

# Global Capitalism Remains in Deep Crisis. Is War the Unspoken “Solution”?

The Financial Crisis is Still With Us With No End In Sight. "It May be Time to Give War A Chance Once Again"

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Every month, rise or shine, the Federal Reserve Bank, an institution that most Americans believe is a branch of government, or a federally run Central Bank has one of its computers add \$55 billion—that’s dollars with a B—to its ledger and balance sheet.

In actual fact, the FED, as its known is actually a private institution in government trappings, owned by, and run by, the very banks it is thought to regulate. It actually has kept the economy afloat since August 2007 when the financial crisis began (not 2008 as most media outlets have it with a printing press with an infusion of \$3.4 TRILLION.

At first, the Fed’s Economics Professor turned Bank president, Ben Bernanke was called “Helicopter Ben” in an allusion to all the money he was bombing the economy with His term ended, but the practice, now barely questioned, goes on.

And why is that? To put it simply, the financial crisis is still with us, whatever talk there is of “recovery” because of structural realities that haven’t changed. A weak “labor market, depressed housing market, and little economic growth keep unemployment up and misery high for our shining middle class and growing poverty class.

The folks in charge know how bad things are, but they are committed to a monetary magic elixir of constant intervention by keeping interest rates low and purchasing mortgage backed securities in the so-called free market, Capitalism remains in deep crisis but you never hear officials use the “C word.”

Of course not: that would suggest a problem with the system.

Instead, we have a constant refrain of double talk, lips moving without saying anything and conjuring up that old joke:

Q: How do you know when they are lying?

A: When their lips are moving.

On the right, groups like Americans for Limited Government still harbor the illusion that this is all some kind of Socialist plot, while noting that new Fed head Janet Yellen, who recently replaced Bernanke is now admitting that there is little recovery in the supposed recovery.

Says she, “the recent flattening out in housing activity could prove more protracted than

currently expected rather than resuming its earlier pace of recovery.”

Translation: There is no growth that is meaningful. The economy that tanked is still in the tank despite everything they have thrown out it,

The right and the left rarely address the same issues.

The right is in the Blame Obama demolition derby business, wrapped in misleading slogans in pursuit of a partisan agenda that seeks no deeper explanations.

The left is focused on growing inequality with Nobel Prize economists like Paul Krugman saying we are in “a new gilded age.”

He cites a new study by the French economist Thomas Picketty who analyzed economic statistics and tax records over 200 year and found the rise in the concentration of wealth is growing, and, more importantly, not self-correcting. His remedy is a global tax on wealth.

His book Capital has inspired a debate with some on the left arguing he doesn't go far enough—but then, he does not come out of, or identify with leftist thought.

Critics say that a wealth tax is unlikely to be passed or redistribute wealth adequately. Obama's chief economist quibbles with his forecast, but at least, acknowledges his argument.

None of these perspectives reference what else is and is not going on: the lack of prosecutions of bankers who created the financial bubble and then profited by it, the persistence of a massive growth of student loan debt outpacing the mortgage debts that fueled the crisis in the first place,

And then, there's the growth of poverty and the cutbacks in social services amidst transfers of funds from the public sector to the private sector.

Obama has been blocked by a right-wing Congress in pursuing badly needed stimulative initiatives for the economy. His opposition sees what use to be called 'priming the pump' as examples of out of control government or covert Marxist plotting.

In response, he seems to have recognized what earlier Presidents saw: that America needs new and scarier threats to justify more spending on security and spying to which there are fewer political objections.

He knows very well about the waste and inefficiency built into the military procurement process but it doesn't matter because, politically, he keeps the military industrial complex on his side when he expands drone wars and military base building and global intervention. In essence, he buys their support along with the backing of the workers in military industries.

The Pentagon has become the manager of what there is of a real jobs program with no shortage of projects to spend money on. These projects are well distributed in key Congressional districts so all the pols, Democrats and Republicans alike, can claim credit for funneling in federal dollars.

The President couldn't be happier by the revival of a cold war that requires more spending like this. The challenge posed by Vladimir Putin also gives our media machine someone to demonize now that old enemies like bin Laden, Saddam and Gaddafi are gone.

As international journalist Diana Johnstone notes, in Germany anyone who objects to the Russia bashing now underway in western media is a "Putinversteh'er", (a Putin understander).

"That says it all," she writes. "We are not supposed to understand. We are supposed to hate. The media are there to see to that.

While the West doggedly refuses to understand Putin and Russia, Vladimir Putin, on the other hand, seems to understand things pretty well.

He seems to understand that he and his nation are being systematically lured into a death trap by an enemy which excels in the contemporary art of "communication". In a war situation, NATO communication means that it doesn't matter who does what. The only thing that matters is who tells the story.

The Western media are telling the story in a way which depends on not understanding Russia, and not understanding Putin. Putin and Russia become fictional villains in the Western version, just the latest reincarnation of Hitler and Nazi Germany."

Americans also seem to need a tough guy enemy to despise in order to promote and engineer more defense spending on a massive scale. Fear sells and national security is still an issue that unites liberals and the right in a bought and compromised Congress.

You can just hear the sigh of 'quiet as it's kept' relief in Washington when Russia backed the annexation of Crimea.

In just a days, new US missiles and planes were heading to Eastern Europe, while the President moved even further East to promote his "Asia pivot" to insure that an "aggressive" China publicly becomes branded as a new Soviet Union on the media-driven chess board of geo-political game playing.

Thank goodness, too, for the kidnapping of those girls in Nigeria so we can upgrade our US Africa Command and move more forcefully into Africa in a constant search for enemies the public can despise and new conflicts to become part of to justify our bloated budgets.

Thank you CNN for mounting an around the clock campaign to save victims of terrorism, however selective it is.

It is events like these—a hot war in the Ukraine or a cold war in the offing that pumps up media attention and, then, in short order, comes new requests for expanded Pentagon appropriations.

This jobs program, aided and abetted by building and buying of weapons that quickly become obsolete' and must be replaced under the terms of endless cost-plus contracts.

Militarism in America has become essential to both bulking up the economy and controlling an insecure population. As the former struggles to produce jobs and exports, the latter is kept in check by an alarmist media that warns us of constant dangers while an unrestrained

NSA keeps electronic tabs on us.

The reason for the connection is simple: people in power know how restless and angry the American population has become and have a legitimate fear of economic and political unrest.

The uprising in Ukraine as the one Egypt before it have serious economic underpinnings. In both countries, the military now is trying to put the cork back in the bottle.

Don't think what is happening there cannot or will not "blow back" into our own fragile and seemingly permanent economic crisis.

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