

Meltdown is top US threat

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WASHINGTON: The new intelligence chief of the United States has warned that the global economic crisis is the biggest threat to the nation's security, threatening to topple governments, trigger waves of refugees and undermine the ability of America's allies to help in Afghanistan and elsewhere.

The economic collapse "already looms as the most serious one in decades, if not in centuries", said Dennis Blair, the Director of National Intelligence, in his first appearance before Congress as the top intelligence official in the Obama Administration.

Mr Blair said that one-quarter of the world's nations have experienced low-level instability attributed to the economic downturn. He cited anti-government demonstrations in Europe and Russia, and he warned that much of Latin America and the former Soviet satellite states lack cash to cope with the crisis.

"The most likely potential fallout for US interests will involve allies and friends not being able to fully meet their defence and humanitarian obligations," Mr Blair said.

US intelligence analysts fear there could be a backlash against American efforts to promote free markets because the US triggered the crisis.

"We're generally held to be responsible," Mr Blair said.

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