

EIR Daily Alert Service

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

- Malthusian ‘Great Reset’ Policy Is Breaking Down Advanced Economies
- Journalists Say Pompeo Plotted To Kidnap or Kill Assange
- *Washington Post* Hits IMF’s Georgieva, Attacks ‘China’s Influence over Multilateral Institutions’
- *Global Times* Voice: ‘Meng’s Homecoming a Rare Chance To Reset U.S.-China Relations’
- China Handling the Evergrande Crisis, Without a Bailout
- At the End of Mid-Autumn Festival, Interruptions in Power Throughout China
- Will Germany Get a Stable New Government?
- Global Britain Offers To ‘Help’ Canada ‘Counter’ Russia and China in the Arctic
- Life Expectancy Declines Across Europe Due to COVID; Study Ignores Starvation Elsewhere
- British Labor Union Leader Calls for New Nuclear Power Projects

EDITORIAL

Malthusian ‘Great Reset’ Policy Is Breaking Down Advanced Economies

Sept. 27 (EIRNS)—The policy of U.S. and European governments since the September 2019 “repo crisis” and the March 2020 spread of the COVID pandemic has been dictated by the biggest central banks and by City of London, Wall Street and Frankfurt banks and investment funds. It has been

to combine hyperinflationary money-printing for those banks and new government debt for “pandemic relief” programs; with incentives and pressure for the “shift of trillions” into a “green finance” wind and solar investment bubble. Despite economic collapse and large-scale unemployment, it has excluded investment in new productive infrastructure and productive employment, while applying the label “infrastructure” only to replacing reliable nuclear and fossil fuel power technologies with unreliable throwback “renewables.”

This “net-zero carbon” policy is fundamentally Malthusian. After two years pushed “from the top,” it is now triggering physical-economic breakdowns in just those economies needed to provide capital goods to rebuild the shattered economies of Afghanistan after war and Haiti after neglect and natural catastrophe.

The European economies have been hit this summer and early fall by a doubling of the price of natural gas, which is still rising fast despite *increasing* purchases from Russia’s Gazprom. It passed \$26/million Btu at Amsterdam Sept. 27, rising another 11% for the day. The spiking price is shutting down supplies of CO2 which slaughterhouses and food processors need, among others; and shutting down fertilizer plants. The natural gas price in Asia (from LNG) is even higher. In the U.K., the natural gas price has quadrupled in 2021. The retail suppliers of power and energy are shutting down. Wholesale and retail gasoline/petrol stations are shutting down; BP, for example, acknowledged that 370 of its 1,200 sites in Britain were closed because they were out of fuel over this weekend. Britain and some other European countries which have closed down coal power plants are now trying to reopen them.

But the price of coal—ordered stranded, “left in the ground” and forgotten by the green financiers led by Mark Carney and Sir Mike Bloomberg—has risen by 65-100% in Europe and Asia this year. Thus China, whose industrial production and exports have been growing rapidly, has suddenly had to order electric power shutoffs to electricity-intensive

businesses in aluminum, chemical fibers, textiles, etc.; and this week, to households as well.

In the United States, nationwide freight transportation is breaking down. Well over 100 container ships, from the large to the huge, have now been waiting off the West Coast ports for up to a month, unable to unload. Once finally in port, turn-around time for one of these ships now averages six days. The third stage of blockage is in the railyards around the ports, where the average storage time for containers unloaded from the ships ranges from 6-16 days depending on the port. This is usually just the delay before a short-distance rail transport to a “railhead” or warehousing center for truck loading, since the great majority of freight still moves long distance by truck.

Because of frenetic money printing of the Federal Reserve and borrowing by the Treasury, consumer goods either produced or final-assembled in China have been bought in huge quantities by Americans, whose disposable income has actually *risen* during an economic collapse. This has overloaded the inadequate rail and port infrastructure to cause these breakdowns, which in turn have caused shortages of everything from lumber to auto parts to machine tools to consumer goods, and thus further inflation. Bloomberg on Sept. 26 quoted a Hapag-Lloyd shipping executive that this breakdown condition will last “at least through the end of the year.”

The international shortage of semiconductor chips is projected to last at least until the end of next year, 2022, and is still worsening. The clearest sign is that U.S. new car sales have dropped from recent normal of 16-17 million/year, to 12 million projected in 2021 due to the lack of new cars to sell, and sharp inflation in price of used cars.

The hyperinflationary pressures and shortages will continue, and worsen, until enough citizens in these “advanced” nations wake up to the truth that “green” policies are rushing toward a Malthusian reduction of the human population. The solution, refused for so long, is new missions for productive employment, infrastructural and economic development of

underdeveloped nations. Afghanistan must be rebuilt; Haiti must urgently be developed. That is the Schiller Institute's strategy.

- Watch [Harley's Updates](#) with Harley Schlanger on Tuesday September 28, 2021: Every weekday morning on [The LaRouche Organization](#) website, Harley will give you the strategic briefing you need to start your day.

UNITED STATES POLITICAL AND ECONOMIC

Journalists Reveal Pompeo Plotted To Kidnap or Kill Assange

Sept. 27 (EIRNS)—A Sept. 26 article for Yahoo News by Zach Dorman, Sean D. Naylor and Michael Isikoff reports that although Julian Assange had been spied on by U.S. intelligence agencies for years, plans to silence him—even by assassination—were catalyzed in 2017 and driven by then-CIA Director Mike Pompeo. The article is headlined “[Kidnapping, Assassination and a London Shoot-Out: Inside the CIA's Secret War Plans against WikiLeaks](#).” It has to be noted that co-author Isikoff was the original media purveyor of MI6 agent Christopher Steele's fraudulent “Russiagate” dossier against President Donald Trump.

Here, we are dealing with “Messianic Mike” Pompeo. In 2017, Assange began his fifth year holed up in Ecuador's Embassy in London. At the time, Ecuadorian officials had begun efforts to grant Assange diplomatic status, to give him cover to leave the Embassy and fly to Moscow to serve in Ecuador's Mission there. In response, say these authors, spies from Russia, the U.S., and Britain deployed around the Embassy. The authors report that some senior officials inside the CIA and Trump Administration conferred on “options for how to assassinate him, as well spy on his WikiLeaks associates and steal their devices.” Assange had been watched by U.S. intelligence agencies for years, but plans to stop him were spurred by WikiLeaks' ongoing publication of highly sensitive CIA hacking tools known as “Vault 7.” The CIA believed this revelation caused the largest

data loss in CIA history. The authors quote an unidentified source that Pompeo was made completely furious by this event.

In the summer of 2016, at the height of the presidential election, WikiLeaks began publishing Democratic Party emails. This followed by only five weeks, WikiLeaks announcement that it had obtained files from the CIA's secret cyber division, which it called "Vault 7." The U.S. intelligence community insisted that the Russian GRU had hacked the DNC emails. Assange denied that the Russian government was the source. Pompeo in his first speech on April 13, 2017 as CIA Director, said: "WikiLeaks walks like a hostile intelligence service and talks like a hostile intelligence service, and has encouraged its followers to find jobs at the CIA in order to obtain intelligence. It's time to call out WikiLeaks for what it really is: a non-state hostile intelligence service often abetted by state actors like Russia."

Eventually, those arguing for an approach based on the courts, rather than espionage or covert action, won the policy debate. On April 11, 2019, Ecuador's new government revoked Assange's asylum and evicted him; British police arrested him, and the U.S. government unsealed its initial indictment of Assange the same day, seeking his extradition from Britain.

The Yahoo report claims to be based on conversations with more than 30 former U.S. officials—8 of whom, Yahoo News reports, described CIA plans to abduct Assange. The report declares, "It was a campaign spearheaded by Pompeo that bent important legal strictures, which may have jeopardized any prosecution of Assange, and risked a damaging episode in the United Kingdom, the United States' closest ally.

"The CIA declined to comment. Pompeo did not respond to requests for comment."

***Washington Post* Hits IMF's Georgieva, Attacks 'China's Influence over Multilateral Institutions'**

Sept. 27 (EIRNS)—The second editorial in today's *Washington Post* criticizes IMF Managing Director Kristalina Georgieva (with her picture)

for supposedly helping China investment prospects in 2018 when she was Chief Executive of the World Bank under President Jim Yong Kim. The World Bank's *Doing Business* report started in 2003 had given China low ratings as an economy for investment. In 2018 the ranking improved, and "progressive" World Bank staff members objected, leading to an investigation by an outside law firm (WilmerHale, the major D.C. firm, in which Robert Mueller is a partner) which said that Georgieva had "pressured" the staff—also regarding Saudi Arabia and U.A.E. The charge is supposedly now being investigated by the IMF's ethics committee. The World Bank paused publishing *Doing Business* reports after deciding to review "data irregularities," and has discontinued the publication as of Sept. 16, 2021.

The accusations against Georgieva, initially launched by *Financial Times* and *The Economist*, are intended as an attack on U.S. and Europeans' investments in China, and on "growing Chinese influence over the world's multilateral institutions."

Global Times Voice: 'Meng's Homecoming a Rare Chance To Reset U.S.-China Relations'

Sept. 27 (EIRNS) —Two pieces in China's *Global Times*, published within minutes of each other Sunday night, pointed to the agreement releasing Huawei CFO Meng Wanzhou and a signal a) that Huawei may not be crushed by U.S. financial warfare, and b) that U.S.-China and China-Canada relations could improve.

An editorial by *Global Times* warns, "[U.S. Elites Should Not Misread Meng's Release, Incite Hostility.](#)"

An article in *Global Times'* Voice section, but also by *Global Times'* editors, "[GT Voice: Meng's Homecoming a Rare Chance To Reset China-U.S. Relations,](#)" says that although many observers expect the return of Meng to create a relatively favorable atmosphere for U.S.-China relations, some stubborn anti-China forces can't restrain themselves from "pointing an accusing finger" at the development. Sen. Marco Rubio (R-FL) is one, the Voice article said, who called Meng's release "Another example of the

Biden administration's dangerously soft approach" to China, which raises questions whether Biden has the ability to confront the threat posed by the technology giant Huawei and the Communist Party of China. The Voice calls Rubio's comment an absurd reaction, because "the U.S. government cannot use its massive state apparatus to persecute Chinese citizens and firms to plead guilty." As a leading example of China's technological power, Huawei has suffered various crackdowns by the U.S., and Meng's arrest at Vancouver International Airport on a U.S. warrant has been seen as a symbolic incident of U.S. suppression toward Chinese technology companies.

"Meng will not plead guilty, nor will Huawei play by Sen. Rubio's rules," GT Voice writes. Meng's return home is seen as a sign of easing bilateral economic and trade tensions. The relatively positive signal is rare and commendable in the current context. Its importance is as an attempt to encourage more steps between China and the U.S. to become closer. Both sides must take the opportunity to cool disputes, and there is no point to let toxic political rhetoric poison the atmosphere for what it calls "the world's most important bilateral relationship."

But there has been a "backfire" effect on the U.S. in the Huawei matter. Now, with Meng's return, Huawei has "shrugged off" the endless ordeal, reinforcing market confidence, which as it happens, stems "not only from Meng's persistence over the past three years, but also from Huawei's consistent breakthroughs in innovation and research. For example, while Huawei's smartphone business has been hit hard by the restriction of chip supplies, Huawei has made progress in other areas. It launched its "openEuler" operating system on Sept. 25, another self-developed OS after the HarmonyOS, and marking another milestone for building a full-scenario ecosystem.

COLLAPSING WESTERN FINANCIAL SYSTEM

China Handling the Evergrande Crisis, Without a Bailout

Sept. 27 (EIRNS)—From its first publication of a notice about the China Evergrande bankruptcy threat, *EIR* has noted that the People’s Bank of China and the bank regulators in Beijing were doing what had never been done, but should have been done, when big, speculative financial corporations threaten to fail. They were notifying Evergrande’s major bondholders to prepare for a large haircut, and compelling the company to direct its funds to fulfilling its contractual commitments to households and to the Chinese economy—in this case, completing construction of housing in which households had already invested.

On Sept. 23 this became very clear when Evergrande, clearly under direction of the regulators, did not make an \$83 million interest payment on dollar bonds to international investors, and did channel funds toward accelerated completion of certain housing projects. Some financial websites like Zero Hedge referred to this as “step-by-step nationalization” of the company with an implicit pledge of credit for housing construction purposes only; but that is beside the point. The PBOC and regulators are taking an approach consistent with putting people first, and pursuing restructuring agreements for a large haircut on its debt with bondholders.

An article on Sept. 24 in *Asia Times* said: “Far from a Lehman moment, the Evergrande crisis was a preemptive popping of a bubble—the sort of action that U.S. authorities might have been wise to take in 2004 before the collapse of the U.S. housing market nearly took down the global banking system.” The article says the “bubble popping” will serve multiple objectives of China’s ongoing crackdown on leveraged, real-estate-based speculation of the kind which enabled—but did not cause—the 2007-08 global mortgage debt and derivatives meltdown. The liquidity crunch is evident elsewhere in the real estate sector, and another company, Sunac Corporation, is reportedly feeling the same crackdown now.

Of these objectives, it highlights the last: “Fifth—and most important—it will shift capital allocation toward high-productivity industries like

manufacturing and away from construction, an inherently low-productivity occupation.”

GREEN NEW DEAL

At the End of Mid-Autumn Festival, Interruptions in Power Throughout China

Sept. 27 (EIRNS)—Power cuts in China have spread from businesses to homes. Many parts of the country are experiencing power cuts and limited usage hours. With the commitment to carbon neutrality by 2060, the government has also introduced measures for local governments to introduce programs to restrict consumption of electricity.

China will not reach its “peak” of carbon usage until 2030, which has encouraged many provinces to increase electricity usage. At the same time, also in order to meet the carbon-limits mandate, many coal mines have been shut down. The price of coal in China has doubled since the beginning of the year, making it more expensive to maintain the power supply, leading to further restrictions on consumption, power outages, and firms cutting their working hours. And in the Northeast, which has perhaps been hardest hit, the supply of energy from wind power has decreased as the cold sets in, boding ill for the coming winter. It has also created water shortages from a lack of energy to transport the water.

China has had a “dual energy consumption control system” system for 10 years in order to avoid sudden power shortages, which was meant to limit both the energy intensity and amount of energy used, but, with the price increases and the continuing push to save energy, it has not been enough to avoid sudden work stoppages in the production chain and sudden disruptions in people’s lives, with people becoming trapped in elevators or not having power to cook their rice.

Will Germany Get a Stable New Government?

Sep. 27 (EIRNS)—There are two pieces of good news from the national election in Germany yesterday: 1) the Greens suffered a major setback,

with their original intention to become the biggest political party getting ruined by a 2) reality that saw voters giving social, economic and labor issues a clear preference against the climate (44%, 20% and 18% respectively). The Social Democrats are the main benefactor of that, winning the election with 25.7% of the vote, against the Christian Democrats which dropped by 8% to 24.1%; the Greens came out third, with 14.8%, followed by the Free Democrats with 11.5%.

The Social Democrats' Olaf Scholz is in the best position to become next Chancellor, which, if he continues to reject a continuation of the outgoing Grand Coalition with the Christian Democrats, would be possible only in a coalition with the Greens and the Free Democrats. If Scholz failed to compose a coalition with those two, the only other option for him would be another three-party coalition with the Christian Democrats and the Free Democrats—which has the advantage of keeping the Greens out. Being the two “kingmakers,” the Greens and the Free Democrats are expected to make deals behind the scenes to be in the game, which implies the Greens are in the next government.

The Christian Democrats' Armin Laschet still has a chance to become Chancellor, if Scholz fails, but also for him only a three-party combination with the Greens and the Free Democrats would work. A big instability factor for such a government would be the disunity that has emerged in the Christian Democrats after 16 years of Merkel's chancellorship, with influential currents not really backing Laschet (one of the causes of the migration of 1.5 million votes from the CDU to the SPD). A new Grand Coalition (Chancellor Scholz, Vice Chancellor Laschet) keeping the Greens out would still have a majority in the newly-elected Bundestag with 402 of 730 seats, by the way.

If Scholz were Chancellor, what does that imply for Germany? His own and the SPD's pro-green orientation which couples the economy and labor market with the climate issue, will prompt a rough awakening soon, since Germany can't depend on renewables. Germany has to exit from the nuclear power exit and from the coal exit as well. It escaped several

potential blackout crises during the first half of 2021, caused by a 40% drop in wind power, only because it still had six nuclear power plants running and could mobilize reserves in lignite production. That delivers a clear message, everything else is a sheer fantasy.

The Green Deal and Great Reset (which Scholz also is part of as the outgoing Finance Minister) will ruin the German industry and the industrial jobs. Citizens who voted for the Social Democrats, which could not deliver on their election campaign promises, would soon feel bitterly betrayed.

Scholz's other problem would be the strategic situation after the Afghanistan disaster (which was not addressed in the entire election campaign). If the Greens get the Foreign Ministry in a new government, geopolitics against Russia and China will continue, a reasonable policy of cooperation with both states and the Belt and Road orientation will be sabotaged by the Greens. Green foreign policy would be regime-change policy justified by the fake human rights issues (Navalny, Hong Kong, women's rights, and the like) and the idea that states not going along with the COP26 roadmap have to be punished.

It is dubious against this background that Germany will have a stable new government capable to deal constructively with the big challenges ahead.

STRATEGIC WAR DANGER

Global Britain Offers To 'Help' Canada 'Counter' Russia and China in the Arctic

Sept. 27 (EIRNS)—As part of its post-Afghanistan withdrawal counteroffensive, “Global Britain” is now seeking an Arctic alliance with Canada. Gen. Sir Nick Carter, Chief of the U.K. Defense Staff, told a Canadian Broadcasting Company interview taped prior to the Sept. 15 announcement of the AUKUS agreement that his country is “keen to cooperate” and learn more about how to survive and fight in a cold, remote setting. Carter said Britain would also like to “cooperate in terms of helping Canada do what Canada needs to do as an Arctic country.”

Carter said the U.K. has capabilities that could help keep closer tabs on the Arctic's rapidly melting seas and inlets, but it would be up to the Canadian government to decide. "We would absolutely defer to Canada's expertise in this," Carter told CBC. "I think we have military capabilities, certainly in the maritime domain and in terms of our science that would be useful to Canada and I think operating alongside Canada in that regard is going to be clearly good for both countries." In a report on the interview, CBC makes clear that the Arctic targets that Britain is aiming at are China, and, of course, Russia. The Russian Navy surfaced three submarines through the ice in the Arctic very close to each other in an exercise last March.

COVID AND FAMINE

Life Expectancy Declines Across Europe Due to COVID; Study Ignores Starvation Elsewhere

Sept. 27 (EIRNS)—Reuters today reported that the University of Oxford has looked into life expectancy, and found a decline unprecedented since World War II. The university's own article on the study is headlined, "COVID-19 Has Caused the Biggest Decrease in Life Expectancy since World War II." The full study is titled: "[Quantifying Impacts of the COVID-19 Pandemic Through Life-Expectancy Losses: A Population-Level Study of 29 Countries.](#)"

Oxford's study is of data, death records, from 29 countries. Some 27 of them suffered falls in life expectancy in 2020-21 by an average of more than a full year. All but two are European countries, plus the United States and Chile. The study is really a partial look at life expectancy declines in Europe—not including Russia—in World War II and in the COVID pandemic.

Now, according to World Food Program Executive Director David Beasley, who addressed the World Food Forum at the UN on Sept. 23, since the start of 2020 the entire world has suffered 4.7 million deaths from COVID, and 16.7 million from starvation. "This year 20 million may die

from hunger.” Most of these 17 million have not died in Europe or in the United States, but in the underdeveloped countries of Africa, Southwest, Southeast, South Asia, and South America. These nations do not maintain such comprehensive and accurate death registers that Oxford researchers can easily study them. Therefore the actual drop in worldwide life expectancy from pandemic, war and famine over the past 18 months may be larger than one year, and has still to be determined.

“If we’re struggling today to reach the 7.7 billion people, imagine having 10, 11, 12 billion people on Earth. ... It’s a lot cheaper to address root cause and give the people the resources they need....” said Beasley. “When the Nobel Peace Prize Committee awarded the World Food Program the Nobel Peace Prize, it was a call to action for all of us. My goal is to put the World Food Program out of business. But how can we do that with the direction that we’re now going?”

SCIENCE AND INFRASTRUCTURE

British Labor Union Leader Calls for New Nuclear Power Projects

Sept. 27 (EIRNS)—Gary Smith, general-secretary of the GMB, one of the biggest labor union confederations in the United Kingdom with some 500,000 members, has urged the government to build new nuclear power plants to bring the country out of the protracted energy crisis and secure industrial jobs. Smith did so in the context of his variant of the Green Deal, which calls nuclear the best option to protect the climate. But his GMB, and Unite, another major union, plus several smaller ones, defeated the pro-climate unions and pushed through their views at the Sept. 12-14 Trade Union Congress, and they have the majority of industrial workers backing them—particularly those in the nuclear industry, naturally.

The GMB’s position would be an orientation point also for the German labor movement, which already has warned, like the GMB, of “energy poverty” affecting low-income families who cannot afford rising energy prices coming along with spot market speculation and the discrimination against fossil energy sources to the advantage of unreliable “renewables.”