIRNS)—President Donald Trump yesterday called the *New York Times* narrative that claims that Russian military intelligence paid bounties to the Taliban to kill U.S. troops in Afghanistan a hoax, telling Fox Business News in an interview yesterday that the so-called intelligence never rose to the level of the President’s attention. “We never heard about it because intelligence never found it to be of that level” at which it would be brought to the President, he said. “From what I hear, and I hear it pretty good, the intelligence people, many of them, didn’t believe that it happened at all,” Trump continued. “I think it’s a hoax. I think it’s a hoax by the newspapers and the Democrats.... I agree with the intelligence people ...

and if it did happen, the Russians would hear about it and anybody else would hear about it that was involved.”

National Security Adviser Robert O’Brien said in an interview with Fox News that it was the CIA official who briefs Trump in person who decided not to tell Trump about the alleged intelligence on the Russian bounties. “The President’s career CIA briefer decided not to brief him because it was unverified intelligence,” O’Brien said, and stressing that she is “an outstanding officer.”

“We get raw intelligence and tactical intelligence every day, hundreds of pieces of intelligence come in every day, thousands of pieces of intelligence come in a week,” he said. “She made that call and, you know what, I think she made the right call, so I’m not going to criticize her. And knowing the facts that I know now, I stand behind that call.”

O’Brien told reporters he believes the CIA filed a “crimes report” with the Justice Department regarding the leak, a statement which the DOJ declined to comment on.

Meanwhile, doubts continue to pile up about the “intelligence” that the *New York Times* claims are based on. Joseph V. Micallef, a military history author and veteran of the Afghan war offers what he calls an alternative explanation in an op-ed published yesterday by Military.com. “A scrutiny of the evidence, what little there is, however, raises some serious doubts,” he writes. He cites the *Times* claim that the recovery of a large amount of cash during a raid on a Taliban output as prompting suspicions that bounties were being paid. “Frankly, that’s a nonsensical conclusion. Having spent time in Afghanistan, I can attest from experience that the U.S. dollar is the currency of choice among Afghans. The country has been flooded with dollars since the U.S. intervention in 2001, when CIA operatives famously used million-plus-dollar cash bribes to flip Afghan warlords against the Taliban and to support the U.S. invasion,” Micallef writes. “Moreover, the Taliban has evolved a far-ranging web of criminal activities that are believed to bring in upwards of \$2 billion a year. Most of that activity, as is true for most international crime, is conducted in U.S.

dollars. No self-respecting Afghan warlord, Taliban or other, would be without his stash of American dollars. In Afghanistan that's not the exception, it's the rule."

Former CIA analyst Ray McGovern, writing in a column posted today by antiwar.com, reminds his readers of the record of *New York Times* reporter David Sanger. McGovern writes that "Intelligence analysts must pay close attention, of course, to provenance. What is this or that source's record for accuracy, for reliability. What kind of trough might this or that source be feeding from; and what agenda might she or he have? Discriminating readers of the corporate media—and especially the *Times*—should do the same with respect to journalists. When they see the byline of David Sanger they need to examine his record." David Sanger, McGovern points out, has a record of dubious reporting going back to the Iraq WMD story, in which he repeatedly cited unverified intelligence as flat fact, intelligence that later turned out to be completely false.

Will Susan Rice Be Biden's Running Mate?

July 2 (EIRNS)—On Monday, Barack Obama's former National Security Adviser Susan Rice, chimed in on the *New York Times* "Russian bounty" affair: "What I believe is more likely the case" is that President Donald Trump was briefed by the intelligence agencies that Russia was paying bounties to the Taliban to kill Americans. "And if they did, then again, we have evidence of a President utterly unwilling to stand up for American interests and rather serving Vladimir Putin's interest."

On Jun 30, Susan Rice was asked by talk show host Rachel Maddow about the possibility that she'd be Joe Biden's running mate. Rice said that she's "humbled and honored" to be in the discussion. "All I care about is getting Joe Biden elected President of the United States so that we again have competent, compassionate, loyal, effective leadership in the White House and pursue an agenda ... that can restore our global leadership."

Susan Rice learned "global leadership" as a Truman Scholar at Stanford, a Rhodes Scholar at Oxford, where she specialized in the art of destabilizing the countries of Africa under the imperial "right to protect."

She's been at the center of the destabilization of the Congo. Her war to split up Sudan included organizing weapons to Garang's "Liberation Army," bombing a pharmaceutical factory near Khartoum, and blocking Sudan's attempts, from 1996-2001, to provide intelligence to the U.S. on Osama bin Laden and al-Qaeda. In 1998, she teamed with Al Gore to force South African President Thabo Mbeki to cease the mass production of anti-AIDS drugs. In 2011, she pressed for NATO-led air strikes against Qaddafi as part of the destruction of Libya. She famously subbed for then Secretary of State Hillary Clinton on the Sunday talk shows after the 9/11/12 al-Qaeda-linked attacks on the U.S. Benghazi consulate which killed the U.S. Ambassador and three service members, with the ridiculous cover story about a spontaneous attack on the American consulate in response to an anti-Muslim video.

In December 2016, she initiated the "unmasking" of Gen. Michael Flynn. And, of course, there is her transparent 1/20/17 "memo to herself," attempting to cover for Obama's role in the infamous 1/5/17 planning meeting against Flynn. But now, perhaps it is her signs of moral dementia that qualifies her as Biden's VP. On the violence in the demonstrations after George Floyd's death, she claimed Russian involvement, telling CNN's Wolf Blitzer on May 31: "Based on my experience, this is right out of the Russian playbook as well.... I would not be surprised to learn that they have fomented some of these extremists on both sides using social media. I wouldn't be surprised to learn that they are funding it in some way, shape or form."

THE NEW GLOBAL ECONOMIC ORDER

Russians Overwhelmingly Back Putin's Constitutional Amendments

July 2 (EIRNS)—Russians overwhelmingly voted to approve the constitutional changes proposed by President Vladimir Putin which, among other things, will allow him to run for office through 2036. That is very good news for the world. TASS reported that, with 85% of the ballots counted, 77.84% of Russians voted for the changes, with a voter turnout of

around 65%. The required turnout is 50% and a simple majority must vote for the amendments for them to pass. According to the Levada pollster, Putin has a 60% approval rating in the population; at one point, it was as high as 90%.

Indian Prime Minister Modi Places a Call to President Putin after Russian Referendum

July 2 (EIRNS)—Indian Prime Minister Narendra Modi was the first world leader to call Russian President Vladimir Putin after the successful conclusion of the Russian referendum, which assures President Putin's ability to run again for President. The Prime Minister warmly congratulated Putin on the success of the celebrations marking the 75th anniversary of victory in the Second World War, and also for the successful completion of the vote on constitutional amendments in Russia. The Prime Minister also made note of the Indian contingent that participated in the June 24th parade in Moscow to celebrate the 75th anniversary of the victory in the Great Patriotic War. The parade was originally supposed to take place on May 9, the actual anniversary, but had to be moved back because of the pandemic.

The two also discussed the COVID-19 threat, and agreed on closer Indian-Russian ties in addressing the problems of the world in the post-COVID era. The two leaders will hold a bilateral summit later this year.

STRATEGIC WAR DANGER

Democrats Double Down on *New York Times* Russian Bounties Hoax, Demand Sanctions against Putin

July 2 (EIRNS)—Congressional Democrats continue to hang on to the theory, first concocted by the *New York Times* on June 26, that Russian military intelligence paid bounties to the Taliban to kill U.S. troops in Afghanistan, and are using it as the basis for the further wrecking of any remaining possibilities of an improvement in U.S.-Russian relations. Sen. Robert Menendez (D-NJ) has gone so far to introduce a proposal to slap sanctions on Russian President Vladimir Putin personally. The proposal from Menendez, the ranking Democrat on the Foreign Relations

Committee, would impose a visa ban and an asset freeze on Putin and Defense Minister Sergei Shoigu, as well as other Russian officials involved in the targeting of U.S. troops, reported *The Hill*.

The House Armed Services Committee, meanwhile, voted up an amendment to the defense authorization bill yesterday that would effectively freeze the withdrawal of U.S. troops from Afghanistan. The amendment, sponsored by Colorado Democrat Jason Crow, with backing from House Republican Conference chairman Liz Cheney (WY) requires, among other measures, an assessment of whether any “state actors have provided any incentives to the Taliban, their affiliates, or other foreign terrorist organizations for attacks against United States, coalition, or Afghan security forces or civilians in Afghanistan in the last two years, including the details of any attacks believed to have been connected with such incentives.”

Crow’s amendment would block funding to dip below 8,000 troops and then again to below 4,000 troops unless the administration certifies that doing so would not compromise the U.S. counterterrorism mission in Afghanistan, not increase risk for U.S. personnel there, be done in consultation with allies, and is in the best interest of the United States.

‘Brazen Liar’ Pompeo Again Foaming against China as the ‘Most Unfree Nation’

July 2 (EIRNS)—In his press briefing on July 1, Secretary of State Mike Pompeo went overboard in his fulminations, labeling China as “one of the world’s most unfree countries.” He also issued a statement based on a dubious report by Adrian Zens, a known anti-China hawk, who has been the prime “source” of everything Congress “knows” about Xinjiang, which claims that China is conducting a policy of “forced birth control” on the Uyghur population. The story was picked up by AP and is now making the dissident circuit.

The accusations were quickly countered by Foreign Ministry press spokesman Zhao Lijian, who called Pompeo “a brazen liar.” Zhao pointed out that “from 1978 to 2018, the population of Uyghurs in Xinjiang grew

from 5.55 million to 11.68 million, registering a 2.1 times increase and accounting for about 46.8% of the total population of the Xinjiang Uyghur Autonomous Region. If Mr. Pompeo is telling the truth, how can he explain the big increase in the Uyghur population?” It should also be noted that even when China in the 1970s adopted the disastrous “one child policy,” the non-Han populations, and particularly those living in the countryside, were allowed to have two or three children.

Who Is the Loser in the U.S. Confrontation against Hong Kong?

July 2 (EIRNS)—The U.S. House of Representatives passed legislation on yesterday that would penalize banks doing business with Hong Kong. Earlier on, the U.S. government had started lifting the special status for the Hong Kong economy by halting defense exports and restricting the territory’s access to high-technology products.

Not very intelligent. Hong Kong is the only part of China where the United States has a trade surplus. It is reminiscent of the EU shooting itself in the foot in its confrontation with Great Britain over Brexit.

Socrates would not approve, says Michele Geraci, who headed the Italian government’s Task Force China last year in the run-up to Italy’s signing on with the Belt and Road in March 2019. He discovered the following dialogue:

Socrates: “The EU Commission and Merkel raise their voice with Boris Johnson on NoDeal. In your view, who has the upper hand?”

Student: “Uhm. All EU states have a trade surplus with the U.K. Maybe they should look at the figures.”

China would not suffer from a boycott of Hong Kong, Geraci says. They would easily move their financial center to other places. There are already plans for Hainan, for instance. And 3 million people can move to the U.K. Shanghai is now heading to become a financial market. Chinese personnel who have worked for 20 years in banking in Hong Kong understand well how finance works and therefore Hong Kong is no longer needed as a financial center for China. Hong Kong has fulfilled the initial need for

China to have a financial channel for state-owned companies. They can be easily moved to other places.

In the short term, China will suffer from the loss of a center for dollar loans for its companies, but in the medium to long term they will replace it easily. Nobody talks about the Hong Kong dollar, but if Hong Kong is stripped of its special status by the U.S., we will have the unusual situation of the U.S. treating Hong Kong like China but with the Hong Kong dollar not suffering, because it has been and will remain an international currency, though pegged to the U.S. dollar.

HSBC, Standard Chartered, and many other British firms backed the new security law in Hong Kong and were accused by Jacob Rees-Mogg in the House of Commons of taking sides with the Chinese government against “Her Majesty’s government.” On this, Geraci said that his “message to Her Majesty is: They should not be worried about this; it is a practical operation, it is in no way aligning to the Communist Party and not to Her Majesty’s values. They would engage with China anyway and for them the border has never existed.”

COLLAPSING WESTERN FINANCIAL SYSTEM

U.S. Breaks 50,000 New COVID-19 Infections, as JAMA Finds 27,000 More U.S. Deaths in Early 2020

July 2 (EIRNS)—For the fifth time in the last eight days, the U.S. hit a record for new cases of COVID. On July 1, the U.S. broke the 50,000 barrier, registering 52,609 new cases. Only ten states are not showing increases in new cases, eight in the Northeast plus Nebraska and South Dakota. COVID deaths that peaked in mid-April around 2,300/day, and dropped consistently to around 600, have now stopped dropping in the last two weeks.

Meanwhile, Adm. Brett Giroir, Assistant Secretary for Health, has been working with the state health departments in Texas, Florida and Louisiana on what he terms “blitz testing.” In a welcome, initial effort to break the string of defeats, Giroir wants to identify the hot-zone communities in the

three states where dramatic increases of new cases appear among the under-35 age categories. Minimally, the logjam of testing, which results in delays in identifying cases, is to be broken. Hopefully, this would a first step in more effective tracing of contacts, isolation and containment.

Florida Gov. Ron DeSantis may not be fully on board. He has insisted on the unabated opening up of the economy with such pithy observations: “You can’t control—they’re younger people. They’re going to do what they’re going to do.”

Next door, in Tuscaloosa, Alabama, COVID parties have broken out amongst the students. Known COVID-infected individuals are invited to parties, the partiers throw money into a pot, and the first to prove that they got infected wins the pot. Tuscaloosa fire chief Randy Smith presented the raw report to the city council, and the details have been confirmed by both individual doctors and the state health authorities.

Within three weeks, the city of Beijing wiped out the recent threatened COVID invasion at their massive Xinfadi wholesale market. On July 1, only 1 new case was reported in the Chinese capital. Over the last three weeks, China tested 7 million Beijing residents, enforced strict quarantines in a targeted area of Beijing, and prevented any deaths. Zhang Wenhong, the Director of Infectious Diseases at Shanghai’s Huashan Hospital, told CCTV: “Beijing has set a clear example that China will ward off a new wave of infections—domestic or imported—through a prompt and refined epidemic control response.”

Finally, on July 1 *JAMA Internal Medicine* carries a study, giving strong reasons for the conclusion that in the first three months of this, there were 27,000 more COVID deaths than are officially counted in the United States. Researchers employ the standard technique for “excess deaths” used historically in analyzing influenza. They took an average for all the deaths from illness for several years prior to 2020, for the period from March 1-May 30. Then, 2020 is shown to have 122,300 excess deaths compared to previous years, whereas the figure of COVID deaths for that period in 2020 was officially 95,235. The extra deaths of 27,065, if all attributed to

COVID, would represent a 28% higher figure. This is borne out regionally, as Texas, Arizona and California showed excess deaths of 55%, 53%, and 41%, respectively, while smaller central U.S. and northern New England states were significantly below the 28% figure. *JAMA* noted that the likely undercounting of COVID deaths early on was due, in part, to such unpreparedness as a lack of testing capacity.

Improvement in U.S. Employment, but Completely Misrepresented by New Report

July 2 (EIRNS)—The U.S. Labor Department, judging from its June employment report today, has lost the ability to report with even rough accuracy, the slow improvement in employment which is occurring in the United States economy from the unprecedented mass unemployment in April. This report, strongly emphasized in a press statement this morning by President Donald Trump as showing fast recovery of the economy, said that 142 million Americans were employed in June—a month-to-month increase of 4.8 million jobs—out of a labor force of approximately 165 million. But it put the number of unemployed at just 17.9 million.

Shadowing this, however, was the weekly report on unemployment claims, also released this morning by the same Labor Department at the same time. The not seasonally adjusted figures in this report show 31.492 million Americans receiving “continuing unemployment benefits” in the week ending June 13, just about the same period of days in which the surveys for the monthly report were taken. They also show 1.445 million new claims in the week ended June 27 and 1.45 million in the week ended June 20, thus 2.9 million more claims since the 31.492 million figure (for state and Federal benefits combined) was calculated.

Is it possible that 31.5 million people were receiving unemployment benefits when just 17.9 million were unemployed? This is only one of the contradictions which abound in the Labor Department’s current reporting. Another, is that the department is no longer making any effective distinction between Americans in and out of the labor force, because the requirement to be looking for work in order to receive unemployment

benefits was dropped under the “relief” acts. And still another is a systemic error by its survey-takers, admitted by the department in each of the last three months, of counting some millions of workers “on temporary layoff” due to the pandemic, as employed. Indeed, due to the Payroll Protection Program loans, their employers may still be paying them.

Nonetheless employment clearly is improving, especially in “leisure and hospitality” and “retail” which account for half of the reported 4.8 million jobs rebound; healthcare jobs add another 900,000. A “harder” or more reliable measure may be the reported drop in the number of workers forced to work part-time, from 10.6 million to 9.0 million.

- Watch the [**Morning Briefing with Harley Schlanger**](#) on Friday July 3: Every weekday morning Harley will brief you on what you need to know to start your day. Subscribe to the LaRouchePAC YouTube channel and hit the notifications button to be notified when Harley’s briefings are posted. Or you can listen to the audio file on [SoundCloud](#).