

**WHAT DO YOU THINK:
CAN PRESIDENT BARACK OBAMA'S ADMINISTRATION
MAKE A DIFFERENCE ?**

The hope of many people, in the US and around the world, is that President Barack Obama, the first black President of the United States of America, will make a difference, turning the economy round, out of its recession and restoring the past glory of The Land of The Free and The Home of The Brave.

Well, in **TARGET**'s view, it is not going to happen – at least, not in the short term, and perhaps, not this year.

In fact, this medium would go as far as to state that it would be something of a miracle if the Obama Administration could make an appreciable, positive difference to the status quo by the end of 2009.

President Barack Obama has inherited a terrible mess, comprising 2 distinct parts: The economic factor and the multi-sided, political factor, the latter-mentioned, probably being the most-difficult nut to crack.

The Political Factor

Many governments of the world have stated, very clearly, that they are at odds with the US foreign policy.

For a number of fundamentalist Muslim countries, they do not hesitate to state that the US is the enemy.

Not everybody loves the United States of America in spite of it, being the most-successful economy that history has ever recorded.

The US does not deserve the derision that is heaped upon it by a number of governments, but it is stuck with it, nevertheless.

President Barack Obama will have a very difficult time in trying to change the attitude in the minds of many toward the US, especially the minds of fundamentalist Muslims.

President Barack Hussein Obama II, his correct, full name, is not a Muslim, according to that which he has stated, publicly, in the past, although his middle name, Hussein, does smack of a person who embraces the teachings of Islam.

President Barack Obama professes to embrace Christianity.

Aside from religious differences with fundamentalist Muslims, President Barack Obama has to contend with what is known as *'The Deep South'* of the US where one hears, in that very distinctive southern drawl:

'Don't talk to me of "him". I want nothing to do with that (expletive) man. President Bush kept us safe. I, always, liked him. I don't like Obama ... Never did.'

Racial prejudices, aimed specifically at the majority of the black population of the country, numbering about 39 million, men, women and children, still run strongly, especially in the southern states of the country, such as Missouri, Louisiana, Kentucky, and South Carolina.

Dr David Duke, American white nationalist, former Grand Wizard of the Knights of the Ku Klux Klan, and former Republican Louisiana State Representative, still continues to muster support for his cause, which includes (or, at least, used to include) sending all blacks, living in the US, back to the Continent of Africa.

Prejudices die hard.

If President Barack Obama had been, as he described his father, '*as black as coal*', one has to ponder whether or not he would have been elected as the 44th President of the United States.

Aside from trying to improve relations with Muslim countries, many of the staunch inhabitants of which hate the US for various reasons, there is the ongoing War of Terror, initiated and launched by President George W. Bush on September 11, 2001.

Osama bin Laden is the most-wanted man in the world by the Federal Bureau of Investigation and many other organisations of similar ilk, belonging to other Western countries, but the al-Qaeda organisation that this wealthy Saudi Arabian founded still is very active and its membership continues to grow, by all accounts.

Late last year, in Dubai, it was discovered by the police that, in one, well-to-do area of the city, certain people were going from door to door, asking for cash donations to support financially the activities of al-Qaeda.

This information was obtained from one Muslim couple, living in Dubai, a couple with whom this medium spoke in Salzburg, Austria, while they were staying at Hotel Sacher.

What action was taken by the Authorities of Dubai with regard to these people, seeking cash donations on behalf of al-Qaeda, **TARGET** does not know, but the fact that such a thing could take place, openly, talks volumes ... of a number of the inhabitants of Dubai and of the government that permitted it in the first place.

Turning to fundamentalist Muslim Iran, it is a well-known fact that this country is on the doorstep of producing weapons-grade plutonium.

Isotope plutonium-239 is used to produce atomic energy and in the production of nuclear weapons.

Iran claims that it only wants nuclear technology in order to generate electricity.

The world believes this to be a lie – and **TARGET** finds it difficult to digest, too – and that, as soon as Iran has mastered the production of plutonium-239 in sufficiently large volumes, it will start to manufacture weapons of mass destruction.

Once those weapons of mass destruction are in place, it is likely that Iran will not hesitate to use them if it is determined that needs be such.

President Barack Obama has gone on record as stating that he would be willing to sit down, unconditionally, with the Government of Iran in order to hold talks on the differences that divide the US from this fundamentalist Muslim country.

One would have to be an absolute fool to think that one could sit down with a hungry lioness in The Serengeti National Park in Tanzania and assume that she will not, at some time, consider tasting the flesh of man.

It is unknown whether naïvety is a strong suit of President Barack Obama.

The Economic Factor

The economy of the US is facing its most-difficult time since The Great Depression of 1929: Very few people would argue with this statement.

There is no quick fix.

The largest banks in the US have failed.

The largest stockbrokerage house in the country has failed.

Banks continue to fail.

Just last week, 2 more banks, one in Illinois and one in Washington, were closed: They were, in a word, bankrupt.

The banks were: The National Bank of Commerce of Berkely, Illinois; and, The Bank of Clark County of Vancouver, Washington.

In calendar 2008, a total of 25 US banks closed their doors due to insolvency.

In calendar 2007, 3 US banks were proved to be insolvent.

Last Sunday, Citigroup Incorporated, which used to be a major bank in the US, put up the '*For Sale*' sign for Nikko Cordial Securities Incorporated, its retail stockbrokerage operation in Japan.

Nikko Cordial Securities Incorporated is known to have Net Assets of about ¥408,431 million and has 111 branches in Japan.

Citigroup Incorporated would not sell such a jewel without good reason.

That reason is, of course, that it needs money in a hurry.

Last Monday, as [TARGET wrote, in Volume XI, Number 12](#), Page 16, that Citigroup Incorporated had announced a 4th Quarter Loss Attributable to Shareholders of about \$US8.29 billion.

It was the 5th consecutive quarterly loss for this bank.

Last Friday, also, it was announced that the US Government had agreed to bail out Bank of America Corporation with \$US20 billion, as well as guarantee some \$US118-billion worth of poor-performing (or non-performing) assets.

Bank of America Corporation was forced to take over Merrill Lynch and Company Incorporated on December 5, 2008 – because this once, major player in the US brokerage business in the US, was in deep financial trouble.

Now, it appears that Bank of America Corporation is stuck with the assets of Merrill Lynch and Company Incorporated, assets that have become a terrible drag on this bank.

Today, though not yet confirmed or denied, there are numerous reports that HSBC Holdings plc, Europe's largest bank, is in financial trouble and that it requires a cash injection of at least \$US30 billion.

It is well expected that this bank will reduce, or shelve, its dividend payment for the Financial Year, ended December 31, 2008.

Over the past 4 months or so, the share price of HSBC Holdings plc has fallen from about \$HK126 to about \$HK60.

That is a fall of about 52 percent.

Turning one's attention to the employment/unemployment level in the US, for the month of December 2008, unemployment stood at about 7.20 percent.

In calendar 2008, not less than 2.60 million jobs had been lost in the US.

Not since 1945 had one witnessed such a situation.

Indications suggest that the worst has yet to come.

Since The Great Depression, one had not seen the US in such a precarious situation.

No single industry in the US is immune to the problems, facing the largest single economy of the world.

In December 2008, alone, payroll employment shed about 524,000 jobs.

Not since 1939 had there been such a large number of job losses in a single month.

In the final 3 months of 2008, 563,000 jobs had been lost per month.

Those statistics relate, only, to full-time employment, but part-time employment may be considered even more worrisome to economists.

According to statistics, compiled by the US Government in its surveys, the number of people, employed in part-time, nonfarm jobs in December, was about 715,000.

Of the quarter, ended December 31, 2008, not less than 1,746,000, part-time workers had been laid off.

Adding the losses of part-time workers to the full-time workers, the unemployment rate in the US was about 13.90 percent in December 2008.

This means that one in 8 people in the US are, today, either unemployed or underemployed.

Frightening statistics!

It is hardly any wonder that the Christmas Shopping spree turned out to be a wet squib: If workers do not have money and cannot see their way clear to earning any money, they cannot spend it.

If the current situation continues – and there appears to be no way that the Obama Administration can move sufficiently quickly to arrest the current difficult, economic situation – it is obvious that many household-names as well as departmental stores, discount houses, manufacturers of all kinds, etc, will cease to exist because they will be unable to continue in business.

President Barack Obama has gargantuan tasks to tackle.

About 303 million, US citizens are watching in order to see the mettle of this man, the first black President of the United States of America.

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