

Perhaps This Is Obama's Grand Strategy

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Region: [Asia](#), [Europe](#), [Latin America & Caribbean](#), [Russia and FSU](#), [USA](#)
Theme: [Global Economy](#)

Washingtonsblog's anonymous founder and principal commentator is one of the most deeply knowledgeable writers on current events, and on July 19th he headlined ["Governments Worldwide Will Crash the First Week of October ... According to 2 Financial Forecasters."](#) He noted that both Martin Armstrong and Larry Edelson, two of the most respected stock-market predictors, are independently of each other predicting that "virtually all governments worldwide will be hit with a gigantic economic crisis in the first week of October 2015," due to "a collapse of government solvency" as ricocheting government defaults spiral each other downward; and, because the U.S. won't be forced to crash as quickly as Europe and Japan, there will then be a temporary worldwide rush into U.S. corporate stocks and bonds, especially stocks, as the short-term safe haven for investors fleeing from sovereign (government) bonds.

The next day, July 20th, Michael Meier's *German Economic News* bannered ["Clear Signs of Relaxation Between Obama and Putin,"](#) and reported: "The nuclear deal with Iran and the withdrawal of heavy weapons by the rebels in the eastern Ukraine are clear signs of a détente between Russia and the US. The EU now needs to quickly develop their own strategy. Otherwise, the Europeans will have to pay for the chaos in Ukraine." The article continues, addressing Europeans:

Your countries have to pay an enormous price for the sanctions [against Russia, and, earlier, against Iran]. With regard to a possible new global economic crisis, the loss of the Russian sales market has been devastating. The hope to do business quickly after the nuclear deal with Tehran could prove to be an illusion. Even the lightning-trip by Economy Minister Sigmar Gabriel to Tehran will change little. Unlike Russia, the EU towards Iran continued business with Iran during the sanctions, but was stubborn to pay the extra cost of following U.S. requirements. Meanwhile, Russia has caught up technologically and is now sure to be able to step up its exports to Iran and outside of the arms industry [and thus will be less dependent upon imports from Europe after the anti-Russia sanctions are lifted].

The greatest danger, however, threatening the EU financially is in Ukraine: The EU echoed US policy there [though, unlike the U.S., the EU has lost hugely from U.S. Ukrainian policy]: [This U.S. policy was] Ukraine should join the EU and end all connections with Russia. For the U.S., Ukraine is far away, no real trading-partner [though it might become one after the February 2014 change of government in Ukraine. Not so for Europe: Ukraine is now, in effect, inside Europe.]. ...

The reckless Association Agreement between the EU and Ukraine took the European taxpayer immediately into the obligation: As in Greece, the Americans will insist that Europeans must keep Ukraine financially afloat. [Whereas the U.S. has few financial obligations there, the EU now is committed

to Ukraine via its post-February-2014 [Association Agreement](#). And Russia has already lost what it had risked in Ukraine, and now is relatively immune to Ukraine's continuing collapse.] The Russians can always carry out their threat, and stop the gas deliveries through Ukraine [if the EU does not pay Ukraine, and Ukraine not pay Russia]. ...

The costs of the "rescue" of Ukraine will exceed those for Greece many times.

So, with Japan's having postponed its crash as long as possible, and the EU's crash being now imminent, a flood of foreign billionaires' cash into U.S. equities seems assured.

Now consider this [12 March 2013 explanation](#) from me of how the Obama Administration, with the acquiescence of both Parties in Congress, simply postponed until at least 2019 what will probably be the biggest U.S. economic crash ever, and focus especially upon this graph in that article:

The article explains: "So, basically, another Great Depression seems to be predicted here. According to their model, it will probably happen after the interest-rate on 10-year Treasuries rises above 5.2%, when the unrealism of current official projections has become sufficiently clear to the world so that the federal debt resumes soaring and the interest-portion of federal expenditures rises similarly. That would be some time after 2018."

However: What would happen if, in, say, October 2015, all the rest of the industrialized world crashes and their investors are pouring into U.S. equities? In that case, the Federal Reserve will be able to end their QE and raise U.S. interest rates beyond the magical 5.2% *with impunity*.

Has Obama's strategy been to weaken all other major economies so that the U.S. will still be able to avoid a collapse even while the wealth-disparity between America's rich and poor continues getting ever-wider (largely via the Fed's monetary policies reinforcing the fiscal policies from a heavily Republican pro-austerity Congress)? For example, is this part of the reason for what Obama has been doing to Ukraine, and to Russia, and soon stopping doing to Iran? Has he been preparing to get foreign aristocrats to pour their money into Wall Street?

If this is true, then how did he manage to get the EU to cooperate with this policy, which is economically suicidal for them? What are even European aristocracies expecting to win from this? Obviously, the European public lose enormously: their former welfare states will transform, like in Greece and in Ukraine, into high-tax low-welfare virtual national prisons, even as refugees pour into them from the wars that America has largely engineered in northern Africa and in Ukraine. Is Obama a brilliant psychopath?

These questions are not hyperbolic. Clearly, Obama is a brilliant and enormously successful liar. Clearly, benign interpretations of his Presidency are either stupid or lying, and they can't explain in any intelligently credible way his actions, nor comport his actions with his words. For some reason, Americans assume that they should continue trusting him, and much of the rest of the world does, too, even though [he is on record as being a strong defender of lying in political matters — he believes that politicians have an unlimited right to lie to the public](#).

How long will the public's suckerdome continue, and why has it continued as long as it has?

Investigative historian Eric Zuesse is the author, most recently, of [They're Not Even Close: The Democratic vs. Republican Economic Records, 1910-2010](#), and of [CHRIST'S VENTRILOQUISTS: The Event that Created Christianity](#).

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