

EIR Daily Alert Service

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EDITORIAL

Manned U.S. Rockets Returning to Space—That’s ‘Re-Opening’!

May 25 (EIRNS)—The spectacular program to create 50 million productive American jobs released this week by LaRouchePAC—“The LaRouche Plan To Reopen the U.S. Economy: The World Needs 1.5 Billion New, Productive Jobs”—is the one serious response to “the big one”: the simultaneous disease pandemic, hunger pandemic, mass unemployment pandemic, and financial collapse. The U.S. economy that “reopens” has to be a new economy retooled and converted to rebuild a shattered world economy, creating a modern healthcare and public health system throughout the underdeveloped nations and new power, water, high-speed transportation infrastructure. In other words, an opening to the American

System of industrialization and scientific progress, on the scale of the world.

We are pulling for NASA's Wednesday launch, for the first time in nine years, of an American-made manned rocket into space, as part of the launch of this worldwide infrastructure-building mobilization. An international Moon-to-Mars mission is a "science driver" for the entire process of creating new, high-technology productive employment and educating young people to take on new fields. China's orbiter-lander-rover is launching for Mars (unmanned) in July.

What's the immediate mission? The COVID-19 pandemic is now spreading through the Southern Hemisphere, and well more than a billion people there are in quarantine with no work, no income, no savings, and food supply chains breaking down so they will face starvation. The virus will persist a long time; its victims must be treated in modern hospitals with full equipment and capacities, with newly designed medications; and that all must be built fast.

Creating tens of millions of new productive jobs in the United States means creating hundreds of millions of new productive jobs in economic development in those countries.

It can only be carried out successfully through a new Bretton Woods international credit system, a partnership of the United States with at least major technological powers China, Russia, and India.

If a "recovery program" is attempted for the American economy alone—avoiding that cooperation, ignoring the underdeveloped nations' crying need for hospital building, healthcare supplies, electric power, water management, new transportation—Wall Street will control it, guaranteed. And they will make sure it's a "green new deal" to create for Wall Street and the City of London a new "green finance" bubble to replace their everything bubble collapsing now.

To defeat the "green new deal finance" monsters crawling in behind the pandemic crisis, recovery must be a worldwide reconstruction plan on the

huge scale really needed, with too many great technological powers involved for British financial imperialists to stop it. As Lyndon LaRouche put it in a June 14, 2007 webcast: “We have now an incalculable crisis worldwide in progress.... This is a crisis to see who is going to run the world. Is it going to be a group of nations, or is it going to be the re-emergent British Empire which never really went away—which takes over from the United States and establishes its world rule through globalization?”

Let those leading technologically advanced nations fight each other, and the City of London and Wall Street financiers will run any “recovery” program into a global green new deal, aimed at reducing a lot of the human population back to a preindustrial level of existence.

As President Donald Trump watches the NASA-SpaceX manned launch Wednesday, LaRouche’s movement offers him this “job rebuilding the world” as an off-ramp from confrontation with China and Russia. It is also a weapon against the British Empire “coup” which has sought since his election to force him out of the White House. A New Bretton Woods global credit system modeled on what FDR intended, to lift up nations’ economies all over the world.

Now, it can lift their young people to the Moon and Mars.

SCIENCE AND INFRASTRUCTURE

Schiller Institute Petition ‘For Global Health Infrastructure’

May 25 (EIRNS)—The Schiller Institute’s petition, “[Coronavirus Petition: For Global Health Infrastructure](#)” reads:

We, the undersigned, support Schiller Institute Founder Helga Zepp-LaRouche’s call for global health and economic infrastructure to address the coronavirus pandemic and the conditions of underdevelopment (both economic and scientific) that caused us to be vulnerable to it.

The coronavirus pandemic sweeping the world and the economic effects of the health measures taken to crush it reveal the inexcusable lack

of development of the human species, and demand a global approach to curing, not only the coronavirus presently menacing us, but that underdevelopment that leaves us susceptible to the pandemics taking a terrible toll.

When health systems even in developed regions, such as Northern Italy, have been filled beyond capacity, what is the outlook for less developed nations that have an immense shortage of health infrastructure and lack secure access to clean water, sanitation, and nutritious food? How can a person who relies on daily income to support the family remain at home for weeks on end? How can people without clean water practice good hand hygiene? If no ICU beds are available, can doctors save the life of a victim of severe COVID-19 symptoms?

While the acute suffering from the coronavirus claims our attention, what of the 800,000 children under the age of 5 who die from diarrheal diseases every year? How can the health of the hundreds of millions of people currently afflicted with food insecurity be ensured?

We call for a global health infrastructure, in its fullest sense. The world requires more hospitals, new ICU beds, additional ventilators, many more trained physicians, increased manufacturing capacity for PPE, and orders of magnitude more testing equipment than existed at the beginning of this outbreak. But it also needs much more. Poverty, malnutrition, lack of access to improved water and sanitation these are health issues too. Our shared dignity as members of the human race calls upon us to cooperate in eliminating poverty, through development. The entire world must be made safe from diseases that threaten us all.

Barriers to the cooperation of the United States, China, Russia, and India must be overcome to ensure that the world is never again terrorized by such a threat.

To make all of this possible requires a New Bretton Woods international agreement on economic development in the model of Franklin Roosevelt's outlook at the end of World War II, as advanced by the studies and proposals of Lyndon LaRouche.

Chinese Scientists Update Legislators on Mars and Space Station Missions during Two Sessions

May 25 (EIRNS)—The scientific establishment in China always takes advantage of the presence hundreds of reporters from around the world there (although reduced this year due to the pandemic), to hold press conferences and grant interviews on the sidelines of the Two Sessions of the National People’s Congress and CPPCC. This year’s focus is China’s Mars mission, to launch in July, and the upcoming first launch in the space station program.

As reported by *Science and Technology Daily*, the third group of astronauts, who will be selected in July and going to the space station, for the first time will include scientists. The scientists will be given a fair amount of flexibility, to “use their professional knowledge” to make adjustments and improve the experiments and equipment, according to their need. It will take 11 manned and unmanned flights to assemble the station, over the next two years.

On the Mars mission, the briefers reiterated that China’s mission to Mars—Tianwen-1—will be ready to launch in July. Zhao Xiaojin, from the Fifth Academy of Aerospace Science and Technology, said this mission can further shorten the gap between China and the U.S., Russia, and Europe in deep space exploration. No country has completed such an undertaking, of sending an orbiter, lander, and rover in its first mission to Mars, Zhao said, an effort which increases the risk.

Lawrence Berkeley Lab Definitive Study Pans Wind Power/Subsidies

May 25 (EIRNS)—Although it’s been repeated frequently, now the Lawrence Berkeley National Lab has released a definitive study proving that, without subsidies, wind turbines are a waste of time and money, not to mention unscientific and incompetent. Specifically, the study discovered that, after 10 years, the efficiency of a wind turbine generating unit falls off dramatically, and keeps going down thereafter. Highly suspected, is that as soon as federal subsidies (“production tax credit” or PTC in the report)

expire, plant owners are ceasing vital, and expensive, maintenance because they can no longer afford it.

Published in the May 20 issue of *Joule* magazine, five researchers with the lab studied the lifetime productivity of the 917 onshore turbines currently extant in the United States, predominantly in the Plains States, from Texas north to the Dakotas. “Unique to the United States,” researchers said, in the initial summary section, “we find a significant drop in performance by 3.6% after 10 years, as plants lose eligibility for the production tax credit.”

Elaborating in the “Discussion” section, researchers continue: “Like any engineered system, wind plants experience some deterioration over the course of their lifetime. For the wind fleet in the U.S., this degradation does not appear to happen smoothly over time, but involves a step-change in performance after 10 years of operation. The majority of wind projects in the U.S. have taken advantage of the PTC, which provides wind plants with a production-based tax credit for their first 10 years of operation. The results described here suggest that, in addition to potentially more frequent component failures and downtime as well as growing mechanical and aerodynamic efficiency losses as plants age, the U.S. plants are operated differently after they age out of the 10-year PTC window.”

That fact is born out by a comparison to European installations, which provide their subsidies differently, and did not show the sudden, nonlinear drop-off. showed. “In particular, European policies have not generally featured a short 10-year window of eligibility, such as that with the PTC,” they said, “which could be a reason they did not follow the pattern of the U.S. wind plants. This also implies that wind-plant degradation is not simply a physical process, but is also a function of weighing the costs of maintenance against the value of operation of a wind project.” In other words, without the subsidies, they are loss-making, bird-killing heaps of junk.

COLLAPSING WESTERN FINANCIAL SYSTEM

'The Big One' Will Hit the Big Banks

May 25 (EIRNS)—The seven biggest U.S.-based banks took a total of about \$24 billion in new loan-loss provisions in the first quarter, led by JPMorgan Chase at \$8 billion. Seems like a lot of preparation for losses in the current general economic plunge. But it's nowhere, and they will soon enough be crying for bailouts, according to a May 20 Bloomberg News article, "A \$150 Billion Pile of Frozen Loans Starts To Worry U.S. Banks."

During the 2007-08 financial crash, the banking system took losses of about 6% of the banks' total assets; the loss reserves they've taken now are about 1.5% of assets. Business loan losses may be greater in this crisis, as is evident from the millions of closed firms threatened with bankruptcy or going into it. Some \$20 billion of debts have gone into bankruptcy in Hertz's bankruptcy alone. So the large banks are likely to have to take \$75-\$100 billion more in loan losses, overcoming the "comfortable capitalization" they have bragged about for a number of years. But then there are household debts, from mortgages to credit cards.

Bloomberg reported that about \$150 billion in total consumer credit is "frozen," in various forms of non-payment. It's May 20 article included a chart of 15 banks, including some large regionals, for which "frozen" loans are currently between 15% and 23% of all those banks' assets. Banks as a whole are now trying to push customers back into payment: "potentially pushing some out of the programs, as the industry tries to get a clearer picture of how many customers are truly unable to keep up during the coronavirus pandemic."

If even a large fraction of these securitized, derivatized business and household loans go from delinquent to default, the banks' entire capital will go, and they will turn to the Federal Reserve for bailouts. This is the terrible result the central banks printing \$5 trillion thus far to save the securities and derivatives markets, rather than wise governments closing those markets until economic growth can be restored.

U.S. POLITICAL AND ECONOMIC**Congressional Committees Investigate Pompeo's 'Madison Dinners'**

May 25 (EIRNS)—Two Congressional Committees have opened investigations of Secretary of State Pompeo's lavish spending for a series of government-funded dinners, due to alarm over "potential abuses," NBC reporters Josh Lederman, Laura Strickler, and Dan DeLuce reported on NBC News May 21. State Department Inspector General Steve Linick was abruptly fired by President Donald Trump Friday night, May 22; Linick was investigating whether Pompeo had had a political appointee carry out personal errands for the Secretary, NBC said. The network also covered Pompeo's political self-promotion through the dinners in a May 19 story by the same reporters.

Before the coronavirus shut them down in March, the "Madison Dinners" begun by Pompeo and his wife, Susan, had been going on since 2018 at the rate of approximately one a month, to which about 500 people were invited. NBC reports that about 29% of the invitees came from the corporate world; about 25% from the media or entertainment sector, and a significant representation of conservative media figures. Only 14% were diplomats or foreign officials. About 30% work in government or politics, and every member of the House or Senate invited has been a Republican.

The Democratic Chairs of the House Oversight and Government Reform Committee and the House Foreign Affairs Committee, New Yorkers Carolyn Maloney and Eliot Engel, said in a joint letter to Pompeo, NBC reported on May 21, that "there was no clear purpose" for the roughly two dozen dinners Pompeo hosted in the historic Diplomatic Reception rooms. "We are concerned about a new media report this week that describes a series of lavish dinners that you have been hosting with prominent Republican officials, commentators, and public figures—all at taxpayer expense." They requested guest lists, attendee manifests for every dinner; invoices, expenditures, and approvals for the dinners, including salary and overtime costs for State Department workers and vendors involved, and all ethics guidance the State Department sought and received for the dinners.

NBC reported May 19 that State Department officials involved said they had raised concerns internally that the events were using federal resources to cultivate a donor and supporter base for Pompeo's own political ambitions. These officials told NBC that the Department's legal adviser told them events hosted by Pompeo should be related to foreign policy. The dinners are paid for out of the State Department's Emergencies Fund in the Diplomatic and Consular Service Appropriations, known as the "K Fund," NBC reports. It can be used for "confidential requirements in the conduct of foreign affairs, as well as other authorized activities that further ... U.S. foreign policy objectives," according to the State Department's website, says NBC.

State Department spokeswoman Morgan Ortagus defended the dinner parties as "a world-class opportunity to discuss the mission of the State Department and the complex foreign policy matters facing the nation."

But one "senior Trump official" who requested anonymity told NBC, "If the President knew about any of this, he would have fired Pompeo months ago."

COVID-19 in South America Killing Younger People

May 25 (EIRNS)—U.S. President Donald Trump on May 24 imposed a travel ban against entry into the United States by persons having been in Brazil in the 14 days previous to their entry—this after the World Health Organization described South America as the new focus of the global pandemic, with Brazil its epicenter. Brazil has 350,000 tested and confirmed infections, probably many more in fact, and its hospital system straining to cope, as the pandemic is now really spreading in the developing nations.

The *Washington Post* on May 24 reported an additional trend, that large numbers of deaths in developing countries, especially in South America, are of people under 50. In Brazil the share is 15%. In Mexico it is 24%. In India, it is just under half the COVID-19 deaths. In Rio de Janeiro State, two-thirds of those having to be hospitalized are under 50.

President Trump had warned several weeks ago that Brazilian President Jair Bolsonaro's decision to "go herd," as Trump called a faith in so-called "herd immunity," instead of a strong lockdown, had led to deaths rising "straight up" in Brazil. The same policy in Sweden led to dramatically more deaths per capita than any European country or the United States. Yet it was not as dramatic as in Brazil.

Speaking in a May 1 discussion of "Protecting America's Seniors," Trump pointed out that Brazil is "having a hard time. They're going herd. Sweden went herd.... You compare the deaths in Sweden to Denmark and Finland and Norway and—you know, I hate to say it—but the deaths are very, very substantially higher in Sweden because they've used that as an example. Brazil is very high, if you look at what's gone on the graph—graphically very, very high."

Iran Tankers Arriving In Venezuela Without U.S. Interference

May 25 (EIRNS)—The first of five Iranian tankers carrying a reported 1.53 million barrels of gasoline, called the *Fortune*, arrived in Venezuela over the weekend without incident and is moored at the El Palito refinery. The Iranian tankers are arriving despite threats of U.S. military intervention issued by an unnamed Trump Administration official via Reuters, last week. The Iranian embassy in Caracas thanked the Venezuelan military for providing a naval escort to the *Fortune* when it arrived in Venezuela's exclusive economic zone. "The first Iranian tanker reached the Venezuelan coasts. Grateful to the Bolivarian Armed Forces for escorting them," the embassy posted on Twitter, reported Iranian news agency, Tasnim.

The Venezuelan side also declared victory. "The Iranian gasoline reaching Venezuela is a landmark in the struggle for sovereignty, independence and peace. Trump and his minions are thinking of a military attack against the tankers amidst the pandemic. His experts advise him otherwise," he wrote on his Twitter page.

The only U.S. response, so far, was a press release issued by the U.S. military hyping a live-fire exercise in the Persian Gulf that took place on

May 19-21, during which the U.S. military showcased its “awesome firepower,” according to Fox News.

STRATEGIC WAR DANGER

Bannon Howls for U.S. War Preparation against China

May 25 (EIRNS)—In an interview in *The Wire China* published on May 24, Steve Bannon said, “We are at war with the Communist Party of China.” Responding to the passage of the Hong Kong Security Law, Bannon says, “This breaks all potential for certification. My strong recommendation is to go as hard-core as possible. You pull that immediately. Pull all the underlying trade arrangements we have. Also we stop and limit any activity with the [state-owned] Bank of China, or any mainland Chinese banks. The Bank of China is right there [in Hong Kong]. You restrict all activity with their money-center banks and the United States. Additionally, you go to immediate sanctions; you sanction the individuals, including the Foreign Ministry guys. And if the Politburo passes this, you go to immediate sanctions on those individuals too,” Bannon said.

“If we blink,” Bannon went on, “we’re heading on a path to war, to a kinetic war, if we don’t stop it right now. The elites are going the wrong way. This is not a cold war. This is a hot information and economic war, and we’re sliding rapidly. We are inexorably going to be drawn into an armed conflict if we don’t stop this now. Now, I’m all for using multilateral institutions. But the United States has to stand up here. Yesterday, the Canadians, British and Australians put out a joint statement. It’s now time to take it to the UN Security Council,” Bannon states.

“We’re in a war with the Chinese Communist Party. That’s what we’re talking about. It’s not China as an entity; and it’s certainly not the Chinese people. In fact, they are the biggest victims. This is the Chinese Communist Party, with their callousness, their deceitfulness, their inhumanity, and their disregard for any values. This has come to the forefront. That’s what this pandemic has done. It has exposed to the world exactly who they are, what

they are, what they will do and what means they will use to get to the ends they want. They obviously want to become the world's hegemonic power, under their totalitarian rule....

“We’re not on the brink of war. We are at war!... And honestly, they have been engaged in a cold economic and information war with us over, I think, the last six, seven or eight years. But it’s gone hot recently,” he told the digital weekly.

In the interview Bannon also indicated that he and his minions were active in following (or leading) the Hong Kong situation. It is not clear how close he is to Trump at the moment, but a collaborator of his, David Bossie, was seen in the White House motorcade to Arlington today.

U.S./NATO Putting Pressure on Russia and China in the Arctic

May 25 (EIRNS)-“Who puts missiles on icebreakers?” This was the question that Adm. James Foggo, the commander of U.S. Naval Forces Europe-Africa reportedly asked during a speech at the U.S. Naval Institute earlier this month. The obvious answer is that the Russians do. They clearly have enough activities and interests in the Arctic that they believe require protection. But for a geopolitician like Foggo, it’s all about keeping the rest of the world, meaning the U.S./NATO combine, out. Russia has “taken an aggressive approach in the Arctic,” he said.

Foggo’s comments are reported in a May 25 article in *High North News* which reports that U.S. State Department officials “renewed warnings” over China and Russia increasingly trying to challenge the interests of the United States and its western allies in the region after the conclusion of the U.S.-U.K. naval exercise in the Barents Sea a couple of weeks ago.

“You need to have in place mechanisms that screen and scrutinize these [Arctic] investment deals and that take a look at them through the national security prism,” said Michael J. Murphy, Deputy Assistant Secretary for European And Eurasian Affairs, referring to both Chinese and Russian investments in the region, during a special briefing. Officials claimed in the

same briefing that China is trying to take advantage of the COVID-19 pandemic, though apparently they couldn't offer any specific examples.

Kenneth J. Braithwaite, who was confirmed as the new Secretary of the Navy last week, claimed during his confirmation hearing on May 7 that both Russia and China are putting pressure on Norway (where he was U.S. ambassador) regarding the Arctic. "The Chinese and the Russians are everywhere, especially the Chinese. You would be alarmed at the amount of Chinese activity off the coast of Norway in the High North. And we need to be vigilant to that. We need to understand why," explained Braithwaite. "Russia's hope is to be relevant again on the world stage, where we all believe or all come to understand that China wants to be dominant on that same world stage."

- Watch the [Morning Briefing with Harley Schlanger](#) on Tuesday, May 26: 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](#).