

## EIR Daily Alert Service

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## EDITORIAL

### **World Leaders Discuss Leaving the U.S. Dollar—Glass-Steagall Urgently Needed**

June 3 (EIRNS)—Economists and political leaders from around the world are meeting in St. Petersburg, Russia over June 2-5 for the annual St. Petersburg International Economic Forum (SPIEF). A leading topic of

discussion in some of the many panels was the fact that the illegal use of unilateral sanctions by the U.S., the U.K., and the EU has reached a point that leading countries, and in particular Russia and China, are deep in discussions about breaking out of the U.S. dollar-dominated international financial system. In a panel today sponsored by the Valdai Discussion Club, titled “The Risks Sanctions Pose to the Global Financial System and International Business,” the introduction reads: “The transformation of the dollar into a weapon carries the threat of unforeseen shocks.... The intensity and indiscriminate nature with which sanctions are deployed suggests that a targeted political tool is now becoming all-encompassing.”

Russia’s Deputy Finance Minister Vladimir Kolychev said that as a result of these criminal sanctions, “a new global financial system is coming into being. It won’t come overnight, but it is inevitable. The sanctioned countries will do it.” There is an ongoing withdrawal from the existing structures, he said, since it is not safe to use U.S. dollars (Washington’s claim to have the right to impose sanctions on countries, businesses, and individuals, is based simply on the fact that nearly all global trade transactions pass through the U.S. dollar system, even when the trade has nothing to do with the U.S.). Russia’s trade was 80% in dollars as recently as 2019, Kolychev explained, but is now less than 50%. Reserves in Russia are now only 20% in U.S. dollars.

While the sanctions are reason enough for taking such emergency measures, a second looming disaster is that years and years of printing dollars to bail out financial bubbles in the trans-Atlantic banking system, without expanding the productive base, is threatening hyperinflation in the dollar zone. On May 31, China’s *Global Times* editorial began: “While it is uncertain whether the Biden administration’s helicopter money policies will spur a new round of economic growth, it is already clear that the spending spree will first mire the U.S. economy in a bottomless pit of inflation.” Here is yet another reason to extricate national currencies from the dollar, to trade in national currencies, or, as some suggest, in new digital currencies.

But is this wise? It cannot be questioned that the dozens of sanctioned countries are justified in wishing to get out from under the deadly and illegal unilateral sanctions. But, should the world be broken up into separate trading zones, especially at a time when the U.S. establishment and NATO are mobilizing for war against both Russia and China, for no reason except to keep the trillions of dollars flowing into the military-industrial complex and its Wall Street/City of London owners? Does further financial division not encourage this war party?

Moreover, even if the majority of the world's countries pulled out from the dominance of the dollar, and joined in great development projects through the Belt and Road Initiative, if the U.S., U.K., and EU are left to disintegrate, it would only lead to global disintegration and war.

Here is where the concept of the coincidence of opposites conceived by Nicholas of Cusa, and the Committee for Coincidence of Opposites launched in 2020 by Helga Zepp-LaRouche and former U.S. Surgeon General Joycelyn Elders, address the necessary resolution of an apparently insoluble crisis. Neither the Western economies nor the developing economies can accept the Green New Deal now being forced upon the world by the trans-Atlantic banking oligarchy, as it would destroy the industrial nations economies and literally depopulate the developing nations. Neither the Eastern nations nor the Western nations can withstand a 1929-style crash, let alone a hyperinflationary disaster like that of 1923 Weimar Germany. And certainly no sane person wants nuclear war. The solution, as difficult as it may seem in the current chaos, lies in addressing the common aims of mankind: joining nations together in a New Bretton Woods, using the proven method of Glass-Steagall bankruptcy reorganization to restore sound credit policies; use the uplifting and successful model of international cooperation in space exploration, and in realizing the short-term reachable goal of limitless energy through fusion power; foster educational systems which teach both one's own history and culture, but also those of other cultures vastly different from one's own. It is known as a Renaissance. We are all human, with creative powers, *imago*

*viva Dei*, the living image of God. We have a responsibility to the Creator to use those powers to further the human miracle.

That will be the subject of the Schiller Institute Conference on June 26-27, “For the Common Good of All People, Not Rules Benefitting the Few.” [Register here](#), and mobilize those you know to join in. The schedule:

### **Saturday, June 26**

Panel 1: Whom the Gods Would Destroy: War with Russia and China Is Worse Than MAD!

Panel 2: The Real Science Behind Climate Change: Why the World Needs 7 Terawatts of Energy

### **Sunday, June 27**

Panel 3: Weimar Germany 1923 Comes Again: Global Glass-Steagall To End Hyperinflation

Panel 4: The Coincidence of Opposites: The Only Truly Human Thought Process

- Watch [Harley's Updates](#) with Harley Schlanger on Friday, June 4, 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.

## **TOP NEWS**

### **Dearlove on Anti-China Rampage, Lying Wuhan Lab Unleashed Pandemic and Destroyed Evidence**

June 3 (EIRNS)—Richard Dearlove, the British Empire’s former Chief of MI6 foreign intelligence, and a central operative in the Russiagate coup attempt against the U.S., has unleashed a diatribe against China and anyone who wants to work with China. Remember that Dearlove very early on in the pandemic declared China and the Wuhan Institute of Virology as guilty of leaking, and perhaps intentionally creating, the COVID-19 virus, and

demanding they pay global “reparations.” Today he escalated his campaign in an interview with the *Telegraph*. He argued that it is increasingly clear that the virus came from the lab, but that they have destroyed the evidence.

“We don’t know that’s what’s happened,” he said, “but a lot of data has probably been destroyed or made to disappear, so it’s going to be difficult to prove definitely the case for a gain-of-function chimera being the cause of the pandemic. This is why scientific analysis is now so important, because although that can’t prove the case 100%, the thorough biochemical analysis puts the weight of evidence to this being a man-made lab experiment, a natural virus that has been enhanced.” As usual, the need for evidence is entirely unnecessary when you work for British intelligence.

Dearlove denounced former Prime Minister David Cameron and his Chancellor of the Exchequer George Osborne for their relationship to China. “Some of the things that were said by George Osborne and David Cameron about our relationship with China, how we were going to have this privileged position, I was staggered at the time by the sheer naïveté that they could develop a relationship with China without understanding they were dealing with a communist dictatorship, and one that has its own strategic agenda.”

As for the World Health Organization, they should have no part in the investigation, he insisted. “The WHO looks like a lost cause and that should not be the agency to deliver material which gives us a clear understanding of what the hell happened. The WHO report was farcical and it’s clear now they are losing control of the narrative.”

And of course, former U.S. President Trump, the target of Dearlove’s Russiagate coup, gets some of the blame: “China was originally let off the hook. I think the problem was the style of the Trump regime, a lot of people understandably found it hard to go along with his more outlandish allegations.”

To top it off, the man who is at the center of censoring any and all voices of opposition to the Empire’s line of the day, says: “The People’s Republic of China is a pretty terrifying regime and does some things we

consider unacceptable, and extreme in silencing opposition to the official line of the government.”

## **COLLAPSING WESTERN FINANCIAL SYSTEM**

### **Russia’s National Wealth Fund Withdrawing Completely from Dollar Assets**

June 3 (EIRNS)—On the sidelines of the St. Petersburg International Economic Forum, Russian Finance Minister Anton Siluanov spoke to reporters, saying that the Ministry of Finance will restructure Russia’s National Wealth Fund (NWF), eliminating U.S. dollar assets completely, and also further reduce the share of the British pound—all within one month. “We, just like the Central Bank, have decided to reduce the funds of the NWF invested in dollar assets. We have decided to fully withdraw from dollar assets, replacing investments in dollars by an increase in the euro, in gold,” TASS quoted him as saying. The NWF’s new composition will be 40% in the euro, 30% in the yuan (a significant rise), 20% in gold, and 5% each in the British pound and the Japanese yen.

## **NEW WORLD ECONOMIC ORDER**

### **Valdai Club Panel at SPIEF on ‘Weaponized Dollar’ Forcing World To Flee the Dollar**

June 3 (EIRNS)—One panel at today’s opening day of the St. Petersburg International Economic Forum (SPIEF) was sponsored by the Valdai Discussion Club, moderated by the Club’s Program Director Ivan Timofeev, on the global impact of sanctions. The title: “The Risks Sanctions Pose to the Global Financial System and International Business.” The program description included the following:

“Sanctions present a threat to both the financial infrastructure of the ‘target country’ and foreign banks.... The transformation of the dollar into a weapon carries the threat of unforeseen shocks. Restrictions on the financial sector are also associated with human rights issues, particularly a lack of access to financial services (underbanking) for large groups of

citizens.... The intensity and indiscriminate nature with which sanctions are deployed suggests that a targeted political tool is now becoming all-encompassing.”

The United Nations Special Rapporteur on the negative impact of the unilateral coercive measures on the enjoyment of human rights, Alena Douhan (a former professor of international law at Belarus State University), spelled out the unilateral sanctions from the U.S. and EU are illegal under international law, and are imposed “without any attempt at legal proceedings, without due process.” Due especially to the use of “secondary sanctions,” they create fear in businesses and banks to do any business with sanctioned countries or businesses or individuals. The impact is severe on a nation’s “health system, water and electricity, transportation — people can not get to the hospitals.” She named Venezuela, Syria, and Yemen as countries in which the hospitals have practically no medicine, no vaccines, high unemployment, and a consequent vast increase in crime and trafficking of people and drugs.

Russia’s Deputy Finance Minister Vladimir Kolychev said that as the result of these crimes, “a new global financial system is coming into being. It won’t come overnight, but it is inevitable. The sanctioned countries will do it.” There is an ongoing withdrawal from the existing structures, he said, since it is not safe to use U.S. dollars. Russia’s trade was 80% in dollars as recently as 2019, but is now less than 50%. Reserves in Russia are now only 20% in U.S. dollars. Russia and others under sanctions are also moving to produce goods domestically in critical areas, such as health care.

Permanent Mission of the Russian Federation to the European Union Vladimir Chizhov said we are living through a “sanctions pandemic.” The EU now has sanctions against 32 countries, including three that are applying to join the EU (Turkey, Bosnia-Herzegovina, and Montenegro). The EU says it only uses sanctions as a “last resort,” Chizhov said, “but alas, this is not a fact, far from a fact—it is their first choice.” Only sanctions approved by the UN Security Council are legal under

international law, he affirmed. “Smart sanctions are stupid,” he said. Above all sanctions don’t work, “even legal ones—look at the Taliban.”

## **Ibero-America Looks to Eurasian Economic Union for Economic Ties**

June 3 (EIRNS)—The Russia-Latin America panel at today’s St. Petersburg International Economic Forum made clear that the potential for the expansion of economic ties between those countries “is huge,” because Russia proved itself a reliable partner in securing COVID vaccine supplies and production for the region. Vaccine cooperation, prospects for increasing trade and investment flows, bilaterally and with the Eurasian Economic Union (EAEU), and the possibility of doing so without using the dollar, dominated the discussion.

High-level ministry officials from Chile, Argentina, Mexico, Guatemala, Guyana, and Venezuela, the Secretary General of the Andean Community (of Bolivia, Colombia, Ecuador, and Peru), the President of the Central American Parliament, and the head of the national Brazilian pharmaceutical company, União Química, were the speakers scheduled from the Ibero-American side.

Minister for Integration and Macroeconomics of the Eurasian Economic Commission Sergei Glazyev dominated the panel discussion from the Russian side. He was joined by the head of Russia’s Federal Service for Veterinary and Phytosanitary Surveillance (Rosselkhozadzor) and the panel’s excellent moderator, Sergey Brilev, the knowledgeable anchor of the “News on Saturday” program on Rossiya TV Channel and head of the Bering-Bellingshausen Institute for the Americas in Uruguay.

Brazil’s União Química Farmacêutica Nacional President Fernando de Castro Marques reported that production of the Russian COVID-19 vaccine Sputnik V is underway in Brazil. The pharmaceutical has produced its first batch, and once it clears the quality checks of Sputnik V maker Gamaleya Institute, it will start producing 8 million Sputnik V doses per month, for both Brazil and its Ibero-American neighbors. Between the Brazilian-produced Sputnik V doses and 100 million vaccine doses imported from China and India, he said Brazil could have 70% of its people vaccinated by

the end of this year, while also exporting vaccines to the region, he emphasized.

Guatemalan Economic Minister Roberto Antonio Malouf Morales jumped: How long did you say it will take to produce 8 million doses? One month! Guatemala has 8 million people! We have suffered a 15% drop in our economy in the pandemic—with those vaccines we can recover faster!

Malouf Morales, Chile's Vice Minister of Foreign Affairs for International Economic Relations Rodrigo Yanez Benítez, and Andean Community head Jorge Hernando Pedraza Gutierrez, all spoke of working out trade agreements with the EAEU. The Guatemalan and Chilean officials specified that they want to expand economic relations with Armenia and Belarus, through the EAEU, whose member nations include Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia.

Both Malouf Morales and Yanez Benítez had met separately with Sergey Glazyev before the panel. More than any details, the scope of the EAEU discussions in the region was best indicated by the Guatemalan Minister's remark that if you say "Sergey" in Ibero-America today, everyone knows whom you are talking about.

The memoranda of understanding being signed between Ibero-America and the EAEU reflect the restructuring towards a polycentric world underway, Glazyev said, but the question is how to turn them into actual business. He raised, in some detail, the need to create mechanisms to carry out this trade outside the U.S. dollar, "which has become toxic for us." His remarks made clear that discussions are underway both nationally and at the level of businesses, of how to create a digital currency for trade between the EAEU and Ibero-America.

### **Argentine Production of Sputnik V Vaccines Passes Russian Inspection**

June 3 (EIRNS)—Argentine Health Minister Carla Vizzotti announced on June 2 that Russia's Gamaleya Institute, makers of the Sputnik V vaccine, has confirmed the quality control of Sputnik V samples produced at

Argentina’s Richmond Labs, reported Telam. Gamaleya has confirmed “satisfactory quality control” of each one of the three batches of each one of the components of the vaccine, Vizzotti said, which means that Argentina “will now be part of the vaccine’s production chain.” Expectation is that the two major active ingredients of the vaccine will arrive in a flight from Moscow next week, and then mass production can begin at Richmond’s lab. *Infobae* reported June 2 that the contract signed with the Russia Direct Investment Fund, and with the India-based Hetero lab, with which Richmond has had a strategic alliance for years, includes construction of a state-of-the-art plant in Pilar (Buenos Aires), which will, in a second stage of production, be able to produce vaccine for export to South and Central America, “and to the world.” Richmond is the first Ibero-American laboratory authorized to produce Sputnik V.

Brazil’s national pharmaceutical company is also in the process of establishing local production of Sputnik V.

## SCIENCE AND INFRASTRUCTURE

### China Developing Mach 30 Wind Tunnel

June 3 (EIRNS)—Under the title “Mach 30 Wind Tunnel To ‘Put China Decades’ Ahead in Hypersonic Race,” *South China Morning Post* on May 31 reported that leading researcher Han Guilai of the Chinese Academy of Sciences told an online lecture that the JF-22 wind tunnel in Beijing would be capable of simulating flights at up to 10 km per second—30 times the speed of sound. Together with an existing facility, also in Beijing, it would put China “about 20 to 30 years ahead” of the West. The existing JF-12 hypersonic wind tunnel in Beijing has about one-fifth of the power output of the new facility under construction.

The *SCMP* reports that the power produced by the JF-22 “will be seven times more than the Hoover Dam in the U.S., almost as much as Three Gorges.” The new facility will be unveiled “soon.” It will not likely run on windmills.

## **Small Modular Nuclear Reactor To Be Built in Wyoming**

June 3 (EIRNS)—The state of Wyoming has been chosen as the site for a small modular nuclear reactor (SMR) to be built by Bill Gates' TerraPower and the regional power company PacifiCorp, with aid from the U.S. Department of Energy. The DOE granted TerraPower \$80 million last October. The Sodium reactor will generate 345 MW of power with a target starting date of 2028.

Gov. Mark Gordon, in announcing the project on yesterday, said the reactor would be built within one of four coal power plants which are scheduled for closure. Gordon also said, however, that “I am not going to abandon any of our fossil fuel industry. It is absolutely essential to our state.”

Energy Secretary Jennifer Granholm said: “We are ready to make investments in advanced nuclear technology so that communities all over the country can enjoy the benefits of safe and reliable and clean power that will leave them with lower energy bills and greater opportunities.”

## **COVID-19 AND FAMINE**

### **NIH Director Collins Terms Story of Wuhan Lab Pandemic Leak an ‘Extraordinary Claim,’ Needing Evidence**

June 3 (EIRNS)—Francis Collins, the longtime, respected director of the National Institutes of Health, went on Fox TV to address the line put out by British Secret Intelligence Service former Chief Richard Dearlove, that the Wuhan Institute of Virology leaked the COVID-19 virus. Asked about the so-called “Wuhan lab leak,” Collins responded: “That doesn't fit with what we know about this particular viral genome. I don't think we know what happened in Wuhan. It is possible there was a lab leak. But again, that's an extraordinary claim. What we need then is to have an evidence-based, expert-driven investigation.” This is exactly what the Anglo-American intelligence community does not intend to do, but only to examine intelligence reports and draw conclusions.

Collins told *The Atlantic*'s [Peter Wehner](#): “Far and away, the most likely origin is a natural zoonotic pathway from bats to some unidentified intermediate host to humans. But the possibility that such a naturally evolved virus might have also been under study at the Wuhan Institute of Virology and reached residents of Wuhan—and ultimately the rest of the world—as the result of a lab accident has never been adequately excluded.”

### **Outbreak of COVID in China**

June 3 (EIRNS)—Beginning on May 30, China’s metropolis of Guangzhou, capital of Guangdong Province and where 15.3 million people live, got hit with an outbreak of the Delta variant of SARS-CoV-2, the one that has hit India so badly. As *Global Times* reported, Guangzhou records 90% of the mainland’s international arrivals daily. Authorities date the surge, which has spread to the neighboring cities of Foshan and Maoming, from May 21. As of May 30, including mass testing, there were 5 cases and 21 asymptomatic infections.

The government has taken the normal Chinese total response: Infected people are being isolated, tracking of possible infections is being undertaken, and all flights in and out of Guangzhou have been cancelled. Residents are not allowed to travel out of the metropolis without special permits. There is great confidence that the virus can be outflanked.

New cases a day in the United States are down by about 94%, from 260,000 on Jan. 8 to 16,000 on June 2, which is great news. The next accomplishment would be to get the number small enough so that the normal isolation, tracking, and tracing methods keep the virus holed up in a corner.

## **OTHER**

### **Broad Israeli Coalition Formed To Dump Netanyahu**

June 3 (EIRNS)—With a June 2 midnight deadline, the coalition to replace Israeli Prime Minister Benjamin Netanyahu was stuck at 58 Knesset seats, short of the 61 needed to hold a majority in the 120-seat Knesset. They

turned to Mansour Abbas's United Arab List (Ra'am) for its 4 votes, and now the coalition of eight parties holds 62 votes. Yair Lapid, whose Yesh Atid holds 17 seats, then told President Reuven Rivlin late last night that he has "succeeded in forming a government" with Naftali Bennett of Yamina, holding 8 seats. The deal allows Bennett to be the prime minister for the first two years, with Lapid to replace him at that point.

Bennett was Defense Minister before Benny Gantz replaced him in 2020. There is not a lot pretty here, on the surface. He and his Yamina party have been very harsh on the Palestinians—in particular his number two, Ayelet Shaked. She had posted on Facebook saying that "the entire Palestinian people is the enemy" and justifies its destruction, "including its elderly and its women, its cities and its villages, its property and its infrastructure." Much remains to be seen whether an "I have to get rid of Bibi" movement can extend into something positive.

The eight parties, with 62 Knesset members, comprising the coalition are: Meretz (6), Labor (7), Yisrael Beiteinu (7), Lapid's Yesh Atid (17), Benny Gantz's Blue and White (8), Gideon Saar's New Hope (6), Bennett's Yamina (8) and Abbas's United Arab List (4). Abbas's coalition has a strong base amongst the Bedouins, but it also includes the Arab National Party and the southern faction of the Islamic Movement. They support the two-state solution with East Jerusalem as the capital of a Palestinian state, and equal rights for Israeli Arabs. Abbas defends his historic joining of a governing coalition—a first in Israel—saying that the agreement on the formation of a coalition government includes many articles for the benefit of Arabs, especially in the Negev region, and there are large budget allocations included.

The actual vote is days away, and Likud Speaker of the Knesset Yariv Levin is trying to delay the vote, while Netanyahu tries to blow up the alliance. The hope is that the vote can occur before he launches a second military offensive.