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Development Drive Means Billions of New Jobs, No Refugees, No War



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RESEARCH, WRITING, LAYOUT: Dean Andromidas, Rainer Apel, Marcia Merry Baker, Claudio Celani, Richard Freeman, Paul Gallagher, Kevin Gribbroek, Rémi Lebrun, Stuart Lewis, Sébastien Périmony, Jason Ross, Dennis Small, Philip S. Ulanowsky, Helga Zepp-LaRouche.

COMMISSIONED BY HELGA ZEPP-LAROUCHE, FOUNDER OF THE SCHILLER INSTITUTE

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Development Drive Means Billions of New Jobs, No Refugees, No War

The reported decision by the lame duck President Biden administration to allow Ukraine to use American ATACMS ballistic missiles for strikes into Russian territory, starting with the targeting of the Kursk region, brings the world into the immediate range of being possibly a few days away from a strategic, unstoppable escalation. Given the fact that these missiles, like the German Taurus and the British Storm Shadow missiles, technically cannot be operated by the Ukrainians, but must be aided by specialists from NATO countries, this means that the moment they are deployed, we are in a full war of NATO against Russia.

It was exactly in response to such escalations, including the deployment of increasingly powerful weapons to Ukraine by the nations of the Collective West, that in September 2024 Russian President Putin announced proposed changes in Moscow's "nuclear doctrine" to include the possible use of nuclear weapons in response

to any attack that poses a critical threat to the sovereignty of Russia, including attacks by a non-nuclear state when backed by a nuclear state. Putin explained this change in the following, very precise way:

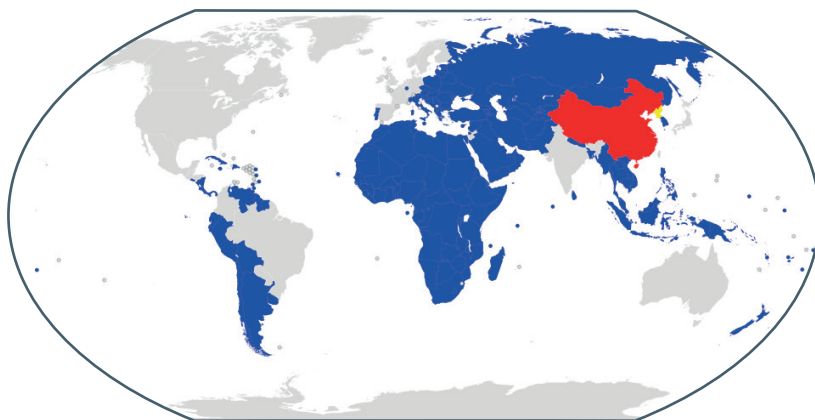
"The updated version of the [Basic Principles] document is supposed to regard an aggression against Russia from any non-nuclear state but involving or supported by any nuclear state as their joint attack against the Russian Federation....We will consider such a possibility once we receive reliable information about a massive launch of air and space attack weapons and their crossing our state border."

He added: "I mean strategic and tactical aircraft, cruise missiles, UAVs, hypersonic and other aircraft. We reserve the right to use nuclear weapons in the event of aggression ... including the case when the enemy, using conventional weapons, creates a critical threat to our sovereignty."

The widely reported announcement of the Biden administration

ATACMS decision clearly crosses that red line. Nevertheless, Western politicians and so-called military experts keep ignoring the Russian warning, and continually talk about "Russia is bluffing," "defeating Russia militarily," etc. In a delusory way, they ignore the fact that Russia is presently the strongest nuclear power and therefore cannot be defeated on the battlefield. What can very well happen in the short term, instead, is that all life on the planet could be annihilated in a global thermo-nuclear war.

We have at the same time the escalation of the crisis in Southwest Asia. The Israeli military action in Gaza, which the International Court of Justice (ICJ) and the International Criminal Court (ICC) have characterized as ongoing genocide, has led to catastrophic hunger, which threatens the lives of 400,000 Palestinians. The international community has essentially remained idle while watching this. Lebanon is now experiencing a similar fate. If this



The 151 Countries of the Belt and Road Initiative

By Owennson - Own work, CC BY-SA 4.0

war were to expand to Iran, targeting its nuclear facilities, that war would quickly draw in larger powers. We would then be at the cusp of a global nuclear war.

The previously dominant unipolar world has crumbled, and the effort to prevent a multipolar world from establishing itself is futile. That is the main reason for the strategic crisis.

In October of this year, the annual summit of the BRICS took place in Kazan, Russia, with the participation of the 9 BRICS member states and 13 new partner states (as well as additional guests), representing 4.7 billion people, or 57% of the world population. These countries are determined to overcome 500 years of colonialism and establish a new, just world economic order, new development platforms, and a new credit system and trade mechanism, in order to stop being raw materials exporting countries, develop the full value chain in their own countries, and overcome poverty and underdevelopment forever.

Consider the potential if the United States and Europe were to cooperate with the BRICS, and with China's Belt and Road Initiative (BRI), to unleash science-

driven industrialization worldwide. There are now 151 nations from all continents that have joined the BRI (see Fig. 1), and China's President Xi Jinping has repeatedly extended an invitation to all nations—including the United States and Europe—to participate in the massive infrastructure projects, which already total over \$1 trillion in investment worldwide. The BRI has already lifted some 40 million people out of poverty, and created about 400,000 new jobs.

These BRI projects are complementary and consistent with the BRICS process that is underway. Consider a half-dozen basic physical economic parameters of the 22 BRICS members and partner states (see Fig. 2).

As noted, this BRICS Plus grouping of 22 nations makes up well over half the popula-

tion of the planet (57%); they produce 54% of the wheat, 40% of the oil, 74% of the coal, and 75% of the steel; and they have 61% of the electrified railroads in existence. Their share of speculative stock market activity, on the other hand, is relatively small, with only 21% of the total world stock market capitalization.

These physical-economic parameters are indicators of activity in key productive areas: food, raw materials, transportation, etc. They don't measure actual economic value as such, however; that is a matter of the power of the economy to achieve continuing breakthroughs in science and technology, to make these resources useful. That measure of power is what the American economist and statesman Lyndon LaRouche referred to as Potential Relative Population Density.

The source of that power is human creativity; and the greatest wealth is human beings—especially youth. Africa today has about 1.5 billion people, but it has by far the world's most rapid population growth rate and is expected to have 2.5 billion inhabi-

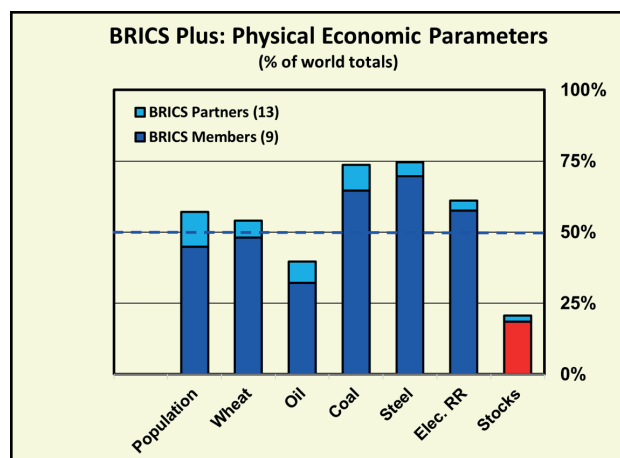


Fig. 2

tants by 2050, one generation from today. These underlying demographics are reflected in the fact that Africa has a disproportionately high percentage of its population (40%) in the under-15 population, whereas in the U.S. it is 18% and in Europe 16%. This in part reflects the lower average life expectancy in Africa today, but that is significantly improving as development spreads across the continent (see Fig. 3).

Why do the forces in the West not rejoice at this fantastic perspective? Because the West is experiencing a profound cultural crisis—it has lost its way; and because the Western financial system is laboring under a deadly \$2 quadrillion speculative bubble that demands the imposition of global genocide.

If we don't overcome the evil of geopolitics, which resulted in two world wars in the 20th Century, there is the danger of the world dividing into two separate blocs: a Global NATO on the one side, and a BRICS-Plus Global Majority on the other side. In that case, we will face not only economic chaos, but also the immediate danger of a global nuclear conflagration.

The obvious and easy way to overcome the danger of war and confrontation is to convince the countries of the Collective West—the European nations and even the U.S.—to stop confrontation and adopt a mode of cooperation with this growing Global Majority. If the West would join hands with the BRICS and help the Global South to industrialize, we could not only stop the geopolitical competition, but could also start to overcome the migrant crisis in the only human way possible:

namely to create conditions where the people who are now refugees, instead have a perspective to be involved in the build-up of their own home countries.

Rather than condemning millions of people to go on death marches through the Sahara to then drown in mass graves in the Mediterranean, or end up in refugee camps, which Pope Francis has called concentration camps; or to cross many countries, facing hunger, drug gangs and terrorism, to then be pushed back at the Mexican-American border; we must help them to industrialize their nations.

We are calling on the UN or the BRICS to initiate a working dialogue between the BRICS and the countries of the West (since the G20 neglects this urgent challenge), to declare their intent to create 1.5-2 billion new productive jobs in the countries of the Global South in the short term, and to create a total of 3 billion new productive jobs by 2050. Such an announcement, followed by concrete steps to ensure the complete electrification of all the countries of Africa, Asia, and Latin America, as well as the immediate beginning of the realization of game-changer infrastructure and other development projects, would be a powerful message to announce an era of hope.

The building of the largest deepwater port in Latin America, the Chancay port in Peru, with the prospect of building a bi-oceanic railway connecting the Atlantic and the Pacific, is such a project. Likewise, the building of the Grand Inga Dam program and the Transaqua project, which will help to irrigate and industrialize several countries in the heart of Africa, are such projects.

In order to overcome the danger of war for good, we need to establish a new internatio-

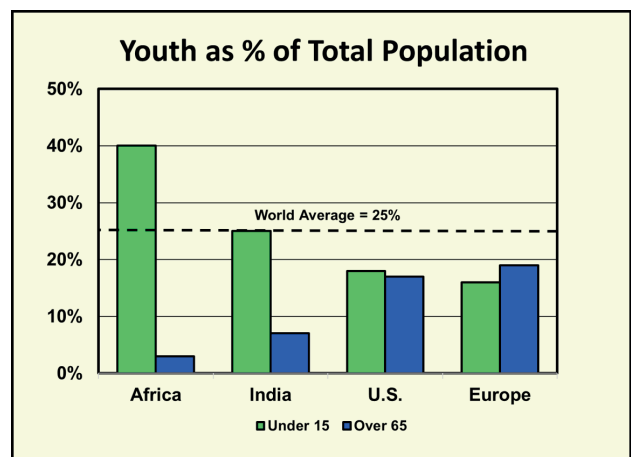


Fig. 3

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nal security and development architecture, which takes into account the interests of every single country on the planet. This should be done in the tradition of the Peace of Westphalia, which ended 150 years of religious wars in Europe, because the warring parties realized that there would be nobody left alive if the fighting continued. How much more is that true in the age of thermo-nuclear weapons!

Let us unite for security and development, to usher in a new era for Mankind. ■

MIGRATION

The Actual Migration Issue: Genocide

The only way to solve the migrant crisis besetting the United States and Europe is to stop the intentional economic genocide being carried out against the nations of the Global South by the policies of the City of London and Wall Street. Exemplary of that Malthusian policy is the infamous 1975 statement by the influential agronomist and Brzezinski protégé William Paddock, who stated about Mexico: “Shut the border and watch them scream.... They have to reduce their population by half anyway. Seal the border and watch them scream.” Asked how population would fall so drastically, Paddock explained: “By the usual means—famine, war and pestilence.”

What is driving today’s migrant flows is the intentional destruction of the physical economies of the nations of the Global South. Their ability to maintain a growing population at a rising standard of living—what Lyndon LaRouche called Potential Relative Population Density—has been systemati-

cally reduced to levels *lower* than their current population, setting the stage for hunger, disease, war, and forced mass exodus.

Let us first cut through the media hype by considering some basic demographics. As of 2023, there were about 47.8 million immigrants in the United States, out of a total U.S. population of 335 million—about 14.3% of the total. That percentage has been steadily increasing since 1970, when it was 4.7% of the total, but it is by no means a historic high. During the major influx of immigrants from 1860 to 1910, a peak of 14.8% of the total population was reached in 1890. The U.S. was clearly able to absorb—and benefit from—a large flow of immigrants back then. Why not now?

Of today’s total of 47.8 million immigrants, fewer than a quarter—11 million—are “unauthorized immigrants” (or “undocumented” or “illegal aliens”). That number—which reflects the inflow of new migrants, outflow, deaths, and legalization of some of those

already in the U.S.—reached a peak of 12.2 million in 2007; then with the 2008 crash, the number fell steadily down to 10.2 million in 2019. It then resumed growth until today. But the numbers are not uniform across different countries: The drop starting in 2008 was due almost entirely to Mexicans, falling sharply during this period (from 6.9 million to 4.0 million), while the number of immigrants from the rest of the world continued to rise significantly.

Furthermore, in 2023 an additional 3.2 million migrants were stopped at the border and prevented from entering the U.S., up from 2.8 million in 2022 and 2.0 million in 2021. A growing majority of those detained—perhaps as many as 90%—are Central Americans coming from the so-called Northern Triangle nations (Guatemala, El Salvador, and Honduras).

They are fleeing from hell. According to a study published in 2019 in the Mexican daily *El Economista*, in El Salvador in 2018, 66% of workers were employed in the informal eco-

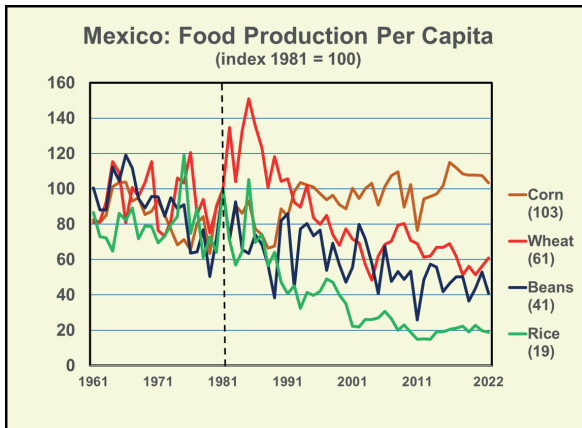


Fig. 1

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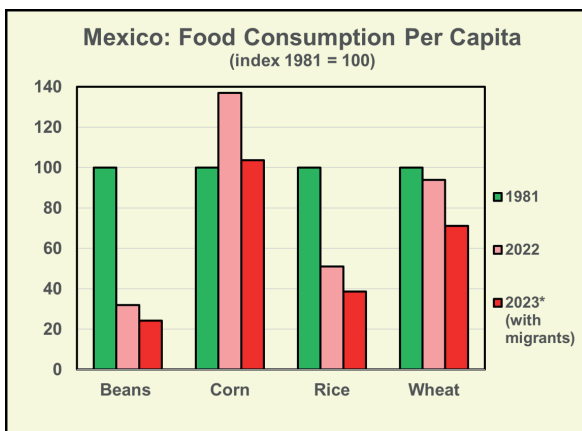


Fig. 2

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Emigration from Mexico and Central America (as of 2023)

Country	Population	In US (1 st gen.)	%	In US (1 st - 3 rd gen.)	%
Mexico	128.5	11.0	8.6%	38.0	29.6%
Guatemala	17.6	1.1	6.3%	1.9	10.8%
Honduras	10.6	0.8	7.5%	1.1	10.4%
El Salvador	6.4	1.5	23.4%	2.6	40.6%

Fig. 3

EIR

nomy; in Guatemala, it was 71%; and Honduras 72%. The “informal” sector is just a polite way of saying the drugs-and-gangs-dominated black economy in general—where

20 per 100,000 in the year 2020, but has dropped significantly since then. The totality of circumstances in the region constitutes intentional genocide.

“employment” often means prostitution, street peddling and begging, and the like. From the standpoint of a productive physical economy, it is, in fact, disguised unemployment. The real unemployment rate in the Northern Triangle countries of Central America ranges from 50 to 80%. In Honduras, a whopping 51% of its population lives in extreme poverty, 46% in Guatemala, and 13% in El Salvador.

Violence, resulting from drug cartel and gang-related activity, is another key factor in the desperate migration. In 2023, Honduras’s murder rate stood at 31 per 100,000 inhabitants; Guatemala’s rate was about 17 per 100,000; in El Salvador it was

Now consider Mexico, focusing in on just one key aspect of that country’s physical economy: food production, measured in physical units (kg per capita), not monetary terms, of four basic staples of the Mexican diet. After relative stability from 1960 to 1980, Mexican production of these staples (and agricultural production more broadly) began to plunge after the nationalist government of José López Portillo (1976-1982) was replaced by a string of presidents obedient to Wall Street’s free trade policies. As Fig. 1 shows, taking the 1981 index = 100, from 1981 to 2022, per capita bean production fell by 59%, rice by 81%, and wheat by 39%! Only corn had a tiny increase of 3%. This reflects a stunning destruction of Mexicans’ ability to produce enough food to feed themselves.

Even when we factor in food imports, total consumption of these same staples plummeted between 1981 and 2022 (the green and pink bars in Fig. 2): beans by 68%, rice by 49%, and wheat by 6%. Only corn consumption per capita rose, by 37%, due to substantial imports.

Small wonder, then, that millions of desperate Mexicans have been driven across the border to try to keep themselves and their families alive. In fact, the third, red bar in Fig. 2 projects what consumption per capita would have been had millions of Mexican migrants, legal and illegal alike, not been driven out of their country by Wall Street’s economic looting of that nation over the last 30-40 years (see Fig. 3).

The findings are dramatic. In the case of Mexico, over 11 million first-generation Mexicans are in the

U.S., which is 8.6% of Mexico's 2023 population of 128.5 million. When you add in second- and third-generation Mexican-Americans (reflecting earlier migrant flows), we are talking about a total of 38 million people—nearly 30% of the total population of Mexicans. El Salvador is an even more extreme case: About a quarter of first-generation Salvadorans are in the U.S., and when all three generations are considered, the total rises above 40%.

By way of contrast, think of what the region would look like if the United States, China, and other

nations had already jointly broken ground on building a high-speed railroad from Panama, through Central America, and into Mexico and the United States, as the backbone of an industrial development corridor that would provide millions of productive jobs to the region's desperate population—as the LaRouche movement has long advocated. Consider what other joint great development projects could be launched throughout the Caribbean Basin and all of South America—such as the Chancay Port complex just inaugurated in

Peru—if the U.S. and China were to jointly take up that task. The vast majority of Mexicans and Central Americans who are fleeing their countries would certainly prefer to stay home to help their nations develop and feed their families. And this would also lead to a sharp increase in U.S. capital goods exports to the region, and the return to the U.S. of well-paying productive jobs needed to produce those exports.

In short, a moral solution to the migrant crisis is also best in terms of the science of physical economy. ■

The European Migration Crisis: The Mediterranean Becomes a 'Watery Graveyard'

It is hard to know which is worse: the thousands of desperate migrants from war-torn and impoverished countries in Africa and the Middle East perishing as they attempt to cross the Mediterranean into Europe, turning it into a “watery graveyard,” as Helga Zepp-LaRouche has called it; or the plight of hundreds of thousands of refugees who either succeeded in making the crossing, only to be locked up in refugee camps for years on end, or those who are returned to detention centers for migrants and refugees in Libya, which Pope Francis has rightly compared to “concentration camps.”

Once we identify the actual cause of this crisis, a moral and economically sound solution is also at hand.

The European Border and Coast Guard Agency (Frontex), the European Union agency in charge of external borders, published the following map which gives an overview of the size and direction of migrant flows in 2022 (see Fig. 1).

Since 2021, there has been a significant increase in what Frontex defines as “detected illegal border crossings,” with the Central Mediterranean route showing the most dramatic rise (see Fig. 2).

The 2023 Frontex report also notes that, out of the 380,000 detected illegal border crossings, “Syrians accounted for over 100,000 irregular crossings last year, the highest number among all nationalities. They were followed by Guineans and Afghans. These three top nationalities accounted for over a third of all detections.” It is also the case that international drug-running networks—controlled from the top by the London-centered Dope, Inc. financial apparatus—make extensive use of these migrant flows to transport cocaine and other drugs to European markets. Human-trafficking

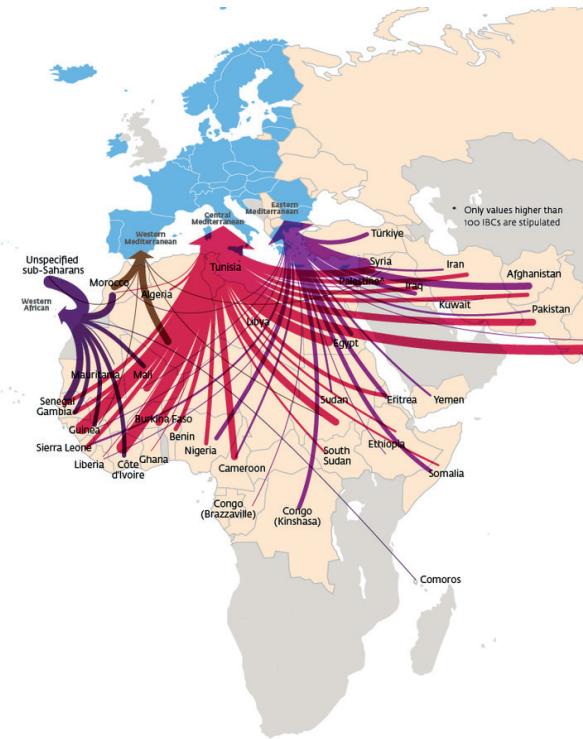


Fig. 1 - Flows of Migrants into the EU, 2022

Frontex

criminal enterprises play an integrated role in this process.

What is driving the desperate migration? Whereas Syria and Afghanistan have been destroyed by wars carried out by Western countries, Guinea is part of Francophone Africa, i.e., former French colonies that have histo-

rically been looted to the bone. French colonialism did not end with the formal independence of those countries, but has continued through the exploitation of resources, the presence of foreign troops, and the monetary enslavement of those countries through the FCA-Franc system, the single cur-

rency imposed on them and managed by the Banque de France. Curiously, although the European treaties prohibit member countries of the European Monetary Union to issue their own currency, France has kept the Franc-Afrique up and running for its African client-na-

tions. As far back as 1979, the Cameroonian economist Joseph Tchundjang Pouémi had written: "Today, if monetary issues are not given the attention they deserve, Africa is inflicting gratuitous suffering on its children,

and even more so on those who are not yet born."

The CFA zone comprises 14 countries, divided into two zones. First, the West African Economic and Monetary Union (UEMOA), with its bank, BCEAO, with eight countries: Benin, Burkina Faso, Ivory Coast, Guinea Bissau, Mali, Niger, Senegal, and Togo. Second, the Economic and Monetary Community of Central Africa (CEMAC), with its bank, BEAC, with six countries: Cameroon, Central African Republic, Republic of the Congo, Gabon, Equatorial Guinea, and Chad.

All these countries are purely and simply under conservatorship! They have no control over their deficits, expenditures, budgets, or credit. And the conservator is the French Treasury—and the European Union—which have an official policy of monetary slavery and economic looting in Africa.

This has been going on for centuries, since the days of the slave trade. It was physical slavery then; today it is monetary slavery.

Consider the situation of the eight Franc CFA countries in West Africa with respect to the Human Development Index rankings. Their rankings out of 189 countries are as follows: Benin 173, Burkina Faso 185, Ivory Coast 166, Guinea-Bissau 179, Mali 188, Senegal 169, Togo 163, and Niger 189. All are classified as countries with low human development, and all eight are among the 30 poorest countries on the planet!

Access to electricity for these countries is equally bad. Niger has supplied thousands of tons of uranium in recent decades for France's nuclear program, but less than 10 percent of its own population has access to electricity. ■

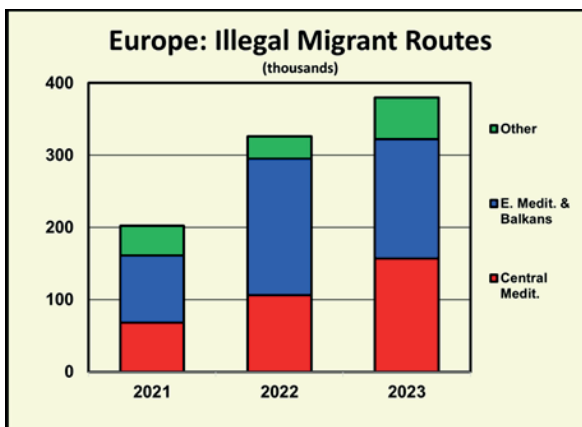


Fig. 2

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GREAT PROJECTS

Ibero-America: The Chancay Mega-Port and the Bi-Oceanic Rail Corridor

The Nov. 14, 2024 inauguration of the Chancay Port project, a joint venture of Peru and China, has finally brought the Belt and Road Initiative to the Americas—and with it, the very real possibility of solving the U.S. migrant crisis. What does the building of the largest deepwater port in South America, a good 5,000 km. (3,100 miles) from the U.S.–Mexico border, have to do with the migrant issue?

Just 80 km north of the capital of Lima on Peru's Pacific coast, the Chancay mega-port is going to be the gateway for rapidly growing Chinese and Asian trade and investment in Peru and all of South America. It is a \$3.4 billion project, of which about \$1.3 billion has been spent so far, which will create 8,000 direct jobs and eventually generate \$4.5 billion in yearly revenue for Peru. In its first phase, which has been completed, it can handle about 1.5 million TEU containers per year (TEU stands for Twenty-foot Equivalent Units, and it is the standard unit used in

container shipping), on ships as large as 18,000 TEU. But when the whole port project is completed in 2032, that is expected to rise to 6 million TEU per year, carried on ships as large as 24,000 TEU—the largest in the world, known as “Ultra Large Container Vessels,” or ULCVs. Chancay's 1.5 km-long dock will have two berths for container ships and two for bulk carriers, as well as Ro-Ro (roll on, roll off) facilities. A 2-km tunnel links it to the mainland, and from there it will connect to road and rail infrastructure to be constructed linking it to all of South America.

Chancay has a maximum depth of 17.8 meters, making it the deepest water port in South America and capable of handling ULCVs, the most efficient cargo carriers on the seas. As a result, there can now be direct maritime shipping from Chancay to Shanghai, which also handles ULCVs. The only other port on the entire Pacific coast of North and South America that can handle ULCVs is Long

Beach, California, but it is already a highly congested port which has been subject to significant logistical delays. With Chancay in operation, shipping that now goes from Peru through Long Beach and other ports will now be able to sail directly to Shanghai and other Asian ports.

Peru's Transport Minister Raúl Pérez recently explained that “we will have direct routes to Asia, in particular to China, which will reduce (shipping time) by 10, 15, even 20 days, depending on the route,” compared to the 35-40 days it currently takes. That will knock at least 25% off the current average shipping time from Peru to Shanghai, which translates into a very significant increase of overall productivity. Even greater productivity increases will be achieved because Chancay is a “smart port,” with state-of-the-art technology and automated facilities for highly efficient loading and unloading of cargo—technologies where the Chinese are world leaders. One Peruvian

expert, Dr. Alan Fairlie, estimates that “automated ports can increase productivity by approximately 50%.”

Chancay is literally halfway around the world from Shanghai, a distance of a bit over 17,000 km “as the crow flies”—the route following the “great circle” on a sphere (see Fig.1).

As can be seen by comparing this route with Fig. 2, the direct maritime shipping route runs fairly close to that of the great circle.

Planning and early construction is now underway to link Chancay to road and rail infrastructure stretching north and south along the Peruvian coast, as well as eastward from Chancay to the rest

of South America. Specifically, it is projected to connect with a planned Bi-Oceanic Rail Corridor linking Peru’s Pacific coast to the Atlantic coast of Brazil at the port of Santos, which sits in close proximity to São Paulo. (There are other viable transcontinental rail routes under consideration, some of which also pass through neighboring countries, such as Bolivia.) Santos is a port which is also in need of major modernization: it can only handle container ships of a maximum size of 11,000 TEU. This rail project will make the physical-economic impact of Chancay an order of magnitude greater still, transforming it into a hub for all of South America in its trade with the Asia-Pacific basin (see Fig. 3).

The Bi-Oceanic Rail Corridor project has been discussed and studied in depth by the Chinese, including detailed engineering feasibility studies. It only awaits a policy decision by Brazil—itsself a leading member of the BRICS—in order to proceed.

Launching this Brazil-China--Peru rail project will have the political

effect of quickly bringing all of Ibero-America on board with the Belt and Road Initiative. One of the earliest beneficiaries of such a strategic change will be the proposal to construct a sea-level Nicaraguan Grand Canal linking the Pacific and Atlantic oceans. This is a critical project, because

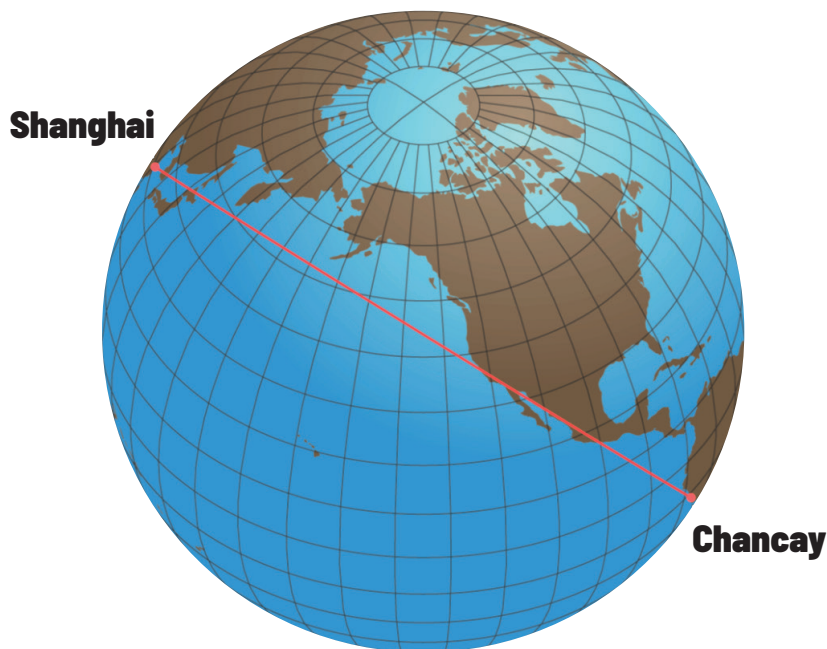


Fig. 1 - Chancay to Shanghai

Markus Englund



Fig. 2 - Chancay to Shanghai, Maritime and Rail Routes

EIR



Fig. 3 - Chancay and South America's Bi-Oceanic Rail Corridor

EIR

even the expanded Panama Canal can only handle container ships of up to 17,640 TEU—well under the size of the most efficient ULCVs—whereas the projected Nicaraguan Grand Canal will be able to handle ships of up to 25,000 TEU, as the following chart indicates:

Ports/Canals	Max Size (TEU)	Max Depth (meters)
Chancay	24,000	17.8
Shanghai	24,000	27.0
Long Beach	24,000	23.2
Suez Canal	24,000	24.0
Nicaraguan Grand Canal	25,000	27.6
Panama Canal	17,640	16.4
Santos	11,000	17.0

The Nicaraguan Grand Canal, whose construction has been suspended over recent years, is a monumental project: it will be the largest civil earth-moving operation in history, with an estimated 5,000 million cubic meters of material to be excavated from

the ocean and sea entrances on both ends, from the Lake Nicaragua bottom along the canal transit route, and from the land canal itself. The canal's two locks will be the largest ever constructed: 520 meters long, 75 meters wide, and with a 27.6 meter threshold depth. They will consume most of the 10 million cubic meters of

concrete the project is estimated to require overall, and transporting the lock gates to their final locations will be a challenge.

HKND, the Chinese private sector company leading the proposed project, intends to secure food, worker camp supplies, and aggregate and other materials needed for the construction of buildings and structures, from within Nicaragua, to the extent possible. The opportunities for Nicaraguan agriculture, for example, will be huge. According to some reports, HKND has told Nicaraguan producers that 37.5 tons of rice, 25 tons of vegetables, and 12.5 tons of meat will be needed daily to feed the 50,000-person workforce. Plans are under discussion for using the excavated topsoil to create productive farmland and pasture land along the canal route.

Given the lack of development in Nicaragua and Central America generally, however, an estimated 21 million tons of materials and

supplies will have to be imported, most of that through the existing ports of Corinto and Bluefields, which are not adjacent to the canal route. This includes more than 2,000 pieces of major construction equipment, more than 4 billion liters of diesel fuel, about 1 billion liters of bunker fuel for the dredgers, plus explosives, and millions of tons of cement and steel.

Recruitment and training of a skilled workforce will be another monumental task. As Dr. Telémaco Talavera, then spokesman for the Nicaraguan Grand Canal Commission, told *EIR* magazine in a Dec. 20, 2014 interview:

“We have to redefine education at all levels, from primary to technical and higher education. Science, technology, and innovation also have to be redefined for Nicaragua’s new reality. To

improve quality, we are preparing skilled labor, and technical and professional experts for this new reality, not only for construction, maintenance, and related works.... We’ve spoken about offering 315 new courses of study, but we have to work on bringing up to date the already trained technical experts and professionals for the challenges of the new reality now with the canal. Some technical experts and professionals will need specialization in specific areas which are going to be required in Nicaragua’s new economic, scientific, and technological dynamic, and new technical experts and professionals will have to be educated in fields which we do not yet have.”

Think of the impact this will have on the migrant crisis, and related drug-trafficking networks in the region. What Central Ame-

rican youth will want to risk his life to emigrate to the United States, with these kinds of prospects at home?

And yet the Nicaraguan Grand Canal is just one component of a broader development strategy for the Caribbean Basin region which the Schiller Institute has proposed, which calls for China–U.S. cooperation to build a high-speed rail line to start in South America, traverse the length of Central America (where none now exist) and Mexico, to then link up with U.S. rail corridors (see Fig. 4)

Precisely because of its proximity to the U.S., being in the proverbial U.S. “backyard,” this region is perfectly situated to become a flagship for the kind of U.S.–China cooperation to develop the impoverished nations of the South that is needed around the planet. ■

Caribbean Basin Belt and Road

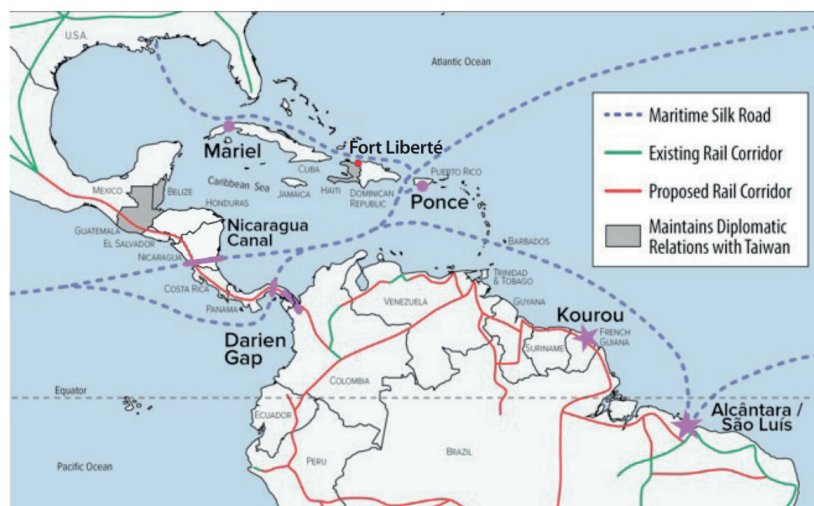


Fig. 4 - The Caribbean Basin and the Belt and Road

EIR

'Oasis Plan' for Southwest Asia: A World Priority

There are two classes of infrastructure urgently required for Southwest Asia: First, emergency relief interventions of all kinds, to save lives—fuel, water, food, shelter, medical care.

Secondly, action is required on a comprehensive set of projects for long-term provision of water, power, housing, health care, education, and cultural centers, to build the economic platform for agro-industry and all related activities for

prosperity. Moreover, Southwest Asia, at the crossroads for Africa, Asia, and Europe, requires modern high-speed transportation.

To have this infrastructure drive, it is presumed that there must be an immediate ceasefire, a stop to Israel's genocide and warfare, and the establishment of the Palestinian state, amid security for all in the region.

This is a world priority. For 75 years since the mandate for the two states, unlivable conditions have been imposed on Palestinians. Refugees in neighboring countries number in the millions—Jordan: 2 million; Lebanon: 250,000; Syria: 500,000. In addition, millions of Palestinians relocated to North America, Europe, and elsewhere.

The 'Oasis Plan': Build Resources, Build Productivity

The task is to upgrade the resource base and productive platform in all respects. The "Oasis Plan" is what Lyndon LaRouche termed this approach in the 1970s and onward, as he called for an end to deadly geopolitics.

The schematic map shows key elements of development for the population of 205 million in the immediate seven-nation region. Transportation features are not shown, but the idea is to provide modern local and intercontinental connectivity.



Karel Vereycken, May 2024

Gaza is the centerpiece. The map indicates a desalination unit on the coast. A major seaport is in order, backed up by a hinterland of thriving industrial and agricultural activity. The new construction from the ground up provides the opportunity for maximum international collaboration.

Med-Dead, Red-Dead Conveyance and Power Systems. Two priority water conveyances are the Med-Dead, and the Red-Dead. By pumping Mediterranean seawater into

the Dead Sea Basin, it arrives at the latter to a drop of 1,312 feet (400 meters) to the Dead Sea, from which Pumped Storage Power Plants (PSPP) can provide energy to cover the pumping, and to desalinate. The Red Sea conveyance is similar. A variation could convey desalinated water from the Red Sea to Amman, Jordan. One proposal calls for the use of small, thorium nuclear reactors.

Agro-Industrial Development. New water sources define new cor-

ridors of irrigated agriculture, and industrial zones, including new cities. High-tech desert agriculture becomes practical.

Initiatives are being proposed in the region. In Egypt, the “New Delta Project” is a 114-km-long artificial river parallel to the Nile, to irrigate 1.5 million acres of new farmland. In Türkiye and Iraq, their “Development Road” project calls for a 1,200-km transport corridor, ending at the Grand Faw Port. ■

Cross-Eurasia Corridors Benefit the World

The successful impact of east-west transport corridors across Eurasia is well established. From the Trans-Siberian Railway in 1904 to the 1991 Eurasian Railway linking Russian and Chinese systems, and later the Belt and Road corridors launched in 2013, the benefits for freight and economic activity are undeniable. Thousands of train crossings

now occur annually between China, Europe, and points in between.

Complementing these east-west routes are the growing potentials of north-south corridors.

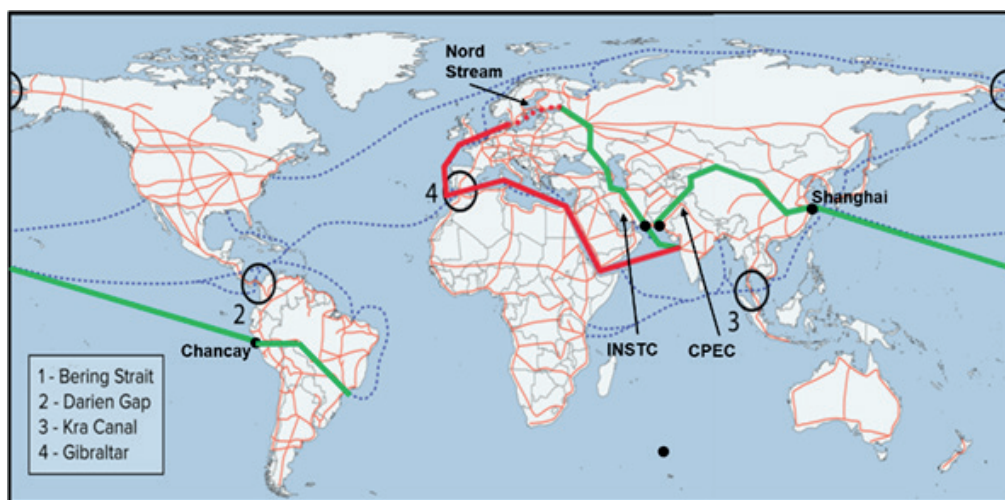


Fig. 1

The China–Pakistan Economic Corridor (CPEC) and the International North–South Transport Corridor (INSTC) are connecting inland regions to the Arabian Sea, the Indian Ocean, and beyond, unlocking new avenues for trade and development.

CPEC is the single largest development project in the entire Belt and Road Initiative, and it is well advanced towards completion. Total investment is estimated at \$62 billion. It is a 3,000 km. corridor extending southwest from the western Chinese city of Kashgar, through Pakistan, and reaching its port of Gwadar on the Arabian Sea. It will provide more than a quarter of Pakistan’s electricity, and create over 2.3 million new jobs. Its geoeconomic significance is evident from a simple view of the map (see Fig. 1).

A second north-south corridor under development is the International North South Transport Corridor (INSTC), which runs first by sea from India’s port of Mumbai on the Arabian Sea, to the Iranian port of Chabahar—just 200 km. west of Pakistan’s Gwadar. From there, rail lines run northwest through Iran, along the western coast of the Caspian Sea, and then to Moscow and St. Petersburg in Russia—a total of 7,200 km. A small 64 km. rail link is missing in Iran, in order to complete the network, but alternate shipping across the Caspian Sea is already operational. When completed, it is estimated it will cut transit from India to Russia by 20 days, half the 40 days it now takes to ship through the Suez Canal, around the Strait of Gibraltar, and across the contested waters of the North and Baltic seas, where the Nord

Stream pipelines were sabotaged. Overall shipping costs will be 30% less along the INSTC.

Full members of the INSTC are: India, Iran, Russia, Azerbaijan, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkey, Ukraine, and Oman. It is of note that in 2023 Russia invited Pakistan to join the INSTC, which they accepted in 2024. This will help create the circumstances for improved cooperation—as opposed to competition—between CPEC and the INSTC, and hopefully to also reduce historic tensions among India, China, and Pakistan.

At the crossroads of these Eurasian transport lines, there are now key links under construction and proposed in the five Central Asian nations and Afghanistan, whose impact can lift up their economies, to boost living standards and economic productivity. At present, Afghanistan has the world’s third highest number of refugees abroad, over 6.5 million. Uzbekistan still relies on some three million of its citizens working abroad, sending remittances back home. All this can be reversed, with collaboration on building up the nations of the region.

Together, these initiatives could reshape the economic landscape of the region.

Connectivity at the Heart of Eurasia

Several transport links under construction or in planning promise to transform the Central Asian and Afghan region. Kazakhstan already exemplifies the impact, serving as a hub for cross-Eurasian rail traffic between China and Europe.

China–Kyrgyzstan–Uzbekistan Railway

This line, stretching from western Xinjiang to Uzbekistan and beyond, has long relied on trucks to cover a missing segment in Kyrgyzstan. With construction of this crucial rail link now underway—financed jointly by China and Kyrgyzstan—the full railway route will soon be operational, a significant upgrade to regional connectivity.

Five Nations Rail Corridor (FNRC)

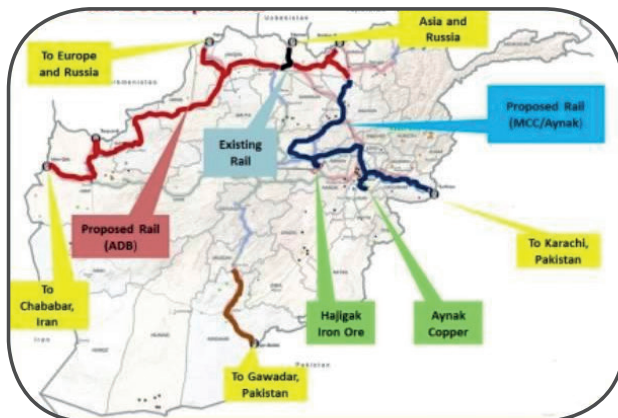
This long-planned corridor passes through Iran, northern Afghanistan, Tajikistan, Kyrgyzstan and China. Though this route is not built out at the western end, the Khaf–Herat railway connection is in operation linking western Afghanistan and Iran. The eastern end of the FNRC is also functional, as China is reachable via the China–Kyrgyzstan–Uzbekistan Railway. In May 2024, the first Afghan train shipment departed westward, going through Iran to Türkiye.

Trans-Afghan Railway

This proposed 356-mile (573 km) railway would link Uzbekistan to Pakistan via Afghanistan. The corridor would continue on to the Indian Ocean, via the China–Pakistan Economic Corridor (CPEC). A three-nation commitment exists, and feasibility studies are done. The open question is funding and new investment.

In November 2023 a remarkable conference in Kabul—“Operation Ibn Sina: The Coming Afghan Economic Miracle”—presented an overview of economic develop-

ment across all sectors. Co-organized by the Afghan-led Ibn Sina Research and Development Center, the three-day event brought together more than 550 attendees, including government officials and experts, and a team from the Schiller Institute, to discuss economic projects and broader cooperation. The Ibn Sina R&D Center proposes [North-South cooperation in concrete projects]. ■



The Trans-Afghan Railway Project: Connecting Nations
Islamic Emirate of Afghanistan, 2024



Africa: Power the Projects to Build the Future



Construction workers at Unit 2, of the El Dabaa Nuclear Power Plant in Egypt.

Egypt Nuclear Power Plants Authority, September 2024

The economic projects underway, and ready for launch in Africa, will employ millions of today's 1.5 billion population, in building up the homelands of all 54 nations. The era is over of extraction for export, forced food-import dependence, and all other colonialist practices.

Certain projects recently completed stand out for the direction they give. In Tanzania the Julius Nyerere Dam was inaugurated in March 2024, providing power and river regulation. In Zimbabwe, the new Mvuma integrated steel works is operational. In Nigeria, the huge Dangote Refinery opened this year.

In Egypt, the El Dabaa nuclear power complex is proceeding.

Electricity, the Necessity

Electricity is the starting place for what has to be done. A total of 580 million Africans lack electricity according to the International Energy Agency. There are wide disparities around the continent, from over 99% of the population with electricity in Egypt, to 18% in Somalia. The worst affected countries are in Central Africa, with less than 10%.

The total installed electricity capacity for Africa in 2023 was 246 gigawatts. This contrasts with China's capacity of 2,920 gigawatts; or more than 1,000 GW in the European Union. Highly developed economies in Europe average about 1 gigawatt of installed capacity per one million people. Thus the horizon in Africa for that ratio is over 1,500 to 3,000 gigawatts.

Moreover, just three countries together account for more than half of the continent's electricity: South Africa, 60 GW; Egypt, 59 GW; and Algeria, 35 GW. Their combined population is 217 million.

The situation demands action on coal and gas, which are the most rapid means of installing generating capacity, along with hydro-power, and moving on nuclear.

Coal, Gas and Oil. Deposits of coal, oil and gas exist at many locations in the extensive sedimentary areas of the continent, and offshore. A model of how fast a gas generating plant can be built comes from Egypt. In 2016, the German Siemens Corp. was commissioned to build a combined-cycle gas turbine power station. It was completed

in 36 months, and went on line by 2018. The major components were factory-built and assembled on site. It is the world's largest such plant, with a 14.4 gigawatt capacity.

This shows the way. Following the model calls for ending the paradigm of export-orientation of coal, oil and gas, and even of electricity itself from northern Africa to Europe.

There are numerous pipelines and gas facilities in Africa, but a large share are dedicated to exports.

Central Africa. Moves are underway to create a Central African Pipeline System (CAPS) that would distribute natural gas throughout the region. This plan entails laying of 6,500 kilometers of new pipeline across eleven African countries. In January 2023, a memorandum of understanding was signed by many nations and the African Petroleum Producers Organization (APPO) to make the Central Africa region an "energy poverty-free zone" by 2030. The meeting was held by the Central Africa Business and Energy Forum (CABEF), and the signatory nations included Angola, which is the third largest oil exporter in Africa, after Nigeria and Algeria.

In Central Africa alone there are reserves of oil estimated at more than 31 billion barrels of oil, with five of the 10 African oil producing nations located in the region. Besides Angola, there are Gabon, Republic of the Congo, Equatorial Guinea and Chad. The China National Petroleum Corporation (CNPC) is active in this region.

Pipelines. There are critical pipeline proposals. The proposed Morocco-Nigeria Gas Pipeline

(MNGP) is to run 5,660 km connecting Nigeria, Benin, Togo, Ghana, Côte d'Ivoire, Liberia, Sierra Leone, Guinea, Guinea-Bissau, The Gambia, Senegal, and Mauritania, ending at Tangiers, Morocco, and Cádiz, Spain. It would actually begin in Ghana where the existing pipeline ends which connects Nigeria with Benin, Togo and Ghana. This project is "transformative," the description given to it by King Mohammed VI of Morocco, speaking at the Nov. 8-10, 2024 African Investment Forum meeting in Marrakech. All countries along the route will have reliable, plentiful electricity, and also economic integration will advance. In addition, the pipeline will facilitate transporting gas from the coast into the landlocked Sahel countries, which have the lowest rate of electrification at present.

The MNGP and gas power plants would bring electricity to 400 million Africans in this region. Feasibility and engineering studies have been completed, funded by the Islamic Development Bank, and OPEC Fund for International Development.

There are other projects, including smaller-scale harbingers of what can be done. On the east coast, Mozambique, which has offshore gas, is exporting gas to neighboring Zimbabwe and to South Africa, through existing pipelines, with new ones in the planning stage. To the north, Uganda and Tanzania are collaborating on the East African Crude Oil Pipeline (EACOP), which will bring recently discovered Uganda oil to Tanzania, for export. However, Tanzania does intend to be fully electrified by 2030. Tanzania will also be collaborating with

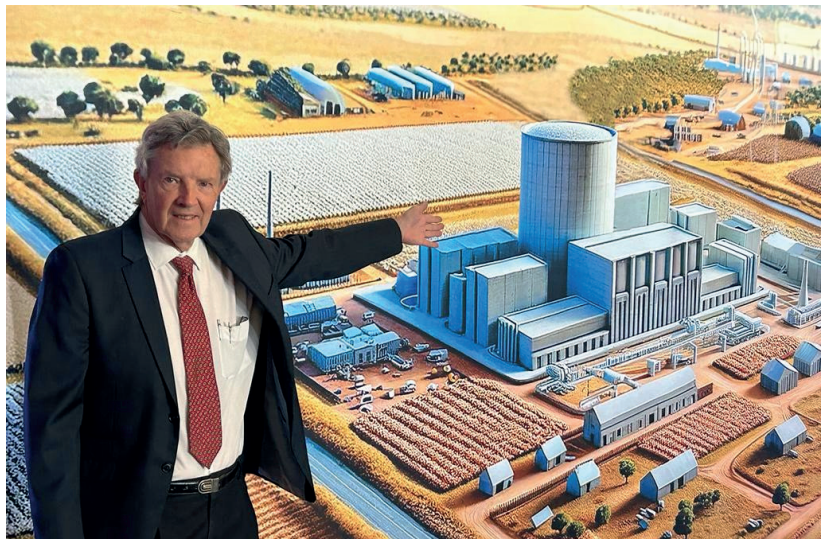
Kenya, to convey gas to Kenya via the 600 km Mombasa–Dar es Salaam pipeline. Construction will begin soon.

Nuclear Power. Egypt will soon have its 4.8 gigawatt, Russian-built nuclear power plant (NPP) in operation, and can be expected to have more. Many African countries are on the road to getting started on nuclear power plants, but only South Africa has an operating NPP.

The future of nuclear power in Africa has the outstanding prospect of construction of a design originated in South Africa, for a 100 megawatt NPP. The South African HTMR-100 is ready for the construction of a demonstration model. It was developed by Stratek Global, whose founder and CEO is the nuclear physicist and engineer, Dr. Kelvin Kemm.

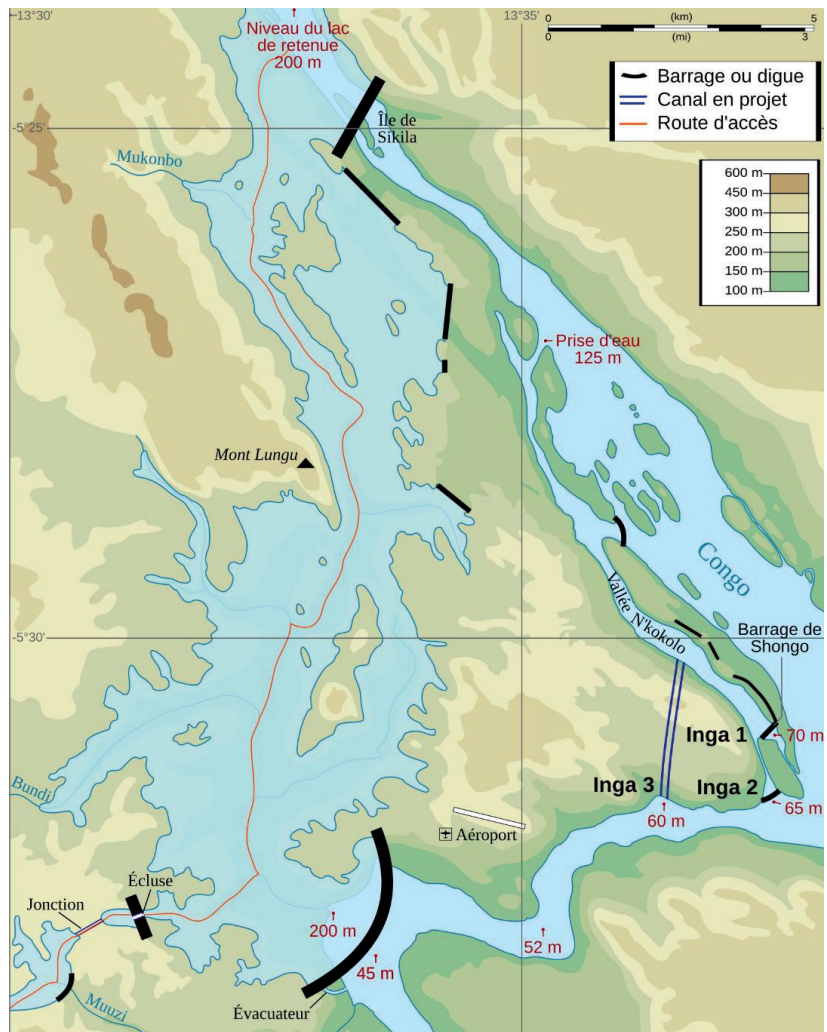
Large-Scale Water Projects: the Congo Basin

In the heart of Africa is the gigantic Congo River Basin. Running 4,700 km (2,920 miles), the Congo is the world's ninth longest river, but ranks second in terms of its average rate of flow—delivering 1,000 cubic meters (1,450,000 cu ft) per second into the Atlantic Ocean. The Basin spans nine countries. Two long-studied projects involving the Congo will radically change the entire continent in their positive impact. One lower river-channel project is the Grand Inga Hydropower Project (GIHP). The other is the “Transaqua” plan to divert some of the Congo Basin run-off into the Chad Basin; and otherwise build extensive power, transportation, navigation and water management for the Congo region.



Dr. Kelvin Kemm points out an AI-image of the HTMR-100 nuclear plant.

Stratek Global



Grand Inga Hydroelectric Project—Sites of Inga I and II Hydro-Power Plants.

CC BY-SA- 4.0 Semhur

Grand Inga Hydroelectric Project. Just upstream, about 150 km (93 miles) from the mouth of the Congo River, is a project studied since the 1950s, for a series of dams along the stretch of the river flowing through gorges, where there is a drop of 96 meters (319 feet) over a length of 14.5 km (nine miles). In the 1970s the dams Inga I and II were built, and their hydropower plants are still in operation.

The enormous Inga III is Phase One of six additional dams now planned to be constructed in seven phases. The hydropower potential

of the overall Inga project is in the range of 40 gigawatts.

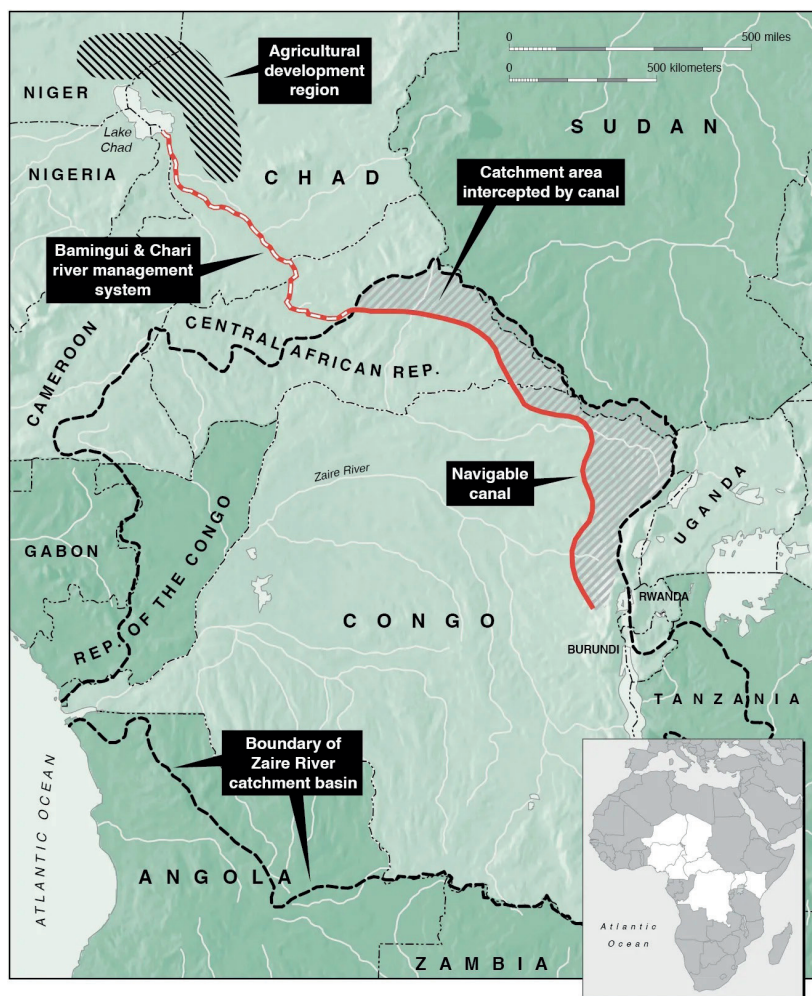
Transaqua. The concept of this project involves building dams on the right side tributaries of the Congo River, and connecting the resulting reservoirs with canals, for a 2,400 km long waterway, that can be built using 5 to 8% of the Congo flow, bringing that water into the Chad Basin. The water would go by gravity through the Chari River, Lake Chad's only tributary. Up to 100 billion cubic meters of water could be transferred annually, re-filling Lake Chad, restoring

a favorable environment for 50 million people.

On the Congo tributaries, each one of the more than two dozen dams would produce hydroelectric energy, with scattered middle-size (30-100 MW capacity) power stations, thus supplying the entire eastern region of the Democratic Republic of the Congo (DRC), and the Central African Republic.

Additionally, the dams would regulate river flows, which currently flood, thus supporting agro-industrial development. Finally, the waterway would be navigable, as a transport route connecting six countries.

This concept originated with the Italian engineering firm Bonifica, decades ago, when it was part of the Italian state Institute for Industrial Reconstruction. The team of Bonifica, now private, has been led by engineer Marcello Vichi. In 2018, a support declaration came from an International Conference on Lake Chad in Abuja, Nigeria, out of which the Italian government pledged funding for a Transaqua feasibility study. Italy was receiving waves of migrants from Africa. But the study never happened, after a change of government and other factors. Now the Transaqua is again on the agenda. ■



Key elements of the Transaqua Project.

Bonifica S.p.A

ROLE OF WEST

The U.S. Can Transform Itself by Helping Develop the Global South

Mass migration can be slowed and stopped by building the “showcase” and basic fundamental infrastructure projects, in every portion of the developing world, featured in this report. This will produce tremendous results; even the launching of it will attract economic migrants back to their homelands, more optimistic than before about their conditions of life.

But at the same time, this process could reindustrialize the United States’ and Europe’s collapsing physical economies, should the West decide to collaborate on it with Russia and China. Already in a [report published in *EIR*] in May 2020, “The World Needs 1.5 Billion New Productive Jobs: The LaRouche Plan to Reopen the U.S. Economy,” we showed in detail



that a crash development effort in the Global South, focused on power, water, and healthcare infrastructure, would create hun-

dreds of millions of new, productive, and well-paid jobs in the developing countries, and approximately 50 million such new jobs in the United States itself. Creating modern hospital and clinic systems alone, across the developing sector, will mean 100 million productive and scientific jobs worldwide, and 5-6 million in the United States, for example.

(Consider that 100 million American workers—two-thirds of the workforce—are not productively employed, and another 10 million are unemployed or forced to work part-time.)

On the worldwide scale, the “1.5 Billion Jobs” study showed that several of the most economically transformational and wide-scale “great projects”—such as the Transaqua Plan to recharge Lake Chad, irrigate the central Sahel region, and produce hydroelectric power—would each create productive, engineering, and scientific employment in the millions.

The development surges we propose now would mean trillions of dollars of export orders for the West—and other nations—for capital goods and technologically advanced infrastructure packages

for the Global South. This would concretely mean that the West would reconvert some closed factories and portions of its military-industrial-financial complex facilities, while otherwise expanding the capacity of its existing factories to manufacture machine tools, assemblies for nuclear and other power plants, large tractors and dredgers, modular hospital system components, and clean water system elements, all of which are needed by and will develop the Global South.

The United States’ Potential

A preliminary look at the United States economy shows that the U.S. does not have the present capacity to export on a considerable scale to the Global South. The accompanying graph, Figure 1, documents the U.S. manufacturing labor force: in 1979, the United States employed 19.43 million manufacturing workers. (Manufacturing workers transform nature to produce capital goods and goods for human existence.) That plunged to 11.5 million during the 2007-09 global financial meltdown, and moved up slightly to

12.9 million today. The U.S. is still 6.5 million manufacturing workers short of the 1979 level. Moreover, that 1979 level of manufacturing workers is itself crucially short of what it should be.

The United States can succeed in a top-down economic transformation, through combining this export campaign with an internal domestic economic policy focused on building the large-scale infrastructure projects it should have built.

As for its shortage of capacity, it can overcome that through building new capacity, and through reconversion/retooling. It is difficult to determine the exact number of workers involved in defense manufacturing, but it appears to be between 900,000 and 1.1 million manufacturing workers. A part of that production and associated workers can be reconverted, which means the old machine tools are removed from the plant, except for those that can be used, and new advanced machine tools designed for production of particular goods—nuclear components, tractors, etc.—are put in. Almost any plant can be retooled to produce a necessary product. As well, 66,000 manufacturing plants in America have been shut down since 1998. Some of those closed factories, if still idle and available, can be reopened and retooled.

This will take funding. On Aug 9, 2022, President Joe Biden signed into law the CHIPS and Science Act, which invested \$53 billion in funding primarily to build semiconductor fabrication plants in the United States. Certainly, financing methods on a larger scale can be employed on the above project. (See Credit section of report.)

U.S. Manufacturing Employment Collapses, 1979-2024

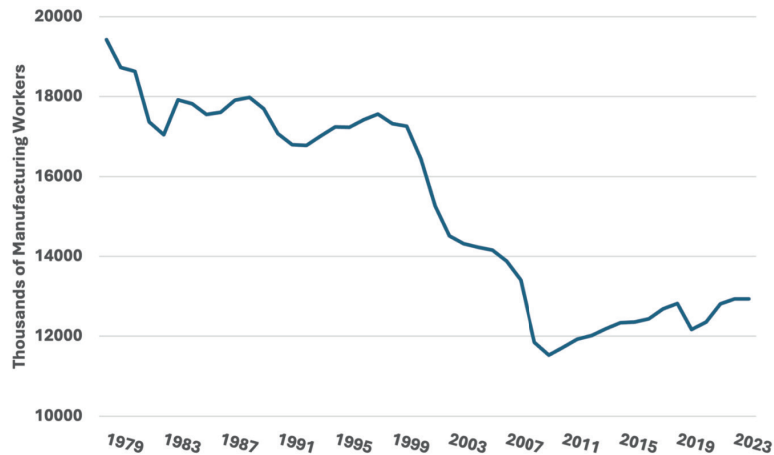


Fig. 1

EIR

Launching the Project

The U.S. has a number of inventive engineers, skilled workers, etc., who could within the right setting, with directed credit, achieve the objective.

- On March 5 of this year, the Nigerian Minister of Agriculture and Food Security, Abubakar Kyari, stated Nigeria “requires 72,000 tractors to achieve food security, but has fewer than 5,000 tractors that are working.” Caterpillar, which has 62 operating plants operating in the U.S., and John Deere which has more than 60 such plants operating in the U.S., could provide a portion of that. An African organization, with a few Americans within it, Tractors for Africa, reports that, “Ghana needs over 30,000 tractors, and they currently operate less than 2,000.” The need and thus market for tractors, combines, harvesters, bulldozers, excavators and cranes is immense.

- *EIR* has proposed that Africa, Ibero-America, and parts of Asia need hundreds of nuclear, natural gas, hydro-electric, and “clean

coal” power plants. The *EIR* 2020 study, “The World Needs 1.5 Billion New Productive Jobs: The LaRouche Plan to Reopen the U.S. Economy” reported, “Another ten million jobs will be created internationally just building barely reasonable levels of electric power; more than 1 million in the United States including construction workers, power engineers, and line workers.”

- The same study, “1.5 Billion New Productive Jobs” called for a New World System of Public Health, and stated, “if the United States joins with the other leading technology powers in mobilizing new hospitals, equipment, staffing, and specialists across the developing nations of South America, Africa, and Asia, that process will create 6 million new productive, skilled jobs in America and well more than 100 million such jobs worldwide.” The report then explained how this will be achieved.

- The Global South and East needs machine tools: 5-axis machine tools, laser machine tools,

computer numerical control lathes, and it needs master machinists to teach younger workers, students, and engineers the science of operating them. It also needs food processing machines, cannery machinery, flour mills, forges, steel blast furnaces, rolling mills, equipment for railroad locomotives and tracks, and so forth. In 2022, the last year for which figures are available, U.S. machinery and mechanical appliances exports totaled approximately \$240 billion. This level could be quadrupled to at least \$960 billion a year, in five years. And so on for every category of hard commodity goods, as well as infrastructure. This is a magnificent way for the United States to create expanded capacity, create several millions of new manufacturing jobs, be provoked to attain the highest scientific knowledge, and create development and tens of millions of productive jobs in the Global South.

U.S. Domestic Projects of Infrastructure

Inside the United States, under the paradigm of a new security and development architecture, the United States should pursue some of the most scientific large-scale forms of infrastructure that will transform the U.S. physical economy, embedding within it permanently much higher productivity. To mention briefly just a few:

- Nuclear NAWAPA—which would divert southward a portion of run-off from Alaska and from the Mackenzie River Basin in Canada's Northwest, pass it through the Rocky Mountain Trench in British Columbia, into the United States, and on to Mexico. In the Nuclear

NAWAPA plan, water would also be distributed eastward in the United States. All told, total water delivery would be about 120 million acre-feet per year, distributed between Canada, the United States, and Mexico, including provisions for hydro-electricity generation, and irrigation. It is estimated it could create up to 7 million jobs.

- The Schiller Institute and LaRouche Organization have proposed a two-phase plan to build 42,000 miles of modern, electrified high-speed rail, with approximately 16,000 miles being magnetic levitation. This would connect and service more than 40 major and mid-sized cities in the United States, and incorporate a future feature to transport freight in densely populated areas by freight-capable maglev. Presently, the United States has almost no high-speed rail.

- The building of 100 new nuclear power plants throughout the United States

- A crash program to advance all lines of research on achieving

sustained nuclear fusion, resulting in the production of commercial reactors.

There are dozens of other projects with the same technological thrust as these, including space travel.

The combined effect of export of high technology packages to the developing world, with the development of great infrastructure projects within the U.S., draws in and productively employs the unemployed, and the non-productively employed, shifting the United States away from a financier speculation-driven economy, to one of productively designed objectives.

Lyndon LaRouche envisioned shifting the composition of the U.S. labor force—and the labor forces of all nations—so that 50% of all workers would engage in productive employment, and half of that latter segment, or 25% of the workforce, would engage in manufacturing. Another 5% would be in Research and Development. This is repre-

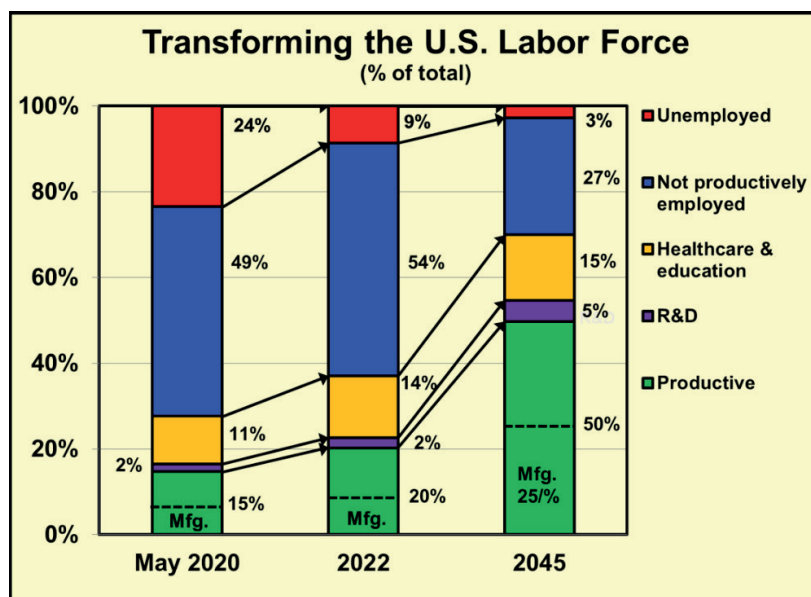


Fig. 2

sented in Figure 2. By 2045, 91.5 million American workers would be in productive work, and 45.7 million in manufacturing, almost

four times the present level.

The United States joining with China and Russia to export goods and infrastructure to the Global South,

enabling it to flourish, combined with continent-changing internal infrastructure projects will produce a lasting effect for generations. ■

Europe: Retool from Collapse; Restore High Productivity for World Benefit

The contraction in Europe's economy today is manifest in factory closings, infrastructure breakdown, and mass farmer protests. Energy is unreliable and unaffordable. Retooling for expanding production at home and in the Global South at the same time, will reverse this collapse.

The night of Sept. 11 the Carola Bridge in Dresden collapsed into the Elbe River. This dramatic failure exemplifies the problem existing all across Europe. Roadways, the once-reliable Deutsche Bahn, water, and other infrastructure are in the same precarious condition. Look at the needless damage from floods in Spain.

The photo indicates the solution: re-industrialize, build new infrastructure. A turbine made by Siemens in Germany sets off for Africa for the «Egypt Mega-project,» a huge gas power plant, completed in 2018. Restoring high-tech production, to uplift productivity at home and abroad, is now on the agenda.

The rapidly declining German auto sector makes the point for all Europe. Lay-offs and factory closings are the order of the day. Volkswagen

is drastically eliminating 30,000 jobs and shutting three assembly plants. Audi, a subsidiary of Volkswagen, is downsizing, shutting at least its Brussels plant, and eliminating 3,000 jobs. The Ford Motor Company in Cologne, which downshifted out of combustion engines, into E-vehicles, is contracting. Consumers can't afford EVs, and can't afford nor find electricity. Ford is losing 44,000 euro on every such car sold for 49,000 euro. Ford hit the brakes, dropping production from 630 down to 480 vehicles per day.

Car makers have cut hiring new staff in their research and development departments, by a drastic 57% year on year, for the January-October 2024 period. This is the front-end required for designing how to expand and convert auto and related sectors—from glass, to plastics and electronics, for the pickup trucks, heavy machinery, farm equipment, wagons, railcars, infrastructure

components—needed for building up economies.

Electricity. Germany is in a self-inflicted power crisis. The decree 15 years ago to shut down nuclear, which supplied 26% of the nation's electricity, was implemented. In 2020 came the decree to end coal power (by 2038), which had accounted for 30% of electricity. In 2021 came the third decree to phase out use of natural gas, which has been 40% of Germany's energy mix. "Reasons" cited were green factors, and cutting ties with Russia, a reliable, low-cost supplier. Then came the Nord Stream crime. Now Germany pays exorbitant prices for LNG imports.

Returning to sanity and productivity is long overdue. ■



Gas turbines depart Berlin for Egypt, for 2016 installation.

Siemens

CREDIT SYSTEM

An 'International Development Bank' for World Industrialization

When the transformational projects of modern infrastructure needed in the developing nations are clear, as they are now, what is needed is the political will to cooperate in using credit for the better future of billions of people in those nations. This means that the leading nations of the “West” should lend, in cooperation with the BRICS nations, the long-term, low-interest credit which these major new infrastructure investments require. The same process can, and should, lift the record-worst burden of unpayable debt, which has pushed down on developing countries since the global financial crash of 2007-08. There has never been a global recovery from that crash, and will not be without a revolution in the credit practices of the major nations of the West, in particular.

After the 2007-08 crash, worldwide development lending fell below the 2008-09 levels for a decade—excepting only China’s Belt and Road Initiative loans, which partially sustained it. When

World Bank and other development lending finally recovered at the end of the last decade, severe commodity price inflation and the U.S. Federal Reserve’s sudden triggering of a worldwide interest rate spike of five percent and more, heaped debt and devaluation burdens on developing nations.

The situation today has come to resemble what American System economist and statesman Lyndon LaRouche represented in his famous “Triple Curve” pedagogy (see Figure 1).

According to a new report published July 31, 2024 by Debt Relief International and the Norwegian

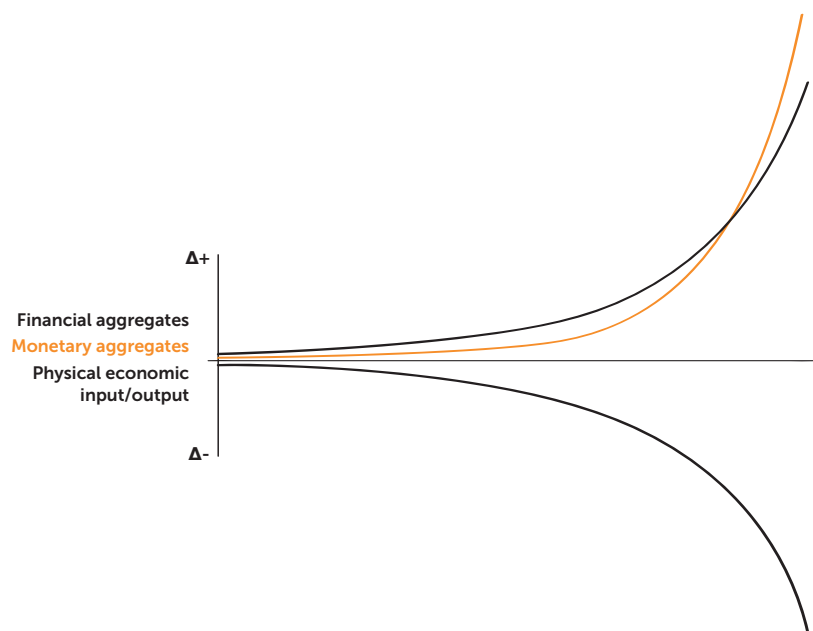


Fig. 1 - A typical collapse function

Church Aid organization, the burden of debt service on developing nations' budget spending in 2024 had reached an all-time high, consuming 42.2% of their total spending. Annual debt service is now 8.4% of GDP *on average for all developing nations*; it is 2.5 times their spending on education, and 4.2 times their spending on health-care.

On top of the debt per se, there is the totally speculative derivatives bubble—which brings world financial aggregates above the \$2 quadrillion mark (see Figure 2)—and simply needs to be written off.

This debt prostration kills productive and/or skilled employment and drives mass migration out of nations in all areas of the developing sector outside East Asia.

Lending cooperation, to generate investment in infrastructure and industrialization, is absolutely urgent among nations with capacity to export capital goods. Their development banks are key to this cooperation.

An International Development Bank

The model for this development lending was published nearly 50 years ago by Lyndon LaRouche. This was an International Development Bank (IDB), which he proposed to the Non-Aligned Nations and was discussed at their conference in Colombo, Sri Lanka in 1976. His design still works.

A moratorium freezes the unpayable debt of a developing nation which needs to borrow for project development—provided the project investments will elevate economic productivity over time, shrinking the unpayable debt and tying its repayment to industrial development. “Conditionalities” should be eliminated in IDB lending; IMF-type conditionalities are used today as a weapon to destroy nations' sovereignty along with their physical economies.

LaRouche specified:

“Major categories of unpayable carried-forward indebtedness are

placed in a moratorium ‘deep freeze,’ and negotiations for future liquidation of that debt conducted separately from day-to-day operations of the new institution.

“To this end, we have identified ... major, specific development projects which can readily (over a five- to ten-year period of development) yield a massive increase in the output and social-productivity of world agriculture, and thereupon premise the infrastructural basis for massive industrial development.... Hence, credit issued for the realization of such programs is secure and liquid.

“The proposed International Development Bank is therefore essentially an international treaty organization of the participating national economies (states). It acts as a planning forum for the negotiating of extended treaties of economic cooperation....”

To solve the current international economic crisis—with spreading wars, billions in “informal,” low-wage semi-employment, and chaotic mass migrations—such an International Development Bank is needed, to be able to issue several trillion dollars in infrastructure and agriculture development credit each year, to the end of this decade and beyond.

Thus, LaRouche wrote of treaties of development lending cooperation, among nations' national banks and multinational development banks—of the BRICS nations, and of the major nations of the West—to generate such volumes of lending. And thus, the need to concentrate on the really transformational, multinational projects which are presented in this report.

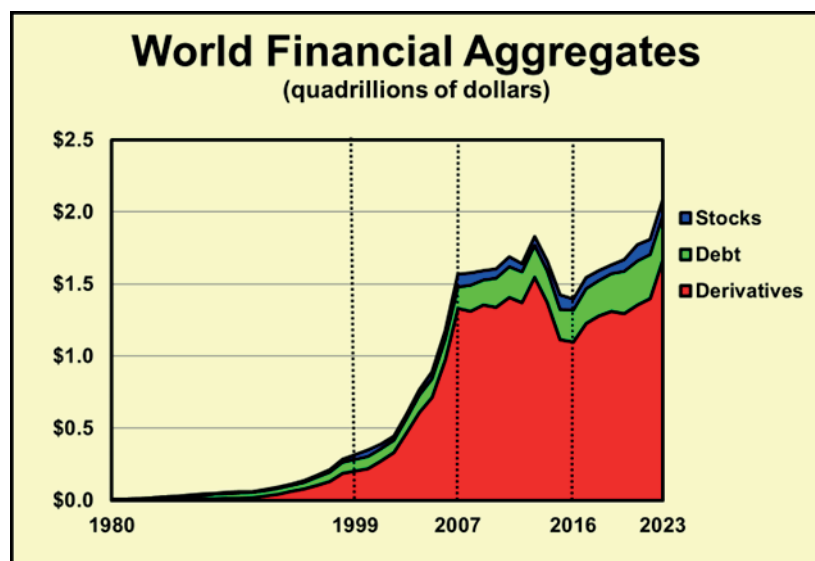


Fig. 2

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A Potential for Cooperation: The 'BRICS Bank'; the U.S. DFC

Two existing, and important, potential constituents of such an International Development Bank are the New Development Bank (NDB) of the BRICS nations, and the U.S. International Development Finance Corporation (DFC). Both are capitalized on too small a scale for the world's need—the NDB up to a maximum \$100 billion by charter; the DFC at \$60 billion by the 2018 BUILD Act of the Congress—but their capital can and should be immediately enlarged. Neither one imposes formal “conditionalities,” as NDB loans have member-country guarantees and DFC direct loans have U.S. Treasury guarantees.

Unfortunately, the DFC is currently actively competing with Chinese state banks which are funding transport infrastructure in Peru, and in Southern Africa's “Lobito Corridor”—the competition increasing the costs and delaying timely completion of the projects.

These two investment platforms—one representing the BRICS

nations, the other an accomplishment of the first presidential administration of Donald Trump—can and should make agreements for cooperative financing to aid in “showcase” infrastructure projects which can transform and industrialize nations or regions friendly to both.

The “Lobito” rail corridor across Africa through Angola, Zambia and Tanzania is one example. A second “transcontinental” is another example: the long urgently needed Bi-Oceanic Railroad from Peru to Brazil. A third would be Vietnam's projected high-speed north-south rail line from Ho Chi Minh City to Hanoi, a \$70 billion transport breakthrough which Vietnam plans to finance with its own budget revenues plus new government bonds.

A China-France Example

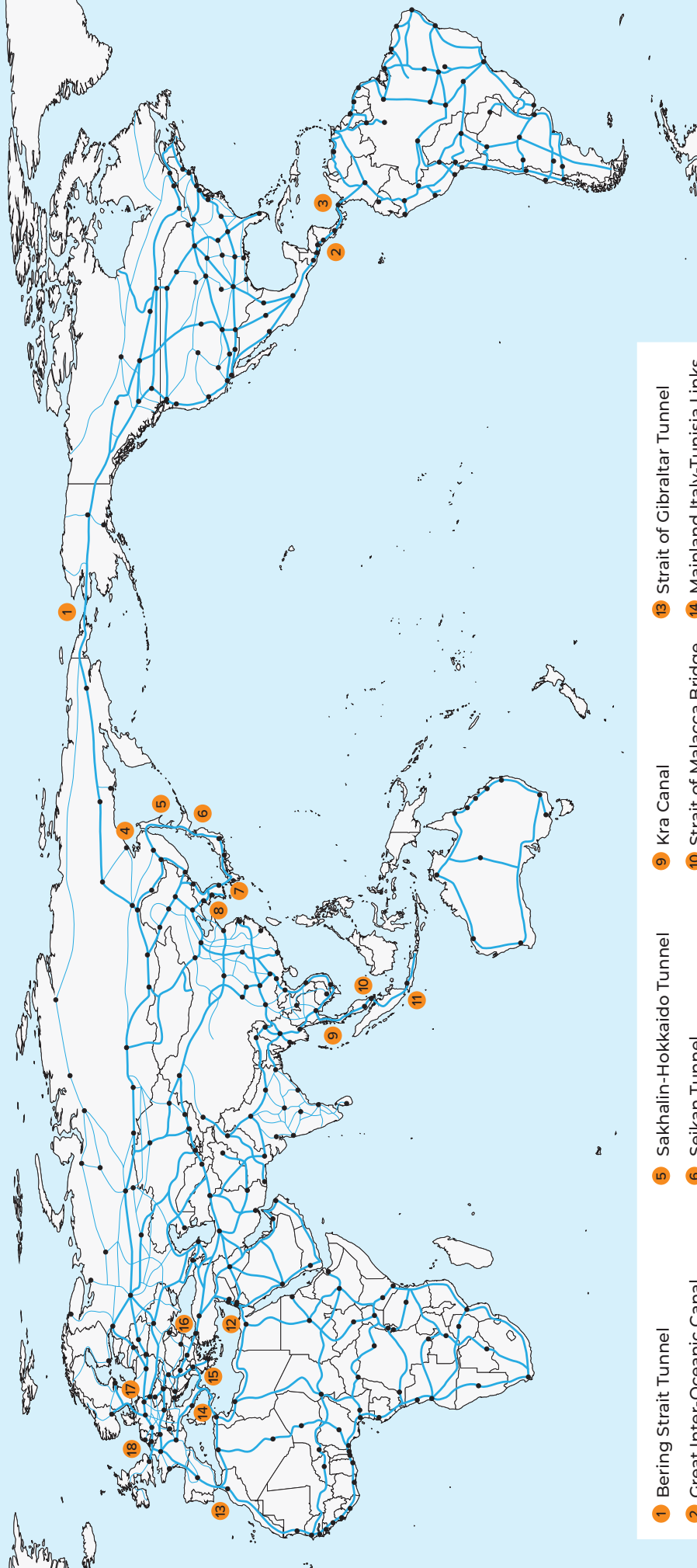
Another existing potential: In 2016, France's Caisse des dépôts et consignations International Capital (CDC IC) and the China Investment Corporation (CIC) signed an agreement creating the Sino-French Third-Countries Investment Fund.

The fund has an initial capital of €300 million, supplied 50-50 by CDC IC and CIC Capital. Its ambition is to reach €2 billion in the coming years. One-third of its lending will be invested in Africa. Laurent Vigier, Director of CDC IC, explained: “This new type of alliance, sealed through this fund, aims to promote economic cooperation between our two countries. Rather than competing head-on in Africa, we'll be investing in partnership.” Former Prime Minister Jean-Pierre Raffarin declared: “The Sino-African Fund in third countries would amount to €2 billion and would enable us to finance joint projects on the continent.”

China wanted to create a much more ambitious fund, on the order of €50 billion, a CDC representative has reported. But French public finances wouldn't allow it.

Cooperative agreements between such investment platforms, to uplift economies of developing nations, are the constituents of an IDB prophetically proposed by LaRouche a half-century ago. And they are the *only* way to draw migrants back to their home countries as productive citizens, rather than flee them as refugees. ■

The World Land Bridge: Major Development Corridors and Key Connections



1 Bering Strait Tunnel

2 Great Inter-Oceanic Canal

3 Darien Gap Rail

4 Sakhalin Island-Mainland (Russia)

5 Sakhalin-Hokkaido Tunnel

6 Seikan Tunnel

7 Japan-Korea Undersea Tunnel

8 Bohai Tunnel

9 Kra Canal

10 Strait of Malacca Bridge

11 Sunda Strait Bridge

12 Suez Canal Expansion

13 Strait of Gibraltar Tunnel

14 Mainland Italy-Tunisia Links

15 Italy-Albania Connection

16 Bosporus Strait Rail Tunnel

17 Scandinavian-Continental Links

18 English Channel Tunnel