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RETURN TO STATE INTERVENTION AS "A NEW TOOL" OF GLOBAL ECONOMY?

There is sufficient time to make some assessments on so called global financial crisis. As it is this financial crisis observed on a global scale we can make some distinctions, which characterise that ongoing process. I would like to make some assumptions, which seems to be of significant importance to understand the development of the situation and may be will help us to explain to what extent it is a process, which reflects global political and economic dependence. Those assumptions are as follows:

1. I put a hypothesis, that global finncial crisis is a result of well steered political action to defend strategic aims of the American economy. It is much more clear when we will take into account the development of international competitiveness against the United States. External engagement of American economy is so vast, that there is obvious, that some actions should, from time to time, be done as instruments to maintain the leading role of the American economy.
2. Information campaign concentrated on global financial crisis is based on simple scheme of SWOT analysis. It reults from a flow of information from official institutions on that matter. Each time the current analysis of financial institutions have been based on the strengthes and weaknesses of the bank and rating agencies. Then public opinion has been informed less about chances than threats. A global fear made a climate to undertake some actions, which should avoid catastrophy and collaps of economy and should provide feeling of safety of labour places and real estates. For majority of Americans it was very important moment within long Presidential campaign in their own country. They needed new strategy from that SWOT analysis, which PR agencies underlined on highly professional level. Today we can assess, that it was excellent and very outstandig job done. New strategy was developed and provided into economy by the State.
3. Global financial crisis caused shift of interest on international relations from the conflicts on Middle East to financial perturbations andt their influence of the role of the State to solve global problem. Financial crisis is shown as a new global problem of our contemporary world. World's public opinion is more ineterested how we can solve financial crisis and to whot extent we are able to avoid unexpected consequences. The last Summit of G20 or Summit of China, the USA and the EU leaders have been on the top of highlights of news agencies. The Middle East conflict was not so important.
4. Financial crisis unabled to some banks penetration of Central European Stock Exchange, for instance: Warsaw, causing decrease of local currency value and transfer of speculation profit abroad. As for instance Goldmann Sachs. Even they opposed that practice it was fact.

5. The process of withdrawal of foreign direct investments from Central and Eastern Europe is very important consequence. It means that we have to take into account a new shift of those investments to another place of the world. May be for receiving new facilities and possibilities of profit transfer. It is dangerous process looking for the longrun strategies of emergency markets.
6. Within the European Union it was a pretext for providing activities for growing competencies of the European Commission instead the role of all Member States. And it is only one stop to build supranational institutions. It was already forecasted in so called Lisbon Treaty, rejected in Ireland through national referendum and even nonsigned by several other countries.
7. Shift, on the West of Europe, of bipolar center of security and crisis management including NATO and the European Union to the NATO structure as a highest military power.
8. Growing interest of France to renewal of its military presence within NATO and to bulid new Mediterranean collaboration system with France as a leader of this new system.
9. Unquestionable and victorous return of state intervention within main States of the West, including most developed countries of the European Union, and pressing on less developed Member States to break public assistance to their enterprises (for instance Polish shipyards companies in Gdańs and Szczecin).
10. The slow and very sophisticated process of engagement of Sovereign Wealth Funds (SWF), especially from Gulf Countries, to common action against financial crisis and to strengthen their responsibility for the undertaken solutions on a global scale.

The state intervention is well known since the last century. It is nothing new in market economy. Very often it was shown as an opponent to collectivism. But as we are looking at the contemporary world the state engagement is mostly linked with conflict and war. During that time it rather easy way to obtain by the government support for military actions and others, which are concerning with economic life of a country. The best example is the most powerfull country of the world, the United States of America. Within several last American admionistrations, during conflicts Congress has been given a lot of money to support the United States interests outside America. It is nothing strange because every country must protect its ratio and interests. But in economicsn it means, that state intervention is a still living concept and nowadays it is one of "a miracle" tools to solve a global financial crisis. I would like to draw our attention, that very live discussion on state intervention has been going in the last five years of the 20th century. Such authors like Robert Skidelsky, Hans O. Melberg, John Kenneth Galbraith, Charles P. Kindleberger, Paul Krugman made a brain storming of an intelectual discussion: to what extent state intervention should provided into economy? Everything was broken by the tragic lesson of 11th September of 2001. Everybody shouted for more engagement of the state to protect security not only within one country but as an international therat of our life, bearnig in mind that the mobolity of the people is one of the most important factor of economic development and a priviulege of the modern times.

In Europe we observe the strong activity of two major powers of the European Union. In “The Economist” (March 12th 2009) it was stated, that “European governments are taking over ever-larger parts of the economy.” The problem of state intervention to protect the jobs is quite obvious for politicians. They use it as an instrument during election campaign. Especially we observe this in Germany where the major personalities of the German Government are involved into campaign to reassure Opel’s workers that they will not loose their jobs. British “Telegraph” cited the words of French president Nicolas Sarkozy who said: “The state would take dramatic action in all fields of economic management to head off the worst crisis since the “franc fort” deflation of the 1930s. We will intervene massively whenever a strategic enterprise needs our money”.

Not only in Europe, but in Latin America as well. The Riskwatchdog agency, wrote on 16th April 2009, that Brazilian government made a great state intervention in banking sector, especially for state-run bank giant Banco do Brasil.

Sovereign Wealth Funds are a state-run investing vehicles. The assets of 15 biggests SWFs amount to 3 400 billions $ 64 % of those assets belong to the oil exporters countries. They were already engaged into external assistance to the Citigroup, Swiss UBS, Morgan Stanley, Merril Lynch and others.

In any case an impact of state intervention on global strategy to slow financial crisis is a reality. In any case we have to be carefull with all those steps, because we have to deal with something what I call “a selphish giant approach and attitude”.

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