

Letters from our readers

23 February 2010

On "Socialism and the Greek debt crisis"

"The Greeks have been 'living beyond their means.'" This seems like a big lie. Working Greeks live austere lives as it is; I don't think it will be very possible to press much more out of them. The powers that be seem to be picking a big fight in Greece. Have the powers walked the streets of Greece?

JB

19 February 2010

Many thanks for this interesting aspect of European politics. However, nobody is highlighting the point that one important part of the Greek crisis is the extraordinarily excessive military spending of this country. With 11 million inhabitants, it belongs to the top leaders of the world in military expenses.

Best regards,

Hermann H

Vienna, Austria

18 February 2010

On "Obama's preventive war and the end of Nuremberg"

Thanks for publishing the excellent article by Richard Hoffman on Obama's foreign policy reversal. It occurs to me that present-day US foreign policy could also be qualified as the ultimate vindication of Adolf Hitler. Obama and the US ruling elite are dishonoring the hundreds of thousands of US military personnel who died while fighting fascism, as well as the personal sacrifice of the US population during World War II.

Hans V

Belgium

18 February 2010

On "Sri Lanka's debt crisis worsens"

Good article. Yes, "workers should perform like soldiers" according to the President, while the Rajapakses squander the resources on arms and amass wealth unto themselves!

The cost of reconstruction of the war damaged north and east should be also reckoned. According to the central bank governor, the government will spend a mere 3/4 billion dollars for public works, but this is peanuts compared to the scale of damage done. What about the millions of homes and private

property? And who exactly will do the public works? Will this benefit local labour? The east is a good example! Crooking as usual with reality.

The fact is that with over one billion dollars spent on the military a year, what kind of return will this bring except more problems for people of the north and east?

The Central Bank is being deceptive by boosting foreign exchange reserves as pointed out in your article. With heavy local and foreign debts, including servicing costs, the exchange position will come to light in the next few months only after the election. The government is not known for speaking the truth anyway. We have heard it all before, especially in the run-up to elections.

Saravanamuttu

19 February 2010

On "Obama appoints panel to slash social programs"

The bi-partisan panel that demagogue Obama, the banker's president, is assembling has eerie similarities to the now almost forgotten Harzburg Front of Germany's financial aristocracy. This gathering assembled in 1932 under the leadership of the President of the Reichsbank, Hjalmar Schacht, consisted of the fascist Steel Helmets, conservative Press Baron Hugenberg, aristocratic Prussian junkers, shrewd financiers and bankers. Each participant led failed political parties of the right at a time when the Great Depression caused a massive rise of support for "socialism", however misrepresented by the Social Democrats, Stalinists and what Trotsky called "the socialism of the barnyard"—Hitler's "national socialists" with their "unalterable" party program promising a plunder of bankers and financiers.

It was the Harzburg Front that petitioned with success in 1933 to have President Hindenburg appoint Adolf Hitler as Chancellor after the Fuhrer altered the unalterable program to their satisfaction. It was also these folks who kept the Nazis afloat when the party was sinking in 1932, bankrupt, losing voter support, the brown shirts, the party's backbone, in open revolt under Stennes and Strasser. For the army of deluded street fighters and thugs discovered that year that they would be robbed by Hitler's new friends of the plunder promised them.

A very adaptable class, bankers, able to dream up an Obama and a Palin in one election, and then the apparently spontaneous Tea Party of Alice in Wonderland sophistication. Interestingly, Schacht's specialty was the creation of the kind of financial instruments that allow capitalists to enrich themselves in a time of crisis, then as now. Schacht had been a democrat and a supporter of the Weimar Republic when he devised the so-called "Rentenmark" based mortgages as securities which kept the capitalist class afloat when all other classes were destroyed by staggering inflation. Sounds familiar, doesn't it?

Then under Hitler, Schacht as minister of Economics invented a new instrument, the Mefo Bills, which worked for a while as the sleight-of-hand similar to the one which concealed Greece's deficit at the time of its entry into the Common Market. Indeed, Germany's rearmament was made possible by hiding the deficit in this "asset" constituted out of debt. Of course, fictitious capital cannot endlessly reproduce itself, and by 1938 Hitler had to relieve Schacht, take personal control and begin looting Europe to cover the debt. This was a good time for the corporation Schacht set up, I.G Farben which profited greatly from slave labor (as we shall soon see in Haiti) and remained profitable after the war when Hjalmar Schacht emerged from concentration camp (he switched sides again during the 1944 plot) to become one of the architects of the "German Economic Miracle". You can't keep a good man down.

Like the bankers and financiers behind Obama, Schacht was flexible in his loyalties, except to his own class.

AL
Toronto, Canada
19 February 2010

This is routinely done as Part 1 of The Plan. Obama will cut social spending dramatically, and in 3 or 7 years when the budget begins to come around, the Democrats will lose the White House to some crazed maniac who will give the ruling elite a massive tax break. This, in turn, will send the economy into turmoil and necessitate another social slashing program and so on, repeat as necessary.

We could not possibly think of balancing the budget on the backs of people making over \$10 million annually.

PK
19 February 2010

On "Sharp rise in new US jobless claims"

Increasing sales in dollars practically becomes a moot point to Wal-Mart when they can earn higher profits by getting more work from less people. Figures in our local Bentonville paper

today show that their profits were up 22 percent for the quarter over last year. The Walton Trust that belongs to the three surviving heirs to the family fortune owns 44 percent of the company stock and netted over \$5 billion for fiscal year 2010 in stock dividends. Their charitable arm gave back \$13 million to the local area in 2008, which works out to a whopping 1/4-of-1 percent of what they made this year. The wear and tear on our town and the gridlock that their home office enterprise creates takes a greater toll than that on the taxpayers. Even though their father, mother and brother all learned that you can't take it with you, they seem intent on amassing as much wealth as they can while still on this earth, especially if they can create social misery in the process.

Troy J
Arkansas, USA
20 February 2010

On "US Federal Reserve raises discount rate"

You write, "It is an unmistakable signal that the Federal Reserve is unwinding the extraordinary measures it took to pump cheap credit into the economy."

I have to disagree. I think the discount rate change reflects short-term promises Bernanke made to some Republican senators for their votes for his reconfirmation and nothing more. The timing, I think, reflects his commitment to the form of his promise and doing what he said but without any commitment to any change of substance.

Thus, I predict that business as usual will continue at the Fed until such time they decide on their own to unwind. I don't think that will happen before Election Day this year.

Hymie G
21 February 2010

Quite interesting that the status of largest holder of US debt was transferred from China to Japan, and thus to a more manageable, controllable and subservient "ally". In terms of modern and contemporary imperial rivalries and their contradictions, this is quite momentous.

Exilius
21 February 2010



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