Worldwide recession has posed one of the greatest questions before the entire commercial world today. Not only the commercial enterprises but also the people have been raising questions about the future of the commercial world and the use of technologies in promoting products and services. Some of them were also pointing out that the recession is more or less a result of use of the technologies and the commercial world is now paying the price for such mindless use of technologies.

Change of the situation however is very much on the cards. “Turnabouts in European and Asian economies, along with recent gains in the U.S., are raising hopes that the worldwide recession is drawing to a close. That’s not to say the coast is clear.” (Source: Associate Press-World Economy on Rebound – But Future Uncertain – 2009)

Different countries in the world have been viewing the situation differently. At the same time, the situation in different countries varies basing on the political and economic environments available there. For instance the major change that took place with the change of political set up in United States when democrats took over from the republicans with the coming of the regime of President Barrack Obama has completely changed the economic scenario in the country. The reason is that the policies that were adopted by the republicans under George Bush have been largely altered by the democratic successors under Obama. “But before breaking into a chorus of “Ding Dong, the Republicans are gone”, we ought to consider that the shift in power in the US could have major implications for the world’s biggest economy - and therefore for Ireland, which is very reliant on the US.” (Source: Alan Oherane – The future is uncertain – 2008)
Way back in 2006 also Otherane expressed such doubts and said that the change in political structure in the country could have a major impact on the world's largest economy. In fact the change took place when the economic situation in the country was highly uncertain. Performance of the United States economy had deteriorated considerably during that period. There was in addition, a dramatic down turn in the already overstretched housing market.

“Hit by a series of interest rate hikes by the Federal Reserve - America's central bank - which saw interest rates go from 1 per cent in 2004 to 5.25 per cent today, construction of new houses tanked, inventories of unsold houses soared to 40-year highs and house prices stalled - and, in some states, began to fall.”

One of the crucial questions for the short-term prospects of the Unite State economy and so also of the entire commercial world at large was that whether the worst of the housing showdowns have passed already or the problem still persists. It was thought at that particular point of time by the experts in the financial and commercial arena that the housing market could even face an outright crash and thereby putting the US economy to a severe recession.

Some of the experts assessed that the fortunes of the economy in United States, and they believed it to be the syndrome for any of the countries or economy, would remain unaffected by the political changeovers. To prevent the steadily growing downward trends of the economy or the recession, the democrats took several steps like raising the minimum wages to $7.25 per hour as against the existing rate of $5.15. Moreover, they also allowed a roll back in the tax breaks for the oil companies. On the other hand, they tried to balance it by raising the income tax for the wealthiest classes in the economy.

Apprehension in the quarters of the experts in financial arena was that the policy changes may not matter much for the direction of the overall economy even over the next few years. Especially, the financial market was immune to the election results. On the other hand, the main criteria for determination of the
route that the economy would be taking would be the change in the interest rates. That will decide how the economy is going to fare hereinafter since it is the basic element of any financial transactions and economic solidarity. Again, the interest rates are determined by the Federal Reserve and not by the political supremacy of any of the ideologies.

However, there is one field where the political change can affect the economy of any country just as it happens in case of the United States. As financial experts point out that the United States economic policies in the international arena is very likely to be affected by the trade and the foreign investment policies that could change radically. For instance, such changes in international trade policies could have profound implications for the economy of Ireland that is reliant on the exports to United States and on the inward investments for them. Most of the times the political changes are closely associated with liking and distaste for free trade and global economic integrations.

What makes the future of the commercial world rather uncertain? In addition, what brings the use of technologies in all spheres of the economy under scanner? When you have a view of the economy of the world’s largest democracy, United States, you will find that while the economy has been performing quite strongly, wages for most of the Americans have failed keeping pace with the inflation during the recent years.

From the worker’s point of view most of their jobs seem to be under threat due to globalization. Two factors contribute to such situation. The first one is that cheap manufacturing products flood in from China. Second one is that United State commercial organizations often outsource services jobs to India and elsewhere. These two major threats have now made the stand of workers in United States rather insecure. Effect of political influences can be visible in the manufacturing heartland of Ohio, Pennsylvania as well as Michigan. These attacks on free trade were often the part of democrats’ successful campaigns.
“The political reaction to rising income inequality and growing anxiety about the effects of globalisation has led to an upsurge in economic nationalism. The result is that the new Congress will almost certainly vote against an extension of the president’s so-called “fast-track” authority - the power to negotiate trade deals without having to consult Congress on the details - which expires next summer.” (Source: Associated Press – The future is Uncertain)

Just as in United States the democratic victory has heralded “a new era of rising trade protectionism and the beginning of a populist backlash against globalization” since 2008. While smaller trade economies like Ireland have benefited enormously from such type of globalization but any retreat from the global integration could be very damaging. Normally 25% of the exports of Ireland go to United States. At the same time, Ireland is an important part of the multinational firm’s global supply chain. Charles Rangel, for example, the New York Democrat who is now poised to become chairman of the powerful House Ways and Means Committee, lists “ending tax shelters for companies that move American jobs overseas” as one of his main objectives.

“Turnabouts in European and Asian economies, along with recent gains in the U.S., are raising hopes that the worldwide recession is ending. That’s not to say the coast is clear.” (Source: Tom Raum – World Economy on Rebound, But Future Uncertain – The Associated Press - 2009)

Commercial market in Europe and Asia are looking up while the credit markets in United States is indicating clear signs of improvement, all reflects heavy government stimulus spending. Analysts are questioning the ability of the best of economies in sustaining recoveries after the stimulus measures while easy credit policies have run their course. Absence of significant spending by new consumer, especially among the Americans, can add to the problem substantially. "It's not clear that these economies can continue to move forward without stimulus," said Mark Zandi, chief economist for Moody's Economy.com. "And that's in part why stock markets across the globe are
nervous."

Most of the countries will find it very difficult to pull out of the current economic recession unless the economy in United States starts growing. The year 2008 experienced a free fall across the entire Europe. Good news for economists is that the two largest economies in Europe, Germany and France are reporting that they are reviving a little during 2009. Not only these two but China, Japan, Hong Kong, South Korea, and Singapore are also reporting rebounds. These are obviously results of stimulus efforts of government of the concerned countries. Even Russia that was hit the hardest due to the recession is now gradually stabilizing. "Meanwhile, in the United States, the Federal Reserve said the world's largest economy appeared to be "leveling out" and many economists see a second-half rebound." Things were likely to come up in the world economic summits where world’s top 20 industrial and developing economies were going to meet.

Economists believe that until the American consumers resort to free spending all over again and as long as people lose jobs, the durability of any kind may not be possible. One question mark is the lack of spending by the average American consumers on basics of the consumable articles. This has been affecting the market quite adversely. In result despite the improvements in the economic statistics of United States, most of the consumers have not seen any change in their lives. Since the recession began nearly seven million jobs have been lost. It all began in December 2007 when the recession started to cut into the economy. Such rates of job loss and unemployment continued even after the economic rebound started.

Let us now have a look at the southern hemisphere. Many economists do not have any idea what is going to happen to the Western Australian economy during the next two years. They believe that volatility in world market means that the state’s economy faces an uncertain future.
“WA has good fundamentals and is well placed to weather the global economic downturn but he has told a Committee for Economic Development of Australia function, it is hard to accurately predict the state’s outlook. I’m here to tell you what I think’s going to happen in the next year to 18 months to two years. I’ve got no idea.” (Source: Tim Marney - AEDT - WA Economy Faces Uncertain Future: Under Treasurer-2009)

With so many moving parts it would be very difficult telling what is going to happen with some certainty, said Marney. At least 3% efficiency cut is necessary to counter the global economic downturn that now faces Western Australia. He believes that the economy of the state has good fundamentals. However the government needs “to eliminate waste from the public sector.”

Coming back once again to United States the scenario is not much different. Most of the out of work people in America have lost unemployment as well as severance benefits despite having no job. While these people are depleting their savings while others are saving more and at the same time making less expenses, as they are shaken from worst economic downturn since the arrival of the great depression. "This is going to be the mother of all jobless recoveries," said Allen Sinai, chief global economist for Decision Economics, a consulting firm.

During the second quarter of the year 2009, Japan, that is now the second largest economy in the entire world, grew by 0.9%. Export sales started picking up after the deepest slump of the country since the World War II during the past few years. It was one of the latest among the major economies that reported upbeat second quarter results. Here also the government stimulus resulted in the end to a year long recession in Japan. “But the development, along with recent news that other major economies had resumed economic growth or were stabilizing, did not impress investors as global stock markets sank and then zigzagged amid fears by jittery international investors that the recoveries were not sustainable.”
During the same period GDP in United States contracted at 1% against the plunging of 6.4% during the previous quarter. It was one of the worst slumps in last 27 years. The slump during the last quarter of 2008 was 5.4%. While the statistics now available on the economic front indicates that the recession is in the final stages, some economists also believe that the recession has ended in truth. Yet the economists have not yet reached any consensus on the pace of the recovery. Barriers on the way of quick economic recoveries are multiple and that makes immediate economic rebound rather unlikely.

China registered steadiest rebound during the first half of the year 2009 at 6%. Peter Morici, a business economist at the University of Maryland and a critic of Obama’s economic-recovery plans, said: "China has a $400 billion stimulus package, and its economy is firing on all cylinders. President Obama has an $800 billion stimulus but prospects for the US economic recovery are fragile."

On the other hand there are also a few optimistic economists like Lawrence Summers; one of the topmost economic advisers of White House predicts “a substantial return to normalcy” during the coming days. He acknowledges quite candidly that “we have a long way to go” and his predictions are based on the positive trends in the GDP growth in the market towards the end of the year 2009. "It is reasonable to say that we are in a very different place than we were six months ago; that the sense of free-fall, of vertical decline, has been contained," he told a recent economic forum. In fact he feels that it is going to be a new dawn in the economic world that includes not only United States but most other economies across the globe.