

# ‘The American Century Is Over’

April 3—In a wide-ranging interview given to *EIR* correspondents Claudio Celani and Flavio Tabanelli on March 30, Antonio Fallico, who was for many years a professor of economics at the University of Verona, addressed the crises facing Europe and the world. Professor Fallico spoke in his capacity as founder and chairman of the Association “Conoscere Eurasia” [“Knowing Eurasia”], a private non-profit organization with the aim of “developing economic and cultural relations between Italy, the Russian Federation and the Eurasian Economic Community.”

Fallico’s 40 years of experience doing business with Russia (and the Soviet Union), and his knowledge of the economic situation in Italy, give him insights into the dynamic of today’s strategic situation often suppressed in today’s media. He concludes: “The American Century is over,” and the Americans must face it.

“In my view, the American people deserve better leaders,” he said. They need to know the truth, and act to “eliminate the structural roots of this crisis.”

## The Strategic Crisis

The discussion began with matters relating to the strategic crisis.

Fallico’s Conoscere Eurasia was formed in 2008 with the idea that “Eurasia is a part of the world that can be fundamental not only for developing our exports, but also to implant economic initiatives,” not only for the benefit of the West, but for the regions involved. Asked how he assesses the current relations between Russia and the West, Fallico said he is “extremely worried. Unfortunately, the current U.S. Administration, a Democratic administration which is also under pressure from the most radical Republicans, has turned it into an ideological battle, twisting the premises.”

At the time of the Cuban Missile Crisis, the USA “flexed its muscles

too, but after all, there was an impulse towards détente, which in the end prevailed. . . . I hope that [the Americans] come to their senses, because Russia today is not in a condition to stand idle if it feels attacked,” and Russia “is a nuclear power with more warheads than the USA.”

## The Sanctions Disaster

Fallico agreed with *EIR* that the economic crisis is a fundamental cause of the strategic danger, and he elaborated on the insanity of the sanctions against Russia.

**EIR:** “In the last months, you repeatedly called for lifting Western sanctions against Russia. Can you explain why?”

**Fallico:** “We all understand why sanctions do not work. We saw it with Iran. In these weeks, the future of sanctions is being decided, but they have been discussed for many years. Sanctions have never been a tool that has convinced anyone; they have rather been only a negative element. On the case in point, Russia is certainly a loser with sanctions, but the biggest losers are exporters, and therefore Germany, France, and Italy.

“But beyond the mercantile, economic aspect, let me ask you: How would you feel, going to a country where Italy was being sanctioned, and you felt psychologically as though you were barely tolerated, if not hated? Obviously, there would be such a psychological barrier, that no business could be conducted. Therefore, I insist that it is a question larger than business. Look at what sanctions are doing to Italy from the standpoint of tourism, and not just of people who want to do big business deals.

“Last year, we had a 15-18% drop in the number of Russian tourists in Italy. This year, we had a collapse of 60%! How could sanctions be helpful? In Italy, a quarter million workers who were expecting to work on Russian orders are on the street, not knowing what they are supposed to do. In Germany, it is 400,000. Sanctions and counter-sanctions are devastating for relation-



EIRNS/Flavio Tabanelli

*Economist Antonio Fallico (left) talks with EIR’s Claudio Celani on March 30.*

ships among countries, but especially for the citizens of those countries. What we have built in 35-40 years, we are destroying in a moment.”

**EIR:** “In a recent interview, you said that there is one sector which is hit hardest, but not visibly, and that is the high-technology sector.”

**Fallico:** “Certainly, that sector is most severely hit. Today, the United States and Europe have decided that Russia, even without co-financing, cannot import drilling technology for oil rigs that must go 120 meters below the surface—what is considered to be sophisticated technology. All this means, for Italian companies—but not only Italian companies—which had already underwritten contracts before sanctions, a loss of income of circa €12-15 billions for 2015. This is much more than the €700-800 million which Italy is losing on agricultural and food items, or the €500 million of Germany, or the €250-300 million of France.”

### A New System in Process

As the discussion turned to the alternative international economic and monetary system being put together by China and the BRICS nations, Fallico characterized this as “a fundamental moment of world development, and surely of the world economy in the next years.”

The scientific concepts of biogeochemist Vladimir Vernadsky—the initiator of the idea of the Biosphere—whose concept of the “Noösphere,” has been cited and further developed by Lyndon LaRouche.

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He noted, for example, that “the Shanghai Cooperation Organization is no longer a defense organization. It is a creative organization in the geopolitical field,” bringing together nations from various groupings. “The world is united with Russia.”

“So much so, that they are discussing turning the Eurasian Investment Bank, currently with 50% Russian capital and 50% Kazakh capital, into the bank of the Shanghai Cooperation Organization.

“The gong has not sounded, but the American Century is over. The current conflicts are produced by the unwillingness to fully recognize this. And we love the American people, as a creative people in many fields of knowledge and of business, but this does not mean that the USA must be the only polar element to which we must adapt. . . .

“On the new Asian bank you mentioned [the Asian Infrastructure Investment Bank], I am not revealing any secrets if I say that the first country which was asked to participate was Russia. Russia, in agreement with the Chinese, did not want to join immediately, to avoid giving the impression that it is an ‘anti-everything’ organization, which is not so, of course. But it is clear that Russia is in the game; it is clear that they are intensely working with the Chinese for the New Silk Road, together with an infrastructure development like the one you had somehow envisioned. . . . Certainly, the USA did not like the presence of Great Britain, but the British are very pragmatic: They understand where the wind is blowing, and it is clear that they do not want to be swept off, but want to have the wind in their sails.”

### On the United States

The concluding discussion focussed on the situation in the United States, on which the professor said the following:

“In my view, the American people deserve better leaders. People must demand to know things as they really are. . . .

“I was impressed by a speech by Barack Obama in which, in listing the evils in the world, he compared Russia to Ebola. I was aghast at the level of intellectual coarseness.”

Briefed on former Maryland Gov. Martin O’Malley’s pre-Presidential campaign, “I agree” with the reintroduction of the Glass-Steagall Act, Fallico said. However, it won’t work if the system is kept in a condition “where economic decisions are separated from political decisions.” The belief that “the market is self-determining in a mechanistic way is an eternal foolishness.”