

COMMENT

Then and Now

A lot has been written about the great depression. But the current situation is not really comparable to the 1930s. In the 1930s, the solution to the crisis was protectionism and world war. Limited protectionism Obama's America has indulged in, has already created a furore throughout the world. More and more third world countries otherwise dangerously dependent on exports to America, are protesting against "Buy America" clause. Then even mad people do not advocate for a world war at this juncture. No doubt America is trying to resolve this crisis by way of periodically intensifying some regional wars it has on its agenda.

War or no war America maintains its huge military machine despite the crisis. It is the only country with more than 700 military bases, missions and martial enclaves in some 120 countries. Only the United States can deploy its troops and its war arsenal to maintain order on a planetary scale. It is, as Samuel Huntington once said, the "lonely sheriff". And there is no other. This is the reason why it is irreplaceable. This is the reason why expansion of war zones depends on Washington.

In the 1930s there was a dispute for hegemony in the heart of the then colonial system : the USA, UK, Germany, France and Japan settled this dispute on the military field during World War II. The battle is now over. Today world hegemony and domination rest clearly in the hands of the USA. America is the only guarantor of the unjust system that has produced the present global crisis.

And America knows how to take advantage of the crisis situation. Paradoxically enough, the behaviour of the markets and investors throughout the world is strengthening the US position : the crisis is deepening, the bailouts are demonstrating their insufficiency, the Dow Jones on Wall Street falls below the psychological barrier of 7000 points—falling below its 1997 mark—and despite all these most third world countries are seeking refuge in the dollar, with the prices of the euro and gold falling! Then neither China, Japan, South Korea or Russia—the largest holders of dollars in the world—can liquidate their stock in that currency because it would be suicidal for their own interests. In other words America will continue to shift its enormous burden on others to save itself from the catastrophe.

Obama like his hated predecessor Bush is taking economic measures that will bring more inflation, more devaluation of national currencies, more painful market losses, lower prices for export goods and more unequal exchange for third world economies. Whether they can bring to the people of the world more knowledge of the truth, more awareness, more rebellions and more revolutions is the burning issue of these critical times. Despite the severity of the meltdown and financial tsunami, affecting the poor most the system of inequality will not collapse automatically. After all "capitalism does not fall without a social force that makes it fall". Tragically, that social force today is not present in the societies of metropolitan capitalism, including America. □□□