

International Intelligence

CIT Bankruptcy Shows Bailout Swindle Failed

Nov. 9—CIT Group, a 101-year-old lender to small and medium-sized businesses, filed for bankruptcy Nov. 1. The firm listed assets of about \$71 billion and liabilities of nearly \$65 billion, making it the fifth-largest bankruptcy in U.S. history. The failure of CIT was no surprise, as its troubles were well known.

The real story here is that the bailout swindle has failed: There is no recovery. The only thing keeping the banking system afloat is a gigantic fraud, in which selected institutions are kept from failing by accounting fraud, theft, and capital injections. Though CIT was given a \$2.3 billion injection from the TARP (Troubled Asset Relief Program) in November 2008, and allowed to become a bank holding company, the decision was ultimately made to let it fail. But even that is only part of the story, since what really caused CIT to fail, is that the global financial system died, and the economy collapsed underneath it. The argument is made that we're in a "credit crunch," and that the failure of CIT will hurt its millions of customers, but that's not really the issue. In a debt crisis, you do not solve the problem by piling on more debt, a policy akin to giving a junkie another fix instead of helping him kick his habit.

Until a bankruptcy reorganization is put in place, such collapses will continue. There were 5 more bank failures in the United States last week, bringing the total so far this year to 120.

British Genocide Policy Spreads Flu Globally

Nov. 3—The rapid spread of a flu-like disease through Ukraine, whose population has already been decimated by the globalization policies of the British Empire through the International Monetary fund, since 1992, is the result of a Lon-

don-directed genocide policy. While it is urgent that Ukraine receive help to improve its ability to diagnose and treat the illness, there is no hope for the reversal of the crisis—either in Ukraine or anywhere in the world—without taking on the political powers that are enforcing a genocide policy, especially in health care.

"We have to shut down the power of those who are destroying the health-care system internationally," Lyndon LaRouche commented today. "There is no solution to this international flu crisis without going directly at the British and U.S. governments—and their collaborators in the IMF—who are dictating mass-murderous policies to governments internationally." There is no way that we or anyone else can whip up a cure for the flu problem, LaRouche elaborated: You have to eliminate the political problem causing it. "Don't complain about the flu, unless you are working to knock out the Nazi health-care policy of Obama and the British."

Underscoring LaRouche's point, the IMF is currently threatening to cut off the last portion of a loan to Ukraine, due to a new measure which raises pensions. Standard & Poor's also lowered its rating of Ukraine's debt.

Lisbon Treaty Finalized; EU Escalates Austerity

Nov. 4—The European Union Commission announced yesterday that it intends to initiate lawsuits against Germany and other European countries, for exceeding the fiscal deficits (3% of GDP) allowed under the Maastricht Treaty. Germany will have at least a 3.5% deficit this year, with projections for next year of 5%.

The imperial EU Commission now feels itself strengthened, following the Czech President Vaclav Klaus involuntarily signed the Lisbon Treaty, removing the last obstacle to its implementation. The EU has done its part to create the preconditions for further economic and social collapse. On the Magna-Opel deal in

Germany, it had questioned the agreement for "competition reasons," and thus helped to sabotage it. Now, it has announced that it will "watch carefully" for any further help from the German government for Opel; everything happening has to comply with "the EU rules on state support and the internal EU market." The Commission also said that a EU600 million capital increase of the Sparkasse KölnBonn will be investigated as possibly unlawful "state support," and that the hard rules now have to be followed.

In its Autumn report, the EU Commission is predicting a massive increase in joblessness next year for Germany—from officially 7.7% now, to 9.2%, mainly due to the large number of people forced to work reduced hours. In the Baltic countries, the EU reports a steep collapse of GDP this year: Lithuania -18.1%, Latvia -18%, and Estonia -13.7%.

China-Africa Summit Features New Aid Deals

Nov. 8—China will offer Africa \$10 billion in preferential loans over the next three years to develop infrastructure and social programs, and will write off the debt of some of the poorest nations, Chinese Premier Wen Jiabao said at the Forum on China-Africa Cooperation meeting in Sharm el-Sheikh, Egypt. China also will construct 100 new "clean-energy" projects on the continent and gradually lower customs duties on 95% of products from African states that have diplomatic ties with China. China invested \$7.8 billion in Africa last year and China-Africa trade totalled \$107 billion, an increase of 45% from the year before.

"This meeting now represents a new stage of development in relations with Africa," Wen said. Besides broadening and deepening its economic and developmental ties with Africa, China has increased its political and military presence there, especially with respect to East African hot spots. The Chinese anti-piracy patrol off Somalia is notable in this regard.