

## EIR Daily Alert Service

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## EDITORIAL

### **Trump's Plan and Wall Street's Plan—They Cannot Coexist**

March 31 (EIRNS)—President Donald Trump this afternoon issued a tweet, which, if acted upon, quickly, could mark the beginning of a recovery—not only from COVID-19, but from the festering collapse of the American economy since the assassination of John Kennedy and the launching of the Vietnam War. Trump wrote: “With interest rates for the United States being at ZERO, this is the time to do our decades long

awaited Infrastructure Bill. It should be VERY BIG & BOLD, Two Trillion Dollars, and be focused solely on jobs and rebuilding the once great infrastructure of our Country! Phase 4.”

Can this work? With the Democratic Party leadership forced to cooperate with the President in the face of the worst crisis since World War II—passing three large humanitarian aid and stimulus packages to address the devastated economy and the decades of looting by Wall Street of the nation’s public health, industry, and infrastructure—the Democrats will almost certainly back Trump on this as well. The problem lies elsewhere.

At virtually the same moment Trump issued this historic tweet, Federal Reserve Chairman Jerome Powell was announcing that the Fed balance sheet has reached an historic high of \$5.3 trillion, having risen this week alone by 12.4%. Further, Wall Street pundits added that this was just the beginning, with the figure by the end of the year likely to reach \$10 trillion. This is assuredly not for the real economy, but is going directly into the purchase of increasingly worthless derivatives and other speculative paper from the banks—and not only Wall Street banks, but all the Western central banks as well. This massive injection of money, backed by absolutely no production, is precisely what Lyndon LaRouche has pointed to—since Richard Nixon destroyed the fixed-exchange-rate Bretton Woods system in 1971—as the almost certain cause of a hyperinflationary collapse, turning the savings, wages and pension funds of the working people of this nation into toilet paper—and you can be certain this is not intended to solve the problem of our supermarkets being out of toilet paper.

Printing money as a form of credit, with the intention of creating productive wealth for the future, is the precise opposite of printing money to bail out bad gambling debts. One creates wealth, the other steals wealth from the real economy to prop up the (actually bankrupt) British imperial oligarchs who run the City of London and Wall Street. As LaRouche loved to say: Money is stupid, credit knows what it’s doing.

Trump has been campaigning for an infrastructure bill for years, since long before he decided to run for President. He also campaigned for the

Hamiltonian “American System” and the Glass-Steagall Act, knowing that without these, the credit for restoring the American economy and infrastructure would be sucked dry by the Wall Street bottomless pit. But—he has not had the political strength to take on Wall Street.

This “double virus” crisis—COVID-19 and the derivatives virus—has already created a “phase change” in the mind of the population. People increasingly know that the old system is dead. No patchwork can fix it up. But they are also scared, not sure how to prevent the new Dark Age whose visage is rising before them.

Today, Helga Zepp-LaRouche held a two-hour videoconference call with youth from across the U.S., Ibero-America, Europe, Africa, Asia, and the Middle East. She motivated them to participate in the required mobilization of the world’s nations and peoples, to demand that an urgent series of summits be held by the Four Powers and allied nations to build an alternative to the old, dead paradigm—noting that the passion and vision of youth are an integral part of any revolution and renaissance. In particular, she called on them to mobilize thousands of people internationally to attend the International Conference of the Schiller Institute, to be held online on April 25-26. The same appeal applies to all readers of this *EIR Daily Alert*. The invitation to this Conference will be sent out in the upcoming *Alert* for Sunday, April 5. Please plan to attend, and organize all you know to join in this critical event.

## U.S. POLITICAL AND ECONOMIC

### **Why Massie Protested the CARES Bill, Blasted It as ‘Biggest Wall Street Bailout in History’**

March 31 (EIRNS)—While both Republicans and Democrats denounced Rep. Thomas Massie (R-KY) for demanding a recorded vote on the \$2 trillion CARES Act, no one bothers to say why he did so. Obviously aware that it was actually \$6 trillion, with at least \$4 trillion going straight to Wall Street, Massie on the day of the vote, March 27, called it in a tweet “the biggest wealth transfer from common folks to the super-rich (Wall Street

and bankers) in the history of mankind. We need a war on the virus, not a war on taxpayers.”

Today, Fox News asked Massie: “You’ve called this the biggest wealth transfer in the history of mankind to Wall Street and bankers. What do you mean by that?”

Massie replied: “There’s \$1,200 checks in this. I think that’s the cheese in the trap. If you take \$6 trillion and divide it by 100 million families, that’s \$60,000. Where is all that money going? It ain’t going to all the families. You may say there’s a good argument for propping up the banks and Wall Street—and there may be a good argument—but let’s be honest, that’s where most of the money is going.”

### **GM Turns Shuttered, Abandoned Michigan Factory into Mass Producer of Medical Face Masks**

March 31 (EIRNS)—In November 2018, as part of its cost-cutting campaign, General Motors cut 4,000 white-collar workers, and shut down four U.S. auto factories, one of which was the plant at Warren, Michigan. The innards of the Warren plant, including its valuable machine tools, were left idle. Now GM has broken profile, and reopened the Warren plant to convert it, a perspective that [Lyndon LaRouche](#) proposed for entire sections of the shutdown or misused layers of the auto industry in 2005.

The Warren plant used to produce seat belts and interior trim; now the personnel are becoming experts at manufacturing face masks. The March 31 *Detroit Free Press* reports that “More than 30 engineers, designers, buyers and members of GM’s manufacturing team helped to develop the machinery and materials, such as metal nose pieces, elastic straps and blown, nonwoven fabric filter materials, to make the masks. They also laid out a plan for the production process.”

On March 20, GM started gutting the Warren facility. GM cleared nearly 31,000 square feet of space to accommodate the mask production lines. The crews installed new electrical service lines, some of which were made by JR Automation in Holland, Michigan and Esys Automation in

Auburn Hills. In just one week, GM’s first prototype mask rolled off the line. “It was amazing to see how fast the team pulled it off,” said Monte Doran, a GM spokesman, stating “it would typically take about two months to retool a plant to build a new product, and GM and the workers did it in seven days.”

By April 8, the first 20,000 face masks will roll off the line for distribution to offset a severe shortage of production of masks caused by the novel coronavirus pandemic. GM plans to get production to 50,000 masks per day, or 1.5 million per month, and then perhaps to as many as 100,000 masks per day. This is just one of the several facilities that would need to start producing masks.

As the automotive sector rekindles its capabilities through reconversion—and it could soon be joined by the aerospace sector—the question is raised whether now isn’t the time to permanently reconvert a healthy portion of this capacity to the mass production of nuclear power plants; prefabricated quality modular units for the production of hospitals, which is how many Chinese hospitals are built; high-speed and maglev rail; tractors, nuclear plants, water systems and hospitals for Africa, Asia and Ibero-America. Out of this crisis, the time for LaRouche’s vision has come.

### **An Awakened Ford Motor Shifts Focus to Production of Respirators and Medical Shields**

March 31 (EIRNS)— The U.S. automotive sector, once the hub of what President Roosevelt called the Arsenal for Democracy, is now shedding its lethargy, scraping off the rust, stretching its limbs, and initially doing what is in part in its DNA—when it functions: to design, innovate and mass produce.

As the *EIR Daily Alert* reported in its March 26 issue, General Motors and ventilator producer Ventec Life Systems are gearing up to produce some 200,000 ventilators, beginning in April at GM’s Kokomo, Indiana plant; that total of ventilators would approximately equal the America’s existing inventory.

Ford Motor Company is partnering with 3M and GE Healthcare, whose products include medical equipment, to scale up production, by as much as tenfold, of power air-purifying respirators and ventilators, respectively. “One of the things with the auto industry is that it is good at making things at volume with high levels of precision,” said David Cole, chairman emeritus of the Center for Automotive Research in Ann Arbor, Michigan. Such precision is needed for medical equipment. A group of Ford employees decided they knew of ways to incorporate Ford processes to make medical equipment. According to the March 24 *Detroit News*, they “floated their idea and kicked off discussions with health care officials, equipment manufacturers, and the White House’s medical consultants.”

One idea they came up with was to develop a filtration system for a respirator that uses a Ford fan that Ford deploys to cool seats in its F-150 pick-up trucks. Respirators filter the air for health caregivers and last longer than the N95 face masks. Ford and 3M in this production project are designing respirators, with this Ford fan, to last up to eight hours. Mike Kesti, global technical director of personal safety division of 3M, asserted, “We’re trying to be resourceful, agile and creative on how to make this work and build capacity.” A production schedule is being worked out.

The Ford workers have dubbed their operation “Project Apollo 13,” named for the damaged lunar spaceflight 50 years ago, when the astronauts and Mission Control had to bootstrap the systems of the command module and the lunar module after there was an oxygen tank explosion and they had to figure out how to get the astronauts home safely.

In parallel, Ford is already testing face shields that would protect medical professionals, factory workers, and store clerks at the Detroit Mercy Hospital and other Detroit hospitals. Ford plans to produce more than 1 million of these shields per week at its subsidiary, Troy Design and Manufacturing in Plymouth, Michigan.

## STRATEGIC WAR DANGER

### UN Officials Call for Lifting Unilateral Sanctions on Syria

March 31 (EIRNS)—Both UN Under-Secretary General for Humanitarian Affairs Mark Lowcock and UN Special Envoy for Syria Geir Pedersen passionately called on the UN Security Council yesterday to lift sanctions against Syria in order to enable the country to fight against the coronavirus pandemic. Lowcock told the UNSC that the ten cases and one death (a second death was reported later in the day) that had been reported in Syria are “the tip of the iceberg, with the virus having the potential to have a devastating impact on vulnerable communities across the country.” Lowcock said that “all efforts to prevent, detect and respond to COVID-19 are impeded by Syria’s fragile health system,” declaring that only half the country’s hospitals and primary health care facilities were fully functional at the end of 2019.

Lowcock further asserted that humanitarian needs in Syria remain “enormous,” with UN data showing clear evidence of deteriorating conditions since December. “We are for example seeing increased rates of stunting—a consequence of child malnutrition, from which it is rarely possible fully to recover,” Lowcock said.

Pedersen, in his statement, observed that the Syrian government has taken “increasingly significant steps to counter COVID-19,” including by imposing curfews, closing public spaces and preparing healthcare to the extent possible. De facto authorities in those areas outside of the control of the government are also taking measures, he stated. “I hope that international donors will do whatever must be done so that Syrians in all parts of the country have access to the equipment and resources needed to combat the virus and treat patients,” he said. He pointed to the March 27 appeal by Secretary General Antonio Guterres “for the waiving of sanctions that can undermine countries’ capacity to respond to the pandemic.”

Pedersen said that in addition to the traditional donor countries, the UN is also engaging both China and Cuba “to see what they can do to render direct assistance in Syria.”

## ECONOMY

### Interventions Urgently Needed To Defend and Expand World Food Supply, as Emergencies Increase

March 31 (EIRNS)—Interventions are required to defend and expand world food output, given the impact of COVID-19. So far, measures are being announced from one place to another, but international coordination is urgent to organize on what food production to foster, and how to make certain food is available in emergency areas. These actions raise key principles about restoring people-serving economic practices, not the free-trade markets system, which was ready to blow out anyway, before the pandemic broke out. A few recent reports:

- In North America, Canada and the U.S.A. each announced financial support packages for farmers in the last week. Canada will make some \$3.5 billion available to aid farmers. In the U.S., under the new CARES Act, signed March 27, there is to be some \$40 billion replenishment for the Commodity Credit Corp. (CCC), the U.S. Department of Agriculture agency that can directly disburse aid to farmers. The CCC has made these disbursements over the last 18 months, in two rounds of “market facilitation” aid during the tariff conflict with China and others. Further, there is to be additional aid for livestock producers, buffeted hard, with herds and flocks to maintain.

Hog producers, for example, which supply restaurant chains, were deprived of buyers overnight, when eateries shut down. They face being wiped out. For cattle, a huge scandal has been revealed, with four major packers that control 85% of U.S. beef processing—Cargill, Tyson Foods, National Beef and JBS—making piracy-profits during the runs on supermarkets when national emergency was declared, but the cattlemen were stiffed. Beef prices to ranchers dropped 30% in recent months, though they have ticked up recently. Iowa’s Sen. Chuck Grassley (R) has called for an investigation. Tyson and others even made a CYA move last week, offering ranchers an extra \$5 per 100 lbs (\$50-\$60 on a steer), just to be nice! But horror stories flood the whole of the cattle range, in which of

producers are losing tens of thousands of dollars no matter what they do—  
auction, feed lot, packing plant.

Moreover, packer capacity itself is now in question, because of sick or  
absent workers. Meat packing is notorious for exploiting poor,  
undocumented migrant workers, who now are desperate for where they can  
go to find work.

Comparatively, bulk grains and oilseeds are very mechanized in  
cropping and milling, and less prone to disruption, but still not secure. U.S.  
corn-ethanol operations, with big interconnections to corn growers, are in  
crisis as gasoline prices have tanked.

Specialty crops, from orchards to citrus groves to field fruits and  
vegetables, are labor-intensive and very hard hit by labor and related  
disruption.

- Mexico has much labor-intensive, relatively high value fruits and  
vegetable (free-trade) sourcing, whose production is very affected by  
COVID-19.

The same vulnerability is also striking the Mediterranean countries,  
famous for their specialty agriculture production in Italy, Spain, Morocco,  
and Greece.

- India is in extreme emergency. The government exempted farmers  
from the March 24 three-week lockdown, but they need a large amount of  
help to keep up production, and to get food to the masses of poor and  
dislocated Indians now in lockdown. There is already hunger, suffering and  
death.

- In China, there are reports of concern to prevent any food scarcity,  
from various factors, which have to be addressed. The Hong Kong daily,  
*South China Morning Post*, with its own slant, plays up the question of  
soybeans, given that China relies on importing 80% of its soybean  
consumption for both animal feed and foodstuffs.

- Asia, in various places, is concerned over rice. March is rice harvest-  
time in Vietnam, the world's third largest exporter, and the nation has

topped up its own national security stockpile, ahead of exports. India and Thailand are the top two exporters, with India in the throes of the virus. There have been reports of hoarding. Hong Kong, Indonesia, and elsewhere, are very dependent on rice imports.

### **First European-Iran Transaction Bypassing U.S. Sanctions Confirmed**

March 31 (EIRNS)—The German Foreign Ministry reported yesterday that the first transaction under INSTEX—the Instrument in Support of Trade Exchanges which the U.K., France and Germany devised to bypass U.S. sanctions on trade with Iran—had finally been executed, more than a year after its establishment. “France, Germany and the United Kingdom confirm that INSTEX has successfully concluded its first transaction, facilitating the export of medical goods from Europe to Iran,” the ministry tweeted. “INSTEX and its Iranian counterpart STFI [Special Trade and Finance Instrument] will work on more transactions and enhancing the mechanism.”

Meanwhile, Josep Borrell, the European Union’s foreign affairs chief, said yesterday that Brussels would support Iran’s \$5 billion loan request from the International Monetary Fund for assistance in fighting coronavirus. “We are going to support this request because these countries are in a very difficult situation mainly due to the U.S. sanctions that prevent them from having income by selling their oil,” Borrell said after talks with EU foreign ministers.

Iranian Foreign Minister Mohammad Javad Zarif, in an op-ed in Russia’s *Kommersant* business daily published this morning, said U.S. sanctions have made it “impossible” for Iranians to have access to essential medications during the COVID-19 pandemic, warning that the bans are leading to a “humanitarian catastrophe.” The reason is that the national income Iran needs to make such purchases has been throttled by the U.S. sanctions on Iran’s oil trade. “The illegal blockade of Iran’s financial resources by the sweeping U.S. sanctions makes access to drugs and medical equipment impossible,” Zarif wrote, reported Tasnim. “This is leading to a humanitarian catastrophe,” he warned, point to the fact that

Washington's campaign of "maximum pressure" on Tehran undermines the country's efforts in treating COVID-19 patients and slowing the spread of the deadly virus.

Under the headline, "Fight the Virus, Not Us," Zarif stressed that the threat of U.S. sanctions forces banks to avoid dealing with Iran and prompts European medical companies to refuse to sell vital equipment to Tehran. "The world community must come to its senses and help Iran against economic, medical and drug terrorism," Zarif wrote. Zarif argued that Iran has a "strong" healthcare system, but severe U.S. sanctions are decimating its finances. "The American policy of maximum pressure hampers Iranian exports, while Iran has fewer and fewer sources of investment," he wrote.

## **G20 Trade Ministers Meet, as Russia Again Urges Easing Sanctions**

March 31 (EIRNS)—The G20 Trade Ministers held an online meeting on March 30 to discuss collective action to counter the coronavirus pandemic's devastating consequences for trade. The meeting issued a joint statement declaring, in part: "We will support the availability and accessibility of essential medical supplies and pharmaceuticals at affordable prices, on an equitable basis, where they are most needed, and as quickly as possible, including by encouraging additional production through incentives and targeted investment, according to national circumstances. We will guard against profiteering and unjustified price increases....

"We agree that emergency measures designed to tackle COVID-19, if deemed necessary, must be targeted, proportionate, transparent, and temporary, and that they do not create unnecessary barriers to trade or disruption to global supply chains, and are consistent with WTO rules."

During their discussion, Russian Economic Development Minister Maxim Reshetnikov, who attended the videoconference, reiterated Russia's call for states to ease sanctions against countries amid the coronavirus pandemic, saying, "It seems that an important joint step would be to reduce restrictive measures, primarily those that block or severely complicate

access to medicines, equipment and technologies,” reported TASS. “The entire framework of trade and investment ties, global production chains created during decades of globalization is now under threat. We need to reverse this dangerous trend.”

## NEW WORLD ECONOMIC ORDER

### **Poor, Small Albania Teaches a Lesson to Rich Europe, ‘Let Us Listen to Our Mother Theresa’**

March 31 (EIRNS)—The solidarity action by the small and poor nation of Albania, itself hit by the pandemic and under total lockdown, has impressed the Italian public. Tirana Prime Minister Edi Rama was interviewed on Raitre national TV today, explaining in perfect Italian, that “After seeing the sufferings of the Italian people everyday, we said to ourselves: ‘Let us listen to our Mother Theresa who said: Do not complain about the darkness but light a candle. We lit a candle.’ ”

All 30 medical caregivers Albania sent, who are already deployed in Brescia, speak Italian and many of them have studied, worked or have been trained in Italy. “Italy has welcomed us, fed us, adopted us. It is our home,” Rama told Raitre.

Albania had filed for membership in the EU in 2006, but the access procedure was accepted only a few days ago. “It was not even needed to have this invisible enemy in order to detect what was going on in Europe: A lack of memory of the reason why the founding fathers created Europe,” Rama said. “We are facing an enemy that has attacked everybody. Our common house is on fire and it is not feasible to stay locked in one’s own room. The people must stay at home, but the states must not: They must come together and plan a counterattack.”

### **Chinese and U.S. Health Ministers Hold Talks after a Long Hiatus**

March 31 (EIRNS)—U.S. Secretary of Health and Human Services Alex Azar spoke by phone with the Director of China’s National Health Commission Ma Xiaowei, and the two agreed on greater cooperation in

fighting the global coronavirus pandemic. This appears to be the first conversation the two have had since Jan. 28, when the U.S. had requested to send an American team to China. China rebuffed the idea of an American team, but invited a World Health Organization team which included American medical personnel. Then followed a month-long rampage by Secretary of State Mike Pompeo and others, demanding China bear the responsibility for the virus. The Azar-Ma telephone call was an obvious result of last week's discussion between Presidents Xi Jinping and Donald Trump. Both had attended the G20 online teleconference where President Xi had recommended that there be a meeting of the G20 health ministers to discuss the coronavirus in more detail.

At her daily press briefing, Chinese Foreign Ministry spokeswoman Hua Chunying also referenced the telephone call, expressing the hope that other Trump Administration officials would follow the lead of their President. "President Xi said that the Chinese people sincerely hope that the U.S. will contain the spread of the pandemic at an early date and minimize its impact on the American people," Hua stressed. "Under the current circumstances, China and the U.S. should unite in the fight against the virus. Health departments and epidemic experts of the two sides have all along been in communication. Last night, Minister Ma Xiaowei of China's National Health Commission and U.S. Secretary of Health and Human Services Alex Azar spoke over the phone to exchange ideas on the two countries' pandemic prevention and control efforts. Some provinces and cities and local businesses have already donated medical supplies to the U.S. side. We have noted that some U.S. media have reported that a commercial charter flight has taken a batch of epidemic control materials it purchased from China to the U.S. China understands the current difficulties the U.S. is facing and stands ready to offer support within our capability," she said.

"We also hope that some U.S. officials will act in accordance with the consensus reached between the two heads of state by phone and work to create enabling conditions for the two sides' joint fight against the pandemic," she further declared. In an earlier question, Hua said that recent statements by Washington trade adviser Peter Navarro, as well as

discussions between Pompeo and NATO Secretary-General Jens Stoltenberg, did not coincide with the agreements made by the two Presidents. She hoped that they would work toward the type of cooperation on coronavirus that Presidents Xi and Trump had laid out.

- Get [Harley Schlanger](#)'s April 1 Briefing on LaRouchePAC's website. 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 the briefings are posted.