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EDITORIAL

Signs of Action; Signs We're Doing the Right Thing

April 21 (EIRNS)—Important possibilities are appearing that NATO's war against Russia may not cause more than a billion human beings to be swept away by hunger and famine and cold this year, and that escalation to nuclear war can be prevented. They certainly don't arise from the global bankers' IMF/World Bank gathering in Washington this week; nor from military events or negotiations in and about Ukraine. Rather, statements and active cooperation are coming from some major nations to increase food production despite all; and the Schiller Institute's worldwide mobilization is working to win thousands of leaders around the world to

create a new strategic and economic development order before catastrophe strikes.

Direct cooperation between Russian fertilizer exporters and India's farmers, in spite of war and sanctions devastating Russian and Ukrainian food for the world, is creating the prospect that India could increase wheat and rice exports this year by a large amount, even as war and fertilizer inflation and shortages were threatening a billion people with famine. Indian Prime Minister Narendra Modi has declared his country will do it.

The Schiller Institute April 9 conference, in which thousands of people participated from around the world, to learn of a new architecture for strategic stability and respect to all nations and a LaRouche Plan for a new economic development architecture, is now triggering something larger. Hundreds of the most influential of these participants are now becoming mobilized to circulate the petition which is calling for a global conference, and radiate into governments.

Today at the Boao Forum for Asia Annual Conference in China, President Xi Jinping spoke at length of a new worldwide strategic architecture whose features are like those presented on April 9—with no coups, no regime-change wars, no unilateral sanctions—based on the UN Charter of Rights.

And the government of a NATO member, Turkey, for the first time spoke the truth, that “some countries in NATO” do not want negotiations to end the Ukraine-Russia war, but want to see that war continue for a long time. There was no need to name the British and the Biden Administration.

These are signs we are doing the right thing.

The Schiller Institute's founder Helga Zepp-LaRouche said of the anti-colonialist struggle in her strategic webcast yesterday, “My husband [Lyndon LaRouche] was convinced for a very long time that this is not a battle among nations. This is between the oligarchy, the financial powers in the City of London and Wall Street ... and the interest of the people. So, it's not between the United States and Russia, or even Europe—it's really this

question of oligarchy versus the common good. And that is why he said you needed a powerful combination of countries that could resist the pressures from this oligarchy.”

That oligarchy was able to use a Russian vulnerability—to being directly, strategically threatened from Ukraine—to get the war and sudden, severe global economic punishment and pain which now exists. It is exactly what they wanted from their Great Reset, their Green New Deal.

Lyndon LaRouche warned of this already in 2011 when he pointed at that oligarchy’s vast bubble of unpayable debt. “Remember, most of this bailout debt, the Wall Street debt, the London debt, the other bailout debt, is absolutely worthless! *It can never be repaid!* It never could be repaid: And the only solution, of course, for this thing, was to have this war. And if the British Empire came out as the victor in such a war, with the support of the United States, then they would cancel their debts, and they would go about their business. But, the population of the world would be reduced, greatly, through hunger, starvation, and so forth, which is about to occur anyway.” [Emphasis in original.] He warned of it again on [Russian TV news broadcast in March 2014](#), after the anti-Russian coup in Ukraine, when he said, “Ukraine is not really the issue. The issue is to destroy, defeat Eurasia.”

At the IMF/World Bank annual meetings in Washington April 18-24, the U.S. and European bankers talked about imposing maximum pain on Russia; but they are using the war they provoked Russia into, to impose it on the entire world. But as even the oligarchy’s own publications must acknowledge, most nations in the world regard NATO’s policy, and the war, as a catastrophe.

The way is open for every thinking human being to help undo the sanctions, end the war, create a new economic development paradigm as Lyndon LaRouche formulated it so many times for so many nations, to resolve just such a crisis.

- Watch **Harley's Updates** with Harley Schlanger on Friday April 22, 2022: Every weekday morning on **The LaRouche Organization**, Schlanger will give you the strategic briefing you need to start your day.

COLLAPSING WESTERN FINANCIAL SYSTEM

Inflation Hits 'Anglosphere' as Well

April 21 (EIRNS)—British electricity companies say millions of U.K. households are entering “energy poverty” and will stop paying their electric bills or drastically cut their use of electricity, according to April 20 Zero Hedge coverage, based on Bloomberg News, “**U.K. Energy Execs Tell MPs That ‘Fuel Poverty’ Will Crush Households Into Debt.**” Testifying to a parliamentary committee, Michael Lewis, CEO of the British arm of E.ON SE, said, “We are expecting a severe impact on customers’ ability to pay. That will see a significantly larger number of people moving into fuel poverty ... and a consequent significant increase in bad debt. Government action won’t be nearly enough to mitigate.” Keith Anderson, CEO of Scottish Power Ltd., testified further: “Come October, that’s going to get horrific, truly horrific. The size and scale of this is beyond what I can deal with, beyond what I think the industry can deal with.” And the British Office of National Statistics shows average real earnings in the U.K. having fallen by roughly 1.5% per month for the past four months.

This was all prior to the leak by Reuters on April 20 that EU Commission countries would ban all Russian oil imports, beginning next week, which prompted JPMorgan Chase to forecast Brent Crude oil price would shoot to \$185 barrel by early fall.

In the United States, the range of readings of Federal Reserve banks, etc. on the U.S. GDP growth rate to be reported for the first quarter, is centered on 1.5%, while official consumer price inflation, suppressed as it is, is 8.5%. While the 1.5% estimate is supposed to be “real GDP,” it is adjusted only by a wage-growth measure of 5%, while real inflation is double that. So real, *real* GDP will be negative in the first quarter. Beyond this, the producer price index was reported April 13 to be up 1.4% in the month of

March and 11.2% since March 2021. Producer price increases flow toward future consumer price increases. Moreover, the 11.2% rate was for “final demand producer goods,” the finished products sold to the businesses which are their end-users in overall production. The price index for “intermediate demand producer goods”—those parts and systems which will go into finished machinery and other producer goods—was up 21.75% for the year. These increases flow into the price increases for “final demand producer goods.”

And beyond all this, the median rent payment in the United States is up 14% in a year as of March, according to Apartmentline.com; and the median monthly mortgage payment in March reached \$2,288, which is up 35% in one year, according to real estate analysis firm Redfin—and neither of these costs are components of the Consumer Price Index at all.

Geraci Believes the U.S. Should Blame Itself if It Cannot Deliver Enough LNG Gas to Europe

April 21 (EIRNS)—One irony of the U.S.-led opposition to the Belt and Road Initiative is that the limited European capacity to receive U.S. LNG today is due to that opposition, Italian economist and China specialist **Michele Geraci** wrote in an op-ed in *China Daily* April 20. “One of the main problems Italy faces now when trying to diversify its supply chain of gas is the limited port capacity, which is not enough to receive alternative supplies from large tankers arriving from gas-producing countries, such as the United States,” Geraci wrote. “Had we continued at the same speed with the development of joint Italian-Chinese port projects under the Belt and Road Initiative framework, today, we would be in a much better position to receive those shipments that would have benefitted not only our own economy but even that of the U.S., which was critical of the Belt and Road Initiative. Today, they cannot fully exploit their competitive advantage in the energy sector exactly because of our limited port capacity.”

Geraci's article, entitled "When Goods Cross Borders," is otherwise dedicated to the broader subject of the BRI as an alternative to war. "When goods don't cross borders, soldiers will," he added on Facebook.

The current geopolitical crisis proves how right the Italian government was when, thanks to Geraci's initiative, it became the first G7 member country to join the BRI in March 2019. The BRI is aimed at bridging the "philosophical decoupling" that has gone on for years between the West and China. Geraci wrote: "I see this decoupling being driven by two different approaches: China tends to worry mostly about its own internal affairs and not to interfere with the internal affairs of other sovereign states and has no intention to export its own social and economic model; while the West tends to take a more proactive role in its attempt to export its social and economic model to other parts of the world.

"The West holds the view that economic development must be accompanied by an opening-up of the political system and perceives elections as being synonymous with democracy, while China's economic performance indicates that economic and political paths do not need to converge and that democracy is not to be measured simply, as the West believes, only by the electoral process. Rather, it should be measured by the results that the government offers to its citizens. The recent white paper on democracy released by the Chinese government lays emphasis on the difference between process-oriented and result-oriented democracies....

"The Belt and Road Initiative is related to larger infrastructure projects. Ironically, one of the criticisms we received when Italy joined the initiative was that Chinese companies could do some predatory acquisition of our strategic infrastructure, such as ports. Those who were responsible for the MOU knew from the outset that we did need to evaluate both the risks and opportunities, but we also realized that beyond the political rhetoric, almost all other European ports have Chinese involvement at different levels and at varying degrees, either via ownership such as in the Greek Port of Piraeus or via an operational concession such as in the Port of Rotterdam, hence the

risk of Italy being singled out as the only country with a number of ports having a Chinese presence was zero.”

The True Reason Why the IMF Wanted No Russians at Its Annual Meeting in Washington

April 21 (EIRNS)—While the banning of Russian tennis players from Wimbledon may have simply been British Empire arrogance, IMF/World Bank banksters perhaps did not want Russian officials their annual meeting today in Washington, because they were still plotting against the Russian Federation there. U.S. Treasury Secretary Janet Yellen, in an afternoon press conference, stressed that “technical and banking experts” were in planning sessions at the IMF trying to devise “more economic pain” for Moscow without destroying Europe, etc. She would not answer questions about what new measures there may be, simply saying they would be “made public in the coming weeks.” Yellen did say, “I am very deeply concerned” by the threat of starvation facing over a billion humans, even giving the figures accurately from the World Food Programme that there are 258 million human beings in “extreme food insecurity” and 800 million more “seriously food-insecure.” She claimed that the IMF was trying to find ways for these people to survive, while wiping the entire Russian economy off the map, as it must be. But if there was any other subject of the meetings than the Ukraine war, Yellen did not bring it up.

Yellen led a walkout against Russian Minister Anton Siluanov’s videoconference presentation, which included a group photo of a heroic Jerome Powell, Christine Lagarde, Bank of Japan Governor Haruhiko Kuroda, Canadian Finance Minister Chrystia Freeland, and other assorted central bankers. She also promoted as her own idea “friend-shoring,” a revival of imperial-preference trade which would create “networks of friendly countries which enable us [who?] to continue to enjoy the benefits of division and rationalization of labor” while embargoing Russia and China.

It does appear, however, that the Russian issue of capital controls got some legs at the IMF meeting, perhaps through the remote presentations of

Siluanov and Bank of Russia Governor Elvira Nabiullina. A paper, or papers, appeared online from IMF staff economists, arguing that the IMF's clear and strong opposition to capital controls violates its own charter, going back to the Bretton Woods agreements, of course, which requires it to be neutral and leave the choice of capital controls to each government. Those controls, which Lyndon LaRouche held as necessary to defend the progress of any developing economy, have been the main factor enabling the relative stability of the Russian ruble under attack, holding at 80/dollar throughout April thus far.

STRATEGIC WAR DANGER

Turkey's Çavuşoğlu Charges That Some NATO Allies Want the Ukraine War To Go On Longer

April 21 (EIRNS)—Turkish Foreign Minister Mevlüt Çavuşoğlu accused certain NATO allies of wanting to prolong the Ukraine war in order to weaken Russia. Referring to the March 10 meetings in Antalya with the three foreign ministers, Russia's Sergey Lavrov, Ukraine's Dmytro Kuleba, and host Turkey's Mevlüt Çavuşoğlu, and then March 29 meetings in Istanbul with negotiators, he said: "After the talks in Istanbul, we did not think that the war would take this long. There are those who want this war to continue," the minister told broadcaster CNN Türk. "But, following the NATO foreign ministers' meeting [April 6-7], it was the impression that ... there are those within the NATO member states that want the war to continue, let the war continue and Russia gets weaker. They don't care much about the situation in Ukraine," he remarked.

Çavuşoğlu stressed that Ukraine must not be seen as an arena of competition. He made the comment as peace talks between Russia and Ukraine have been stalled since the round held in Istanbul. Back-channel diplomacy continues among leaders, Çavuşoğlu did say, adding that President Recep Tayyip Erdoğan would speak to the leaders again in the coming days. He also said that the effort to organize a meeting with

Ukrainian President Volodymyr Zelenskyy and Russian President Vladimir Putin “in Antalya is still on the table.”

Xi Details Peace of Westphalia-Style ‘Global Security Initiative’ for Boao Forum

April 21 (EIRNS)—In his keynote, “[Rising to Challenges and Building a Bright Future Through Cooperation](#),” on April 21 at the Boao Forum for Asia Annual Conference, held in Boao, Hainan Province, Chinese President Xi Jinping proposed a Global Security Initiative. Although he did not directly name the Peace of Westphalia, given the largely Asian audience, the proposal nonetheless reflects the main concepts underlined in recent events by Schiller Institute founder and President Helga Zepp-LaRouche.

Xi said, “It has been proven time and again that the Cold War mentality would only wreck the global peace framework, that hegemonism and power politics would only endanger world peace, and that bloc confrontation would only exacerbate security challenges in the 21st century. To promote security for all in the world, China would like to propose a Global Security Initiative as follows:

It is important that we stay committed to the vision of common, comprehensive, cooperative and sustainable world peace and security, stay committed to respecting the sovereignty and territorial integrity of all countries, uphold non-interference in internal affairs, and respect the independent choices of development paths and social systems made by people in different countries; stay committed to abiding by the purposes and principles of the UN Charter, reject the Cold War mentality, oppose unilateralism, and say no to group politics and bloc confrontation; stay committed to taking the legitimate security concerns of all countries seriously, uphold the principle of indivisible security, build a balanced, effective and sustainable security architecture, and oppose the pursuit of one’s own security at the cost of others’ security; stay committed to peacefully resolving differences and disputes between countries through dialogue and consultation, support all efforts conducive to the peaceful settlement of crises, reject double standards, and oppose the wanton use of

unilateral sanctions and long-arm jurisdiction; stay committed to maintaining security in both traditional and non-traditional domains, and work together on regional disputes and global challenges such as terrorism, climate change, cybersecurity and biosecurity.

Implicitly addressing the attempt by the Western countries, led by the U.S. to “decouple” Russia and China, Xi said, “In this day and age, the international community has evolved so much that it has become a sophisticated and integrated apparatus. Acts to remove any single part will cause serious problems to its operation. When that happens, both the victims and the initiators of such acts will stand to lose. In today’s world, unilateralism and excessive pursuit of self-interest are doomed to fail; so are the practices of decoupling, supply disruption and maximum pressure; so are the attempts to forge ‘small circles’ or to stoke conflict and confrontation along ideological lines. Instead, we need to embrace a global governance philosophy that emphasizes extensive consultation, joint contribution, and shared benefits, promote the common values of humanity, and advocate exchanges and mutual learning between civilizations. We need to uphold true multilateralism, and firmly safeguard the international system with the UN at its core and the international order underpinned by international law. It is particularly important for major countries to lead by example in honoring equality, cooperation, good faith and the rule of law, and act in a way befitting their status.”

In his comments, Xi also stressed the need to continue efforts to deal with the ongoing COVID-19 pandemic, in particular with regard to the developing countries, and urged the world to move forward to address “uneven and inadequate development.” For that purpose, he urged implementation of the Global Development Initiative which he had proposed at the UN General Assembly Debate in September 2021.

UKRAINE WAR & SANCTIONS

Indonesia Would Like To Invite Putin to G20 Bali Summit

April 21 (EIRNS)—In an interview with Australian papers *The Age* and *Sydney Morning Herald*, Indonesia's new Ambassador to Australia Siswo Pramono has defended Jakarta's plan to have Russia at this year's G20 summit in Bali in mid-November, comparing it to then Australian Prime Minister Tony Abbott inviting Vladimir Putin to Brisbane in 2014 following Crimea's vote to reunite with the Russian Federation and the July 17 downing of Malaysia Airlines Flight 17, over Donbas. The commercial flight with 283 passengers and crew aboard was flying from Amsterdam to Kuala Lumpur, and flew over Ukraine. Russia was blamed for shooting down MH17.

At a forum of G20 finance ministers this morning in Washington, top finance officials from Ukraine, Britain, the U.S., and Canada walked out as Russia's representatives spoke. Western leaders, including U.S. President Joe Biden and Australian Prime Minister Scott Morrison, have insisted Russia be expelled from the Group of 20 major economies over its military operation to defend the neighboring two republics' independence from Ukraine. Indonesia, which holds the summit's presidency this year, is facing the prospect of boycotts if Moscow retains a seat at the table.

“The world is facing a very serious economic challenge at the moment: how to help nations to undertake post-pandemic economic recovery. The war in Europe has made that challenge even harder,” said Rizal Sukma, who had been on Indonesian President Joko Widodo's delegation to the Brisbane G20. Sukma told the Australian dailies: “G20 should be able to address these problems, including the global economic implications of Russia's war in Ukraine. If those big powers cannot even meet to discuss these problems, then what is the point of having a G20 summit? It means, big powers just don't care about the suffering of people in emerging economies and developing countries. We hope all leaders can come to the summit. If not, just call it off.”

U.S. POLITICAL AND ECONOMIC

U.S. Weapons Continue To Flow to Ukraine, with More To Come

April 21 (EIRNS)—White House Press Secretary Jen Psaki told reporters yesterday that U.S. weapons intended for Ukraine continue to arrive in Europe, with five flights having landed in the previous few days and more than half a dozen more on the way. As for what new packages may be coming, she had nothing to say except that “we’ll have more soon on this.”

Reuters reported yesterday that U.S. troops have begun training Ukrainian troops on the U.S.-supplied howitzers which have already arrived in Europe. “It’s a smallish number of Ukrainians, a little bit more than 50,” an unnamed U.S. official said. The official declined to say where the training is happening, but said it is not occurring inside Ukraine. It’s likely that the transfer of arms and training of Ukrainians is taking place in southeastern Poland, where several thousand U.S. troops are deployed. After completing instruction, the Ukrainian troops will return to the fighting and teach other troops how to use the American howitzers. Press reports say that while the U.S.-supplied howitzers are 155mm caliber, the standard size for howitzers in the Ukrainian military is 152mm, which means that the U.S.-supplied cannons can only use U.S. ammunition.

At about the same time, Pentagon spokesman John Kirby denied press reports claiming that the United States had facilitated the arrival of combat aircraft into Ukraine. Kirby attributed the reports to misinformation that he had mistakenly told reporters on April 19 indicating that Ukraine had received MiG-29 aircraft from NATO countries, when in fact they had received only parts of repairable aircraft already in the Ukrainian inventory. By means of those parts, he said, “they have been able to increase their fleet by quite a number.”

NEW ECONOMIC ORDER

Russia and India Cooperating To Prevent Global Famine and Starvation

April 21 (EIRNS)—India’s *Economic Times* reported April 20 that Russia has increased its export quota of fertilizers specifically to prevent fertilizer shortages in India—which otherwise has unique capability this year to increase the global supply of grains. The temporary export quota increase is almost 700,000 tons, 231,000 tons for nitrogen fertilizers and 466,000 tons for “complex fertilizers.” The increases were announced to aid Russian fertilizer producers who face downtime, but they have already increased the flow of fertilizers to India.

India’s Prime Minister **Narendra Modi**, as BBC News reported April 19 (no doubt with apprehension), told U.S. President Biden that India had “enough food” for its 1.4 billion people, and it was “ready to supply food stocks to the world from tomorrow.”

Russia and Ukraine would have exported 14 million metric tons (mmt) of wheat and over 16 million of maize this year, according to the UN Food and Agriculture Organization (FAO). “The supply disruptions and threat of embargo facing Russia means that these exports have to be taken out of the equation. India could step in to export more, especially when it has enough stocks of wheat,” BBC quoted Upali Galketi Aratchilage, an Indian economist at the FAO in Rome.

India is the second-biggest producer of rice and wheat in the world. As of early April, it had 74 mmt of the two staples in stock. India is also one of the lowest-cost global suppliers of wheat and rice, and exports rice to nearly 150 countries and wheat to 68. It exported 7 million tons of wheat in 2020-2021, but is already at a pace to export 12 mmt this year. But Ashok Gulati, a professor of agriculture at the Indian Council for Research on International Economic Relations, is quoted by BBC: “If the WTO allows government stocks to be exported, it can be even higher. India has the capacity to export 22 mmt of rice and 16 mmt of wheat in this fiscal year.

This will help cool the global prices and reduce the burden of importing countries around the world.”

The one threat to this has been fertilizer shortages and prices, and the BBC article played up the prospect that it could bring down India’s 2022 harvests, otherwise expected large for the sixth year in a row. But Russia has taken steps to help ensure those exports.

And this with India still paying Russia for trade in euros and taking payment from Russia in yuan. The sooner the ruble-rupee trade can be hammered out, the sooner this can include mutual investment of these two nations in increasing production.