

Gordon Brown's visit to Washington

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Britain's Prime Minister Gordon Brown addressed a joint session of the US Congress Wednesday, describing the world capitalist meltdown as a financial "hurricane" and warning of a "global economy in crisis and a planet imperiled."

While filled with rhetorical flourishes about the so-called "special relationship" between the US and Britain and wartime alliances stretching from "the beaches of Normandy" to "the plains of Afghanistan," the thrust of Brown's speech was a warning that growing protectionism could unleash a "race to the bottom" with catastrophic results for world capitalism.

While the rhetoric about joint military exploits drew standing ovations, the references to protectionist policies were received more coolly.

Faced with growing hostility from the British public, which holds him partially responsible for the current crisis, Brown came to Washington in part to bask in the reflected glory of President Barack Obama, whom he credited with turning Washington, DC into a "shining city upon a hill."

The *Financial Times* of London in an editorial published on the eve of Brown's speech ridiculed the British Prime Minister's self-serving pretensions about a "special relationship" while underscoring both the threat of protectionism and its seemingly unstoppable growth, including in Britain itself.

"The prime minister's desire to be embraced by Mr. Obama as a soulmate and co-architect of a 'global new deal' will not be treated with open derision, even if it deserves to be," the *Financial Times* . "If those delusions of significance can be set aside, Mr. Brown can convey some useful messages. Awkward as it may be for the man who demanded 'British jobs for British workers', he must emphasise the dangers of a turn towards protectionism and economic nationalism."

Similar sentiments have been voiced widely in recent weeks in response to growing signs of a protectionist

response to the onset of economic depression, including the move by the US Congress to attach "buy American" clauses to the recently enacted \$787 billion stimulus package.

OECD chief economist Klaus Schmidt-Hebbel warned last week, "Keeping markets open and avoiding new protectionism is key to strengthening prosperity throughout the world." He pointedly said that governments had to draw a line between the bailout of key financial institutions and that of major industries, such as automakers.

The European Union's head of economic and monetary affairs, Joaquin Almunia said in a speech Monday in Prague, "One of our highest priorities is to resist the rise in protectionism, which is showing warning signs of gaining ground."

Referring to the trillions of dollars in deficits projected by Washington over the coming years, Igor Yurgens, a senior economic adviser to Russian President Dmitry Medvedev, complained that "liquidity will not be available in other parts of the world. For us, it will be worse." He accused Washington of pursuing "beggar thy neighbor" protectionist policies.

Brown indicated that his aim in coming to Washington was to secure Obama's agreement on a common policy to curb protectionism and promote international regulation of the financial markets at the G-20 meeting to be held in London in April.

There were elements of the speech that bordered on the absurd. "When banks have failed and markets have faltered, we the representatives of the people have to be the people's last line of defense," Brown declared, sanctimoniously describing the government bailouts of Wall Street and the City of London. The global financial crisis, he claimed, had made it clear "that markets should be free but never values-free."

He portrayed himself as the spokesman for a united

and "pro-American" Europe. Referring to the provocative statement of former US Defense Secretary Donald Rumsfeld on the eve of the Iraq war, Brown proclaimed, "There is no old Europe or new Europe, there is only your friend Europe." This, less than a week after an EU summit in which Eastern European governments warned of a "new Iron Curtain" descending over the continent because of the major powers' failure to back a coordinated bailout of the poorer countries in the East.

There was an unmistakable attempt on Brown's part to cast himself as a latter-day Winston Churchill and Obama as Roosevelt. He likewise suggested that a "global new deal" was possible, reprising the "global economic cooperation" initiated by Washington at the end of the Second World War.

The myth of the special relation between Britain and America was grossly overblown even its halcyon days of the World War Two alliance. The Roosevelt administration ruthlessly exploited Churchill's desperate crisis during the war to extract the maximum political and financial concessions and place itself in a position to pick up the pieces of the shattered British Empire.

Today there exists no prospect that the United States will shoulder the burdens of the worldwide capitalist crisis jointly with its erstwhile trans-Atlantic allies, much less lay the foundations for a new economic order.

The global system established by the US at Bretton Woods 65 years ago was founded upon the unchallenged dominance of US capitalism in every sphere of finance and production. Today's global crisis is to a large extent the expression of its protracted and accelerating decline, the decimation of America's manufacturing base and the turn of its ruling elite to ever more parasitic and even criminal forms of financial manipulation.

The overriding principle guiding the policies of this ruling elite and the two major political parties that it controls is the determination that it will sacrifice nothing of its wealth and privilege because of the crisis, but rather will seek to place the full burden upon the working class at home and its rivals abroad.

On the eve of the last Great Depression, Leon Trotsky provided an analysis of the fundamental features of the relations between Europe and America that retains its

full force in the context of today's unfolding economic meltdown.

"In the period of crisis the hegemony of the United States will operate more completely, more openly, and more ruthlessly than in the period of boom," wrote Trotsky. "The United States will seek to overcome and extricate herself from her difficulties and maladies primarily at the expense of Europe, ...whether this takes place peacefully or through war."

The futile appeal of Gordon Brown will do nothing to restrain the immense economic tensions building up within the global capitalist economy, creating the conditions for a new epoch of wars and revolutions.

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