If Causes Do Not Change Neither Do Effects is it Possible to Believe the Goodwill in Barack Obama's Call for "New World Order" Given the Current Structural Components of the U.S. Hegemony?

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Abstract

The purpose of this study is to analyse the principal "causes" at the core of U.S. foreign policy over the last thirty years during which time several "New World Order" hypotheses have been proposed. The study examines whether U.S. policies have been consistent or discontinuous. To that end, the components of some prominent "spatial fixes" are analysed comparatively.

Key Words: Crisis of Capitalism, New World Order, Spatial Fixes, Foreign Policy of U.S., Barack Obama.

Introduction

During the last twenty years, signs of a "New World Order" have been observed countless by mainstream Anglo-American academics, politicians, publicists and diplomats in regard to events such as the 1991 Gulf War, the 9/11 terrorist attacks, the invasion of Iraq and Russia's military intervention in Georgia. Underlying the New World Order assertions is the collective perception that the model or paradigm of the international political system has shifted dramatically and stabilised into a new balance of power. Did we really witness global transformations with the emergence of the above mentioned events? If the answer to this question is affirmative, the implication is that the "spatial fixes", such as "globalisation", "humanitarian intervention", "clash of civilisations", "war on terrorism" and "pre-emptive strikes" employed by the U.S. during last 20 years led to outcomes rather than simply representing new rhetoric to repeat earlier policies.

Despite the continuity and indivisible integrity of spatial fixes even at irreconcilable times, assertions of a New World Order continue. One of them was made by President Barack H. Obama in his speech delivered on September 23, 2009 at the UN General Assembly. Obama called for a New World Order; *embracing multilateral participation in issues regarding "non-proliferation, promotion towards peace and security, protection of the earth and global economy"* (UN, 2009). Unlike previous assertions of this type, Obama did not claim a decisive turning point in history, but instead worked to convince the international community that shifting from George W. Bush's unilateral policies would lead to a new era in international relations. However, Obama ignored the question plaguing some: why did Bush "have to" resort to these unilateral policies in the first place and why did he "have to" put them aside during his second term?

In an atmosphere of "hopelessness" on the eve of the presidential election of November 2012, analysis is needed to substantiate whether the promises of "change" or the New World Order have been kept. The purpose of this study is to analyse the principal "causes" at the core of U.S. foreign policy over the last thirty years, during which several New World Order hypotheses have been proposed. The study analyses whether U.S. policies have been consistent or discontinuous. To that end, the components of some prominent "spatial fixes" are analysed comparatively guided by Einstein's assertion that "if causes do not change, neither do effects".

1. The Strengths and Weaknesses of U.S. Hegemony

At no point in the history of the United States, including during the Cold War period and 9/11, has the country U.S. experienced a genuine security problem. Consequently, the U.S. has never had to coordinate a balanced power policy. On the contrary, starting with the Monroe Doctrine, the U.S. has pursued a policy aimed at achieving hegemony, first on the American continent and, then in the Asia-Pacific, Western Europe and the Middle East-Eurasia region.

In this sense, U.S. hegemony has never been the result of coincidences but rather has been the product of a carefully planned process, a "conscious choice" (Layne, 2006: 3). Dominance over the capitalist mode of production and the need to open new fields for capital accumulation stimulated the U.S. to pursue hegemonic expansionist policies. The new accumulation model concomitantly required a new political, legal and ideological superstructure. The institutionalisation of the new accumulation regime through Marshall Program, OEEC-OECD, GATT-WTO, IMF, IBRD, NATO and European integration in the economic, political and ideological environment of the post-war and Cold War eras led to the internationalisation of U.S. hegemony. Advancedcapitalist core countries -the capitalist metropole- approved of this hegemony as long as the U.S. attended to the following issues: serving the interests of the capitalist system and the capitalist class as a whole; expanding market principles and market democracies and opening up profitable new fields for capital accumulation.

Paradoxically, the primary source of power for U.S. hegemony –its economic dominance- has been its Achilles' heel. U.S. hegemony has not enjoyed privilege or immunity from the irrevocable contradictions or "laws of capitalism", which lead to the recurrent crises of capitalism. These crises have destructive economic, political and warlike consequences both in the periphery (indicators of the "perfect storm" of capitalism include the increasing number of local wars, proxy wars and colonial invasions; such as those in Kosovo, Afghanistan, Iraq, Georgia, Libya and currently Syria) and in the capitalist core (the "perfect storm" itself or "corrective wars", including those among imperialists, such as; World Wars I and II) which were characterised by over-accumulation and the tendency of the falling rates of the profit. As has been proven throughout the history of capitalism, all hegemonic powers eventually must face the "laws of capitalism" and must work hard to restore the accumulation model that is the prerequisite for maintaining hegemony. The end of the "Golden Age" of capitalism (1946-1973) led to the remarkable decline of U.S. hegemony. The U.S. had reached its economic and political limits and new competitors emerged, including Japan, the European Union and peripheral countries such as Korea, Taiwan and Brazil.

The end of the "Golden Age" and the collapse of the Bretton Woods system signalled the weakening power of U.S. hegemony but did not directly lead to dramatic changes in its hegemonic status for two reasons. Firstly, the loss of hegemony takes place within a historical process. The hegemony of Britain faced challenges as early as the 1870s-80s; however, the country maintained its super-imperialist position by ensuring the one-way transfer of resources from its dominions and did not suffer any real loss of hegemonic position before the end of the Second World War. The U.S., in contrast, succeeded in maintaining the inflow of transfers from surplus countries with the help of the privileged status of the dollar as the global reserve currency, despite the end of its union with gold. The lack of objective means of determining the value of the dollar gave U.S. the opportunity to further consolidate its hegemonic position.

The second reason why the hegemonic position of the U.S. did not shift dramatically during the 1970s derives from the regulatory leadership of the U.S. in opening up new spheres of capital accumulation for the benefit of all capitalists through technological, economic, political, diplomatic and military means. Thus metropole economies not only refrained from questioning U.S. hegemony but also gave their full consent for neo-liberal globalisation, restructuring, financialisation and the unconventional economic, political and military regulations of the U.S.

Sensing a challange to its hegemonic status from the end of the 1970s the U.S. employed economic, political, military and rhetorical spatial fixes. In fact, spatial fixes had been employed since the founding of the U.S. but the difference was that, as decribed in Giovanni Arrighi's "The Long Twentieth Century", the U.S. realised that the "terminal crises" or "perfect storm" of the post-war capitalist accumulation regime was on the wane. Since then, the main objective of U.S. administrations has been to postpone the inevitable decline of the model as long as possible and restore its declining hegemony while hindering the rise of competitive powers.

In contrast to the use of previous spatial fixes, during this time, the U.S. explicitly began to violate the jus cogens principles of the international order, including Article 2/4 of the UN Charter prohibiting the "use of force" and the core principle of international relations, referred to as the Westphalia State System, which recognises the equal rights of sovereign states before the law. Prior to 1980, attempts were at least made to justify any violations that were not in accordance with the main principles of the system. By the 1980s, these principles were subjugated to the interests of the U.S. and in the aftermath of 9/11, they have been rejected outright.

2. The Reagan Doctrine: Open Cooperation of Neo liberalism with Militarism

In the early 1980s, neo-liberal restructuring policies that promoted globalisation by embracing the elimination of the economic, administrative and political barriers limiting the circulation of capital were promulgated by the U.S., the IMF and the World Bank under the "Washington Consensus". The main motive behind these "sanctified" policies was to secure the highest profitability for capital, the foremost dictum of capitalism. Neo-liberal restructuring concomitantly required the reorganisation of the economic, political and social class models of periphery countries. This was accomplished through a combination of liberalisation, deregulation and flexibilisation policies imposed by economic "reform" programmes (massive austerity programmes together with sweeping privatisation) created by the IMF and the World Bank and implemented either through military measures or pacifist counter-revolution methods, or most often as a type of collective shock therapy, according to Naomi Klein.

At this juncture, the U.S. played a number of roles internationally through economic involvement especially through the involvement of Federal Reserve (under the presidency of Paul Volcker) in the debt crises of the periphery, as well as through political, social and military involvement in coup d'états, proxy wars, discrediting of political parties and the funding of newspapers, radios and, individuals under the sponsorship of the Freedom House and the newly established National Endowment for Democracy; NED (Snow, 2011). All of these activities laid the groundwork for the neo-liberal transformation. Acting as a spearhead for the general-corporate interests of capitalism and capitalists, the regulating hegemonic role of the U.S. got was met with overwhelming gratification from the metropole economies despite the violent, coercive character of actions conducted during the Reagan administration. The Reagan Doctrine declared that the U.S. preserved all the right to exercise limitless power against governments that violated international law or lacked public support (Kirkpatrick, 1983). Because of this declaration, the proxy operations of the 1980s in Nicaragua, Angola and Cambodia were explicitly vindicated by the Reagan administration for the first time, unlike the clandestine military activities performed in Guatemala, Cuba or Chile (Lagon, 1994: xii).

Unlike the "war on terrorism" and the Bush Doctrine both of which served to justify the occupation of Afghanistan and invasion of Iraq, the military operations justified by the Reagan Doctrine were not aimed at gaining a competitive advantage in the race for hegemony. Like the "war on terrorism" and the Bush Doctrine, however, the Reagan Doctrine was a spatial fix aimed at overcoming the structural problems of capitalism and restoring the hegemonic power and uncontested imperium of the U.S. Thus the Reagan Doctrine was not only similar in spirit and structure to the Bush Doctrine and the "war on terrorism", but also foundation for later spatial fixes.

2.1. The Plaza Accord: Breaking the Competition between Metropole Economies

The neo-liberal transformation in the periphery was conducted through the restructuring efforts of the Reagan Doctrine and the rules and institutions of Washington Consensus. However, as history has proven, the services of hegemonies have never been free of charge. The costly bill came in the form of the September 12, 1985, Plaza Accord which was signed by the G-5 states composed of Japan, England, France, Germany and the U.S. Through this onerous accord, U.S. reduced the exchange rate of the dollar against the currency units of the other G-5 states (primarily the Deutschmark and the yen) and obtained an artificial global competitive advantage in manufacturing and non-financial sectors.

Until the revaluation of the dollar by the Reverse Plaza Accord in 1995, the dollar fell by about 40 per cent against the Deutschmark and 60 per cent against the yen. This cheap currency helped the U.S. to increase its pretax profit rates for the manufacturing industry (productive capital) by 65 per cent compared to 1986 levels (Brenner, 2000: 7-8). However, this improvement did not mean that the U.S. had addressed the issues of overcapacity, over-production, insufficient demand and sinking profitability; what was actually achieved was an artificial recovery within the context of the "valueless dollar-export boom". Therefore, structural problems did not disappear during this pseudo-development period. Rather, the U.S. simply exported its own economic recession to the advanced capitalist core, particulary Germany and Japan (McNally, 1999: 46).²

At that time, the economic, political and military components of U.S. hegemony were powerful enough to force others to accept this type of currency fixation.

However, exporting the structural problems of capitalism to metropole economies set off a latent inter-capitalist hegemonic rivalry masked by the sweeping coalition of leading capitalists in the Gulf and Balkan Wars-. Signs of inter-capitalist competition (as opposed to Kautsky's claim of "ultra-imperialism") became clear during the GATT/Uruguay meetings of 1986-94, particularly during discussions on agriculture and the service sectors.

In short, the second half of the 1980s marked a new period that was characterised by the simultaneous structural crisis of capitalism and the crisis of hegemony.

3. The Clinton Doctrine: "Humanitarian" Militarism in the Fall of Hegemony

During the first half of the 1990s, the exported economic recession became more severe, firstly, in the exportoriented economies of Japan and Germany and secondly in the metropole economies as a whole. Finally, the U.S. was obliged to depart from its cheap currency policy in 1995 when Japan began to call for new economic regulation (after facing a record high exchange rate for the yen against the dollar) in which the exchange rate of the ven would fixed to the dollar. Considering the impact of the 1994 Mexican crisis on the world economic system, the U.S. was not eager to face a new and larger economic crisis, especially given the huge amount of US Treasury Bonds held by Japan (Brenner, 2000: 15). Liquidation on such a scale would push the U.S. economy into recession. Instead, the U.S. cooperated with Japan, Germany and the G7 countries and re-valued the exchange rate of dollar against the ven and the Deutschmark under the Reverse Plaza Accord. The U.S. was well aware of the inevitable negative consequences of such an arrangement on the competitive capacity of the manufacturing industry, which was responsible for driving the economy and guarding the competitive power of dollar globally (Brenner, 2000: 20). Indeed, the profitability ratio of non-financial production which was already in trouble due to excessive manufacturing, decreased by 19 per cent only between the years of 1997 and 2000.

To compensate for the loss in industrial profitability, the U.S. hastened up the trend of financialisation (just as Great Britain, the previous hegemonic power, had done a century before) by; strengthening the service sector and generating new debt devices to overcome the insufficient demand problem (under consumption) because wage labour had been negatively affected by the goal of maximizing surplus value. Although the transfer of investments from the material economy to speculative activities had been under way since the 1970s, financialisation accelerated significantly during the 1990s. For example, in the 1970s, the global movement of financial capital was around 59 billion dollars annually. During the 1980s this figure reached 300 billion dollars daily, increasing in 1992 to 1 trillion dollars and reaching trading volumes near the end of 1990s of 3.2 trillion dollars (Allen, 2000: 1-2). By 2008, the total derivatives exceeded 600 trillion dollars and were ten times the GNP.

This global fiscal expansion was so large that it was described as "irrational vitality" by Alan Greenspan in 1996. The on-going re-evaluation of financial values eventually led the finance and material economies to come apart. It was evident that these financial bubbles would eventually burst and result in economic crisis. As underscored by Fernand Braudel, a period of fiscal expansion generally denotes the autumn season of the hegemonic power (Braudel, 1984: 157). Karl Marx also emphasized that financialisation, as part of the nature of capitalism, regularly occurs during the phase of overproduction and that the apparatuses of speculation provides temporary relief for the economy while escalating the destructive effect of the crisis (Marx, 1974: 285). History reveals that the loss of hegemony at this stage is a recurrent tendency in capitalism. Throughout the autumn of the presiding hegemonic power, imperialist conflicts or rivalries amongst the advanced core increase. As Karl Marx stated, "When it is time to share losses -not profits, everyone tries to minimize the share of loss while trying to lay the cost on someone else" (Marx, 1991). At this point, as Karl Polanyi underscored, nation states take the stage, militarism gains speed and wars are inevitable (Polanyi, 2001).

Although the U.S. accumulated significant resources during this bonanza period of financialisation, the U.S. economy has since been transformed into a finance and service economy. Manufacturing production has shifted to factories in the peripheral regions and is marketed in return for papers traded at the casino tables of Wall Street (Yeldan, 2009: 13). Economic growth relies on capital inflows from surplus countries, debt management, cheap imported products, incessantly high consumption rates, other states savings (to compensate for the absence of savings in the U.S. economy) and the maintanance of the dollar as the main global reserve currency. Ensuring the continuity of this process and sustaining this artificial boom have become the primary objectives of the programme to restore U.S. hegemony. The East Asian crisis of 1997-98, called into question the legitimacy of this accumulation model and the credibility of American hegemony.

Even in Japan, -the Asia-Pacific pillar of U.S. hegemony for more than fifty years- the free market model, Washington Consensus and U.S. hegemony were openly criticised (Wessell and Davis, 1998). The underlying causes of the crisis were the neo-liberal measures, supported by the U.S. in concert with the Bretton Woods institutions, taken by the East Asian countries (especially South Korea, Thailand, and Indonesia) since the beginning of 1990's. As Joseph E. Stiglitz, the then chief economist of the World Bank (1996-2000), confessed after his resignation: "In the early '90s, East Asian countries had liberalized their financial and capital markets—not because they needed to attract more funds (savings rates were already 30 percent or more) but because of international pressure, including some from the U.S." (Stiglitz, 2000; 2001: 14-23). In addition, the U.S. obstructed the attempts of East Asian countries to search for new funds and alternative recovery schemes or fiscal monetary policies other than those available through the IMF. The U.S. also strictly objected to Japan's proposal for the establishment of an Asian Monetary Fund that would act as a regional economic back-up in case of a crisis (Tabb, 1998: 30; Gill, 1999: 28).

The grave economic shock that East Asian countries faced, gave the U.S. the opportunity, -through the austerity programmes of the IMF-, ensure that the region was politically, economically and geopolitically in line with its own interests. However, the economic crisis also generated concerns regarding trustworthiness of the neo-liberal economic model and the credibility of the regulatory leadership capacity of the U.S. as a hegemonic power. It was not a coincidence that the overt questioning of the U.S. hegemonic model was contemporaneous with the defence strategy presented in the "Quadrennial Defence Review" (QDR) of 1997, released by the Clinton Administration, wherein the U.S. moved from a "threat-based" military defence doctrine to "probability-based" military approach. Though the shift in military approach was an indicator of the impending imperial desires of the U.S., the concomitant acceptance of an ostentatious multilateralism through the Western coalition propitiously masked the desires. However, NATO's bombing campaign in Kosovo was an apparent breach of the *jus cogens* principles of international law and, served to cement the image of a benevolent hegemonic power following its manifest destiny and acting as the leader of a multilateral coalition for the sake of universal human ideals. "Humanitarian intervention", otherwise known as Clinton Doctrine, was generally welcomed by the capitalist core, especially because of its reference to a cosmopolitan law system in a multilateral New World Order.

Although the rhetoric of the Clinton Doctrine was couched in idealistic and humanitarian terms, its very nature was indistinguishable from the Reagan Doctrine and later the Bush Doctrine. As the successor to the Reagan Doctrine and the forerunner to the Bush Doctrine, the Clinton Doctrine unilaterally declared that the U.S. had the right to breach Article 2/4 of the UN Charter prohibiting the "use of force" as long as the causes were "just". The doctrine gave the U.S. the privilege of deciding the "reasons" (just or not), as well as the time, place and target of an attack. Acting on the momentum of the episode in Kosovo, the U.S. had garnered acquiescence to execute the doctrine in practice and to enlarge the scope of its spatial fixes. Indeed, the design behind the strategy of humanitarian intervention and the Clinton Doctrine was explicitly described by Sandy Berger -the then National Security Advisor-, when she was asked about the reasons behind the United States reluctance to intervene during the Rwandan genocide. Berger clearly stated that the U.S. would remain disinterested unless a humanitarian intervention would serve the national interests of hegemony (Brown, 2000: 1685).

In conclusion, policies supporting hegemony were disguised by cosmopolitanism, multilateralism, benevolent images and humanitarian themes under the alleged New World Order of the 1990's. The Bush Doctrine and the New World Order after 9/11, did not recast the real agenda behind this image; it only removed the smoke-screen disguising ideological "American exceptionalism"- and revealed the naked reality of hegemony.

4. The Bush Doctrine: Back to 19th Century Recipes

Deferring the over-accumulation problem through fiscal measures since the 1970s inevitably worsened the crisis of capitalism. In the aftermath of the crash of the stock market bubble in 2001, the global economy plunged into a harsh slow-down. Despite the fact that the U.S. accounted for forty per cent of global financial growth, the U.S. sank into recession in March 2001. From that date onwards, the U.S. lost its expediter capacity to overcome the sub-structural contradictions of capitalism by utilising super-structural instruments (military, political or ideological).

In accordance with the driving goal of restoring hegemony, two new spatial fixes were implemented by the U.S. The first was massive financial expansion through the low interest rate and liquidity policies of the FED, led to the housing-market bubble.⁴

The second was the trio of policies of the "Greater Middle East Project, the Bush Doctrine and the "War against Terrorism", which were executed within the context of international shock following 9/11.

4.1. Fiscal Expansion: Retesting the Tested Dead End and Expecting New Results

Following the huge expansion of the stock exchange, the new financial bubble was constructed on the three policies of the FED: "low interest rates, dormant debt instruments and high U.S. household consumption". These methods of accumulation were supported by the privileged position of the dollar and financed with the liquidation of U.S. "securities" through enormous amounts of capital inflows from the surplus economies. These inflows both financed the expanding U.S. deficit (together with growing external debts) and the credit mechanisms, most prominently, the mortgage loans that operated as the main catalyst for the high household consumption in the U.S. Yeldan explains this process in the following way: "As North America sponged cheap imports to its domestic market, it also succeeded in maintaining lower wages and inflows of cheap intermediate goods for its producers. What the North Americans had to offer in return was loads of "new instruments" of finance and a "fiat" currency" (Yeldan: 13). Thus the housing-market bubble was not only a bubble, but also an agent of the so-called Bretton Woods II system, an agent of the moribund accumulation model of the U.S. hegemony. However, it ultimately was a vicious cycle for two reasons.

First, the increased U.S. household consumption was not a product of high real incomes and high saving rates, as it should be in a healthy economy. Instead, it was a result of a malformed economic impetus: depressed wage levels and low saving rates combined with extra reduced interest rates. The decision of the FED to reduce the short-term interest rates in 2001 had directly propped up the mortgage rates; house prices achieved an annual growth of 7 per cent and home sales set new all-time records at \$6.2 trillion, \$6.6 trillion and \$7 trillion within two and a half years, and mortgage re-financing increased from \$1.2 trillion, to \$3 trillion (Brenner, 2004: 79). The total of mortgaged house loans between the years of 2005 and 2007 reached \$6 trillion, and 25 per cent of this total amount was in "subprime credits", which increased by 800 per cent just in just one year. Even secondmortgage debt increased to over \$1 trillion in a decade (Gowan, 2009: 18). The valuation of these papers was not established on real payments or values but on expectations, so, accurate account of these assets and the risks of default for subprime credits were overlooked, especially, because these invaluable papers had been labelled as AAA by the credit rating corporations and guaranteed by the insurance securities companies. Hence all these "toxic" assets derived from "subprime credits" were easily marketed worldwide and repeatedly revaluated over and over again.

Second, inflows to the American economy facilitated the maintenance of the financial cycle but simultaneously contributed to the expansion of the bubble and the enormous growth of the deficit. As a result, the vicious cycle was both financed the American economy and plunged the economy into deep-seated debt.

The first signs of the housing-market bubble burst appeared in August 2007, with crash, comparable to the Great Depression, following in 2008. It was impossible to estimate the extent of the costs because there was no objective way to measure the real damage, even though the destruction included papers that were hundreds of times more valuable than the capital of the banks.

As Lenin noted, when the balances in capitalist system changed, the use of force is inevitable. However, this does not mean that the use of force or non-economic coercive measures connote an impulsive departure from the general features of capitalism-imperialism; on the contrary, they are simply the continuation of coercive economic measures. Hence, the second spatial fix, the Bush Doctrine and its instruments, the "War on Terrorism" and the "Greater Middle East Project", were not distinct from the post-war economic coercive measures of the U.S. but were part and parcel of its "highest politics", under which of the capitalist mode of production continued along with the uncontested primacy and hegemony of the U.S. Thus when the capitalist system collapsed into crisis in the early 2000's, the Bush administration adopted more aggressive non-economic coercive measures to conduct the "highest politics" of the country.

4.2. The Bush Doctrine and its Comrades in Arms: The "War on Terrorism" and the "Greater Middle East Project"

Despite its public representation, the Bush Doctrine was not at odds with the traditional foreign relations of the U.S.; instead, it was a new instrument to ensure the persistence of the "highest politics". The doctrine declared that the U.S. had the right to use force (in form of pre-emptive strike) anywhere and at any time, against presumed threats that had not yet become confirmed perils.

Accordingly, unlike the QDR of 1997, the Bush Doctrine did not pronounce the U.S. as the leader in international law but instead directly rejected the *jus cogens* principles of international law and, hence, the political disposition of the post-war system. Bush, also, underlined the fact that pre-emptive strikes would not be deemed a recognised right of every state, but only of the U.S.

The theory of the Bush Doctrine was translated into practical use by two instruments: the "Greater Middle East Project" and the "War on Terrorism".

4.2.1. Greater Middle East Project: Briefly stated, the aim of the Great or Greater Middle East Project was to convert the political, economic and social structures of the regimes in North Africa, the Middle East and Central Asia -global geopolitical centres and zones influence of Russia, China and to some extent Iran- into pro-American establishments by means of democratization projects and velvet revolutions (pro-American and pro-market state constructions). The area covered by this project was consist of more than sixty percent of the total global natural energy resources, strategic trade routes and oil and gas pipeline transportation and distribution lines. Therefore, establishing physical domination-mandate over the area would not only ensure control of the global economy but would simultaneously help the U.S. to subordinate other hegemonic candidates and the new imperialist, both militarily and politically.

Aside from the new name, the project was simply a continuation of the "Silk Road Strategy Act" (1999), which officially declared its objective of establishing open market economies and open democratic systems in South Caucasia and Central Asia in; Azerbaijan, Armenia, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan (Govtrack, 1999). The main goal of the Act was to design a corridor for the transportation of oil and gas resources, (the Trans-Afghanistan Pipeline (TAP) which would transfer Caspian Sea natural gas from Turkmenistan through Afghanistan into the port of Gwadar in Pakistan), This corridor would increase the American sphere of influence and reduce the regional influence of Russia, China and Iran by bypassing Russia's pipeline network and breaking the Russian/Chinese monopoly over the exportation of the Caspian Basin energy to the rest of the world (Rozoff, 2011).

4.2.2. "War on Terrorism": The strategy of the "war on terrorism" was similar to the strategy of "humanitarian Intervention". Both successfully represented military operations as benefiting the interests of the global community; the latter for the sake of "humanity" and the former in the name of "self-defence" and "security" albeit in the absence of legal grounds. On the other hand, the "war on terrorism" upheld a more comprehensive mechanism: it rationalised, justified and legalised the surveillance of all kinds of individual transactions at a time of rising class conflicts due to capitalism's structural crisis. This spatial fix led to substantial privileges and immunities for the U.S., both theoretically and practically.

Firstly, the "war on terrorism" strategy has a significant theoretical advantage because both terrorism and terrorist concepts lack an unconditional definition. The concepts vary from state to state (and are even subject to change over time in the same country) because, they are closely related to political-economic interests. Second, the "war on terrorism" has an accompanying practical advantage due to its connection with public security as demonstrated by the terrorist attacks on 9/11 and the large-scale terrorist attacks that occurred in Madrid, Istanbul, London and Bali.

This flexible and broad nature of the concept of terrorism and its effective capacity to generate "collective traumas shattering the people's fundamental assumptions about security and invulnerability" (Updergraff, Silver and Holman, 2008: 709), as occurred following 9/11, helped the U.S. to deploy the strategy of performing military operations anytime and anywhere in the name of the "war on terrorism". As Giovanni Arrighi has explained; by virtue of this geopolitical instrument, the U.S. has developed a network of military bases in Central Asia that would have been inconceivable before 9/11(Arrighi, 2005: 76); conducted missile attacks in the alleged "safe havens" of Somali and Yemen (strategic locations controlling the Gulf of Aden and the Strait of Hormuz); and developed military relations with Indonesia and the Philippines, resulting in physical entry into Southeast Asia (searching Al Qaeda ties in Malaysia, Thailand and Singapore) in a manner not seen since the end of the Vietnam war (Erikson, 2001; Glassman, 2005: 3-28).

In addition to this geo-political advantage, the Patriot Act, enacted in the aftermath of 9/11, authorised the U.S. to monitor all international fiscal transactions, from international fund movements to interbank currency transactions (Patriot Act, 2001).

Furthermore, sections 311-362 of the Patriot Act authorised the "Financial Crimes Enforcement Network" (FinCEN) to work under the Department of the Treasury to block the financial transactions of any bank believed to be used to finance terrorism (Fincen, 2002). As expected, because the global reserve currency is based on the U.S. dollar, the threat of blocking the financial transactions has served as an influential strategic instrument. Also unsurprisingly, the penalty measures of the FinCEN have been applied to the banks of the banks conducting business with particular states such as Iran, Syria, North Korea and Myanmar (Fincen, 2011).

As mentioned above the broader purpose of the "war on terrorism" as a fixation mechanism was to restore hegemony with regard to classes. As history reveals, the costs of economic crises primarily fall on the shoulders of the working class, with the initiation of devastating and impoverishing retrenchment programmes. However, in the case of the crises of capitalism, the hegemonic apparatus can fail to control class conflict. The emergence of a totalitarian state aiming to re-establish a balance between the productive forces is, not a coincidence at a time when class conflicts are apparent. Acting preventively before the emergence of any revolutionary social unrest movements or "clash of classes" ⁶, corresponds with the basic strategy of the "war on terrorism"; preventive strikes.

As Poulantzas observed (1978: 85-86); the perception of both internal and external enemies generates a broad popular movement in response and influences the people to consent to the transformation into an authoritative state; needed for capitalist resilience. Additionally, as observed in the aftermath of 9/11, people voluntarily give up their political-economic rights in the face of security concerns about imminent threats (Paye, 2009: 13), and people are prone to perform certain practices; such as willingly acting as "civil informers" or as part of a "civil corps"⁷, supporting the unlimited authority of the police-state. The establishment of pervasive surveillance mechanisms, the adoption of oppressive legal and political regulations and the empowerment of the police and military jurisdiction, who easily charge any opponent with connection to terrorism, paved the way for a post-"Reichstag" kind of "democracy".

The leverage of the "war on terrorism", allowed the declaration of "state of emergency" on September, 14, 2001 which gave extraordinary power to the President and allowed for the use of the "Presidential Executive Orders", granting to the chief of executive the prerogatives of the judiciary and legislative branches of government (Paye, 2006, 30). At the same time, these developments, which diminished the sovereignty of states and corroded the constitutional limits on the federal government, were extended every year by President Bush. The Patriot Act, the Federal Intelligence Surveillance Act, the Directives of the Department of Homeland Security and numerous "Presidential Executive Orders", acting in the name of the "war on terrorism", altogether led to a dramatic shift in the prerogatives of the military (in contradiction to the Posse Comitatus Act of 1878), the federal law enforcement powers; the FBI and the intelligence services such as; the NSA and the CIA to, the detriment of citizens and the judicial authority (Paye, 2006, 30-31).

In addition, an Orwellian type of pervasive surveillance system has established (some of components of which were more developed versions of those initiated under President Clinton such as; Carnivore, Echelon) through the activation of hundreds of programmes, such as; Total Information Awareness", "Matrix", "President's Surveillance", "Perfect Citizen", "SIGINT", "Lincoln", "Biometric Technology", "Carnivore" and others. These programmes involved monitoring, gathering and storing personal information on every person in the country using multiple sources, -including credit card records, banking transactions, financial records, personal e-mails, phone records, tax records, travelling records, medical records and numerous biometric databases-, without the need for search warrants (Epic, 2011) or reasonable cause. Furthermore, the discriminatory legal rules and unlawful practices adopted to deal with foreign agents and terrorists, such as the "unlawful combatants" in Guantanamo and other military bases, allowed the law enforcement powers to detain someone indefinitely without the right of "habeas corpus".

5. Is Barack Obama Really the Antithesis of George W. Bush?

To determine whether Barack Obama really is the antithesis of Bush, it is necessary to analyse Obama's approach to the spatial fixes utilised by the Bush Administration.

5.1. The Financial Rescue Blueprint of the Obama Administration

Despite the paucity of critique, particularly among mainstream U.S. economists, the ongoing economic crisis when Obama took office in 2009 was not a speculation or liquidity crisis but evidently the crises of capitalism, justifying Marx's inference that the expansion of speculation is a symptom of an over-accumulation crisis rather than a cause of such a crisis as superficial observers ostensibly claim (Marx, 1974: 285). However, Obama and his team addressed the symptoms instead of the underlying source of the problem; hence, their efforts to the crisis bear a depressing resemblance to those of Obama's predecessor, despite his pre-election statements promising a bold departure from previous approaches.

The first basic strategy underlying Obama's rescue strategy was the revival of the stricken economy using a fiscal stimulus package that would inject hundreds of billions of dollars into the economy to finance capital, banks, credit and insurance companies. The second strategy was the buying, nationalising or guaranteeing of the value of "toxic" assets to revitalise the moribund market. The mentality underlying the recovery plan was not merely restricted to the U.S. The bailout plans prepared by the states in 2009 corresponded to 7 per cent of global national income, reaching 60 trillion dollars. Although governments offered solutions at the onset of the crisis, they have become part of the problem (Economist, 2010: 9). Paying loans with more loans and transferring private sector debts to the public simply changed the designation of the crisis into a state financial crisis. For instance, the budget deficit of the U.S. increased to 9.2 per cent in 2010 (excluding house market loans taken over by state in 2010) from only 3.1 per cent in 2007. Gross costs rose 20per cent from \$3,736 billion in 2009 to \$4,472 billion in 2010 and the total deficit for the fiscal year 2009 was \$1.42 trillion, a \$960 billion increase from the 2008 deficit (GAO, 2010).

The \$14 trillion Wall Street bailout, the loan guarantees and the subsidies, have been accompanied by measures that keep the interest rates near-zero and continue the electronic printing of hundreds of billions of dollars which supply financial conglomerates with almost free credits and boost the profits of corporations and the stock market (Eley, 2011). Consequently, within a short time span, financial capital has begun to conduct business as usual creating the next bubble that will intensify the severity of capitalism's crisis, making it more universal and destructive. For example, in the second quarter of 2009, Goldman Sachs announced profits of \$3.44 billion, 65 per cent increase over the same period of the previous year and JP. Morgan Chase declared a 48 per cent increase in profits over 2009, with a net income of \$17.4 billion and a 47 per cent rise for the fourth quarter of 2010 (the most profitable year in the history of company) over the same period the previous year (Eley, 2011; Protess and Dash, 2011).

Throughout his election campaign, Obama criticised the orthodox capitalism of Wall Street and the eight years of Republican Party policies that encouraged exorbitant bonuses to CEOs while ignoring middle-class Americans. Obama also blamed the Bush administration for loosening oversight and regulation, which led to the most serious financial crisis since the Great Depression (Hunt, 2008). However, Obama's deeds his words have not lived up to his words. Since the inauguration of his presidency, Obama has decisively executed economic policies in favour of the financial elite and has made Wall Street bankers part of his inner-circle economic team (Schmidt, 2009). In addition, contrary to all his bountifully expended words, Obama extended the Bush tax cuts for the wealthiest 2 per cent for two more years. Meanwhile the number of Americans living below the poverty line increased by approximately 3.8 million, the poverty rate increased in 2009 to a 15 year high of 14.3 per cent in, the official unemployment rate exceeded 9 per cent, home prices fell by 26 per cent since June of 2006 and household wealth diminished by nearly 12 trillion dollars in just three years (Hudson, 2010).

The "organic" collaboration between the White House and Wall Street and the apparent policy of the administration to overlook the unfavourable "livelihood" records of the mass population cannot be attributed to the preferences or persona backgrounds of the U.S. Presidents (Obama, Bush, Clinton, Reagan) nor to the interpersona relationships between the members of the State apparatus and those involved with financial capital. Nicos Poulantzas articulates this issue very well:

"The relation between the bourgeois class and the State is an objective relation. This means that if the function of the State in a determinate social formation and the interests of the dominant class in this formation coincide, it is by reason of the system itself: the direct participation of members of the ruling class in the State apparatus is not the cause but the effect, and moreover a chance and contingent one, of this objective coincidence". (Poulantzas, 1969: 73-77).

The policies of President Obama reflect the necessities of the current capitalist mode of production and the interests of the capitalist class in maintaining the hegemonic status. Financial capital and services form the backbones of the American economy and the financialisation of the system incorporates the capitalist class as a whole. In this respect, the U.S. is bound to boost the asset prices, support Wall Street, preserve monetary expansion and maintain the bubble for long as possible.

President Obama possesses neither the control nor the will to transform the model into a new alternative; instead he is attempting to secure the model and, hence, American hegemony. This is somewhat like trying to cure cancer with the help of impotent emollients, as; monetary expansion and cheapen the value of dollar. As proven by the 2010 National Security Strategy, the budget deficit, debts and the economic crisis are the greatest security risk of the state (White House, 2010). Apparently, the White House is well aware of the fact that this improper, temporary treatment model will not last long.

5.2. Greater Middle East Project: The Greater Middle East Project was never been welcomed by the rulers or the people of the affected area, so, it was abandoned long before Obama's inauguration. The project was discontinued because the pro-imperialist and pro-market governments established through velvet revolutions lost their credibility within a short time span, either through economic and political failures or through armed conflict, as in Georgia.

Repealing the project did not mean that the U.S. gave up on its objectives in the area. Instead the lesser known and less reviled Silk Road Strategy, a pioneer of the GMEP, was resuscitated in 2006 (with the inclusion of Afghanistan) and reinforced by NATO. A great opportunity surfaced with the occasion of the "Arab Spring" in 2011. At the beginning of the uprisings, it seemed as the opposite since both Tunisia and Egypt fell within the U.S. orbit and the uprisings were somehow a reflection of a tentative awakening of class consciousness. Nonetheless, with the help of regional Islamic allies, the nascent revolutionary movements were transformed into something familiar: counter-revolutionist and exceedingly authoritative yet certainly capitalist "vassal state" settlements. Beyond that transformation, the positive wind of the "Arab Spring", provided a great opportunity to revive the Greater Middle East Project with the consolidation of the "old" allies of capitalist core, NATO members, together with comparatively "new" allies, collaborationists, of regional powers. These latter allies included; "former" al-Qaeda members, Salafis and members of the Muslim Brotherhood, liberals and armed military units or groups, as partners of the new "proxy wars", in the name of "democracy", "human rights" and "liberation" as experienced in Libva and, in all likelihood, in Syria. 10

5.3. War on Terrorism: The strategy of the "war on terrorism" had been subjected to modifications during George W. Bush's second term. The QDR of 2005 shifted the concept of the "war against terrorism" to "extremists that employ terrorism as a method" and expanded the scope of "fighting" to cover all threats against the Western-based system due to the realisation, that the discourse of a unilateral empire project would not facilitate the restoration of the hegemony. Thus, in the last two years of Bush's second term, direct proclamations of the "war on terrorism" were made less frequently.

President Obama has continued this process. He refrained from using the rhetoric of the "war on terrorism" and recast the phrase as "wrecking, destroying and beating up al-Qaeda and its partners". In the National Security Strategy released in May 2010, terms such as; "Islamic radicalism", "Islomofascism" and "jihad" were deliberately removed. Eventually with the beginning of the "Arab Spring" and the assassination of Osama Bin Laden on May 2, 2011 the growing alliance with Islamic collaborationists led to the complete renunciation of the use of such terms.

Although the language used in its rhetoric has been refined, however, the "war on terrorism" has not been recanted. On the contrary, the new Obama-Biden administration has carried the programme a step forward and expanded clandestine military and intelligence operations worldwide. This should not come as a surprise because Obama has kept almost all of the top security veterans of the Bush administration in their posts (Baker, 2010)¹¹. He has expanded the programme of pre-emptive or retaliatory strikes against supposed terrorist plots throughout the world by authorising a far broader use of the "special forces" (as well as "rotating units") that conduct unconventional warfare, -justified by the requirement of "hybrid" war strategies-, through clandestine military operations that span the globe (QDR, 2010).

The Joint Unconventional Warfare Task Force Execute Order, -developed by the Bush-Cheney administration and officialised by the Obama-Biden administration-, was secretly signed in September 2009 by the commander in chief of CENTCOM, David Petraeus. This new order authorised "Special Operation Units" to do the following: form a web of information by sneaking into terrorist groups and unspecified "other military groups"; conduct unilateral and bilateral counterterrorism operations with local forces and provide training; conduct activities based on "enter, break, beat and destroy" tactics; "set the conditions" for the prospective operations of American armed forces; and build strong ties with military or civil local authorities in Middle East, Central Asia and the Horn of Africa (Mazzetti, 2010). The number of countries in which "Special Operations Units" were deployed increased from 60 to 75, and the budget increased to \$6.3 billion (a 5.7 per cent increase at Obama's request), plus an additional \$3.5 billion in 2010 contingency funding (Young and Jaffe, 2010). Moreover, as the Defense Secretary Lean Panetta revealed in January 2012, special operations forces will be increased from 63,750 to 70,000 by 2015 and a drone fleet will be developed in the coming years as a part of a strategy that Panetta refers as "innovative rotational presence" (Entous, Barnes and Gorman, 2012). Former Defense Secretary Donald H. Rumsfeld had previously advocated the transformation of the army into a more expeditionary force with "special units" but it was the Obama administration that enjoyed the "privilege" of integrating these "special forces" into the global security strategies of the U.S. systematically, incessantly and aggressively.

In the realm of homeland security, i.e. control of class conflicts or capitalist resilience, the functioning of the "war on terrorism" has grown increasingly grave during the course of Obama's presidency. Stated briefly, using the leverage of the longstanding "state of emergency", Obama continued to issue Presidential Executive Orders, thereby, "centralising the power". The current number of Orders reached to 108; a record high in American political history (National Archives, 2012). The number of surveillance programmes (or those that have been counted, which is the only tip of the iceberg) is 1,271 for government programmes and 1,931 for private company programmes, with the addition of approximately 30 new institutions every year. Operating in the name of counterterrorism, homeland security and intelligence operations have spread to approximately 10,000 locations across the United States with an estimated 854,000 employees (Priest and Arkin, 2010).

The numbers of people on the "terrorist watch list" and the "no fly list" comprising mostly American citizens who are members of anti-war or anti-globalisation organisations or who have simply participated in peace marches or protest demonstrations, have long since exceeded the threshold of one million. As of January 29, 2012 the list presenting the blocked property of suspected terrorists was 91 pages long for just the letter "A" (Treasury, 2012). Most importantly, Obama signed the "National Defense Authorization Act" H.R. 1540 into law on December 31, 2011, as part of the counter-terrorism agenda. The act allows everyone including American citizens to be easily labelled as "suspected terrorists" who can be taken into military detention, including incarceration in Guantanamo leading to the conclusion that the U.S. now ruled by "a military government dressed in civilian clothes" (Chossudovsky, 2012).

Concluding Remarks

A review of the policies implemented by Obama during his presidency indicates that Obama's foreign policy is a harmonious reflection of the practices of his predecessor despite presenting himself as the antithesis of Bush throughout the course of his election campaign. However, as Marx highlighted: "Men make their own history, but they do not make it as they please, they do not make it under self-selected circumstances, but under circumstances existing already, given and transmitted from the past." (Marx, 2005: 1).

Thus the imperatives valid for Bush, are valid for Obama as well; *tout court*, these imperatives are the "material laws of capitalism". As established on the grounds of the post-war capital accumulation regime of capitalism, the material power of the U.S. has been sensitive to the fluctuations in the model. Hence, the American hegemonic influence has been waning since the end of the golden age of capitalism. To delay the structural defects and to sustain the accumulation regime through neo-liberal globalisation and militarisation, spatial fixes, have been employed. Although the components and definitions of these spatial fixes have evolved over time, they have remained central to the project of the restoration policy of U.S. hegemony; the "highest politics" of the U.S. beyond the wills of its presidents. Thus, the contentions of the "New World Order" are meaningless because the axis of the international system continues to be grounded in the maintenance of economic-political model of the capitalist system.

In the face of the impending structural crisis of capitalism and the accelerated decline in American hegemonic power, -economic, political, cultural, and ideological-, the Bush-Cheney administration promulgated an aggressive and coercive imperial restoration strategy. It did not take long for the top neo-conservatives to grasp the fact that the U.S. was bereft of the strength to carry out this type of lonely colonial strategy. Hence, in the second term of the Bush presidency, the U.S. followed the strategy of building a multilateral, consensual Western coalition. The Obama-Biden administration has replicated this methodological "change" with an amplified and glamorised public relations strategy together with a preponderant emphasis on international and corporate alliances.

The Beijing Consensus proposes an alternative capital accumulation model to the Washington Consensus (within the margins of capitalism) and has proved its economic strength by showing growth rates 8-10 per cent for nearly thirty years while maintaining the world's highest currency levels and demonstrating the budding political and military prowess in South Asia and the Pacific Coastline. However, the model has yet to be expanded and accepted on the global stage, or used to supplant the primacy of America. This situation allows Obama more time to struggle to restore American hegemony. However, as it was the case for the Bush administration, Obama possesses no magic wand that will rehabilitate the damaged regime of accumulation and hegemony. The Nobel Peace Laureate will strive to sustain the regime through coercive spatial fixes justified within the alliance system and legitimised by a universal set of values, as in the past case of Kosovo and the case of Libya currently; such that the approach may eventually be labelled as the "Obama Doctrine".

In conclusion, leaving aside the claims of a New World Order, what the U.S. has strived to do for roughly four decades has been the struggle for the maintenance of an older order, not even another "New Deal". On that account, let us remind the romantics who still mulishly believe in the realisation of the Obama's "New World Order", the assertion that: "if causes do not change, neither do the effects".

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Notes

¹⁰ As stated recently in the "Defense Strategic Guidance 2012" presented by Obama on January 5, 2012, the U.S. is turning its attention to the Asia-Pacific region (China) but is not eager to leave the Middle East. At this stage, the remote control of the Greater Middle East Project seems to be performed by the "old capitalist core" and relatively "new regional-allies".

¹¹ Robert Gates remained as the Secretary of Defense (succeeded by Leon Panetta on July, 1, 2011), John Brennan is the incumbent Deputy National Security Advisor for Homeland Security and Counterterrorism and served as the Director of the Terrorist Threat Integration Center between 2004-2005, Michael Vickers is still the Under Secretary of Defense for Intelligence and Special Operations, whereas Michael Leiter, a favourite of Bush, retained his place as the Director of the National Counterterrorism Center until June 2011. David Petraeus; Bush's Deputy National Security Advisor for Iraq and Afghanistan, also known as the "war czar", was appointed as the Director of the CIA under President Obama. Daniel Fried, one of Bush's Assistant Secretaries of State between 2001-2005 and a Special Envoy sent to smooth the process of closing Guantanamo, has also kept his place. Stuart Levey was employed as the Under Secretary for Terrorism and Financial Intelligence from 2004 until March 2011. The National Security Council's Senior Director for Combating Terrorism is still Nick Rasmussen.

¹² Executive Order 13528 issued by Obama on January 10, 2010 (under the pretext of the H1N1 flu pandemic), established the "Council of Governors" comprising ten bipartisan governors chosen by the President himself, as well as the Secretary of Defense (designated the Executive Director for the Council), the Secretary of Homeland Security, the Assistant to the President for Homeland Security and Counterterrorism, the Assistant to the President for Intergovernmental Affairs and Public Engagement, the Assistant Secretary of Defense for Homeland Defense and America's Security Affairs, the U.S. Northern Command Commander, the Commandant of the Coast Guard, and the Chief of the National Guard Bureau; as an advisory panel coordinating the National Guard Forces in case of a national emergency situation. The creation of the Council marks a clear violation of the Posse Comitatus Act and the sovereignty rights of states, which form the basic political consensuses upon which the U.S., as a federal state has been established its beginning.

¹ The term "spatial fix", was introduced by David Harvey in 1980's. In his own words; "The spatio-temporal 'fix', is a metaphor for a particular kind of solution to capitalist crises through temporal deferral and geographical expansion" (Harvey, 2003; 115).

² Japan was not able to easily expand its internal market as opposed to Germany which had the opportunity to make compensations through the common market expansion of the European Community. As a result, the Plaza Accord had a more negative impact on the Japanese economy and its growth rate has incrementally declined; 5,2 between 1970-79; 3,8 between 1980-89; 1,8 between 1990-99; 0,9 between 2000-01; 1,2 between 2007-08 and 5,2 between 2008-09. Japan was eventually eliminated from the inter-capitalists hegemony rivalry.

³ Paul Craig Roberts remarks: "In the first decade of the 21st century, Americans lost 5,500,000 manufacturing jobs. US employment in the manufacture of computer and electronic products fell by 40 per cent; in the production of machinery by 30 per cent, in motor vehicles and parts by 44 per cent, and in the manufacture of clothing by 66 per cent" (Roberts, 2012).

⁴ Under the leadership of the FED short-term interest rates decreased from 6,5 per cent to 1,75 per cent within in a very short time span.

⁵ A recent precedent lends credence to this assertion. As revealed by Michel Chossudovsky (2011), the Libya Islamic Fighting Group (LIFG) which had been included as a terrorist organisation in the list of Terrorist Organizations by the United Nations Security Council until June 2011, was conveniently removed from the UN Security Council website on June 21 2011. It was, in fact, a pragmatic "coincidence" corresponding to the "liberation" operation of Libya, which involved the former LIFG members as "pro-democracy" rebels under the supervision of NATO.

⁶ Although the "clash of classes" has been the leading kinesis behind the history of civilizations, its actors have misguidedly been replaced with subjects like "civilisations", "religions" and "ethnicities".

⁷ A number of programmes implemented by the Department of Homeland Security and other institutions in the U.S. illustrate this case: "Terrorism Information and Prevention System", "Terrorism Liaison Officers", "If You See Something Say Something", "Neighbor Watch Groups", "US Freedom Corps", "Citizen Corps", "Nationwide Suspicious Activity Reporting Initiative", "National Combating Terrorism Exercises".

⁸ The number of the Executive Orders adopted by George W. Bush reached 63. Clinton adopted 14 and Franklin D. Roosevelt adopted 26, even when the U.S. was actually at war.

Treasury Secretary Timothy Geithner served as Under Secretary of the Treasury for International Affairs under Treasury Secretaries Robert Rubin and Lawrence Summers. Both made the significant official contribution to the deregulation and expansion of the financial system, including the "1999 Financial Services Modernization Act"; under President Clinton. Gene Sperling; in Geither's cabinet was paid \$887,727 from Goldman Sachs in 2008 and \$158,000 for speeches, mostly to financial companies, as well as \$5,2 million in one year from the hedge fund D.E. Shaw. By January 2011 he was appointed by Obama as the Director of the White House National Economic Council replacing Larry Summers. Another top adviser Lee Sachs, who left the position in April 2010, reported more than \$3 million in salary and partnership income from a New York hedge fund, Mariner Investment Group, in 2008. There is no need to detail the financial records of the entire team, such as the newly added Wall Street banker Bill Daley, however, the members of the team possess very strong organic ties with Wall Street; mostly with Goldman Sahs, JP Morgan Chase, Bank of America and Citigroup.