

EIR Daily Alert Service

P.O. BOX 17390, WASHINGTON, DC 20041-0390

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EDITORIAL

We Have Told You What this War Confrontation Would Really Be About

Feb. 28 (EIRNS)—UPDATE: Ukrainian President Volodymyr Zelenskyy on Feb. 28 told Axios through an advisor, that he sought for the United States and “the West” to establish a no-fly zone against Russian aircraft over significant parts of Ukraine. Axios made no specific statement either to its agency or to the White House available, however. [White House Press Secretary Jen Psaki](#) scrambled a fast rejection: “Well, the President has been very clear that he is not intending to send U.S. troops to fight a war

with Russia. And I think what's important to note here is that is essentially what this would be a step toward, because a no-fly zone would require implementation. It would require deploying U.S. military to enforce, which would be a direct conflict—potentially a direct conflict and potentially war with Russia, which is something we are not planning to be a part of.” In short, World War III—with Russia's strategic nuclear missile force already placed on heightened alert Sunday, Feb. 27. Will this break the illusion so many Europeans and Americans have developed from non-stop war propaganda, that NATO is involved in a painless and heroic defense of heroic Ukraine against evil Russia?

Feb. 28: At first view all the economic austerity and suffering from the financial and economic “extreme sanctions” on Russia imposed this weekend, seems to devastate only Russia. Its central bank had to raise its repo rate drastically Monday morning, Feb. 28, from 9.25% to 20% to stop an ongoing 50% collapse of the ruble. That interest rate will contract and do great damage to the Russian economy. The head of the Peterson Institute for International Economics, Adam Posen, characterized the economic attacks on Russia on Sunday: “You are essentially directing a financial and economic crisis in another country.” Bank runs which were occurring with perhaps 1 trillion rubles withdrawn by Russians over the weekend. The Bank of Russia central bank barred foreign residents from selling out investments in Russia (capital controls) and required export firms to convert 80% of their sales revenues to rubles as received. The European divisions of major Russian banks are going under.

EIR has informed you, with the quotes from senior U.S. officials to document it, that crushing the Russian economy was the objective of NATO's daring Russia into a war over Ukraine or some other Eastern European nation on the Russian border with potential nuclear missile launchers, like Poland or Romania. China is the other, even bigger obstacle to the trans-Atlantic nations' as they face a financial crash worse than that of 2008. They cannot drag their dominant City of London- and Wall Street-centered banks through the crisis without imposing the drastic austerity of “the Great Reset” on their people and businesses. They have to eliminate

the economic alternative for nations all over the world, represented by the China-Russia partnership.

The outcomes now triggered by an economic takedown of Russia will be serious, highly inflationary, and deadly for the world economy and the developing nations in particular. A UN representative of Brazil was right to say on Feb. 27, in the UN Security Council discussion of calling an emergency General Assembly session to condemn Russia, that the effect of these economic attacks on one of the world's leading fertilizer-producing nations would be famines—fertilizer is already hyperinflating out of the reach of farmers around the world. But also in the NATO nations' their leaders, suddenly self-righteous warriors for at least the sixth time since they bombed Serbia in 1999, are going to impose serious economic austerity on their own people, with bigger and bigger war spending, rapidly rising inflation, shortages of vital products including enough heat, electricity and food.

Unless a nuclear war intervenes—and it may. We are in a form of Cuban Missile Crisis “in reverse” right now.

The one way out of that is the Schiller Institute's proposed “strategic architecture” based on the economic development principles of Lyndon LaRouche's “four economic laws” prescribed in June 2014. The Schiller Institute's petition, “[Convoke an International Conference to Establish A New Security and Development Architecture for All Nations](#),” calls for an immediate international conference to get nations to cooperate on those principles. Signing it, and discussing it with other people, is the best action you can take to get mankind off the downward slope toward world war, which it is now on.

- Watch **Harley's Updates** with Harley Schlanger on Tuesday March 1, 2022: Every weekday morning on [The LaRouche Organization](#), Schlanger will give you the strategic briefing you need to start your day.

STRATEGIC WAR DANGER

Pentagon Seeking Military Back Channel to Russian Military

Feb. 28 (EIRNS)—At the Pentagon, top officials may indeed be getting worried that the risk of an unintended encounter between U.S. and Russian military forces could turn into something much worse. *Politico*'s Bryan Bender reported yesterday that Pentagon officials are seeking back-channel discussions with their Russian counterparts in order to find ways of heading off any inadvertent escalation between U.S. and Russian forces. The relationship between Chairman of the Joint Chiefs of Staff Gen. Milley and Russian Chief of the General Staff Gen. Valery Gerasimov is said to be key. Bender writes that their relationship “is at the center of a highly sensitive behind-the-scenes effort to prevent the biggest war in Europe in generations from spinning into a wider conflict. It’s a situation that became more urgent on Sunday, [Feb. 27] when Russian President Vladimir Putin ordered his nuclear forces on high alert after a series of what he called ‘aggressive statements’ by NATO powers.”

Pentagon officials say they hope their line of communication—which has been more frequent than that of Defense Secretary Lloyd Austin and his counterpart, Russian Defense Minister Sergey Shoigu—can help open up more regular links with Russian forces as the conflict ratchets up, Bender continues. “Now that Ukrainian airspace is in dispute and being contested and Ukrainian airspace runs right up alongside NATO airspace, we have conveyed to the Russians that we believe a conduit at the operational level is needed ... so we can avoid miscalculation,” a senior Pentagon official told *Politico*. “And we have not received any response from them in terms of whether they agree, whether they are willing to set something up.”

The U.S.-Russian deconfliction line in Syria is the model, but whether such an arrangement can work in Europe is not clear, given the degree that the U.S. and European countries are rushing to aid Ukraine.

Bender writes that when the Russian invasion began in earnest last week, U.S. forces in the region were immediately ordered to pull back from the war zone. “As soon as the Russians did what they did, we had to get out

of the way,” said one of the U.S. military officials in Europe directly involved in the planning. That included redirecting a “pretty robust” operation of spy planes and drones flying over Ukrainian airspace, the official said (this redirection has been clearly visible on the flight tracking websites). Now, the U.S. Air Force is relying on high-flying aircraft over Ukraine such as the U-2 spy plane that can avoid most anti-aircraft missiles and drones because there is “a little bit more risk tolerance for that.”

“One of the things we don’t want to do,” the official said, “is provoke a conflict with the Russians directly.” Still, the risk of direct confrontations between NATO forces and Russia is only growing as the conflict intensifies, according to a number of current and former national security officials.

As for a nuclear miscalculation, that is seen as highly unlikely but not out of the question. “Most of the time nuclear weapons are self-detering,” said the retired general. “But sometimes something could trap you in a logic train that puts you in a position that you think it’s a plausible approach. That’s the scary part.”

Ukraine and Russia Met at Belarus Border Monday

Feb. 28 (EIRNS)—Delegations from Ukraine and Russia held talks Monday morning, Feb. 28, on the Belarus border, in an attempt to end Moscow’s military action, reported ABC News today. Ukrainian President Volodymyr Zelenskyy had agreed to send a delegation to meet with Russian negotiators during a phone call on Feb. 27 with Belarus President Alexandr Lukashenko, a spokesman for President Zelenskyy’s office said.

The two sides began talks this morning at the Pripyat River on the border, north of Chernobyl, the spokesman said—an area currently under Russian military control. The Russian delegation was headed by Vladimir Medinsky, an aide to President Vladimir Putin and former Culture Minister; State Duma Deputy Leonid Slutsky, chairman of the Duma Committee on Foreign Affairs; and Russia’s Ambassador to Belarus Boris Gryzlov, as well as officials from Russia’s Foreign and Defense Ministries, whom ABC didn’t name. The Ukrainian delegation included Davyd Arakhmiya, a

leader of Zelenskyy’s Servant of the People political faction; Oleskii Reznikov, the Ukraine Defense Minister; Mykhailo Podolyak, an advisor to the head of the presidential office; Andriy Kostin, the first deputy head of the Ukrainian Delegation to the Tripartite Contact Group; Rustem Umerov, a member of Ukraine’s unicameral Verkhovna Rada; and Deputy Foreign Minister Mykola Tochytsky. The talks were the first between the two sides.

In a televised address, Zelenskyy said: “I will be honest, as always: I do not really believe in the outcome of this meeting, but let them try,” and if there was a “chance” to end the war, he should participate in the talks. At the conclusion of the five hours, however, Podolyak said that the two sides had identified a number of priority topics, “on which certain solutions have been outlined.” Medinsky likewise said the two delegations found points on which common positions could be reached. The two sides returned to their countries for consultations, after agreeing, said Medinsky, “The next meeting will take place in the coming days on the Polish-Belarusian border.”

As the talks got underway, French President Emmanuel Macron and Putin spoke by phone. According to Macron’s office, “Putin purportedly agreed to halt all strikes against civilian targets” (Putin had stated from the outset that only military targets were being aimed at); to preserve civilian infrastructure; and to secure main roads, particularly the road south of Kyiv, for the delivery of humanitarian aid, reported ABC News.

LAROUCHE

Mexican Social Media Interview Features Schiller Institute Petition for New Security and Development Architecture

Feb. 28 (EIRNS)—“El Mercurio, Now or Never,” an alternative media YouTube channel with a subscriber base of 132,000 which extends across the Spanish-speaking world, announced its interview with the Schiller Institute’s Dennis Small hours before it was posted on the channel this afternoon, under the title, “[The Nuclear Button Has Been Activated; It Is Time To Negotiate New Rules.](#)” Over a thousand people were watching the

54-minute, Spanish-language interview by the end of the live broadcast, and over 10,000 views were registered by Monday night, Feb. 28.

During the interview, host Antonio Váldez urged his listeners to read and sign the [Schiller Institute petition](#), telling them that he had signed it, and they should too. In the three hours after its broadcast, over 25 people not before in the Schiller Institute site had signed the Spanish petition, from Spain, Mexico and other Ibero-American countries. Váldez posted a link to the petition in the “Description” section of video, which included this characterization:

“Dennis Small asserts that, behind the very real danger of global war is the explosion of the trans-Atlantic financial system. A speculative bubble of nearly \$2 quadrillion in financial derivatives and debts that is already exploding. A world-wide hyperinflationary process has been unleashed, along with a collapse of the physical economies of the Western nations. London and Wall Street, the owners of the bankrupt system, are desperate to destroy any functioning alternative to their system, such as the alliance of Russia and China around the Belt and Road Initiative, which now includes almost 150 nations, and the trans-Atlantic financial Establishment has already openly stated that that is what is at stake.”

Schiller Institute Call To Resolve ‘Reverse Cuban Missile Crisis’ Presented on Pakistan’s PTV News

Feb. 28 (EIRNS)—Pakistan’s PTV evening commentary today featured former Ambassador Jamil Khan and the Schiller Institute’s Harley Schlanger in a roundtable on Ukraine and the threat of nuclear war.

After Schlanger emphasized that Prime Minister Khan is right in remaining outside of blocs, he identified “bloc politics” as a continuation of 19th-20th century British geopolitics, then reviewed the case President Vladimir Putin made for security guarantees. The U.S. and NATO rejected Putin’s demand, he said, instead seeking to provoke a war to launch a destruction of Russia’s economy, which is now underway with the sanction policy, which is really warfare. Schlanger emphasized the importance of the Schiller Institute call for convening a conference to create a new

security architecture, and why this must also implement a financial architecture, based on Lyndon LaRouche's economic policies. He spoke of Helga Zepp-LaRouche's commitment to a new strategic architecture, and how in combination with a rejection of neoliberal policies, this is the way to guarantee peace.

In response to a question about Western hypocrisy, given the attacks on Afghanistan, Iraq, Libya and Syria, Schlanger spoke of the resolution of the Cuban Missile Crisis by JFK, and how today's crisis is a "reverse Cuban Missile Crisis." The nuclear alert declared by Putin was a reaction to the harsh sanctions, and Putin had said repeatedly that Russia has nowhere to go if Ukraine is brought into NATO.

Finally, he explained that the main reason for the trans-Atlantic assault against Russia and China is the rejection by many nations of the unipolar world, a rejection led by Russia and China, and how the financial policies of the unipolar forces have brought the world to the edge of a systemic collapse.

Ambassador Khan, after initially expressing "anxiety" over Russia's policy, took up Schlanger's polemic, saying that NATO expansion is seen by Putin as a "question of life and death," and the Russian leader had no choice but to "draw a red line."

COLLAPSING WESTERN FINANCIAL SYSTEM

Brazil UN Envoy Explains Famine Is a Threat from 'Selective Sanctions' on Russia, Affecting Fertilizers and Wheat

Feb. 28 (EIRNS)—Brazil's Ambassador to the United Nations Ronaldo Costa Filho made specific reference to the danger of world famine exacerbating as a result of the impact of the sanctions imposed in the rush to punish Russia over its intervention in Ukraine, when he addressed the UN Security Council meeting, on the question of convening a UN General Assembly Special Session on Ukraine and Russia. Ambassador Costa voted for the resolution initiated by the U.K./U.S. combo, but expressed "misgivings about the timing and contribution" of such a General

Assembly meeting, given that the Security Council “still has a role,” and he urged a ceasefire, humanitarian support, and support for a “process of dialogue” to solve the crisis.

He specifically identified that there are dangers from “the supply of weapons, recourse to cyber attacks, and the application of selective sanctions, which could affect sectors such as fertilizer and wheat, with a strong risk of famine.”

He then warned that supplying of weapons and imposing sanctions, etc., “enhance the risks of a wider and direct confrontation between NATO and Russia,” and it is therefore our “duty” to stop and reverse such escalation of the crisis.

European Bank Stocks Nosedive While War Industry Stocks Hit High

Feb. 28 (EIRNS)—While Russian bank stocks were hit hard on European markets on Monday, Feb. 28, major European bank stocks were also nosediving while speculators moved in a big way into war industries. The British daily *Guardian* reported that the European Central Bank warned that Sberbank Europe, the European arm of Russia’s biggest bank, and two of its subsidiaries “are failing or likely to fail ... owing to a deterioration of their liquidity situation.” Austria’s Financial Market Authority said it imposed a moratorium on Sberbank Europe, which is based in Austria.

The European banking stock index fell 5.7%, compared with a 2.4% drop in the Euro Stoxx index of European blue-chip shares. The hardest hit, with the most exposure to Russia, was Austria’s Raiffeisenbank, which lost as much as 18%; while France’s Société Générale fell 11%, and the Dutch banking group ING and Italy’s UniCredit both dropped about 10%, Deutsche Bank and Commerzbank both lost 7% of their market value, BNP Paribas 8-9%. The British banks took a hit as well with HSBC, NatWest, Barclays and Lloyds losing more than 3% of their value and were joined by the insurers Prudential and Legal & General.

Abandoning the banks, speculators moved into war and defense stocks. Germany’s arms manufacturer Rheinmetall gained 32%, Leonardo in Italy

climbed 15%. Hensoldt, a German aerospace and defense supplier, jumped 87% and the U.K.'s BAE rose nearly 14% as Germany announced it would increase defense spending to more than 2% of GDP.

NEW ECONOMIC ORDER

China Makes the Case for United States To Join Belt and Road

Feb. 28 (EIRNS)—China is willing to work with the United States on a G7-led Build Back Better World (B3W) initiative it announced last June, supposedly to help developing countries meet infrastructure, and welcomes Washington to join its Belt and Road Initiative, Chinese Foreign Minister Wang Yi said on Feb. 28, reported Reuters. “We are also willing to consider coordinating with the U.S. ‘Build Back Better World’ initiative to provide the world with more high-quality public goods,” Wang said in a video message at an event for the 50th anniversary of the Shanghai Communiqué, which marked the normalizing of relations between United States and China. In addition to inviting America to participate in the Belt and Road Initiative (BRI), he also invited the United States to join the Global Development Initiative, proposed at the UN General Assembly by Chinese President Xi Jinping in September for all countries to work towards sustainable development.

Wang urged the United States to work with China in the Asia-Pacific to build a “family of openness, inclusiveness, innovation, growth, connectivity and win-win cooperation,” rather than turn the region into one of conflict and confrontation.

He said the Shanghai Communiqué, marking the end of isolation between both countries and issued during President Richard Nixon’s historic visit to China, meant that two major powers with different social systems were willing to coexist peacefully.

Wang also urged for America to stop supporting independence for Taiwan, that is wholly part of China. CGTN added that Wang urged the United States to return to a rational and pragmatic policy toward China and

work with it to implement the consensus reached by the two heads of state, so as to bring the bilateral relations back on the right track. “Since the door of China-U.S. relations has been opened, it shall not be closed again,” he said. “Since the world has come out of the Cold War, the iron curtain shall not be lowered again.”

India and the Possible Breakup of The ‘Quad’

Feb. 28 (EIRNS)—A *Washington Post* article today worries about losing the cohesion (such as it has been) of the U.S.-forced “Quad” grouping of America, India, Australia and Japan, due to India’s refusal to criticize Russia in its military operations in Ukraine. U.S. President Joe Biden in his Feb. 24 press conference had tried a version of the George W. Bush 2001 line of “with us or with the terrorists,” in his remarks that “any nation that countenances Russia’s naked aggression against Ukraine will be stained by association.” But, wrote the *Post* “while Japan, Australia and the United States all unveiled new export bans against Russia, ... India demurred, highlighting a glaring fissure in one of the key American partnerships.”

The *Post* quotes Derek Grossman, a senior defense analyst at Rand Corporation, that the “Quad grouping could easily fray.” Russia, he said, “is clearly breaking the rules-based order, which is the whole reason the Quad got together in the first place.”

UKRAINE

There Is No Unified Ibero-American Position on the Russia-Ukraine Crisis

Feb. 28 (EIRNS)—As seen in responses to Russia’s actions in Ukraine, there are rifts within Ibero-America. On Feb. 25, the 21 members of the Organization of American States (OAS) voted up a resolution condemning the “illegal, unjustified and unprovoked” Russian “invasion” of Ukraine, demanding the immediate withdrawal of Russian troops, and denouncing Russia’s “illegal recognition” of the Donetsk and Luhansk People’s Republics. The resolution states that Russia’s actions are contrary to the

principle of peaceful resolution of conflicts “enshrined in international law and the UN Charter.”

Four countries abstained from voting: Brazil, Argentina, Bolivia and Nicaragua. Originally, Uruguay had also abstained, but yesterday President Lacalle Pou changed his mind and decided to support it. Mexico voted for it, as did all the Caribbean nations, Canada and the U.S. as well as the phony Venezuelan “government” of Juan Guaidó, which is recognized at the OAS. Venezuelan President Nicolas Maduro’s government was expelled from the OAS. All other South American nations voted for it. Despite Mexico’s support for the resolution, today President Andres Manuel Lopez Obrador stated in his daily press conference that he has no intention of shutting Mexico off from any nation in the Russian-Ukrainian conflict, however. Having just sent an Air Force plane to Romania to repatriate Mexican citizens who had arrived there from Ukraine, he emphasized that Mexico is open to receiving people of all nationalities, as “it is a country that protects, that cares for refugees and the persecuted. To those who seek protection from war and confrontation, we will not shut down our country,” he said.

While Argentina abstained in the OAS vote, it has not maintained a consistent position, and is without doubt being squeezed by the U.S. State Department. At a recent meeting of the UN Human Rights Council, of which Argentina is the president, Foreign Minister Santiago Cafiero denounced Russia’s military operation in Ukraine as a violation of sovereignty and territorial integrity, and insisted that Russian troops withdraw immediately. At today’s meeting of the UN General Assembly, Argentina was planning to vote with the U.S. against Russia.

In the Brazilian case, President Jair Bolsonaro said in a press conference yesterday that his government will remain neutral in the Russia-Ukraine conflict, to protect the country from any negative consequences (which will happen in any case), according to Mercopress today. Officially, Brazil’s Foreign Ministry, known as “Itamaraty,” adheres to the principle of non-interference in the internal affairs of other nations. Brazil’s Ambassador to

the OAS Otavio Brandelli said Brazil was “very worried” about the military conflict in Ukraine, but also remarked that Russia’s concerns must also be taken into account “primarily in terms of the balance of troops and strategic weapons” building up in Europe, the Argentine daily *Perfil* reported.

Former Brazilian President Dilma Rousseff gave a very perceptive, wide-ranging interview to Brasil247 TV, on the history of NATO’s encirclement of Russia, the fascist Maidan coup in 2014, and what led Russia to take its current action in Ukraine. Argentine Vice President Cristina Fernández de Kirchner tweeted remarks critical of the UN Security Council and the great powers, for failing to protect world peace and security, and did not attack Russia.