

Florian Galler Psychonomic Newsletter, Oct 26, 2008

The social process of cleansing the individuals of the population from their traumatic feelings of anxiety and rage stemming from traumatic experiences in their lifetime has changed from war to economic contraction. Since July 2007, when it had become clear that the Bush administration had lost its ability to cleanse people by war the traumatic feelings started to flow into the area of economy causing there the break out of the credit crisis.

The damage for the real economy which will result from the ongoing crash of the stock markets and the cleansing resulting from that could be big enough by now to enable us to endure the election of Obama for president as well as a temporary interruption of the worsening of the economic situation.

This idea came to me when I saw the following three remarkable pre- and perinatal fantasies:

Example 1, Yahoo News Oct 24



Finance crisis inflicts more pain as recession fears grow AFP - Fri Oct 24, 7:35 PM ET
WASHINGTON (AFP) - The global financial crisis inflicted more pain Friday on a wide range of corporate sectors, prompting heavy losses in stock markets, while the IMF readied a rescue of some 200 billion dollars for debt-laden countries.



An assembly line at the Peugeot-Citroen plant in Sochaux, eastern France. World giants in the auto, airline and technology industries ordered emergency action Friday in response to the financial crisis, while billion dollars for debt-laden countries the IMF set aside more than 200

The first example reminds me of a spider-web. I connect this fantasy to a pre- and perinatal phase of our lives when it came to an intoxication of the fetus during a placental crisis or to experiences during a later state of birth when it came to feelings of falling into the abyss of the birth channel or of being sucked in the birth channel. I attribute their origin to later phases of birth when the birth channel has already opened and after the blockage of the previous phase when the movement out of the uterus was blocked because the birth channel was not open yet has been overcome. (To the topic of birth trauma see Lloyd DeMause: The Emotional Life of Nations, New York/London 2002 or Lloyd deMause; Das emotionale Leben der Nationen, Klagenfurt 2005, about the topic of the connection of birth phases in fantasy and phases of real financial crises see my article "Group-dynamic Processes in Financial Markets" or "Inflationsängste als Aktualisierung früherer Traumata". You can download the version in English here: <http://www.psychohistory.ch/Group-dynamic.pdf> and the article in German from <http://www.psychohistory.ch/Inflation.pdf>.)

Example 2, Yahoo News Oct 24



US, European stocks fall, but resist global panic AFP - Fri Oct 24, 5:14 PM ET
NEW YORK (AFP) - World stock markets plunged deep into negative territory Friday as gloom gathered over the global economy and dismal corporate news left investors stunned.



Stock traders negotiate in the iBovespa future index pit during the morning session, at the Mercantile & Futures Exchange (BM&F), in Sao Paulo, Brazil. World stock markets plunged deep into negative territory Friday as gloom gathered over the global economy and dismal corporate news left investors stunned.

We can see the same fantasy of being "sucked in" and "falling into the abyss" also in the second illustration.

Example 3, Yahoo News Oct 26



Obama tries to win over Colorado AP - 1 hour, 56 minutes ago

ALBUQUERQUE, N.M. - Barack Obama is trying to snag a win in Colorado, a state that twice sided with President Bush, as the race for the presidency **whirls** into its final days.



AP – Democratic presidential candidate Sen. Barack Obama, D-Ill., takes the stage at a rally at the Univ. ...

In the text of the third example you find a similar fantasy of a “whirl” which is repeated in the third illustration: The white sheets of paper/posters in the audience also form a whirl.

In my article “Group-dynamic Processes in Financial Markets” I observed how a financial crisis was experienced as a birth process. We can see something similar now. The above-mentioned fantasies could be interpreted as stemming from a later phase of the birth process. Now we have to wait for the breakthrough of birth itself. If this is over, then a complete social reenactment of the prototype of every postnatal trauma, the birth process, is over and simultaneously the financial crisis would come to a temporary end. A good time for an ekstatic end of the cleansing process would be next Wednesday morning before the Fed probably announces a reduction of the federal funds rate in the early afternoon:

TODAYonline - Oct 25 10:36 PM

Fed likely to cut rates again to help sentiment

Traders signal offers in the S&P 500 stock index futures pit at the Chicago Board of Trade. The Federal Reserve is widely expected to cut key interest rates further at its upcoming two-day meeting, hoping to offer a psychological boost to panic-stricken financial markets, analysts say.

...

The Federal Open Market Committee headed by chairman Ben Bernanke is expected to announce a decision around 1815 GMT (= 0115 PM ET) Wednesday at the close of a two-day meeting.