

EIR Daily Alert Service

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

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EDITORIAL

The Real Chance for Peace Is Coming Into View—from the Schiller Institute

March 14 (EIRNS)—Although nearly daily negotiations are taking place between Russian and Ukrainian teams, NATO's leading U.K. and U.S. governments and media have mobilized to prevent any successful settlement from emerging, as fiercely as they have mobilized to destroy Russia's economy and overthrow its President Putin. Prominent international figures from Europe to South Africa who attempt, or are even suspected of attempting to mediate the military conflict are attacked in the

media to discredit them, hounded by “pro-Ukraine” activists and “cancelled” with Ukrainian officials. When China’s government proposed to work with major European governments to find a peace solution, U.S. officials quickly sent out “leaks” and loudly demanded that China either capitulate and join the entire range of NATO sanctions to destroy Russia’s economy, or be marked a Russian military ally in the war. All of this is described in today’s *EIR Daily Alert*.

Moreover the Ukrainian President knows full well, from public statements and occurrences, that if he makes the slightest concession to the “republics” of the Donbas or to Crimea, Ukraine’s neo-Nazi paramilitaries will “hang him to a tree.” President Zelenskyy’s constantly changing and maximalist public demands weigh on the peace talks.

The clear truth is that the NATO powers led by the British and United States do not want the conflict settled or the war ended before they have reached their geopolitical goal of the destruction of Russia, for which Ukraine since 2014 has been just the ram at the prow of the battleship. Daily these powers push closer to threatening a world war—nuclear war—believing Russia won’t dare.

But amid the great pressure for war to the bitterest end, the chance for a real, durable peace is arising from another direction entirely. The Schiller Institute’s call for an international conference for a new strategic architecture based on economic development has taken off, each day signed by more and more prominent people, and thinking citizens, around the world. The economic development strategy proposed in the call as the antidote to war, is that of Lyndon LaRouche. With the trans-Atlantic financial system hyperinflating and the NATO countries sanctioning *themselves* into an economic collapse, LaRouche’s “four economic laws” are the only workable chance.

Leading LaRouche voices in America and Europe, accustomed to reaching for several thousand viewers of their daily briefings on the web, are suddenly registering tens of thousands, even hundreds of thousands of views, and growing. A press release announcing a first group of more than

125 prominent signers on the Schiller Institute call to [Convoke an International Conference To Establish a New Security and Development Architecture for All Nations](#) has itself been read by thousands, and those leading individuals have begun to release their own statements and interviews on why this call, why these economic principles can work to build an escape from an extreme human crisis.

The Schiller Institute's bullhorn is suddenly being heard much, much further out, and by many more. Its activists realize the responsibility this puts on them. They are working to place Ukraine's needs for development—it had become Europe's poorest country before this war—within the great infrastructure projects of what Lyndon LaRouche called the Eurasian Land-Bridge and China's Belt and Road Initiative.

This new mobilization is not noticed in the media? Don't worry—you are now living in a period of crisis which arouses all the most self-directed people to find out for themselves what has to be done. Agitated by economic threats to their very survival now, thinking people are not satisfied with the media; they want to understand what is happening in the world and help create solutions for it. They want to think about, not just their own predicament, but the needs of their nation and the human race.

This is the kind of crisis, demanding a creative, unexpected solution, which the poet Percy Shelley first wrote about 200 years ago; when increasing numbers of people are drawn to the power of thinking they hear in great poetry, or witness in Classical dramas. The pace at which the Schiller Institute's call is growing, is demonstrating that power.

The danger of world war, or of a hyperinflationary explosion of economies, is very great. The pace of thinking and acting for mankind must increase more.

- Watch **Harley's Updates** with Harley Schlanger on Tuesday March 15, 2022: Every weekday morning on [The LaRouche Organization](#), Schlanger will give you the strategic briefing you need to start your day.

STRATEGIC WAR DANGER

Russia-Ukraine Talks To Continue

March 14 (EIRNS)—Talks between Russia and Ukraine resumed today in a virtual format. Russian presidential aide Vladimir Medinsky, leading the Russian delegation, said today that the talks will continue every day. “We are trying to do our best to implement the tasks set by [Russian President] Vladimir Putin, to ensure Russia’s peaceful future,” Medinsky wrote on his Telegram channel, reported TASS. No results from today’s session were otherwise reported, although Medinsky said the talks were “paused” for technical consultation and would resume Tuesday.

Leonid Slutsky, a member of the Russian negotiating team, has said he believes the “significant progress” he has observed in talks between Moscow and Kiev might soon lead the two sides in the conflict to sign an agreement, RT reported earlier. Speaking to RT Arabic on March 13, Slutsky—who also chairs the State Duma Committee on International Affairs—said, “If we compare the positions of both delegations at the talks, at the very beginning and today, we see significant progress. I am happy to report that, according to my personal expectations, in the next few days, this progress may develop into a joint position of the delegations and into documents to sign.”

RT suggests that the Ukrainian side has seen some progress in the talks as well. Ukrainian Presidential aide Mykhailo Podolyak said in an interview with the Russian newspaper *Kommersant* that the two sides were approaching a compromise. He opined that the Russian side was “already seeing things much more adequately,” but reported that it would likely be some time before it “fully, 100%, understands the situation it has got into.”

Podolyak said he sees any agreement between Kiev and Moscow as being in the form of a “multi-component” document. It should include provisions on the termination of the war, the terms and time schedule of the withdrawal of the Russian forces, the guaranteed terms of the peace agreement, and a detailed description of compensation mechanisms, he stressed, as recovery efforts would likely amount to “billions of dollars.”

Ukrainian President Volodymyr Zelenskyy said this morning that the two sides in the talks must agree on a meeting between the Presidents of two countries. “Our delegation has a clear-cut task to do everything possible to organize the presidential meeting, which, I am sure, is anticipated by everyone. They must understand that it is a complicated story, as well as a tough, but extremely needed path,” he said, reported TASS. “Our aim is that in the course of this fight and this difficult negotiating process Ukraine gets the necessary result, which is necessary for all of us, for peace and security, for us to have normal and effective guarantees.”

Media Cry, ‘Stop the Mediators, Keep the War Going!’

March 14 (EIRNS)—The U.S. and European press along with Biden Administration officials are quickly attacking and attempting to discredit any international leading figure or country proposing to mediate between Russia and Ukraine.

Both the London *Telegraph* and *The Hill* have out March 14 hit pieces on Israeli Prime Minister Naftali Bennett since his series of telephone calls with Russian President Putin and Ukrainian President Zelenskyy seeking to mediate. The *Telegraph* called Bennett “a disaster for the West”; and *The Hill* started its article with the completely unsupported statement that Bennett has “flipped” Israel’s position from neutral to pro-Russia. Ukraine officials now will not speak even to Foreign Minister Yair Lapid, who has denounced Russia’s military action.

CNBC ran an out-of-the-blue hit piece today on Angela Merkel—who has thus far held her silence on the war in Ukraine—calling her completely discredited since Chancellor Olaf Scholz has reversed her policy, and she “made Germany dependent on Russia,” etc. Former Chancellor Gerhard Schröder is being denounced across the German media after meeting with Putin. South African President Cyril Ramaphosa has been attacked in the South African press and criticized directly by State Department officials Molly Phee and Eric O’Brien for having made a “BRICS to BRICS” phone call to Putin, and one to Zelenskyy. The list goes on to include former

Austrian Foreign Minister Karin Kneissl, Turkish President Erdogan, and others.

China, as reported elsewhere here, is under full attack in world media for supposedly entertaining military assistance requests from Russia, and got a threatening visit by National Security Adviser Jake Sullivan to Chinese senior diplomat Yang Jiechi Monday in Rome, after China had said it wanted to work with France and Germany for peace. Sullivan is demanding that China block Russia's access to its reserves both of gold and of yuan held in the People's Bank of China, reportedly about \$20 billion worth, or face severe consequences.

While Ukraine is negotiating, clearly the U.K. and U.S. governments, and particularly Congress and Parliament, do not want it to agree to anything with Russia. The delegation of four Senators now in Poland trying to get Polish MiG jets flown into Ukraine to fight Russian aircraft, has led to the entire Problem Solvers Caucus, 58 members in both Houses, writing to President Joe Biden demanding this World War III provocation be carried out immediately.

And President Zelenskyy, whose constantly shifting demands for a settlement range far beyond those of his negotiators and signal that a peace agreement is unlikely, is addressing a joint session of Congress March 16. (After his last appeal, \$15 billion in COVID testing, screening and treatment funds abruptly disappeared from the House's budget authorization for FY2022, replaced by \$14 billion aid to Ukraine—mostly via the Pentagon budget. Who knows what other budget lines will vanish Wednesday.)

Ukraine Got Thousands of Weapons from Britain, but May Lose the War Anyway

March 14 (EIRNS)—In an article posted on March 12, the London *Telegraph* (also known as the “*Torygraph*” for its close relationship to the Conservative Party) brags in great detail about the lead British role in arming Ukraine, including the provision of many thousands of anti-tank weapons known as NLAWS—Next Generation Light Anti-Tank Weapons

System—and the training of thousands of Ukrainian troops to use them in combat. Britain has sent 3,615 NLAWs to Ukraine, including 2,000 that were supplied before Russia’s tanks rolled in, the *Telegraph* reports. “And that is just a small part of the total. To date, more than 17,000 missiles, including Stinger anti-aircraft missiles, have been sent to Ukraine by the democratic West in the biggest emergency supply mission since the Berlin Airlift of 1948-49 (but that was food). And with every hour that passes, thousands more weapons, bullets, helmets, ballistic vests, high energy rations and night-sights pour in.”

Though contacts between British and Ukrainian troops dated back to 1991, formal defense cooperation didn’t begin until after the February 2014 Maidan coup. “In 2016, Petro Poroshenko, the then President of Ukraine, ordered widespread reforms with the aim of getting the armed forces up to NATO standards by 2020. The U.S. provided £2 billion in funding, starting under the Obama regime, and, as well as equipment, sent training officers to the Yavoriv military academy in the west of the country,” according to the *Telegraph*. “British assistance began with the secondment of staff to Ukraine’s ministry of defense, who helped ministers and officials improve the management of the force. Britain also started to provide military training. Short-term, ad hoc courses soon shifted into ‘Operation Orbital,’ a long-term arrangement providing anti-tank, sniper, anti-sniper and reconnaissance courses.”

One outcome of this arrangement was the training of more than 15,000 Ukrainian soldiers at the Yavoriv training center in eastern Ukraine by NATO trainers. Secondly was the creation of a 130,000 strong reserve force, made up in part of veterans of the war in the Donbas region of southeastern Ukraine.

But all of this, plus support from U.S. and U.K. intelligence agencies, might be for naught. “The reality of the situation on the ground is that the invasion has been slowed, but it is unlikely to be stopped, meaning Ukraine will either be lost or it will pay a heavy price once the negotiations for a settlement begin in earnest,” the *Telegraph* says near the end. One of the

reasons given is that too much of the training focused on tactics rather than what was needed to defend against a full-scale invasion.

“How does this end? One can imagine many scenarios, but if you think about it, there are really only two basic ones from where we are now: continued escalation toward the nuclear threshold, or a bitter peace that will be hard for many to swallow,” says Chris Chivvis, a former U.S. intelligence official and now director of the American Statecraft Program at the Carnegie Endowment. “There is now an expectation that he (Putin) will unleash chemical or biological weapons in Ukraine. And with that will grow pressure for a negotiated settlement,” the *Telegraph* concludes.

COLLAPSING WESTERN FINANCIAL SYSTEM

New Statements on Russian Debts; Will They Default? Russians Turn to Renminbi

March 14 (EIRNS)—IMF Managing Director Kristalina Georgieva, on “Face the Nation” March 13, estimated U.S. and European banks’ total exposure to Russian debt (sovereign and corporate) at \$120 billion. She called the exposure “not systemically relevant.” IMF officials and executives of the International Institute of Finance—the biggest banks’ lobby—think that Russia’s payments of sovereign debt in rubles starting March 16, though not accepted, will be under control because the International Swaps and Derivatives Association will not call them defaults for at least 30 days.

Interestingly, Russian Finance Minister Anton Siluanov stated today that Russia will pay the coupon due March 16, for more than \$100 million on a Eurobond issue, with Chinese yuan. Then if that is not accepted, with rubles, Siluanov said. Russia will argue that the debt coupon has been paid on time and that Russia’s seized hard currency reserves are its guarantee.

The yuan is quickly becoming a currency in more general use in Russia. RT, when its website was briefly accessible March 13, was reporting that large numbers of Russian companies and individuals are opening yuan (renminbi) accounts in Russian banks. The Russian banks pay 8% interest

on renminbi time deposits, similar to the interest on dollar or euro accounts, indicating both the authorities and the population consider it a stable store of value as well as a means of payment. Ruble time deposits currently bear 21% interest or more.

Truckers Strike in Italy

March 14 (EIRNS)—A column of truckers blocked the A1 highway between Naples and Rome this morning, starting to implement the lockout decided by Trasportounito trade union. The A1 highway is the backbone of Italy's road transport infrastructure, connecting agricultural regions in Southern Italy with all major population centers in the center and in the north (Naples, Rome, Florence, Bologna and Milan). Truckers protest against the unsustainable price of diesel fuel, which costs on average €2.3/liter and make any transport activity unprofitable.

After a few hours, truckers ended the blockade, but a larger mobilization could start tomorrow, if a meeting between government and the largest national union, Unatrans, fails to achieve a result.

Truckers might go on strike March 19 despite a ruling by the government authority, Commissione di Garanzia degli Scioperi, declaring the strike illegitimate because it was decided after fair warning. It is the first time that the authority has used a formal regulation to quash a strike, a pretext according to Trasportounito. In extreme cases, the authority can order workers to go to work.

The truckers' strike threatens to leave food and other markets without goods. Already last week, supermarket shelves in many Italian cities throughout the peninsula started to be emptied, as people began hoarding bread, pasta and oil.

NEW ECONOMIC ORDER

India Is Not Cutting Russia's Imports, but Increasing Them

March 14 (EIRNS)—Reuters cited two Indian officials in a report today that India plans greatly to increase its imports of oil from Russia. India

imports 80% of its oil use, usually with only a few percent coming from Russia. But “Russia is offering oil and other commodities at a heavy discount. We will be happy to take that,” the news service quoted one of the officials. Preparatory work is required logistically and with insurance, but India intends to import a much larger share of oil from Russia. And the officials say, it will then proceed to increase its Russian fertilizer imports as well.

As to the killer sanctions of the NATO nations, Reuters chooses to play the issue purely geopolitically: The extreme threats and demands made against China will not be made against India because it is an adversary of China!

The British service is undoubtedly aware of, but does not mention, the negotiations under way between India and Russia to establish their trade settlement in their national currencies—in this case, paying for the oil and fertilizer in Indian rupees—without use of the dollar or euro. *EIR Daily Alert* for March 14 reported those plans in “India May Be Mulling a Ruble-Rupee Payment System for Trade with Russia.”

South Korean President-Elect: Rapid Expansion of Nuclear Power

March 14 (EIRNS)—Yoon Suk-yeol, the newly elected South Korean President who will take office in May, campaigned on a full return to nuclear power development both domestically and overseas. The conservative former prosecutor won a slim victory in the March 9 election over the candidate from the liberal party of the current President Moon Jae-in.

After Moon’s anti-nuclear policy, which saw the shutting down of two older nuclear plants and suspension of construction on two 1400 MW plants in 2017, Yoon has pledged to re-launch the new plants, keep old plants on line as long as their safety is assured, and to seek contracts abroad for constructing ten new plants. Korea’s KEPCO has already built four APR-1400 plants in the U.A.E., two online and two nearing completion. “I will recover the ecosystem of nuclear power generation and advance safe nuclear technologies so that they can become a core engine to drive the

country,” Yoon wrote on his Facebook page last month, as reported in the *Korean Herald*. There are now 24 nuclear power plants in the country.

Yoon has pledged to improve ties to the United States and be tougher on North Korea than the former government, whose softer policies toward the North did not achieve any breakthroughs. He released an outline of his intended foreign and security policies which include closer cooperation with the Quad, but also improving relations with China and Russia.

U.S. POLITICAL AND ECONOMIC

U.S. In For ‘At Least 12 Months of Uncomfortable Inflation’

March 14 (EIRNS)—Mohamed El-Erian, Chief Economic Adviser at Allianz (which he identifies as the corporate parent of PIMCO, where he was chief executive and co-chief investment officer), forecast 10% or higher inflation in the United States in an appearance on “Face the Nation” March 13. He told host Margaret Brennan: “We, unfortunately, are going to have at least 12 months of uncomfortable inflation, something that we haven’t had since the ’70s and ’80s, and that’s going to be especially problematic for the more vulnerable segments of our society. It hits food and gas particularly hard.” El-Erian repeatedly blamed out-of-control inflation on the Federal Reserve’s refusal to stop its money-printing policy while inflation mounted. Now “the Fed is late,” he said, and “it has no good course of action.”

SCIENCE AND CULTURE

Anti-Russia Sanctions Hits at International Science Cooperation, Puts ITER Fusion Program under Pressure

PARIS, March 14 (EIRNS)—“In less than ten days, a whole section of the Western academic world has chosen to cut its ties with Russian research as a sign of protest against the war in Ukraine led by the Kremlin,” reports French daily *La Tribune*. And this despite the fact that, fearing to be cut off from the West, 7,000 Russian researchers had openly disapproved on Feb.

24 the Russian military operation in Ukraine, in an open letter to President Vladimir Putin posted on the website of *Troitsk Variant-Science*, a leading scientific publication.

That didn't prevent MIT from ending its partnership with the Skolkovo Institute of Science and Technology (Skoltech). On March 7, it was the turn of the Association of European Universities (EUA) to announce the suspension of its collaboration with 12 Russian universities whose rectors had said that supporting the army and the President was part of their patriotic duty. The EUA replied that they betrayed the European values they "had embraced by joining the association."

At the same time, Germany, Denmark, the Netherlands, Norway, Sweden and Lithuania have announced that they are halting all partnerships with Russia and Belarus. In France, the National Center for Scientific Research (CNRS) has suspended "all new forms of collaboration" with Russia, while assuring that Russian scientists working in CNRS laboratories will be able to continue.

And on March 9, it was the turn of the prestigious European Organization for Nuclear Research (CERN), the world's largest particle physics center, based in the formerly neutral country of Switzerland, to announce its series of decisions taken at an extraordinary council meeting attended by representatives of its 23 member states. The laboratory (whose motto is "Science for Peace") ended up voting to suspend Russia's observer status and forbade its representatives from attending CERN's deliberations. However, it chose not to expel the 1,000 Russian scientists who represent about 8% of CERN's international users.

Such decisions are also the result of intense lobbying from Ukrainian science institutions. "We call on the world scientific community to immediately stop the bloodshed and barbaric destruction of a civilized European country," said Anatoly Zagorodny, president of the National Academy of Sciences of Ukraine, in late February. "Do not leave us alone in the face of the brutal aggressor."

However, many scientists doubt that such a political commitment would serve science. Last week, the International Astronomical Union (IAU) rejected a petition from Ukrainian astronomers to ban Russian astronomers from IAU activities. “The IAU was founded just after the First World War to bring colleagues together, so we do not want to alienate them by deciding whom to support based on what their governments are doing,” wrote IAU President Debra Elmegreen.

But with the cancellation of the European space mission ExoMars considered “very likely,” the freezing of numerous scientific collaborations with Russia could also cause the International Thermonuclear Experimental Reactor (ITER) program under construction in Cadarache, France, to falter. Moscow participates in the ambitious international research project along with the European Union (45.4%), the United States, China, India, Japan and South Korea (9.1% each). Russia is providing most of its contribution in kind in the form of precision parts for the titanic experimental puzzle made up of 10 million components.

ITER, for the moment, has no plans to expel Russia, a full member of the major scientific collaboration. “ITER is a child of the Cold War and is deliberately non-aligned,” stressed Laban Coblentz, ITER spokesman.