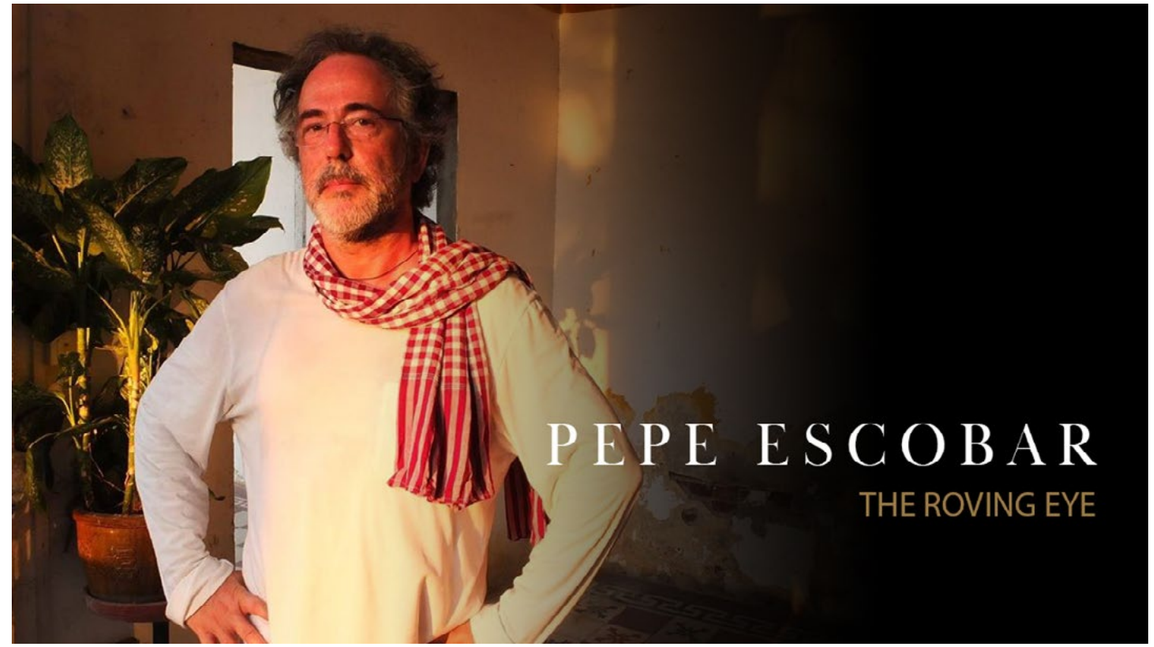
ASIA TIMES

THE PEPE ESCOBAR ARCHIVES – VOLUME 1

Shadow play

US-Russia-China in The New Great Game, 2017-2020



I have the pleasure to welcome you to the first in a series of e-books recovering the Pepe Escobar archives on Asia Times.

The archives track a period of 20 years – starting with the columns and stories published under The Roving Eye sign in the previous Asia Times Online from 2001 all the way to early 2015.

The Roving Eye was all over the place – but mostly following the War on Terror, and digging deeper in Iran, Iraq, Afghanistan, Pakistan, the Greater Middle East, Central Asia, China, and the interplay of all these actors with the US.

I was back with the new Asia Times in early 2017 – right at the start of the Trump administration.

The columns selected for the first e-book in this series start before the Trump inauguration and proceed, in chronological order, to July 2020.

They focus on the complex interaction between Top Three geopolitical actors Russia, China and the US.

You may read them as a thriller – as you will be reviving all the plot twists and cliffhangers involving the players.

The first column – conceived in Bali – lays out the chessboard: it's all about *sekala* – what is visible – and *niskala* – what's in the shade.

Right afterwards, you are thrown under the volcano of multiple, interlocking, main themes: the Trump doctrine; the Chinese dream; the New Great Game; the New Silk Roads; Eurasia integration; Hybrid War; and Cold War 2.0.

So welcome to a unique geopolitical road trip. Let's hit the road together. And bon voyage.

Pepe Escobar,
Bangkok, July 2020.

Shadow play: the New Great Game in Eurasia

On his return to the Asia Times fold, veteran columnist and author Pepe Escobar writes that the West's Divide and Rule approach to global rivals may no longer cut the ice in an age of New Silk Roads

By PEPE ESCOBAR
JANUARY 10, 2017

So, right in the heart of Bali, spellbound after a serious conversation with a dukun — a spiritual master — it struck me: this should be the new Yalta, the perfect setting for a Trump-Xi-Putin summit setting the parameters ahead for the ever-evolving New Great Game in Eurasia.

Balinese culture makes no distinction between the secular and the supernatural — sekala and niskala. Sekala is what our senses may discern. Niskala is what cannot be sensed directly and can only be "suggested". Massive geopolitical shifts ahead could not be more shrouded in niskala.

Captive to the vertiginous velocity of the here and now, the West still has much to learn from a highly evolved culture that prospered 5,000 years ago along the banks or the river Sindhu — now Indus — in what is currently Pakistan, and then migrated from the Majapahit empire in Java to Bali in the 14th century under the pressure of advancing Islam.

In the Hindu-Balinese conception of cosmic structure, Man is a kind of scale model of the universe. Order is personified by Gods, disorder personified by earth demons. It's all about dharma and adharma. As for the West, adharma rules, unchecked.

In Hindu-Balinese religious philosophy, for every positive force there is a counterbalance, a destructive force. The two are inseparable — coexisting in dynamic equilibrium. Western dualism is so unsophisticated compared to it.

In the Suthasoma — a great Mahayana Buddhist epic poem composed in central Java at the time when Buddhism was merrily mixing up with Shivaist Hinduism — we find an outstanding verse: Bhineka tunggal ika ("it is different but it is one").

That also happens to be the motto of Indonesia, emblazoned in its coat of arms, below the golden Garuda mythical bird. It's a message of unity, like the American e pluribus unum. Now it looks more like a message presaging Eurasian integration via the New Silk Roads; it's not by accident that Xi Jinping officially launched the Maritime Silk Road in 2013 in Indonesia.

With the Trump era about to begin, our current geopolitical juncture looks and feels like a massive Wayang kulit — a Balinese shadow play.

The historical origin of the shadow play lies most possibly in India, although it has been performed all across Asia. Good and evil coexist in shadow play — but Hinduism seeks to depict the clash as a sort of quirky partnership.

Kulit means skin, covering. Wayang is the puppet, made out of cow hide, painted and braced with sticks that the dalang — the puppet master — manipulates at will.

Every Wayang kulit performance is a story told by a dalang through voices (which he must impersonate), shadows on a screen, and atmospheric music. The dalang — a sort of priest — incarnates all characters and must know the stories he tells by heart.

Only a select few in the West qualify as dalangs — especially in the geopolitical sphere. The real dalangs are in fact totally invisible — deep down in niskala. But then we have their emissaries, the visible, media-savvy, media-worshipped dalangs. Back to them in a New York minute.

The white bull and the Asian girl

Now compare the Balinese shadow play — acting out sekala and most of all niskala — with the made-in-the-West approach; the Ariadne's thread that might, just might, extricate us from the current geopolitical labyrinth by applying an exceedingly overhyped commodity: logic.

First, a rewind; let's go back to the birth of the West, as in Europe. Legend tells us that one fine day Zeus happened to set his roving eye on a girl with big, bright eyes: Europa. A while later, on a beach in the Phoenician coast, an extraordinary white bull showed up. Europa, intrigued, got closer and started to caress the bull; of course, that was Zeus in disguise. The bull then annexed Europa and darted toward the sea.

Zeus had three sons with Europa — and left her a spear that never missed its target. One of these sons, as we all know, was Minos, who built a labyrinth. But most of all what legend taught us was that the West was born out of a girl — Europa — who came from the East.

The Obama administration, leading the West "from behind", counter-attacked with a pivot to Asia (for which, read containment of China) and Cold War 2.0 (demonization of Russia)

The question now is who will find the Ariadne's thread to extricate us from the labyrinth, which five centuries after the Western-led Age of Discovery has brought us to The Decline of the West, with its leader, the United States, in the forefront.

The Obama administration, leading the West "from behind", counter-attacked with a pivot to Asia (for which, read containment of China) and Cold War 2.0 (demonization of Russia)

The whole EU project is facing utter collapse. The myth of European/Western cultural and political superiority — cultivated over the past five centuries — lies in the dust, as far as "all Asiatic vague immensities", as Yeats wrote in The Statues, are concerned. This is bound to be the Eurasian century.

A sound way forward would have been what Putin proposed way back in 2007 — a unified continental trade emporium from Lisbon to Vladivostok. The idea was later picked up and expanded by the Chinese via the One Belt, One Road (OBOR) concept.

Instead, the Obama administration, leading the West "from behind", counter-attacked with a pivot to Asia (for which, read containment of China) and Cold War 2.0 (demonization of Russia).

Enter the Western dalangs

And that leads us, on the eve of a possible, new geopolitical era, to what the foremost, visible Western dalangs may be concocting across niskala.

Sekala exhibits out-of-control 24/7 hysteria in sectors of the US deep state over "evil" Russian deeds, with neocon and neoliberalcon Obama administration remnants pushing Cold War 2.0 to its limits. Yet niskala, where Henry Kissinger and Dr. Zbigniew "Grand Chessboard" Brzezinski operate, is where the real (conceptual) action is.

It's no secret that the "urbane", "cerebral", "legendary" Kissinger is now advising Trump. The long-term strategy might be characterized as classic Divide and Rule, but slightly remixed: in this case an attempt to break the Russia-China strategic partnership by allying with the — theoretically — weaker node, Russia, to better contain the stronger node, China.

From a "Nixon in China" moment to a "Trump in Moscow" moment.

It's a no-brainer that vain sycophants of the Niall Ferguson variety will bathe Kissinger's cunning in rivers of hagiography — oblivious to the fact that Kissinger might be entertaining a way more profitable sideshow, in the form of booming business for his star-studded consulting firm Kissinger Associates Inc., which happens to be a member of the US-Russia Business Council, side by side with ExxonMobil, JPMorgan Chase and Big Pharma anchor Pfizer.

Former US National Security Advisor Zbigniew Brzezinski (left) and former US Secretary of State Henry Kissinger attend the Nobel Peace Prize Forum in Oslo, on December 11, 2016. Photo: Terje Bendiksby / NTB scanpix

So, in a nutshell: exit regime change, enter benign containment. Here's Kissinger at his Primakov lecture, almost a year ago, already sketching how Washington should deal with Moscow: "The long-term interests of both countries call for a world that transforms the contemporary turbulence and flux into a new equilibrium which is increasingly multipolar and globalized … Russia should be perceived as an essential element of any global equilibrium, not primarily as a threat to the United States."

Multipolar Kissinger extolling "no threat" Russia — one wonders why the Clinton machine back then did not expose the old man as yet another Putin bromance hostage.

Also months before Trump's victory, but in marked contrast with Kissinger, Brzezinski was in deep red alert territory, alarmed by the "erosion of US military-technical advantages", as detailed for instance in this CNAS report.

Brzezinski gloomily asserted the obvious — that a militarily inferior US "would spell the end of America's global role" and the result would "most probably" be "global chaos".

His solution then was for the US to "fashion a policy in which at least one of the two potentially threatening

states becomes a partner in the quest for regional and then wider global stability, and thus in containing the least predictable but potentially the most likely rival to overreach. Currently, the more likely to overreach is Russia, but in the longer run it could be China."

There you have it, over and over again: Divide and Rule, to counteract the unruly "threats".

In a predictable, Western navel-gazing way, Brzezinski assumes China may not choose to go against the US, as it is "in their interest to belong to the dominant pack". Yet the "dominant pack" is not the US anymore; it is Eurasian integration.

Brzezinski, after the Clinton machine/Obama debacle, is now no more than a sore loser. So he was forced to slightly shuffle the cards. Unlike Kissinger, and faithful to his rabid Russophobia, his Divide and Rule is centered on seducing China away from Russia, by which means "American influence is maximized".

In a predictable, Western navel-gazing way, Brzezinski assumes China may not choose to go against the US, as it is "in their interest to belong to the dominant pack". Yet the "dominant pack" is not the US anymore; it is Eurasian integration.

OBOR, or The New Silk Roads, is the only wide-ranging geoeconomic/ geopolitical integration project on the market. While Kissinger may remain, arguably, the ultimate realpolitik dalang, Obama mentor Brzezinski is still a hostage of Mackinder. The Chinese leadership, for its part, is already way ahead of both Mackinder and Alfred Mahan; the New Silk Roads aim to integrate, via trade and communications, not only the Heartland (One Belt) but also the Rimland (the Maritime Silk Road).

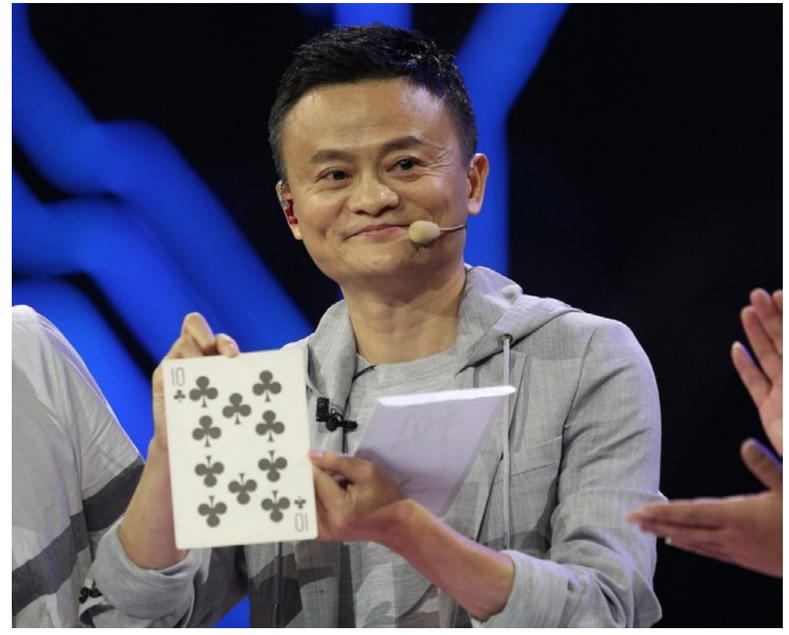
A partnership with the Eurasian Economic Union (EEU) will be essential to the whole project. Few will remember that as Cold War 2.0 was running amok back in September, the Eastern Economic Forum was doing business in Vladivostok, with Putin proposing a "digital economy space" all over Asia-Pacific and China pledging further involvement in the development of the Russian Far East.

So what we have now is arguably both top Western dalangs trying hard to adapt to the new normal — Eurasian integration via OBOR/EEU — by proposing conflicting, benign versions of Divide and Rule, as US intel keeps hangin' on, in far from quiet desperation, to the old confrontational paradigm.

As the key nodes — the Triple Entente? — of Eurasian integration, Moscow, Beijing and Tehran are very much aware of a stranger bearing gifts shrouded in niskala. A stranger aiming, variously, at Moscow selling out Tehran in Syria, as well as with the nuclear deal; Moscow parting ways with Beijing; Beijing selling out Tehran; and all sorts of wayang containment/plunder permutations in between.

That will be the key story to follow further on down the (New Silk) roads. Yeats memorably wrote that, "mirror on mirror mirrored is all the show." Yet the show always must go on — dalangs East and West let loose in deep niskala. Welcome to the 21st century Tournament of Shadows.

Pepe Escobar wrote his The Roving Eye column for Asia Times from 2000-2015. His books include Globalistan (2007), Red Zone Blues (2007), Obama does Globalistan (2009), Empire of Chaos (2014) and 2030 (2015).



Jack Ma's offer to create 1 million US jobs is an offer Donald Trump cannot possibly refuse. Photo: Imaginechina

Trump, Kissinger and Ma playing on a crowded chessboard

Confrontational rhetoric from the Pentagon and State Department is just noise, writes Pepe Escobar; the real Great Game plotting is on a deeper level

By PEPE ESCOBAR
JANUARY 14, 2017

Incoming US Secretary of State "T Rex" Tillerson told the Senate Foreign Relations Committee that China should be denied access to islands in the South China Sea. Militarization of the islands, he said, was "akin to Russia taking Crimea" from Ukraine.

Incoming Pentagon head James "Mad Dog" Mattis told the Senate Foreign Relations Committee the established world order is under its "biggest attack" since World War I: from Russia, as Putin is trying to "break" NATO, "from terrorist groups and with what China is doing in the South China Sea."

Chinese President Xi Jinping (right) shakes hands with former US Secretary of State Henry Kissinger at the Great Hall of the People in Beijing on March 17, 2015. Kissinger, the puppet master of Donald Trump's foreign policy, sees China's 'Eurasian front,' primarily with Russia, as a threat to the US. Photo: AFP / Feng Li

In principle, these outbursts spell out an unchanged script for both the Pentagon and the US State Department as we approach the Donald Trump era. Pentagon doctrine rules that Russia and China, in that order, are the top "existential threats" to the US.

Yet in the shadow play of the New Great Game in Eurasia, this is all sekala — the tangible; the real action is in the realm of niskala, in the invisible shades of gray.

And that brings us once again to Henry Kissinger, the putative dalang — puppet master — of Trump's foreign policy.

As leaked late last year in Germany's Bild Zeitung newspaper, Kissinger has drafted a plan to officially recognize Crimea as part of Russia and lift the Obama administration's economic sanctions.

The plan fits into Kissinger's overall strategy — call it a traditional British Balance of Power, or Divide and Rule, approach — of breaking up the Eurasian front (Russia-China-Iran) that constitutes the real "threat" to what Mattis defines as the "established world order." The strategy consists in seducing the alleged weaker top "threat" (Russia) away from the stronger (China), while keeping on antagonizing/harassing the third and weakest pole, Iran.

Kissinger is certainly more sophisticated than predictable US Think Tankland in his attempt to dismember the Shanghai Cooperation Organization, one of key nodes of the Russia-China strategic partnership. The SCO has been on the go for a decade and a half now. Iran, an observer, will soon become a full member, as will India and Pakistan; and Turkey — after the failed coup against Erdogan — is being courted by Moscow.

German analyst Peter Spengler adds a juicy teaser — if Kissinger's "Metternichian approach would include some degree of 'harmonization' with Russia, how will a Trump presidency then manage to contain the re-engineered ally Germany?" After all, a key priority for sanctions-averse German industrialists is to vastly expand business with Russia.

Russia a threat to China?

Kissinger's strategy essentially tweaks the early 1970s Trilateral Commission, largely advanced by his rival dalang Dr Zbigniew "Grand Chessboard" Brzezinski, according to which geopolitics is to be managed by North America, Western Europe and Japan.

A nice touch is that Kissinger, alongside "T Rex" Tillerson and Dr Zbig himself, is on the board of trustees of Washington think tank the Center for Strategic and International Studies (CSIS). It's all in the family.

The US deep state plutocracy never sleeps. Admitting both Russia and China, linked by a strategic partnership, as equal stakeholders in the "established world order" is anathema; that would imply the end of US hegemony.

And that's where the top Western would-be dalangs diverge, as they look for the most efficient Divide and Rule opening. Kissinger privileges Russia; Dr Zbig privileges China, painting it as a threat to Russia. Meanwhile, Russian Eurasianists — in frontal opposition to the Atlanticists — visualize the US, China and Russia on an equal geopolitical footing.

It will be fascinating to watch how the New Great Game develops in the Central Asian "stans". That's a privileged theater in which to see the Russia-China strategic partnership, or division of labor, in action: China goes no holds barred on investment — via One Belt, One Road, aka the New Silk Roads — while Russia remains paramount in politics and security.

It's crucial to identify the priorities. For Russia, they are NATO encroaching on its Western borderlands, and the threat posed by the possible return of Southern Caucasus and Central Asian Salafi-jihadis from across "Syraq" — as reflected in the fretting by Russian intelligence that Aleppo is only 900 kilometers from Grozny.

For China, the priorities are Taiwan; the South China Sea; and the Senkaku/Diaoyu islands.

The bottom line: Moscow feels no existential "threat" from Beijing because for China, Central Asia and the Russian Far East register essentially as economic/investment opportunities along the New Silk Roads.

Trump will do business and clinch deals with China, while his deep state-tinged cabinet barks the usually explosive national security rhetoric, dalang Kissinger plots a Russia-China split, and Moscow-Beijing secretly concoct concerted moves

Once again, Kissinger's strategy will run into a solidified Russia-China strategic partnership — already manifested in Pipelineistan (multibillion-dollar oil and gas projects); security deals; the SCO; cooperation inside BRICS; exchange of cutting-edge military technology; and the progressive interlocking of the New Silk Roads and the Eurasian Economic Union.

When the New Silk Roads hit the next level, by the start of the next decade, the Eurasian heartland, as well as the rimland, will be deeply immersed in a connectivity frenzy. Welcome to Mackinder and Spykman revisited — and there's no "offer" Washington can come up with to make it go away.

It's alright, Ma, I'm only schmoozing

Into this crucial juncture steps Jack Ma. The Trump-Ma meeting at Trump Tower was niskala disguised as sekala.

The House That Ma Built — Alibaba — is no less than the New Great Wall, resisting the assault of behemoth Amazon.com in the ultimate commercial arena of the 21st century: e-commerce. Ma also happens to be very close to Chinese President Xi Jinping.

Like an upgraded we-mean-business Deng Xiaoping, Ma proposed, on the record, the creation of 1 million US jobs. That's an offer Trump cannot possibly refuse. And this after shadow US Secretary of State Jared Kushner had a Chateau Lafite Rothschild-inundated lunch with another Chinese tycoon, Anbang Insurance Group's Wu Xiahoui, who married Deng's niece and whose company owns the Waldorf Astoria hotel in Manhattan.

Ma's business firepower should not be underestimated. Alibaba is involved in a massive project to modernize even rural China. He's the face of Chinese business not only internally but globally. Xi Jinping knows this all too well — who better than Ma as China's top business ambassador? This is not, as Japanese interests spin it, about the "death" of Made in China; it is about globalized China exporting business and jobs to the West.

All of the above points to a very crowded chessboard. Trump will do business and clinch deals with China, while his deep state-tinged cabinet barks the usually explosive national security rhetoric, dalang Kissinger plots a Russia-China split, and Moscow-Beijing secretly concoct concerted moves. Place your bets on who will be the major partner in the Trump, Kissinger and Ma law firm.

Chinese President Xi Jinping attends hyhyhyhyyh hyy-hyhyhyy yhyhy the World Econom-ic Forum (WEF) yhyhy annual meeting in Davos, Switzerland January 17, 2017. Reuters / Ruben Sprich

Global helmsman Xi Jinping steps up with charm offensive

Chinese leader profits from a geopolitical vacuum only three days before Donald Trump's inauguration

By PEPE ESCOBAR
JANUARY 17, 2017

He did it, his way; Chinese President Xi Jinping descended on the Swiss Alps; profited from a geopolitical vacuum only three days before Donald Trump's inauguration with the Atlanticist West mired in stagnation and/or protectionism; unleashed a charm offensive; and deftly positioned China in the lead of "inclusive" globalization.

In a wide-ranging speech that went from global angst to China's new normal, Xi sounded all the right notes that global capital needed to hear; protectionism is like "locking oneself in a dark room," and "no one is a

Premier Li Keqiang at the opening plenary of Summer Davos in Dalian. Photo: Benedikt von Loebell via Flickr

winner in a trade war."

His speech delved into the necessity of peace in Syria, the perverse effects of the absence of financial regulation, and the struggle for "balance between efficiency and equity."

So onwards with the fourth industrial revolution – and may China deliver.

Xi, the first Chinese president to visit the turbo-capitalist World Economic Forum talkfest, meant business from the start.

He arrived with an 80-strong delegation that included Alibaba's Jack Ma, Dalian Wanda's Wang Jianlin – China's top two billionaires – as well as Baidu's Zhang Yaqin.

Compare these "globalist princelings" with the Trump camp, represented by one of his official business advisers, Anthony Scaramucci, founder of hedge fund Skybridge Capital and Salt, a not exactly stellar Las Vegas investment conference (the next one is at the Bellagio in May).

Where's the ticket to the Rothschild party?

A "humanized" Davos 2017 is very worried about saving the world – or at least saving the wealthy from most of the world. The WEF has suddenly discovered that globalization as we know it fosters massive inequality, as much as globalization's self-appointed managers remain inflexible about their moral right to bend whole nations to their will, as the "miraculous" numbers of the Irish economy attest.

Xi instead is promoting the notion of serial win-win deals; and that's why his positioning is essentially the ultimate glorious pitch for the New Silk Road

Thus an alarmed WEF is promoting at least six sessions discussing inequality, from "Combating Rising Insecurity and Inequality" to "Squeezed and Angry: How to Fix the Middle Class Crisis," starring IMF's Christine "Vuitton" Lagarde and a bunch of hedge funders.

And this while Oxfam revealed to the world the real G8 of inequality – as in those individuals who own as much wealth as the poorest 50% of the world combined. Call them the Kings of Globalization – featuring, among others, Bill Gates, Amazon supremo Jeff Bezos, Facebook's Mark Zuckerberg, Oracle's Larry Ellison and Michael Bloomberg, .

In pure neo-Dadaist fashion, there could not be a more graphic emblem for inequality than Davos itself. To get a green card all-area-access, mostly in and around the Grandhotel Belvedere, corporations must become strategic partners of the WEF.

The list is a beauty. Each membership costs a whopping US$600,000, allowing a CEO to bring up to four cohorts; but still they must pay for each individual ticket. And even that does not guarantee an invitation to the glitziest party in town, thrown by Nat Rothschild in tandem with Russian billionaire Oleg Deripaska.

Still, those who shelled out the cash will hardly resist the chance to hear Facebook's COO Sheryl Sandberg (with a US$1.3 billion fortune) expand on how "older" global leaders can profit from the optimism of youth. Eric Schmidt (worth US$11 billion), chairman of Google's parent company Alphabet, is also in town, but this time he opted for discretion.

Listen to the sound of my 'win-win' clapping

Xi was very careful not to advertize a new "Chinese consensus," or model, as the model itself is being carefully, and painstakingly, tweaked.

What stood out in his presentation is that Beijing does not interpret globalization in a Western, turbo-neoliberal sense.

There are indeed benefits. They also do mask the plunder of the developing world's resources via stealth "international laws" and (now dead in the water) trade agreements such as the Transatlantic Trade and Investment Partnership (TTIP) or the Trans-Pacific Partnership (TPP), mostly for the benefit of the West's 0.01%, who then become alarmed by "inequality."

Xi instead is promoting the notion of serial win-win deals; and that's why his positioning is essentially the ultimate glorious pitch for the New Silk Road, a.k.a. One Belt, One Road (Obor) project, largely featured in the last part of his speech.

Everyone knows about Obor as an essential tool to tweak the Chinese model; develop the Chinese Far West; open an array of Eurasian markets; promote the internationalization of the yuan; and of course consolidate a major geopolitical shift, not least by neutralizing most of the Obama/Clinton "pivot to Asia."

So when we get the concerted firepower of the Asian Infrastructure Investment Bank (AIIB); the Silk Road Fund; and the New Development Bank (NDB) under Brics (Brazil, Russia, India, China and South Africa), we have enough capital to generate generous financing for an infrastructure bonanza from China, across Central Asia, and all the way to Western Europe and Eastern Africa.

Only in Kazakhstan, for instance, there are more than 50 deals valued at over US$20 billion in effect. The new peace in Syria negotiations – Russia, Iran and Turkey – will take place in Astana, not Geneva. Kazakhstan represents the intersection of the New Silk Roads and the Eurasia Economic Union (EEU). Russia and China are luring Iran – and later on Turkey – into the Shanghai Cooperation Organization (SCO) fold. Syria, pacified and rebuilt, will be a key plank of Obor. It's all interlinked.

So what China is proposing has nothing to do with deglobalization. It's rather about "localization."

But trade deals never die. With the death of TPP, Xi had to extol the merits of the pan-Asian Regional Comprehensive Economic Partnership (RCEP), which

excludes the US but crucially merges all of the Association of Southeast Asian Nations members with everyone ASEAN has trade deals with; China, India, Japan, South Korea, Australia and New Zealand.

RCEP will be a boon for manufacturing within the vastly complex and broader supply chain across Asia, smashing tariffs across the board. That will include China-India trade. Yet it remains to be seen how Prime Minister Narendra Modi's Make in India campaign will cope with opening up its markets to Chinese imports.

And, of course, Xi had to refer to the yuan question. The yuan is currently overvalued. The People's Bank of China does not want it to slide down even further; its priority is a stable exchange rate – to stabilize trade. Still, Danske Bank strategist Allen von Mehren, who's usually spot on, predicts the yuan falling to 7.26 to the US dollar by the end of September.

Somebody's got to explain all this to Trump, implications included. It won't be Scaramucci. Not to mention Peter Navarro, Wilbur Ross, "Mad Dog" Mattis or Michael Flynn. It has to be global helmsman Xi in person.

Ultimate Bogeyman: Vladimir Putin is just the latest in a long tradition of Russian leaders vilified by the West. Photo: Reuters

Go post-West, young man

The Munich Security Conference delivered a predictable display of a West that refuses to recognize the emergence of a multipolar world order

By PEPE ESCOBAR
FEBRUARY 20, 2017

The 2017 Munich Security Conference arguably gave the game away right at the outset, via its annual "conversation starter" for the three-day event, a report titled Post-Truth, Post-West, Post-Order?

"Post-truth" is the new normal, as this is The Age of Spin. "Post-order" would in fact mean a remixed, neo-Westphalian order embracing multipolarity, which the unipolar establishment will fight to the death. And "post-West" is meaningless, because there is no crisis of the West. The real problem is a Made in the West confluence of neoliberalism and "humani-

Defense Secretary James Mattis.

tarian" imperialism.

It would be fruitless to expect Western political elites to abandon their carefully cultivated denial about the multiple ravages perpetrated all across the developing world in the name of neoliberalism posing as "liberal democracy."

And it would be fruitless to expect Western political elites to admit the post-9/11 world – configured as a Pentagon-denominated Long War – morphed into a regime change drive in the Middle East that then liberated the gift-that-keeps-on-giving Pandora's box of Salafi-jihadism.

The best Western political elites could come up with at their huddle that ended February 19 is this pearl of self-pity: "Donald Trump's comments about Nato being 'obsolete' have caused great uncertainty among America's allies, especially in Central and Eastern Europe. The European Union is under pressure, too, as it has to deal with Brexit, a populist surge, the refugee crisis, a potential return of the euro crisis, jihadist attacks, and a revisionist Russia."

Depicting Nato for what it is – a military axis featuring an all-powerful leader and a bunch of vassals configured as a global Robocop

Let no facts interfere with Western toil in this valley of tears. Forget about depicting Nato for what it is – a military axis featuring an all-powerful leader and a bunch of vassals configured as a global Robocop.

And forget about admitting that the only unifying factor capable of explaining the predicament of Western elites must always be the Ultimate Bogeyman: "revisionist" Russia.

New order birth pangs

So what really happened in Munich?

Russian Foreign Minister Sergei Lavrov re-explained the obvious: we are in the birth pangs (remember Condi Rice?) of a new multipolar order that is under no Western hegemony, but configured instead by sovereign states following international law while respecting their own national interests.

That implies, on the bilateral US-Russia front, "pragmatic relations, mutual respect, understanding our special responsibility for global stability." Trump had called Nato "obsolete." Lavrov unwrapped the concept, stressing Nato "remained a Cold War institution." Lavrov himself delivered the clincher: "If you want, you can call it a 'post-West' world order."

Now that's absolute anathema for Western political elites. Hence Nato Secretary General Jens Stoltenberg's non-denial denial: "Our aim is not to isolate Russia. We don't want a new Cold War, we don't want a new arms race, what we do is measured and defensive." So those puny troops deployed to the Baltics and Poland are just a deterrence against "a more assertive Russia."

Running parallel to all this was the Mattis & Pence European Ally Appeasement Tour.

James Mattis and Michael Pence enthusiastically saluted the "transatlantic bond." Mattis described Nato as the "bedrock" of transatlantic security. But no matter what they said, at the heart of the matter is cold hard cash: the deadline is just one year away for America's European allies to lift military spending from an average EU level of 1.4% to 2.0% of GDP. That translates into a whopping US$100 billion more a year for a bunch of austerity-ravaged European nations.

Mattis channeled undiluted Pentagon doctrine when he evoked an "arc of instability on Nato's periphery." And while pledging the proverbial "unwavering commitment" to Nato, Pence forcefully stressed Washington would "hold Russia accountable" for wars in Ukraine and Syria. These were Mattis and Pence's coded messages to the Beltway.

Crucial in all this: not a single word on the EU. It was all about Nato. One wonders whether Chancellor Angela Merkel had Bod Dylan's Desolation Row blasting in her head at ear-splitting levels, as she fears the Trump presidency's undisguised preference for populist, ultra-nationalist European parties.

And no wonder European Commission President Jean-Claude Juncker insisted the EU must not cave in to American demands. He knows how supporters of the so-called Populist International of European far-right groups are already rubbing their hands in glee.

Putin saw it coming

Then we had some comic relief – although it's unlikely this will become US talk show fodder: Adel al-Jubeir, foreign minister of a Saudi Arabia that is the ideological matrix of all strands of Salafi-jihadism, describing Iran as "the single main sponsor of terrorism in the world."

The House of Saud is clamoring for Tehran to be punished. The international community needs to impose clear "red lines," as in more banking, travel and trade sanctions. Capitol Hill heartily agrees. Britain and France will dismiss the "red lines" while indulging in more lucrative weapons sales to Riyadh.

Note the (absent) giant panda in the Munich room – China. While Munich could be easily dismissed as an illiberal neoliberal talk fest, Beijing was turbo-charging an advance in Europe that's all about trade and investment. The EU will soon recognize China as a market economy, as confirmed by German Foreign Minister Sigmar Gabriel, while Beijing and London are partnering to advance "global free trade mechanisms."

Translation: for the EU as well as Brexitland, as much as for China, economic protectionism cannot be a "win-win."

Ten years ago, Vladimir Putin delivered a startling speech in Munich on the dangers of unipolar interna-

tional relations – an "almost uncontained hyper use of force, military force" – and the correlation between this unbalance and rising global inequality.

Western elites, predictably, didn't listen. In fact German corporate media instantly branded the speech as "the new Cold War," when it was really a call to end the Cold War for good.

This time, it was up to Lavrov to be the voice of reason, as he told the US and Europe they must ditch the counterproductive West-versus-the-Rest worldview for good.

Once again, predictably, the Western elites won't listen. And then they'll wonder why so many are eagerly embracing a "post-West" world.

Chinese paramilitary policemen in an anti-terrorism oath-taking rally in Kashgar, Xinjiang Uighur Autonomous Region, China, February 27, 2017. Photo: Reuters.

Could Great Wall of Iron become New Silk Roadblock?

Taking extreme measures to fight Islamic influences in Xinjiang province could hurt the One Road, One Belt initiative

By PEPE ESCOBAR
MARCH 16, 2017

Xi Jinping meets with the Xinjiang delegation at the NPC in Beijing.

The matter primarily concerns the East Turkestan Independence Movement (ETIM), active in Xinjiang, which Cheng Guoping, State Commissioner for counterterrorism and security matters, describes as "the most prominent challenge to China's social stability, economic development and national security."

ETIM is an Islamic extremist separatist organization, which according to Cheng is seeking "Xinjiang independence."

Chinese military police attending an anti-terrorist oath-taking rally in Hetian, northwest China's Xinjiang Uighur Autonomous Region, on Feb. 27, 2017. Photo: AFP

It has been designated as a terrorist organization by the European Union, the United States, Russia, China, the UAE, Pakistan, Kazakhstan, and Kyrgyzstan, among others. It is open to question whether the movement is really a cohesive separatist outfit, but certainly Chinese intelligence views it as such.

The matter also concerns, predictably, ISIS/ISIL/Daesh.

Daesh has recently released a video in Uyghur, the Turkic language written in Arabic characters and spoken by Xinjiang's Muslims, showing jihadis practicing somewhere in Iraq before slitting the throat of an alleged informer.

But the crux of the video is a 30-second segment containing Daesh's first direct threat to Beijing. Moments before the execution, a fighter – in the translation by the US-based SITE Intelligence Group – exclaims:

"Oh, you Chinese who do not understand what people say! We are the soldiers of the Caliphate, and we will come to you to clarify to you with the tongues of our weapons, to shed blood like rivers and avenging the oppressed."

Chinese intelligence keeps extensive tabs on Uyghurs who have metastasized into jihadis across "Syraq" after making the journey illegally via Southeast Asia and Turkey. Beijing is as much alarmed at their eventual return home as Moscow is about Chechens and other Southern Caucasus jihadis.

And then there's a third quite startling element. The Daesh video signals the formal excommunication of the Turkestan Islamic Party (TIP), which is essentially al-Qaeda in Xinjiang.

The TIP's leadership and core fighters are based in Pakistan's tribal areas, protected by the Tehreek-e Taliban (Pakistani Taliban) and have launched a number of attacks across the border over the past several years. Their announced aim is to install a Caliphate across Central Asia, but paying obedience to al-Qaeda's Ayman al-Zawahiri, not Daesh's self-proclaimed Caliph al-Baghdadi.

A key question is whether ETIM and TIP are one and the same. Uyghur jihadis are notoriously secretive and shifty. I met some of them in the "Lion of the Panjshir" Commander Masoud's prisons in northern Afghanistan only three weeks before 9/11 – and they would not even admit ETIM existed. They also denied any links with al-Qaeda, following the example of then-ETIM leader Hasan Mehsum. They insisted their principal aim was independence from China.

Beijing essentially regards TIP as ETIM rebranded; high officials like Cheng Guoping continue to refer to all Uyghur jihadis as ETIM. A fluid movement, congregating multiple outlooks derived from separatism, it's safer to say that https://hudson.org/research/9824-on-the-eve-of-2014-islamism-in-central-asia "ETIM" referred to the few hundred Uyghur fighters active in both Afghanistan and Pakistan until TIP was formally announced in 2006.

There are other complicated overtones. ETIM was previously connected to the Islamic Movement of Uzbekistan (IMU), co-founded by notorious jihadi Juma Namangani, an ex-Soviet paratrooper, who died in Afghanistan in 2001. IMU for its part was connected with the Afghan Taliban. Then, in the mid-2000s, there was a split; and the connection/protection of ETIM switched to the Pakistani Taliban.

The Daesh video chooses to refer to TIP, not ETIM. Although not as sophisticated as Daesh, TIP also harbors its own Sawt al-Islam (Voice of Islam) multilingual media operation, complete with an Islamic Turkestan magazine.

Beyond the terminology morass, Chinese intelligence ultimately may have to build a Great Wall of Iron aiming at two separate fronts: against Daesh and Uyghur jihadis fighting alongside Daesh in Syria and Iraq, who may be returning to Xinjiang or Pakistan, and against al-Qaeda ramifications/interpolations calling themselves TIP. Michael Clarke, an expert on Xinjiang at the National Security College of Australian National University, says that the hints of a Uyghur split could "intensify the threat to China" as it indicates Uyghur terrorists may be able to tap into the capabilities of both Daesh and al-Qaeda.

Daesh has set its sights on seducing packs of reservoir dogs not only from northern Africa but also from Indonesia, Pakistan and northwestern China. There are at least 23 million mainly Sunni Muslims in China – when we add the mostly Xinjiang-based Uyghurs and the Huis, an ethnic minority living in Gansu, Qinghai and Ningxia provinces; that's twice the population of Tunisia, a fertile Daesh recruiting ground. Since 2014 al-Baghdadi has designated China as a jihad target. Daesh beheaded a Chinese hostage in November 2015. Daesh has released videos in mandarin to seduce the Hui.

Between a separatist rock and a jihadi hard place

The Daesh video, produced by the group's al-Furat Province unit in western Iraq, in which Uyghur jihadis promise to come home and "shed blood like rivers," was released the same day (February 27) that China held the latest in a series of mass rallies of military police in Xinjiang meant to indicate government resolve in crushing security threats.

Coincidence? Perhaps. But there can be little doubt of either Daesh's determination to spread jihad to faraway places as it rapidly loses ground in Syria and Iraq or of China's equally strong determination to prevent Uyghur grievances from morphing into full-blown jihadism in its largest western province sitting astride the New Silk Road.

One Belt, One Road (OBOR), the official designation of the New Silk Road project, is President Xi's most important foreign and economic policy undertaking. Xinjiang, a province at the very center of Asia and the size of Germany, France, Italy, and the UK combined, is a critical geographical link bordering on Mongolia, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, Afghan-

istan, Pakistan and India. It sits on vast energy and mineral reserves, is China's largest producer of natural gas, and will be the privileged node connecting China to central and west Asia in a maze of high-speed rail, pipelines and fibre optics. The capital, Urumqi, is being turned into an information-technology hub. Trouble in Xinjiang spells major trouble for OBOR. It's a fair bet that Beijing won't stand for that.

Since August of 2016, the Xinjiang Uyghur Autonomous Region as it's officially called, is run by Chen Quanguo, Communist Party Secretary of the Region, Member of the 18th CPC Central Committee, and promising candidate for the 19th Politburo of the CPC to be elected in October this year.

Prior to taking up the Xinjiang position, Chen for five years served as Communist Party Secretary of the Tibet CPC Autonomous Regional Committee. He knows ethnically diverse border regions trouble, has been entrusted by Beijing to deal with it and stood next to Xi Jinping when the Great Wall of Iron policy was announced.

While running Tibet, Chen revived methods of social control pioneered by ancient Chinese dynasties, the baojia system of groups of neighbors watching neighbors, now called the "grid system of social management," with myriads of small police boxes in Lhasa and smaller towns and networks of citizens set up block by block to watch over each other, enforce proper behavior and identify suspicious strangers and potential troublemakers.

These methods are now being replicated from the capital of Urumqi to Korla to Aksu to Kashgar and Hetian. And if social controls and grid surveillance should prove insufficient, Chen will always have recourse to the People's Armed Police Force, large units of which were on such prominent display in late February parades.

The stakes are high. There's a fine line between social controls administered judiciously and with a measure of acceptance and success and controls administered harshly, experienced as repression and giving rise to violent reaction. It remains to be seen whether Chen's and Xi's Great Wall of Iron will fend off separatism and jihadism or whether the application of too much iron will strike a serious blow against the most ambitious infrastructure undertaking of the century.

German Chancellor Angela Merkel signs a document at the G7 summit in Taormina, Sicily, Italy, on May 26. Photo: Guido Bergmann / Handout via Reuters

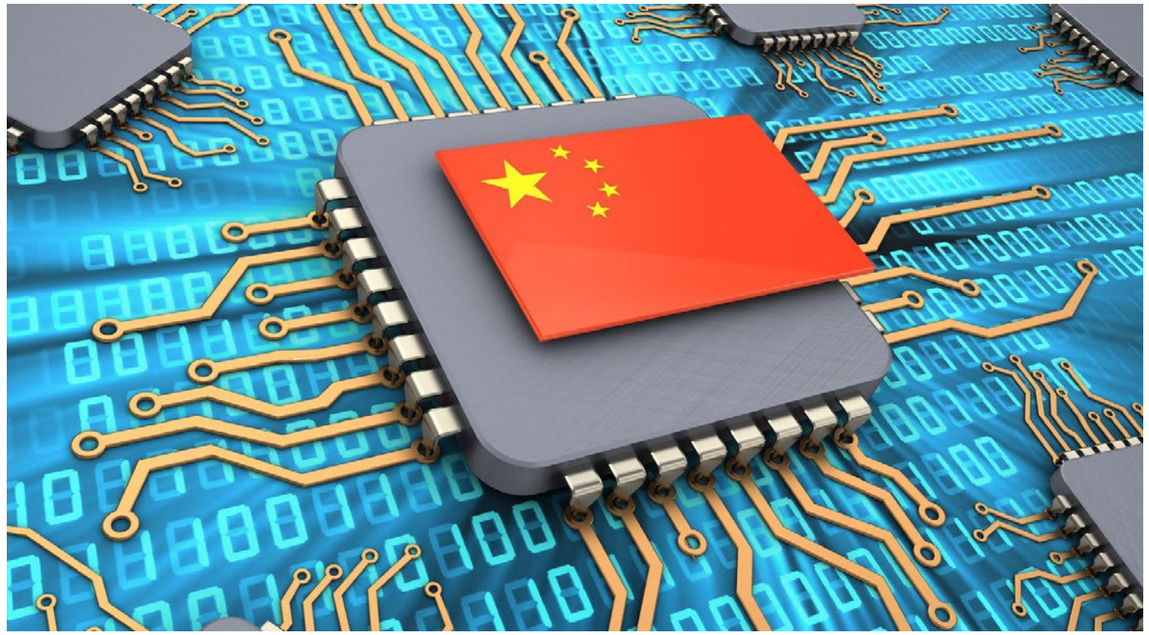
Eurasian integration meets America First

Frantic speculation about the end of the American century is idle. What matters is the facts, which spell out progressive, and inexorable, integration across much of the world

By PEPE ESCOBAR
JUNE 6, 2017

Crucial developments in Washington, Brussels, Virginia and St. Petersburg these last few days may offer us serious clues on where we are now heading – geopolitically and geoeconomically.

Let's start with a neo-apocalyptic stream of analysis ruling that President Trump pulling out of the Paris climate accords has plunged the West into a conflict deeper than any since WWII.



Li Keqiang extolled the virtures of Made in China 2025

What was described as a "historic blunder" by one of the negotiators of the Paris accords also managed to draw a powerful rebuke – and in English, too – from French President Emmanuel Macron.

German chancellor Angela Merkel, at the G7 in Taormina, had already warned Trump that "the field would be left to the Chinese" in case of a US pull out.

And indeed that came as a heavenly PR coup for Chinese Premier Li Keqiang, who met with Merkel in Berlin and a gaggle of Eurocrats in Brussels.

China is the EU's second-biggest trading partner after the US. A joint communiqué – their first ever on public policy – at the China-EU summit declared climate change "an imperative more than ever." Beijing and Brussels pledged to cut back on fossil fuels, develop additional green technology, and help raise US$100 billion a year by 2020 to help the Global South cut emissions.

For Beijing, leadership in the fight against climate change now translates as an unprecedented accumulation of political capital. Add to that its ambitious expanse New Silk Roads project – which has been renamed the Belt and Road Initiative (BRI) – and we have China positioning itself to lead on both the multilateral and environmental fronts.

This happens as China's own emissions have been falling since 2013 – in parallel with installing enough solar panels to cover three football pitches every single hour of the year. China may remain the world's leading polluter, but at the same time it advances inexorably as the world's top manufacturer, developer and exporter of renewable energy.

As the New Silk Roads spread their infrastructural tentacles towards the EU, Chinese investment is bound

to shoot up way beyond the €35 billion for 2016.

For Beijing, leadership in the fight against climate change now translates as an unprecedented accumulation of political capital

Beijing is a stickler for deeper European integration, and regards the EU as a potential multipolar competitor to the US. In Berlin, Li Keqiang, who "expects the EU to remain united, stable and prosperous,", extolled the synchronicity between Made in China 2025 – which is basically about innovation-driven manufacturing – and Germany's Industry 4.0 – which is about tech manufacturing based on cyber-physical systems, the Internet of Things (IoT) and cloud computing.

Slowly but surely we may be seeing the lineaments of a Beijing-Brussels "comprehensive strategic partnership" envisioned by Chinese strategists since the early 2000s.

Or – in a more alarmist vein from a Western point of view – what we have is China closing the innovation gap with Europe by 2020. Diplomats admit trade reports included in the latest Business Confidence Survey by the EU Chamber of Commerce in China plunged European Commissioners into a state of panic.

The bottom line is that the EU cannot bypass the New Silk Roads' gigantic, transcontinental infrastructural investment orbit. Beijing may not regard Brussels as a serious geopolitical player, but it does relish the EU going after US leadership in global trade.

Not by accident, Merkel is treading a parallel road. In Taormina, we had a sort of G-6 against Trump. At the G-20 in Hamburg next month, Berlin wants to regiment 19 nations against Trump.

A "global community" drama

Meanwhile, also last week the Bilderberg group was holding its famously secretive annual get together at a Marriott hotel in Chantilly, Virginia – not that far from the White House.

Here's the list of participants. The chairman, Henri de Castries, is no less than one of the key masterminds of the Macron phenomenon.

One of the meeting's discussion panels was titled "The Trump Administration: A progress report." Unfortunately Bilderberg's strict code of secrecy does not allow mere mortals to share his insights, but Henry Kissinger – who recently met with Trump to talk Russia – was there.

Comic relief at Bilderberg was, presumably, to be had from the heads of four of the world's Top Ten financial services giants – AXA, Allianz, ING and Santander – asking "Can globalization be slowed down?." One wonders if they kept their faces straight.

And then there was a panel on China, with Cui Tiankai, the Chinese ambassador to the US, sitting side by side with the US commerce secretary, the US national security adviser, a couple of senators, two former heads of the CIA, heads of the Carlyle Group and KKR – and, last but not least, Eric Schmidt, executive chairman of Alphabet, Google's holding company, who had just been to China.

Finally, on the other side of the pond, the St. Petersburg International Economic forum (SPIEF) was all action – and no secrecy.

Investor Jim Rogers declared that "in many ways the sanctions against Russia have helped Russia. It has made Russia an agricultural boom. It is a very, very strong growth industry right now. It pushed the Russians together with the Asians."

On the Eurasian integration front, President Putin stressed that "in a week, we will formalize India's full-fledged accession to the SCO." Russia has always supported India's entry to the Shanghai Cooperation Organization.

And there's more to come. China has declared its full support to Iran's membership of the SCO – to be discussed in detail at the pact's summit this week in Astana, Kazakhstan, with President Xi Jinping in attendance. And China is also ready to consider any appli-

cation from NATO member Turkey, whose president, Tayyip Erdogan, has said he's all for it.

"In many ways the sanctions against Russia have helped Russia. It pushed the Russians together with the Asians"

Putin also sent a clear, subtle message on BRICS: "This organization was actually born here in St. Petersburg. At first, there were the three of us – Russia, China and India – but then Brazil and South Africa joined in. We believe that this is a very important platform to harmonize our positions."

Crucially, the President of the BRICS' New Development Bank (NDB), K. V. Kamath, added: "There is consensus between BRICS countries that we should increase the use of local currencies."

St. Petersburg established that a free trade zone agreement between the Eurasian Economic Union (EEU) and India may be signed within two years. In parallel, the Eurasian Development Bank (EDB) has started financing projects turned down by the European Bank for Reconstruction and Development (EBRD), according to the EDB's CEO, Dmitry Pankin.

On the energy front, in 2014 Gazprom and China National Petroleum Corporation (CNPC) signed a ground-breaking US$400 billion 30-year framework to deliver 38 billion cubic meters of Russian gas to China annually. Gazprom will approve the final terms of this supply by the end of 2017, according to CEO Aleksey Miller. And of course another pipeline – the Power of Siberia-2 – will also be built, delivering another 30 billion cubic meters of Russian gas.

On the bilateral front, what Macron had earlier hinted at during his Versailles meeting with Putin translated in St. Petersburg as a Russia-France Business Roundtable.

And at SPIEF's Russia-US Business Dialogue Panel, Putin could not be more clear-cut. "We will do our best to make business in Russia worthwhile for our American partners."

Frantic speculation about the end of the American century, or the US no longer acting as "leader of the free world", is idle. What matters is that most of the facts above spell out progressive, and inexorable, Eurasian integration, from Russia-China deals to EU-China cooperation.

As for the Trump doctrine, arguably it has been detailed, in full, for the first time in the Wall Street Journal. "The President embarked on his first foreign trip with a clear-eyed outlook that the world is not a 'global community' but an arena where nations, nongovernmental actors and businesses engage and compete for advantage. We bring to this forum unmatched military, political, economic, cultural and moral strength. Rather than deny this elemental nature of international affairs, we embrace it."

Chinese President Xi Jinping and Indian Prime Minister Narendra Modi on September 4, 2017. Photo: Reuters/Kenzaburo Fukuhara

The real BRICS bombshell

Putin reveals 'fair multipolar world' concept in which oil contracts could bypass the US dollar and be traded with oil, yuan and gold

By PEPE ESCOBAR
SEPTEMBER 5, 2017

The annual BRICS summit in Xiamen – where President Xi Jinping was once mayor – could not intervene in a more incandescent geopolitical context.

Once again, it's essential to keep in mind that the current core of BRICS is "RC"; the Russia-China strategic partnership. So in the Korean peninsula chessboard, RC context – with both nations sharing borders with the DPRK – is primordial.

(L-R) Brazil's President Michel Temer, Russian President Vladimir Putin, Indian Prime Minister Narendra Modi, Chinese President Xi Jinping

Beijing has imposed a definitive veto on war – of which the Pentagon is very much aware.

Pyongyang's sixth nuclear test, although planned way in advance, happened only three days after two nuclear-capable US B-1B strategic bombers conducted their own "test" alongside four F-35Bs and a few Japanese F-15s.

Everyone familiar with the Korean peninsula chessboard knew there would be a DPRK response to these barely disguised "decapitation" tests.

So it's back to the only sound proposition on the table: the RC "double freeze". Freeze on US/Japan/South Korea military drills; freeze on North Korea's nuclear program; diplomacy takes over.

The White House, instead, has evoked ominous "nuclear capabilities" as a conflict resolution mechanism.

Gold mining in the Amazon, anyone?

On the Doklam plateau front, at least New Delhi and Beijing decided, after two tense months, on "expeditious disengagement" of their border troops. This decision was directly linked to the approaching BRICS summit – where both India and China were set to lose face big time.

Indian Prime Minister Narendra Modi had already tried a similar disruption gambit prior to the BRICS Goa summit last year. Then, he was adamant that Pakistan should be declared a "terrorist state". The RC duly vetoed it.

Modi also ostensively boycotted the Belt and Road Initiative (BRI) summit in Hangzhou last May, essentially because of the China-Pakistan Economic Corridor (CPEC).

India and Japan are dreaming of countering BRI with a semblance of connectivity project; the Asia-Africa Growth Corridor (AAGC). To believe that the AAGC – with a fraction of the reach, breath, scope and funds available to BRI – may steal its thunder, is to enter prime wishful-thinking territory.

Still, Modi emitted some positive signs in Xiamen; "We are in mission-mode to eradicate poverty; to ensure health, sanitation, skills, food security, gender equality, energy, education." Without this mammoth effort, India's lofty geopolitical dreams are D.O.A.

Brazil, for its part, is immersed in a larger-than-life socio-political tragedy, "led" by a Dracula-esque, corrupt non-entity; Temer The Usurper. Brazil's President, Michel Temer, hit Xiamen eager to peddle "his" 57 major, ongoing privatizations to Chinese investors – complete with corporate gold mining in an Amazon nature reserve the size of Denmark. Add to it massive social spending austerity and hardcore anti-labor legislation, and one's got the picture of Brazil currently being run by Wall Street. The name of the game is to profit from the loot, fast.

The BRICS' New Development Bank (NDB) – a counterpart to the World Bank – is predictably derided all across the Beltway. Xiamen showed how the NDB is only starting to finance BRICS projects. It's misguided to compare it with the Asian Infrastructure Investment Bank (AIIB). They will be investing in different types of projects – with the AIIB more focused on BRI. Their aim is complementary.

'BRICS Plus' or bust

On the global stage, the BRICS are already a major nuisance to the unipolar order. Xi politely put it in Xiamen as "we five countries [should] play a more active part in global governance".

And right on cue Xiamen introduced "dialogues" with Mexico, Egypt, Thailand, Guinea and Tajikistan; that's part of the road map for "BRICS Plus" – Beijing's conceptualization, proposed last March by Foreign Minister Wang Yi, for expanding partnership/cooperation.

A further instance of "BRICS Plus" can be detected in the possible launch, before the end of 2017, of the Regional Comprehensive Economic Partnership (RCEP) – in the wake of the death of TPP.

Contrary to a torrent of Western spin, RCEP is not "led" by China. Japan is part of it – and so is India and Australia alongside the 10 ASEAN members. The burning question is what kind of games New Delhi may be playing to stall RCEP in parallel to boycotting BRI.

Patrick Bond in Johannesburg has developed an important critique, arguing that "centrifugal economic forces" are breaking up the BRICS, thanks to over-production, excessive debt and de-globalization. He interprets the process as "the failure of Xi's desired centripetal capitalism."

It doesn't have to be this way. Never underestimate the power of Chinese centripetal capitalism – especially when BRI hits a higher gear.

Meet the oil/yuan/gold triad

It's when President Putin starts talking that the BRICS reveal their true bombshell. Geopolitically and geo-economically, Putin's emphasis is on a "fair multipolar world", and "against protectionism and new barriers in global trade." The message is straight to the point.

The Syria game-changer – where Beijing silently but firmly supported Moscow – had to be evoked; "It was largely thanks to the efforts of Russia and other concerned countries that conditions have been created to improve the situation in Syria."

On the Korean peninsula, it's clear how RC think in unison; "The situation is balancing on the brink of a large-scale conflict."

Putin's judgment is as scathing as the – RC-proposed – possible solution is sound; "Putting pressure on

Pyongyang to stop its nuclear missile program is misguided and futile. The region's problems should only be settled through a direct dialogue of all the parties concerned without any preconditions."

Putin's – and Xi's – concept of multilateral order is clearly visible in the wide-ranging Xiamen Declaration, which proposes an "Afghan-led and Afghan-owned" peace and national reconciliation process, "including the Moscow Format of consultations" and the "Heart of Asia-Istanbul process".

That's code for an all-Asian (and not Western) Afghan solution brokered by the Shanghai Cooperation Organization (SCO), led by RC, and of which Afghanistan is an observer and future full member.

And then, Putin delivers the clincher; "Russia shares the BRICS countries' concerns over the unfairness of the global financial and economic architecture, which does not give due regard to the growing weight of the emerging economies. We are ready to work together with our partners to promote international financial regulation reforms and to overcome the excessive domination of the limited number of reserve currencies."

"To overcome the excessive domination of the limited number of reserve currencies" is the politest way of stating what the BRICS have been discussing for years now; how to bypass the US dollar, as well as the petrodollar.

Beijing is ready to step up the game. Soon China will launch a crude oil futures contract priced in yuan and convertible into gold.

This means that Russia – as well as Iran, the other key node of Eurasia integration – may bypass US sanctions by trading energy in their own currencies, or in yuan. Inbuilt in the move is a true Chinese win-win; the yuan will be fully convertible into gold on both the Shanghai and Hong Kong exchanges.

The new triad of oil, yuan and gold is actually a win-win-win. No problem at all if energy providers prefer to be paid in physical gold instead of yuan. The key message is the US dollar being bypassed.

RC – via the Russian Central Bank and the People's Bank of China – have been developing ruble-yuan swaps for quite a while now.

Once that moves beyond the BRICS to aspiring "BRICS Plus" members and then all across the Global South, Washington's reaction is bound to be nuclear (hopefully, not literally).

Washington's strategic doctrine rules RC should not be allowed by any means to be preponderant along the Eurasian landmass. Yet what the BRICS have in store geo-economically does not concern only Eurasia – but the whole Global South.

Sections of the War Party in Washington bent on instrumentalizing India against China – or against RC – may be in for a rude awakening. As much as the BRICS may be currently facing varied waves of economic turmoil, the daring long-term road map, way beyond the Xiamen Declaration, is very much in place.

Meanwhile, Pyongyang discovers it's part of Trump's axis of evil.

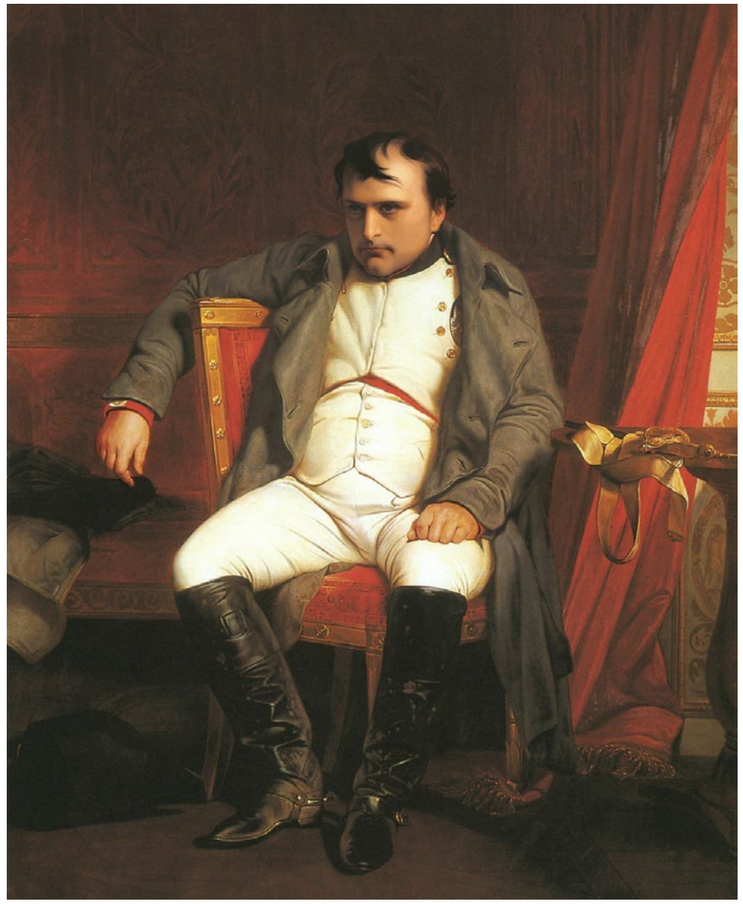
Trump Doctrine vows carnage for new axis of evil

North Korea, Iran, Venezuela are targets in 'compassionate' America's war on the 'wicked few.' It's almost as though Washington felt its hegemony threatened

By PEPE ESCOBAR
SEPTEMBER 20, 2017

This was no "deeply philosophical address". And hardly a show of "principled realism" – as spun by the White House. President Trump at the UN was "American carnage," to borrow a phrase previously deployed by his nativist speechwriter Stephen Miller.

One should allow the enormity of what just happened to sink in, slowly. The president of the United States, facing the bloated bureaucracy that passes for the "international community," threatened to "wipe off the map" the whole of the Democratic People's Republic of Korea (25 million



Paul Delaroche's depiction of Napoléon à Fontainebleau, 1840. With other global powers increasingly at odds with US foreign policy under Donald Trump, the nation's hegemony on the world stage may soon face its own crisis point. Photo: Wikimedia Commons

people). And may however many millions of South Koreans who perish as collateral damage be damned.

Multiple attempts have been made to connect Trump's threats to the madman theory cooked up by "Tricky Dicky" Nixon in cahoots with Henry Kissinger, according to which the USSR must always be under the impression the then-US president was crazy enough to, literally, go nuclear. But the DPRK will not be much impressed with this madman remix.

That leaves, on the table, a way more terrifying upgrade of Hiroshima and Nagasaki (Trump repeatedly invoked Truman in his speech). Frantic gaming will now be in effect in both Moscow and Beijing: Russia and China have their own stability / connectivity strategy under development to contain Pyongyang.

The Trump Doctrine has finally been enounced and a new axis of evil delineated. The winners are North Korea, Iran and Venezuela. Syria under Assad is a sort of mini-evil, and so is Cuba. Crucially, Ukraine and the South China Sea only got a fleeting mention from Trump, with no blunt accusations against Russia and China. That may reflect at least some degree of realpolitik; without "RC" – the Russia-China strategic partnership at the heart of the BRICS bloc and the Shanghai Cooperation Organization (SCO) – there's no possible solution to the Korean Peninsula stand-off.

In this epic battle of the "righteous many" against the "wicked few," with the US described as a "compassionate nation" that wants "harmony and friendship, not conflict and strife," it's a bit of a stretch to have Islamic State – portrayed as being not remotely as "evil" as North Korea or Iran – get only a few paragraphs.

The art of unraveling a deal

According to the Trump Doctrine, Iran is "an economically depleted rogue state whose chief exports are violence, bloodshed and chaos," a "murderous regime" profiting from a nuclear deal that is "an embarrassment to the United States."

Iranian Foreign Minister Mohammad Javad Zarif tweeted: "Trump's ignorant hate speech belongs in medieval times – not the 21st century UN – unworthy of a reply." Russian Foreign Minister Sergey Lavrov once again stressed full support for the nuclear deal ahead of a P5+1 ministers' meeting scheduled for Wednesday, when Zarif was due to be seated at the same table as US Secretary of State Rex Tillerson. Under review: compliance with the deal. Tillerson is the only one who wants a renegotiation.

Iran's President Hassan Rouhani has, in fact, developed an unassailable argument on the nuclear negotiations. He says the deal – which the P5+1 and the IAEA all agree is working – could be used as a model elsewhere. German chancellor Angela Merkel concurs. But, Rouhani says, if the US suddenly decides to unilaterally pull out, how could the North Koreans possibly be convinced it's worth their while to sit down to negotiate anything with the Americans ?

What the Trump Doctrine is aiming at is, in fact, a favourite old neo-con play, reverting back to the dynamics of the Dick Cheney-driven Washington-Tehran Cold War years.

This script runs as follows: Iran must be isolated (by the West, only now that won't fly with the Europeans); Iran is "destabilizing" the Middle East (Saudi Arabia, the ideological foundry of all strands of Salafi-jihadism, gets a free pass); and Iran, because it's developing ballistic that could – allegedly – carry nuclear warheads, is the new North Korea.

That lays the groundwork for Trump to decertify the deal on October 15. Such a dangerous geopolitical outcome would then pit Washington, Tel Aviv, Riyadh and Abu Dhabi against Tehran, Moscow and Beijing, with European capitals non-aligned. That's hardly compatible with a "compassionate nation" which wants "harmony and friendship, not conflict and strife."

Afghanistan comes to South America

The Trump Doctrine, as enounced, privileges the absolute sovereignty of the nation-state. But then there are those pesky "rogue regimes" which must be, well, regime-changed. Enter Venezuela, now on "the brink of total collapse," and run by a "dictator"; thus, America "cannot stand by and watch."

No standing by, indeed. On Monday, Trump had dinner in New York with the presidents of Colombia, Peru and Brazil (the last indicted by the country's Attorney General as the leader of a criminal organization and enjoying an inverted Kim dynasty rating of 95% unpopularity). On the menu: regime change in Venezuela.

Venezuelan "dictator" Maduro happens to be supported by Moscow and, most crucially, Beijing, which buys oil and has invested widely in infrastructure in the country with Brazilian construction giant Odebrecht crippled by the Car Wash investigation.

The stakes in Venezuela are extremely high. In early November, Brazilian and American forces will be deployed in a joint military exercise in the Amazon rainforest, at the Tri-Border between Peru, Brazil and Colombia. Call it a rehearsal for regime change in Venezuela. South America could well turn into the new

Afghanistan, a consequence that flows from Trump's assertion that "major portions of the world are in conflict and some, in fact, are going to hell."

For all the lofty spin about "sovereignty", the new axis of evil is all about, once again, regime change.

South America could turn into the new Afghanistan, a consequence that flows from Trump's assertion that "major portions of the world are in conflict and some, in fact, are going to hell"

Russia-China aim to defuse the nuclear stand-off, then seduce North Korea into sharing in the interpenetration of the Belt and Road Initiative (BRI) and the Eurasia Economic Union (EAEU), via a new Trans-Korea Railway and investments in DPRK ports. The name of the game is Eurasian integration.

Iran is a key node of BRI. It's also a future full member of the SCO, it's connected – via the North-South Transport Corridor – with India and Russia, and is a possible future supplier of natural gas to Europe. The name of the game, once again, is Eurasian integration.

Venezuela, meanwhile, holds the largest unexplored oil reserves on the planet, and is targeted by Beijing as a sort of advanced BRI node in South America.

The Trump Doctrine introduces a new set of problems for Russia-China. Putin and Xi do dream of reenacting a balance of power similar to that of the Concert of Europe, which lasted from 1815 (after Napoleon's defeat) until the brink of World War I in 1914. That's when Britain, Austria, Russia and Prussia decided that no European nation should be able to emulate the hegemony of France under Napoleon. In sitting as judge and executioner, Trump's "compassionate" America certainly seems intent on echoing such hegemony.

A view of Hong Kong Island from across the harbor in Kowloon. Photo: iStock

Xi's road map to the Chinese Dream

China's Belt and Road Initiative – the New Silk Road – will spark the country's development and turn the dream into reality

By PEPE ESCOBAR
OCTOBER 21, 2017

Now that President Xi Jinping has been duly elevated to the Chinese Communist Party pantheon in the rarified company of Mao Zedong Thought and Deng Xiaoping Theory, the world will have plenty of time to digest the meaning of "Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era."

Xi himself, in his 3½-hour speech at the start of the 19th Party Congress, pointed to a rather simplified "socialist democracy" – extolling its virtues as the only counter-model to Western liberal democracy. Eco-

A section of the first rail line linking China to Laos, a key part of Beijing's 'Belt and Road' project across the Mekong. Photo: AFP

nomically, the debate remains open on whether this walks and talks more like "neoliberalism with Chinese characteristics".

All the milestones for China in the immediate future have been set.

- "Moderately prosperous society" by 2020.
- Basically modernized nation by 2035.
- Rich and powerful socialist nation by 2050.

Xi himself, since 2013, has encapsulated the process in one mantra; the "Chinese dream". The dream must become reality in a little over three decades. The inexorable modernization drive unleashed by Deng's reforms has lasted a little less than four decades. Recent history tell us there's no reason to believe phase 2 of this seismic Sino-Renaissance won't be fulfilled.

Xi emphasized, "the dreams of the Chinese people and those of other peoples around the world are closely linked. The realization of the Chinese dream will not be possible without a peaceful international environment and a stable international order."

He mentioned only briefly the New Silk Roads, a.k.a. Belt and Road Initiative (BRI) as having "created a favorable environment for the country's overall development". He didn't dwell on BRI's ambition and extraordinary scope, as he does in every major international summit as well as in Davos earlier this year.

But still it was implicit that to arrive at what Xi defines as a "community of common destiny for mankind", BRI is China's ultimate tool. BRI, a geopolitical/geoeconomic game-changer, is in fact Xi's – and China's – organizing foreign policy concept and driver up to 2050.

Xi has clearly understood that global leadership implies being a top provider, mostly to the global South, of connectivity, infrastructure financing, comprehensive technical assistance, construction hardware and myriad other trappings of "modernization".

It does not hurt that this trade/commerce/investment onslaught helps to internationalize the yuan.

It's easy to forget that BRI, an unparalleled multinational connectivity drive set to economically link all points Asia to Europe and Africa, was announced only three years ago, in Astana (Central Asia) and Jakarta (Southeast Asia).

What was originally known as the Silk Road Economic Belt and the 21st Century Maritime Silk Road were endorsed by the Third Plenum of the 18th CCP Central Committee in November 2013. Only after the release of an official document, "Visions and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Roads", in March 2015, the whole project was finally named BRI.

According to the official Chinese timeline, we're only at the start of phase 2. Phase 1, from 2013 to 2016, was "mobilization". "Planning", from 2016 to 2021, is barely on (and that explains why few major projects are online). "Implementation" is supposed to start in 2021, one year before Xi's new term expires, and go all the way to 2049.

The horizon thus is 2050, coinciding with Xi's "rich and powerful socialist nation" dream. There's simply no other comprehensive, inclusive, far-reaching, financially solid development program on the global market. Certainly not India's Asia-Africa Growth Corridor (AAGC).

Have BRI, will travel

It starts with Hong Kong. When Xi said, "We will continue to support Hong Kong and Macau in integrating their own development into the overall development of the country", he meant Hong Kong configured as a major BRI financing hub – its new role after a recent past of business facilitator between China and the West.

Hong Kong's got what it takes; convertible currency; total capital mobility; rule of law; no tax on interest, dividends and capital gains; total access to China's capital market/savings; and last but not least, Beijing's support.

Enter the dream of myriad financing packages (public-private; equity-debt; short-long term bonds). Hong Kong's BRI role will be of the Total Package international financial center (venture capital; private equity; flotation of stocks and bonds; investment banking; mergers and acquisitions; reinsurance) interlinked with the Greater Bay Area – the 11 cities (including Guangzhou and Shenzhen) of the Pearl River Delta (light/heavy manufacturing; hi-tech venture capitalists, start-ups, investors; top research universities).

That ties up with Xi's emphasis on innovation; "We will strengthen basic research in applied sciences, launch major national science and technology projects, and prioritize innovation in key generic technologies, cutting-edge frontier technologies, modern engineering technologies, and disruptive technologies."

The integration of the Greater Bay Area is bound to inspire, fuel, and in some cases even mould some of BRI's key projects. The Eurasian Land Bridge from Xinjiang to Western Russia (China and Kazakhstan are actively turbo-charging their joint free trade zone at Khorgos). The China-Mongolia-Russia economic corridor. The connection of the Central Asian "stans" to West Asia – Iran and Turkey. The China-Pakistan Economic Corridor (CPEC) from Xinjiang all the way to Gwadar in the Arabian Sea – capable of sparking an "economic revolution" according to Islamabad. The China-Indochina corridor from Kunming to Singa-

pore. The Bangladesh-China-India-Myanmar (BCIM) corridor (assuming India does not boycott it). The Maritime Silk Road from coastal southeast China all the way to the Mediterranean, from Piraeus to Venice.

Yiwu-London freight trains, Shanghai-Tehran freight trains, the Turkmenistan to Xinjiang gas pipeline – these are all facts on the ground. Along the way, the technologies and tools of infrastructure connectivity – applied to high-speed rail networks, power plants, solar farms, motorways, bridges, ports, pipelines – will be closely linked with financing by the Asia Infrastructure Investment Bank (AIIB) and the security-economic cooperation imperatives of the Shanghai Cooperation Organization (SCO) to build the new Eurasia from Shanghai to Rotterdam. Or, to evoke Vladimir Putin's original vision, even before BRI was launched, "from Lisbon to Vladivostok".

Xi did not spell it out, but Beijing will do everything to stay as independent as possible from the Western Central Bank system, with the Bank of International Settlements (BIS) to be avoided in as many trade deals as possible to the benefit of yuan-based transactions or outright barter. The petrodollar will be increasingly bypassed (it's already happening between China and Iran, and Beijing sooner rather than later will demand it from Saudi Arabia.)

The end result, by 2050, will be, barring inevitable, complex glitches, an integrated market of 4.5 billion people mostly using local currencies for bilateral and multilateral trade, or a basket of currencies (yuan-ruble-rial-yen-rupee).

Xi has laid China's cards – as well as the road map – on the table. As far as the Chinese Dream is concerned, it's now clear; Have BRI, Will Travel.

Russian President Vladimir Putin speaks during his annual end-of-year news conference in Moscow on December 14, 2017. Photo: Sputnik via Reuters / Alexei Nikolsky

Vladimir Putin takes spotlight as Eurasia connector

At his year-end press conference, the Russian president let drop nuggets essential to understanding what lies ahead on the Eurasian geopolitical chessboard

By PEPE ESCOBAR
JANUARY 10, 2017

At his trademark annual year-end press conference in Moscow, Russian President Vladimir Putin once again let drop selected foreign-policy nuggets essential to understanding what lies ahead on the turbulent Eurasian geopolitical chessboard.

By now it's well known that Putin will run again in the presidential elections scheduled for March 18 ("it will be self-nomination" and "I hope for the overall support from the public"). The Man in Charge might as well continue to be in charge. So it's always enlightening to bring down the

First name basis: Putin and Trump share a moment.

(spin) noise: sit back, relax, and just listen.

On President Trump: "I am on first-name terms with Trump; yes, we would probably use the familiar 'you.' I hope he'll get the opportunity to improve relations with Russia. Look at the markets, how they have grown. This means that investors trust the US economy, this means they trust what he [Donald Trump] is doing in this field."

On Russiagate: "What's so strange about this [diplomats speaking with officials in their host country]? Why do you have this 'Russian spy' hysteria?" On accusations of Russian interference in the 2016 US presidential race, Putin said, "They have been invented by those aiming to delegitimize Trump. These people don't understand they are undermining their own country – they aren't showing respect for the Americans [who] voted for Trump."

On working together with Washington: "Russia and the US can work closely on a range of issues" even given the "well-known limitations" on Trump.

On potential US withdrawal from the Intermediate-Range Nuclear Forces Treaty: "We hear about the problems with the INF Treaty. Apparently conditions are being created and an information-propaganda campaign is being run for a possible US withdrawal from the treaty. There is nothing good about a US withdrawal, that [would] be highly detrimental to international security. The US has de facto left the INF Treaty already, with the deployment of the Aegis ashore, but Russia is not going to leave the treaty. We will not be dragged into an arms race."

Putin stressed that Russia's defense spending was US$46 billion a year, while the US plans to spend $700 billion in 2018.

On the Arctic: "I have visited [the Arctic archipelago] Franz Josef Land; several years ago foreign guides, accompanying foreign tourist groups, would say that these islands 'recently' belonged to Russia. They had forgotten that [Franz Josef Land] is a Russian archipelago, but we reminded them, and at the moment everything is fine. We shouldn't forget it. Developing all those resources in the Arctic should take place in sync with taking care of the environment … we should not impinge on economic activities of ethnic minorities."

On Ukraine: "The Kiev authorities have no desire to implement the Minsk agreements, no desire to launch a real political process, the completion of which could be the implementation of an agreement on the special status of the Donbass, which is enshrined in the relevant law of Ukraine, adopted by the Rada [Ukraine's parliament]. Russians and Ukrainians are basically one people" (the audience is audibly pleased).

On Syria: "The US is not contributing enough to the successful resolution of the Syrian crisis. It is important that none of the participants in this [Syrian peace] process have the desire or temptation to use various terrorist or quasi-terrorist radical groups to achieve their immediate political goals."

On Iraq: "Let's say, militants are parting for Iraq. We are telling our US colleagues, 'Militants have gone this or that way.' There is no reaction, they [militants] are just leaving. Why? Due to thinking that they could be used in the fight with [Syrian President Bashar] Assad. That's very dangerous."

On Russia possibly influencing North Korea to abandon its nuclear program: "Your congressmen, senators look so good, they have beautiful suits, shirts, they are seemingly clever people. They put us alongside North Korea and Iran. At the same time they push the [US] president to persuade us to solve the problems of North Korea and Iran together with you."

On a nuclear DPRK: "On North Korea, we don't accept it as a nuclear country. As for the US, it has gone beyond previous deals [with the Democratic People's Republic of Korea] … and has provoked North Korea to withdraw from agreements. I think we heard the US would stop military drills, but no … they didn't. It is vital to act very carefully when dealing with the DPRK's nuclear program."

On China: "I have full confidence that cooperation with China is beyond any political agenda. We will always remain strategic partners, for a long period of time. We have similar approaches to the development of the international system. We are both interested in joint [economic] projects, including integration of OBOR [One Belt One Road] and the Eurasian Union."

Crafting the integration soundtrack

And that takes us to the heart of the geopolitical New Great Game in Eurasia: the Russia-China strategic partnership, once again reaffirmed, and the deepening of integration between the New Silk Roads, formerly OBOR, now Belt and Road Initiative (BRI), and the Eurasian Economic Union (EAUA).

Putin is clearly positive about the benefits for Russia from this economic interpenetration. He noted how "Russia was able to overcome major crises: the collapse of prices for energy carriers and trade sanctions. But the country is moving in the right direction with a greater focus on domestic production. Our internal trade grew by 3%. This has to mean something."

As much as Beijing in relation to its BRI, Moscow has been on a charm offensive to enlarge the Eurasian Economic Union. Turkey is a possible EAEU candidate for the near future, as well as India and Pakistan

Stressing how Moscow is totally on board the BRI, Putin implied how this cooperation extrapolates to both the BRICS (Brazil, Russia, India, China and South

Africa) and the SCO (Shanghai Cooperation Organization) spheres as well; and that's where we should place Moscow's current efforts to convince New Delhi – also a BRICS and SCO member – that betting on the BRI favors India's interests.

As recently as early this week in New Delhi, after a trilateral meeting with Chinese Foreign Minister Wang Yi and Indian Foreign Minister Sushma Swaraj, Russian Foreign Minister Sergey Lavrov has been adamant: "I know India has problems, we discussed it today, with the concept of One Belt and One Road, but the specific problem in this regard should not make everything else conditional to resolving political issues."

New Delhi has to be listening, as it was one of Moscow's staunchest allies during the Cold War.

In a parallel development, Iran is bound to join the EAEU as early as February, according to Behrouz Hassanolfat, director of the Europe and Americas Department of Iran's Trade Promotion Organization, as quoted by the Islamic Republic News Agency (IRNA).

As Asia Times has reported, India and Iran are getting more in sync economically via a parallel Silk Road to Central Asia centered on the port of Chabahar. Iran is also an essential BRI hub, and now will become an EAEU hub as well.

As much as Beijing in relation to its BRI, Moscow has been on a charm offensive to enlarge the EAEU. Turkey – already on board the BRI – is a possible EAEU candidate for the near future, as well as India and Pakistan.

Even as Putin at his presser once again advanced the cause of these multiple cross-pollinations of Eurasian integration, India sometimes may give the impression of being the odd partner out. New Delhi has just hosted the first ASEAN-India Connectivity Summit, which can be interpreted as an attempt to go against the BRI. Yet the emergence of an anti-China bloc across Southeast Asia seems far-fetched.

In parallel, Moscow certainly does not welcome a somewhat evolving "Indo-Pacific" US/India/Japan alliance. The undercurrent narrative in Putin's script could not be more crystal clear: The roadmap for Eurasia integration is all about the coming together of the BRI, EAEU, the SCO and BRICS.

Chairman Wolfgang Ischinger addresses the Munich Security Conference last week. Photo: AFP/ Andreas Gebert/ DPA

Munich did nothing to appease Cold War 2.0 fears

'To The Brink – And Back' had shades of the Soviet Union era when 'Commies eat children for breakfast'

By PEPE ESCOBAR
FEBRUARY 18, 2017

The Munich Security Conference is supposed to be an annual lofty gathering of global politicians, and military and intelligence experts. Theoretically, they discuss serious security matters under a cool professional eye in an informed setting.

Yet, in these times of doom and gloom, what the 54th conference yielded was another Russophobia show – a direct connection to the "Russiagate" soap opera in Washington.

A fighter jet is refueled over Poland during NATO's Anaconda war games, the largest military exercise since the end of the Cold War.

In fact, the 2018 Munich Security Report was entitled, To The Brink – And Back? In it, the Conference Chairman Wolfgang Ischinger did not mince his words. "The world has gotten closer – much too close! – to the brink of a significant conflict," he said.

That was not a particularly subtly code for Cold War 2.0, which could fast develop into a direct confrontation between NATO and Russia. The report also singled out the doctrine of the United States President Donald as the work of a "hostile revisionist power," attacking the "building blocks of [the] international order."

But then, when the talks began, ingrained perceptions took over with Russia as a lethal threat to NATO, and vice-versa.

Russian power

A graphic illustration was supplied by Nicholas Burns, the former US Ambassador to NATO. "Will NATO strengthen itself to contain Russian power in Eastern Europe giving what Russian has done illegally in Crimea, in the Donbass, and in Georgia?" he asked.

"I think the answer is positive. The NATO defense ministers have determined that they increase their findings. We have troops in Poland and three Baltic countries. I think NATO is unified. We have to continue the sanctions against Russia," he added.

Naturally, there was a reaction to this sort of rhetoric. Konstantin Kosachev, the chairman of the Foreign Affairs Committee of the Russian Senate, put forward his country's case.

"The only approach that Russia thinks is right is that security is indivisible," Kosachev said. "It must be shared by everyone. Cooperation in the field of security should not be divided into blocks.

"NATO's continued existence provokes new threats, rather than overcoming them. This conference has always been anti-Russian. Unfortunately, they try to blame Russia for all the problems facing the West," Kosachev added.

There was certainly a long list of Russia-bashing statements, featuring the NATO Secretary-General Jens Stoltenberg, the Ukraine President Petro Poroshenko and the US National Security Advisor General HR McMaster. Even the German Foreign Minister Sigmar Gabriel, accused Russia and China of trying to "undermine" the European Union.

All that was left for the Russian Foreign Minister Sergey Lavrov to do was to stress that recent indictments, alleging that the Kremlin interfered in US politics, were evidence-free "blather." Indeed, Russiagate has been debunked, among others, by the distinguished investigative journalist Robert Parry on Consortiumnews.com.

NATO, of course, does nothing without Washington's approval. The much-hyped Russia-NATO showdown is quite an uneven affair. The 2017 Russian defense budget was around $70 billion, which is one-tenth of the US budget.

This year, NATO's Aegis Ashore System, which is capable of firing Tomahawk surface-to-surface intermediate-range cruise missiles, will be deployed in Poland. The EU country will also host Anaconda, the largest NATO military exercise since the end of the Cold War, featuring at least 100,000 troops.

Munich did nothing to appease Cold War 2.0 fears. In fact, it brought back distant memories of those long forgotten days of 'Soviet Commies eating children for breakfast.'

Report released

The appalling mediocrity of those intervening speaks for itself.

Munich also happened just as the International Institute for Strategic Studies released its Military Balance report, where once again Western security agencies show their disbelief regarding Russia and China's military advances.

And yet Munich did absolutely nothing to center the discussion on the frightening prospect of the latest Israel versus Iran crescendo degenerating almost by inertia into a Hot War. So, in the end, we had nothing remotely similar to "moving back from the brink."

Voltaire, the 18th-century French philosopher and writer, liked to quip that those who make you believe absurdities make you commit atrocities.

The collective failure of these security "experts" comes as the Eurasian century is increasingly taking shape – deeper than transatlantic or transpacific moves. The numbers don't lie. While "experts" talk and demonize, the New Silk Roads are taking shape.

So, let Cold War 2.0 dissolve into what it should always have been – an empty shell.

What would Confucius do? Photo: iStock

Will the Putin-Xi era supersede the Western liberal (dis)order?

Perhaps a Confucian path would be the right direction toward Eurasian integration

By PEPE ESCOBAR
MARCH 25, 2018

The Chinese constitutional amendment allowing Xi Jinping the possibility of further presidential terms — staying in power long enough to bring "national rejuvenation" combined with the Russian election re-confirming Vladimir Putin in the presidency have assured consistency and continuity for the Russia-China strategic partnership way into the next decade.

This will facilitate the interaction between the Belt and Road Initiative (BRI) and the Eurasia Economic Union (EEAU); policy coordination inside the Shanghai Cooperation Organization, the BRICS and the G-20; and the overall drive towards Eurasia integration.

The strengthening of what should be viewed as the Putin-Xi era could not but render Western liberals – and neoliberals – absolutely livid.

Capitalist interests have always believed their own propaganda narrative, which directly links capitalist expansion with the inevitable spread of democracy.

Critical thinking is, at last, debunking it as a grand illusion.

What in fact happened since the early 1980s was that Western turbo-capitalism avidly profited from a variation of neo-slave labor in China's Special Economic Zones (SEZs). Compound it with the proverbial hubris of Western elites betting that China — regarded at best as a source of cheap labor as well as an enfeebled Russia during the 1990s would never accumulate enough know-how to challenge the West, geoeconomically and geopolitically.

The historical record is implacable, showing there's no connection whatsoever between "free" trade – usually freer for those with extra economic heft and political liberalization. For instance, the Prussian monarchy lowered trade barriers and that led to the creation of the Zollverein in 1834. And the Third Reich between 1933 and 1938 offered a heady mix of hardcore capitalism and totalitarianism.

China's system, where a (Marxist) party controls the state for the purposes of national cohesion certainly does not qualify as a liberal democracy. Dissenter Minxin Pei, the author of China's Trapped Transition, already knew 12 years ago that the Chinese Communist Party (CCP) would never go the Western liberal democracy way (Pei did understand Little Helmsman Deng Xiaoping's commands to the letter).

He got it right that China has "no interest in becoming a member of the [Western] club. They want the economic benefits from the Western liberal order but reject its political values and fear its security alliances. Now they are in a strong enough position attempting to build their own clubhouse."

What Pei got wrong is that the CCP would smother China's economic growth ("The prospect of a Japanese-like stagnation is real.") Xi Jinping and his new dream team need enough time to successfully tweak the Chinese economic model.

Away from childish 24/7 demonization, the fact is Russia today is a democracy, albeit imperfect. And it's important to analyze how a young democracy can be manipulated. The third chapter of new book Manifest-Destiny: Democracy as Cognitive Dissonance details the rape of Russia; how Boris Yeltsin's "free market reforms" facilitated by the "Harvard boys" allowed a small coterie of billionaire oligarchs — Mikhail Khodorkovsky, Boris Berezovsky and Roman Abramovich among them — to take over an economy suffering from shock therapy.

Between 1991 and 1997 Russian GDP collapsed by a whopping 83% while investment into the economy fell by 92%.

The case of Khodorkovsky is emblematic. Through Yukos, he owned key Siberian oil fields and was about to sell them all to Western corporate interests back in 2003 when Putin went after him. There's no question this was avidly studied by the Beijing leadership. Control of key national resources is the ultimate red line.

For Putin as well as Xi, the supreme arbiter is the national state, not a bunch of oligarchs like it's become a norm across the liberal and neoliberal West. On a BRICS level, compare it with the current usurper installed in the Brazilian presidency, who's doing his best to hand over most of the pre-salt oil reserves as well as aviation giant Embraer to foreign interests.

When in doubt, ask Confucius

It has become a ritual for guardians of the Western establishment to weep hard about the "fading liberal world order." At least some admit it is "neither liberal nor worldwide nor orderly."

Lesser guardians may be more realistic, noting how

Western politicians have been completely bypassed by popular anger in myriad latitudes, yet still believing it's possible to "rebuild democracy's moral foundations."

It's not — not under the predominant neoliberal creed, the post-mod TINA (there is no alternative). The guardians, left and right, cannot possibly understand the rise of populism — because those under the populist influence clearly see how the myths of "rule of law" and "national sovereignty" are fast dissolving in the mud. The guardians at best mourn, nostalgically, "the loss of elite influence."

China, Russia, Iran and Turkey — all implicated in Eurasia integration — may all rank as authoritarian systems at different levels. And cases can be made that, with the exception of China they still underperform economically compared to their true potential.

Yet one thing they value most of all is national sovereignty amid a multipolar system. That's their conceptual counterpoint to the il(liberal) world (dis)order. That's their answer to TINA.

As for "the loss of elite influence," that's code for a self-described coterie of the wealthy and powerful claiming a fuzzy democracy moral high ground which only unmasks their deep fear as the Western unipolar moment dissolves sooner rather than later.

All these contradictions are in sharp relief when we look at the European Union. The EU, since the Maastricht treaty, has been steered into becoming what Angela Merkel herself defined as Bundesrepublik Europa — the Federal Republic of Europe.

Anyone familiar with Brussels knows how those waves of tax-free Eurocrats milk an ultra-centralized and bureaucratically Kafkaesque regulation system as they remain completely out of touch with normal, real-life Europeans.

The EU's notion of promoting "economic integration" including heavy doses of austerity could not be more anti-democratic.

Add to it scandals at top state level that do nothing but corrode the belief in the primacy of the Western liberal democracy model. The latest involves the real possibility that Colonel Gaddafi probably financed the 2007 Sarkozy presidential campaign in France; an outstandingly murky affair featuring the politics of energy, the politics of water, and the proverbial major weapons contracts through which Western liberal democracies discard any moral high ground.

Now compare it with Xi Jinping as hexin lingdao (the nucleus of the leadership) a sort of primus inter pares in a Sinified version of Plato's Republic. Greek-Roman-Enlightenment political theory is not the only game in town anymore. Yet not a chance the hubristic West will start listening to Confucius.

Photo illustration: iStock

China taking the long road to solve the petro-yuan puzzle

A number of pieces have to fall into place before the petrodollar moves into second place

By PEPE ESCOBAR
MARCH 28, 2018

Few geoeconomic game-changers are more spectacular than yuan-denominated future crude oil contracts – especially when set up by the largest importer of crude on the planet.

And yet Beijing's media strategy seems to have consisted in substantially play down the official launch of the petro-yuan at the Shanghai International Energy Exchange.

Still, some euphoria was in order. Brent Crude soared to $71 a barrel for the first time since 2015. West Texas Intermediate (WTI) reached

the highest level in three years at $66.55 a barrel; then retreated to $65.53.

A series of petro-yuan "firsts" include the first time overseas investors are able to access a Chinese commodity market. Significantly, US dollars will be accepted as deposit and for settlement. In the near future, a basket of currencies will also be accepted as deposit.

Does the launch of the petro-yuan represent the ultimate deathblow to the petrodollar – and the birth of a completely new set of rules? Not so fast. That may take years, and depends on many variables, the most important of which will be China's capacity to bend, tweak and ultimately rule the global oil market.

As the yuan progressively reaches full consolidation in trade settlement, the petro-yuan threat to the US dollar, inscribed in a complex, long-term process, will disseminate the Holy Grail: crude oil futures contracts priced in yuan fully convertible into gold.

That means China's vast array of trade partners will be able to convert yuan into gold without having to keep funds in Chinese assets or turn them into US dollars. Exporters facing the wrath of Washington, such as Russia, Iran or Venezuela, may then avoid US sanctions by trading oil in yuan convertible to gold. Iran and Venezuela, for instance, would have no problems redirecting tankers to China in order to sell directly in the Chinese market – if that's what it takes.

How to bypass the US dollar

In the short- to medium-term the petro-yuan will surely boost the appeal of the Belt and Road Initiative (BRI), especially when it comes to the House of Saud.

It's still unclear in what capacity Beijing will be part of the Aramco IPO, but that will be a decisive step towards the fateful historic moment when Beijing will tell – or compel – Riyadh to start accepting payment for oil in yuan.

Only then the petrodollar may be at serious risk – along with the US dollar as the global reserve currency.

I have stressed before how, at the 2017 BRICS summit, Russian President Vladimir Putin went no holds barred supporting the petro-yuan, specifically challenging the "unfairness" of the US dollar's unipolar dominance.

How to bypass the US dollar, as well as the petrodollar, has been discussed at BRICS summits for years now. Russia is now China's largest crude oil supplier (1.32 million barrels a day last month, up 17.8% from a year earlier.) Moscow and Beijing have been forcefully bypassing the US dollar in bilateral trade. In October last year, China launched a payment system in both currencies – the yuan and the ruble. And that will apply to Russian oil bought by China.

Still, the whole petrodollar edifice lies on OPEC – and the House of Saud– pricing oil in US dollars; as everyone needs greenbacks to buy oil, everyone needs to buy (spiraling) US debt. Beijing is set to break the system – as long as it takes.

The petro-yuan as it stands does not provide access to Chinese oil markets. It starts as a great deal especially for Chinese companies who need to buy oil but would rather avoid the oscillations of foreign exchange. Nothing changes for the rest of the US dollar-dominated commodity planet – at least for now.

The game will really start to change when other nations realize they have found a real credible alternative to the petrodollar, and switching to the yuan en masse will certainly spark a US dollar crisis.

What the petro-yuan may be able to provoke in the short term is an acceleration of the next crises in treasuries and bond markets, which will inevitably spill out in the form of a crisis in global currency markets.

That pan-Eurasian resource basket

The game-changing aspect, for now, mostly has to do with the exquisite timing. Beijing has crafted an ultra-long-term plan and yet chose to launch the petro-yuan smack in the middle of a period of sharp deterioration in trade relations with Washington.

The answer to the geoeconomic riddle is bound to be The Golden Moment. Eventually gold will rise to a level where Beijing – by then totally in control over physical gold markets – feels ready to set a conversion rate.

The – Arabian – 'petro' side of the petrodollar equation should have been replaced long ago by a priceless, captured pan-Eurasian resource basket. That was what Dick Cheney dreamed of – centering his dreams on the energy wealth of Central Asia and Russia.

That did not happen. What we have instead is shrieking, manic Russophobia – more like a graphic indication of how precarious is the position of Western banking elites. On top of it, with the petro-yuan, China deploys the key weapon, incorporated into BRI, capable of accelerating the end of the unipolar moment.

Yet this is just the initial step in an ultra-high-stakes game. One should keep one's eyes firmly focused on the interpolations between trade connectivity and technological breakthroughs. The petrodollar may be in danger but is far from finished.

The Wuhan coronavirus outbreak has opened our eyes to the dangers of hyper-globalization. Photo: iStock

Why even a trade war won't derail Made in China 2025

Beijing has drawn its own roadmap toward becoming a state-of-the-art 'manufacturing superpower'

By PEPE ESCOBAR
APRIL 12, 2018

Designed to calm down fears of an ominous US-China trade war, President Xi Jinping's speech at the Boao Forum, crammed with Chinese metaphors, was the logical extension of his landmark address to Davos early last year – when he established China at the vanguard of globalization 2.0.

At the Boao Forum, Xi stressed a "new phase of opening up" the Chinese economy; blasted a "cold war and zero-sum mentality"; and praised China's long economic development march – from WTO membership to the foremost trade/connectivity 21st century Eurasia integration project, the Belt and Road Initiative (BRI).

For the near future, the Chinese economy would have to follow one of two main vectors. Beijing might choose to open its economy mostly to US multinational corporations; a strategy privileging the West. That would be China's Plan B. Or, roughly throughout the next seven years, Beijing may stage yet another breakthrough, solidifying itself as a high-tech Mecca. That's China's Plan A.

Plan A happens to be totally integrated with the BRI connectivity drive – from Eastern China to Western Europe via Central Asia, Southeast Asia, Southwest Asia and even the Caucasus. China, via BRI, aims to export not only capital and business savvy but also value-added high tech products.

And that brings us to the clash between two roadmaps – which should be read in detail – that are at the heart of a much debated, possible and certainly vicious trade war; China 2030 and Made in China: 2025.

2030 or 2025?

China 2030 was published, significantly, way back in 2013, by the World Bank in conjunction with the Chinese Finance Ministry and State Council. It's still a product of the Hu Jintao era, calling for all the requisite "market reforms," with emphasis on the "need" for China's strategy "to be governed by a few key principles: open markets, fairness and equity, mutually beneficial cooperation, global inclusiveness and sustainable development."

Xi Jinping, though, had broader ideas. Expanding on a concept initially floated by the Chinese Ministry of Commerce, at first named One Belt, One Road (OBOR), were also unveiled in 2013, in Astana and Jakarta. It took a while for the news to sink in that OBOR was nothing less than a full blueprint for pan-Eurasia integration.

Then, in 2015, Beijing unveiled what is the de facto national economic strategy: Made in China: 2025.

This is all about China – once again – stepping on the gas, this time to reduce dependency on foreign technology and the role of assembly line for foreign companies, by increasing investment in research and development; improving automation in Chinese factories; and developing strategic sectors such as robotics.

There's already a 2020 target; arrive at 70% of production with Chinese-made components. The manner that the success of Huawei ruffled so many feathers in the US – the home of Apple – is just a small illustration of what may lie ahead.

Yet Made in China: 2025 is way more ambitious, aiming to propel the Middle Kingdom to the Top Three of global high-tech industry leaders before 2049 – when the People's Republic turns 100. That's how China plans to beat the middle-income trap.

So Beijing has drawn its own, indigenous roadmap towards becoming a state of the art high-tech "manufacturing superpower" exporting made in China high-speed rail, aircraft, electric vehicles, robotics, AI technologies and the 5G standards that will power the Internet of Things.

Previous economic role models certainly include South Korea – whose process of gradual chaebol modernization was state-guided. And crucial inspiration is also drawn from Industrie 4.0, the German national strategic initiative launched in 2011 aiming to consolidate the nation's technological leadership in mechanical engineering.

Europe is watching

The fact that Beijing won't accept a subservient role in a US-dominated high-tech economic environment run by a tiny corporate elite spells out what's unimaginable for this elite; a definitive swing of the world economy by 2025, from the West to the East.

Beijing won't back down. The whole drive is away from the unilateral moment towards a multipolar world – where the partnership with Russia plays a key

role, as they coordinate their efforts on everything from the yuan and the ruble backed by gold to an alternative to the SWIFT payment mechanism, culminating with the most far-reaching project in world history in terms of economic connectivity across more than 60 nations and cultures; BRI – which is bound to be integrated with the Eurasia Economic Union (EEU) – happens to be, essentially, a concerted, state-guided industrial policy.

As this Global Times editorial stressed, a US-China trade war won't solve anything, much less the clash between China 2030 and Made in China: 2025. US industrialists are in a very delicate position – as they have massively invested in China; transferred technology to China; and even use Chinese technology themselves – as supply lines are global. If a tech wall would ever be erected between American and Chinese companies, Europeans would gladly replace the Americans.

Meanwhile, Beijing will play the appeaser – for instance, by opening up its financial sector to foreign investment, including the removal of foreign ownership caps for banks.

Bottom of Form

Yi Gang, the newly appointed governor of the People's Bank of China, promised at the Boao Forum that Beijing will allow foreign investors to take a maximum 51% equity stake in brokerage firms, futures companies and fund management firms, and will remove foreign equity ceilings in all these sectors by 2021.

With formidable diplomacy, Yi stated, "I would say with financial and service industries opening up, the US in the future would have more comparative advantage in service trade. So that when we have goods trade and services trade, these two would balance out as a result."

Then there's always the hard road to "solve" the US trade deficit. In a research note, this is what Goldman Sachs analysts – led by Chief Economist Jan Hatzius – have suggested: "For a deficit country such as the US, it is possible to scale up the trade restrictions sufficiently to achieve even an ambitious deficit reduction target. But this comes at a heavy cost in terms of weaker growth. Put simply, the only surefire way to reduce the deficit sharply under retaliation is a recession."

Trade war or recession, only one thing is clear; China will do whatever it takes to implement Made in China: 2025 – its roadmap to high-tech preeminence.

Russian President Vladimir Putin (center) inspects the road section of the road-and-rail Crimean Bridge over the Kerch Strait on March 14, 2018. Photo: AFP / Yuri Kochetkov

Popular Putin prepares for Cold War 2.0

As US-led Western hostility against Moscow mounts, Vladimir Putin's new government is bound to be a war cabinet

By PEPE ESCOBAR
MAY 4, 2018

Immediately after his official inauguration on Monday, Russian President Vladimir Putin is expected to announce a new government. And a bombshell is in the making. The new cabinet is bound to be a Stavka: that is, a war cabinet.

In the context of the interminable Russiagate saga, increasingly harsh US sanctions, the Skripal charade (which, incidentally, has totally disappeared from the Western news cycle), and the serious escalation in Syria – in contrast to the Russia-Iran-Turkey attempt at a peace process

in Astana – that's an all but inevitable option chosen by the Kremlin.

As early as four years ago former military officer Yevgeny Krutikov, a columnist for Vzglyad, exposed what constituted Russian red lines for the US and the North Atlantic Treaty Organization: Ukraine, Georgia, Finland, Sweden, "unfriendly actions of Lithuania and Poland" against the Kaliningrad enclave and navigation in the Baltic, and last but not least, the Arctic, "almost the ideal of all available bases for launching a first strike, both by nuclear weapons and high-precision, strategic non-nuclear arms."

Yet the new, absolute red line is Syria – as recently delineated by the Russian Defense Ministry: Any attack on Russian assets or personnel will be met with a devastating response.

The new, absolute red line is Syria – as recently delineated by the Russian Defense Ministry: Any attack on Russian assets or personnel will be met with a devastating response

Even more crucially, Russia's state-of-the-art missile technology, as announced by Putin in his landmark March 1 address, poses serious questions for the US naval empire.

Moscow's military spending decreased by 20% in 2017 to US$66.3 billion, according to a report released this week by the Stockholm International Peace Research Institute (SIPRI). This happened to constitute the first annual decline in almost 20 years.

Compare it with the combined 29-nation NATO military spending in 2017: $201 billion.

Not to mention US military spending, relatively stable, for the second year in a row, at a whopping $610 billion. But SIPRI says this is bound to go up, linked to "modernization of conventional and nuclear weapons."

Yet the heart of the matter from now on is not the enormous discrepancy between the Russian and NATO/American military budgets; it's the fact that Moscow can churn out serial hypersonic missiles – fast and cheap – compared with the Pentagon's capacity to build multibillion-dollar aircraft carriers.

Eurasianists vs Atlanticists

Russian analysts have confirmed to Asia Times that a Stavka is in the making – translated as a tight, cohesive collective bent on devising pragmatic solutions in a war-economy setting, on all fronts. That implies extremely close coordination among the Kremlin, the Defense Ministry, the General Staff, all the agencies in the security apparatus and the Russian military-industrial complex.

Sergey Sobyanin, currently the mayor of Moscow, stands a pretty good chance of being the next prime minister. The ideal candidate for the military-industrial complex would have been Defense Minister Sergey Shoigu, or even current Deputy Prime Minister Dmitry Rogozin. But it's practically sure that Putin, for complex internal-competition reasons, will choose Sobyanin.

US sanctions are a decisive factor. Rogozin was hit by sanctions in 2014. Both Shoigu and Sobyanin are sanctions-free – for now. In consequence, current Prime Minister Dmitry Medvedev's fortunes are waning.

It's no secret that at the highest circles of power in Russia an epic battle has been raging for more than a decade between the Eurasian sovereignists – backing Putin – and the Atlantic integrationists – backing Medvedev. The Eurasian drive is toward a multipolar world and Eurasian integration (New Silk Roads, Eurasian Economic Union). The Atlanticist drive is for Russia to be accepted by the West as an equal partner – now a virtually impossible prospect.

For all practical purposes the Russian economy is run by the Washington Consensus. From the perspective of Eurasian sovereignists, this is the biggest threat to a stable, nationalist system with an extremely popular Putin on top

Atlanticists totally control Russian banking and finance, including the central bank. For all practical purposes, the Russian economy is run by the Washington Consensus. From the perspective of Eurasian sovereignists, this is the biggest threat to a stable, nationalist system with an extremely popular Putin on top.

Putin, in public, constantly supports the Central Bank of Russia and the Medvedev-related economic team. This should not be taken at face value. Analysts tell Asia Times of a recent barrage of serious criticism against them on all main Russian TV channels.

So the definitive test, after the announcement of the Stavka, is whether there will be a sort of political crackdown on the Central Bank of Russia and Medvedev allies. It's not far-fetched to say expectations are running as high as for the World Cup in June.

Take it to the (Crimea) bridge

In parallel to Moscow tightening its geopolitical game, the drive for Eurasian integration could not but remain top of the bill, as illustrated by the latest Valdai Club discussion in late April in Shanghai, centered on how Russia and China should coordinate their strategies toward building a "Greater Eurasia."

That includes, of course, bypassing the US dollar in bilateral trading; strengthening the Shanghai Cooperation Organization; and solidifying the symbiosis of China as a consumer and Russia as a producer of goods.

Analysts Sergey Karaganov and Yu Bin, for instance, agree on what Karaganov defined as "the West's unilateral war against China and Russia." A consensus is emerging that the crunch time for shaping a multipolar new world order is during the next 10 to 15 years.

Virtually at the same time, and also totally under the radar of Western corporate media, representatives of no fewer than 71 nations met in Crimea at the fourth annual Yalta International Economic Forum.

This is one of Russia's top business meetings, along with the Eastern Economic Forum in Vladivostok, the Sochi Investment Forum and the Saint Petersburg International Economic Forum, to be held in late May.

Back in February 1945, Winston Churchill, Franklin Roosevelt and Josef Stalin met in Yalta to design the post-World War II world – which ended up being framed by the Cold War. Now, in a Cold War 2.0 environment, Russia is repositioning Crimea as a debate hub on global cooperation – complete with a brand-new, billion-dollar international airport and the Crimean Bridge, spanning 19 kilometers across the Kerch Strait, and open for traffic in late May, six months ahead of schedule.

That's what "Russian aggression" feels like.

Russian President Vladimir Putin (R) and Chinese President Xi Jinping (L) at a reception in Tianjin. Photo: AFP via Sputnik/ Alexei Druzhinin

Putin and Xi top the G6+1

All hell broke loose at the G6+1, aka G7, while the China-led Shanghai Cooperation Organization (SCO) aimed at global integration and a peaceful multipolar order

By PEPE ESCOBAR
JUNE 10, 2018

East vs. West: the contrast between the "dueling summits" this weekend was something for the history books.

All hell broke loose at the G6+1, otherwise known as G7, in La Malbaie, Canada, while all focused on divine Eurasian integration at the Shanghai Cooperation Organization (SCO) in China's Qingdao in Shandong, the home province of Confucius.

US President Donald Trump was the predictable star of the show in Canada. He came late. He left early. He skipped a working breakfast. He disagreed with everybody. He issued a "free trade proclamation", as in no barriers and tariffs whatsoever, everywhere, after imposing steel and aluminum tariffs on Europe and Canada. He proposed that Russia should be back at the G8 (Putin said he has other priorities). He signed the final communiqué and then he didn't.

Trump's "I don't give a damn" attitude drove the European leaders assembled in Canada crazy. After the official photo shoot, the US president grabbed the arm of new Italian Prime Minister Giuseppe Conte and said, in ecstasy, "You've had a great electoral victory!"

The Euros were not pleased and forced Conte to abide by the official EU, as in German Chancellor Angela Merkel's, policy: no G8 readmission to Russia as long as Moscow does not respect the Minsk agreements. In fact it is Ukraine that is not respecting the Minsk agreements; Trump and Conte are fully aligned on Russia.

Merkel, in extremis, proposed a "shared evaluation mechanism", lasting roughly two weeks, to try to defuse rising trade tensions. Yet the Trump administration does not seem to be interested.

"Strategic" game-changer

Meanwhile, over in Qingdao, the stunning takeaway was offered predictably by Chinese President Xi Jinping; "President Putin and I both think that the China-Russia comprehensive strategic partnership is mature, firm and stable."

This is a massive game-changer because officially, so far, this was a "comprehensive partnership." It's the first time on record that Xi has put the stress on "strategic". Again, in his own words: "It is the highest-level, most profound and strategically most significant relationship between major countries in the world."

And if that was not far-reaching enough, it's also personal. Xi, referring to Putin and perhaps channeling Trump's bonhomie with leaders he likes, said, "He is my best, most intimate friend."

Heavy business, as usual, was in order. The Chinese partnered with Russian nuclear energy giant Rosatom to get advanced nuclear technologies and diversify nuclear power contracts beyond its current Western suppliers. That's the "strategic" energy alliance component of the partnership.

In a trilateral Russia-China-Mongolia meeting, they all vowed to go full steam ahead with the China-Mongolia-Russia Economic Corridor – one of the key planks of the New Silk Roads, known as the Belt and Road Initiative (BRI).

Mongolia once again volunteered to become a transit hub for Russian gas to China, diversifying from Gazprom's current direct pipelines from Blagoveshchensk, Vladivostok and Altai. According to Putin, the Eastern Route pipeline remains on schedule, as does the US$27 billion liquefied natural gas (LNG) plant in Yamal being financed by Russian and Chinese companies.

On the Arctic, Putin and Xi went all the way for developing the Northern Sea Route, including crucial modernization of deep-water ports such as Murmansk and Arkhangelsk, and investment in infrastructure. The added geopolitical cachet is self-evident.

Putin had said last week that annual trade between Moscow and Beijing will soon reach US$100 billion. Currently, it stands at US$86 billion. Now Russian businesses venture the possibility of reaching US$200 billion by 2020 as feasible.

All this frenzy of activity is now openly described by Putin as the interconnectivity of BRI and the Russia-led Eurasia Economic Union (EAEU). Not to mention that the SCO itself interconnects with both BRI and the EAEU.

Putin told Chinese TV channel CGTN that though the SCO began as a "low-profile organization" [back in 2001] that sought merely to "solve border issues" between China, Russia and former Soviet countries, it is now evolving into a much bigger global force.

In parallel, according to Yu Jianlong, secretary general of the China Chamber of International Commerce, the SCO has now gathered extra collective strength to harness BRI expansion to increase business across Europe, the Middle East and Africa.

So it's no wonder companies from SCO nations are now being "encouraged" to use their own currencies to seal deals, bypassing the US dollar, as well as building e-commerce platforms, Alibaba-style. So far, Beijing has invested US$84 billion in other SCO members, mostly in energy, minerals, transportation (including, for instance, the China-Kyrgyzstan-Uzbekistan highway), construction and manufacturing.

Putin also met with Iranian President Hassan Rouhani on the sidelines of the SCO and vowed in no uncertain terms to preserve the Iranian nuclear deal, known as the JCPOA.

Iran is a current SCO observer nation. Putin once again reaffirmed he wants Tehran as a full member. The SCO charter determines that "a dialogue partner status can be granted to a country that shares the goals and principles of the SCO and wants to establish relations based on equal and mutually profitable relationship."

Iran, as an observer, fulfills the commitment. The spanner in the works happens to be tiny Tajikistan.

Enter the trademark convoluted internal politics of the Central Asian stans, in this case revolving around Tajik president Emomali Rahmon accepting Saudi Arabia's acquisition of a 51% stake in Tajikistan's largest bank. Nobody else wanted it; Riyadh was just buying influence.

All SCO full members must be approved unanimously. Still, that won't prevent larger economic integration between Iran, Russia and China. The talk in the SCO corridors was that Chinese companies expect an extra bonanza in the Iranian market after the unilateral Trump pullout of the JCPOA.

Behind closed doors, as diplomats told Asia Times, the SCO also discussed the crucial plan devised by the SCO-Afghanistan Contact Group, an Asia-wide peace process with Russia, China, India, Pakistan, Iran and Afghanistan trying to finally solve the decades-long tragedy without Western interference.

So what about a G3?

The "dueling summits" clearly set the scene. The G7 meeting at La Malbaie represented the dysfunctional old order, dilacerated by largely self-inflicted chaos and its apoplexy at the Rise of the East – from the integration of BRI, EAEU, SCO and BRICS, to the yuan-based gold-backed oil futures market.

In contrast to the G7's full spectrum dominance doctrine of total military superiority, Qingdao represented the new groove. Implacably derided by the old order as autocratic and filled with "democraships" bent on "aggression", in fact it was a graphic illustration of multi-polarity at work, the intersection of four great civilizations, an Eurasian Café debating that another, non-War Party conducted future is possible.

In parallel, diplomats in Brussels confirmed to Asia Times there are insistent rumbles about Trump possibly dreaming of a G3 composed of just US, Russia and China. Trump, after all, personally admires the leadership qualities of both Putin and Xi, while deriding the Kafkaesque EU bureaucratic maze and its weaklings, currently represented by the M3 (Merkel, Macron, May).

In Europe, no one seems to be listening to informed advice, such as provided by Belgian economist Paul de Grauwe, who's pleading for Frankfurt and Berlin to manage a common debt, without which the EU won't survive the sovereign crises of individual members.

Trump, for all his dizzying inconsistencies, seems to have understood that the G7 is a Walking Dead, and the heart of the action revolves around China, Russia and India, which not by accident form the hard node of BRICS.

The problem is the US national security strategy, as well as the national defense strategy, advocate no less than Cold War 2.0 against both China and Russia all across Eurasia. All bets are off, however, on who blinks first.

US President Donald Trump with Secretary of State Mike Pompeo (left) and former National Security Adviser John Bolton at a NATO summit in Brussels on July 12, 2018. Photo: AFP/ Brendan Smialowski

Trump, NATO and 'Russian aggression'

The US President's blitzkrieg at the Brussels summit, calling NATO obsolete and for member states to boost spending to defend themselves is correct

By PEPE ESCOBAR
JULY 13, 2018

Hysteria is at fever pitch. After the NATO summit in Brussels, the definitive Decline of the West has been declared a done deal as President Trump gets ready to meet President Putin in Helsinki.

It was Trump himself who stipulated that he wants to talk to Putin behind closed doors, face-to-face, without any aides and, in theory, spontaneously, after the preparatory meeting between Secretary of State Mike Pompeo and Russian Foreign Minister Sergey Lavrov was canceled. The summit will take place at the early 19th century Presidential Palace in

Helsinki, a former residence of Russian emperors.

As a preamble to Helsinki, Trump's spectacular NATO blitzkrieg was a show for the ages; assorted "leaders" in Brussels simply didn't know what hit them. Trump didn't even bother to arrive on time for morning sessions dealing with the possible accession of Ukraine and Georgia. Diplomats confirmed to Asia Times that after Trump's stinging "pay up or else" tirade, Ukraine and Georgia were asked to leave the room because what would be discussed was strictly an internal NATO issue.

Previewing the summit, Eurocrats indulged in interminable carping about "illiberalism" taking over, from Viktor Orban in Hungary to Sultan Erdogan in Turkey, as well as mourning the "destruction of European unity" (yes, it's always Putin's fault). Trump though would have none of it. The US President conflates the EU with NATO, interpreting the EU as a rival, just like China, but much weaker. As for the US "deal" with NATO, just like NAFTA, that's a bad deal.

NATO is 'obsolete'

Trump is correct that without the US, NATO is "obsolete" – as in non-existent. So essentially what he did in Brussels laid bare the case for NATO as a protection racket, with Washington fully entitled to up the stakes for the "protection".

But "protection" against what?

Since the dismemberment of Yugoslavia, when NATO was repositioned in its new role as humanitarian imperialist global Robocop, the alliance's record is absolutely dismal.

That features miserably losing an endless war in Afghanistan against a bunch of Pashtun warriors armed with Kalashnikov replicas; turning functional Libya into a militia wasteland and headquarters for Europe-bound refugees; and having the NATO-Gulf Cooperation Council lose its bet on a galaxy of jihadis and crypto-jihadis in Syria spun as "moderate rebels".

NATO has launched a new training, non-combat mission in Iraq; 15 years after Shock and Awe, Sunnis, Shi'ites, Yazidis and even Kurdish factions are not impressed.

Then there's the NATO Readiness Initiative; the capacity of deploying 30 battalions, 30 battleships and 30 aircraft squadrons within 30 days (or less) by 2020. If not to wreak selected havoc across the Global South, this initiative is supposedly set up to deter "Russian aggression".

So after dabbling with the Global War on Terror, NATO is essentially back to the original "threat"; the imminent Russian invasion of Western Europe – a ludicrous notion if there ever was one. The final statement in Brussels spells it out, with special emphasis on item 6 and item 7.

The combined GDP of all NATO members is 12 times that of Russia. And NATO's defense spending is six times larger than Russia's. Contrary to non-stop Polish and Baltic hysteria, Russia does not need to "invade" anything; what worries the Kremlin, in the long term, is the well being of ethnic Russians living in former Soviet republics.

Russia can't be both threat and an energy partner

Then there's Europe's energy policy – and that's a completely different story.

Trump has described the Nord Stream 2 pipeline as "inappropriate", but his claim that Germany gets 70% of its energy (via natural gas imports) from Russia may be easily debunked. Germany gets at best 9% of its energy from Russia. In terms of Germany's sources of energy, only 20% is natural gas. And less than 40% of natural gas in Germany comes from Russia. Germany is fast transitioning towards wind, solar, biomass and hydro energy, which made up 41% of the total in 2018. And the target is 50% by 2030.

Yet Trump does have a sterling point when, stressing that "Germany is a rich country", he wants to know why America should "protect you against Russia" when energy deals are on the table. "Explain that! It can't be explained!" as he reportedly said to Nato Secretary-general Jens Stoltenberg on Wednesday.

In the end, of course, it's all about business. What Trump is really aiming at is for Germany to import US shale gas, three times more expensive than pipeline-delivered Russian gas.

The energy angle is directly linked to the never-ending 2% defense spending soap opera. Germany currently spends 1.2% of GDP on NATO. by 2024, it's supposed to reach at best 1.5%. And that's it. The majority of German voters, in fact, want US troops out.

So Trump's demand for 4% of GDP on defense spending for all NATO members will never fly. The sales pitch should be seen for what it is: a tentative "invitation" for an increased EU and NATO shopping spree on US military hardware.

In a nutshell, the key factor remains that Trump's Brussels blitzkrieg did make his case. Russia cannot be a "threat" and a reliable energy partner at the same time. As much as NATO poodles may be terrified of "Russian aggression", the facts spell out they won't put their money where their rhetorical hysteria is.

Are you listening now?

"Russian aggression" should be one of the top items discussed in Helsinki. In the – remote – possibility that Trump will strike a deal with Putin, NATO's absurd raison d'etre would be even more exposed.

That's not the US "deep-state" agenda, of course, thus the 24/7 demonization of the summit even before it happens. Moreover, for Trump, the transactional gambling man's Make-America-Great-Again point of view, the ideal outcome would always be to get even more European weapons deals for the US industrial-military-intelligence complex.

Terrified by Trump, diplomats in Brussels over these past few days have conveyed to Asia Times fears about the end of NATO, the end of the World Trade Organization, even the end of the EU. But the fact remains that Europe is absolutely peripheral to the Big Picture.

In Losing Military Supremacy, his latest, groundbreaking book, crack Russian military-naval analyst Andrei Martyanov deconstructs in detail how, "the United States faces two nuclear and industrial superpowers, one of which fields a world-class armed forces. If the military-political, as opposed to merely economic, alliance between Russia and China is ever formalized – this will spell the final doom for the United States as a global power."

The US deep state (its influential bureaucrats) may be wallowing in perpetual denial, but Trump – after many a closed-door meeting with Henry Kissinger – may have understood the suicidal "strategy" of Washington simultaneously antagonizing Russia and China.

Putin's landmark March 1 speech, as Martyanov stresses, was an effort to "coerce America's elites, if not into peace, at least into some form of sanity, given that they are currently completely detached from the geopolitical, military and economic realities of the newly emerging power configurations of the world". These elites may not be listening, but Trump seems to indicate he is.

As for the NATO poodles, all they can do is watch.

Russian President Vladimir Putin offers a ball from the 2018 World Cup to US President Donald Trump after a meeting in Helsinki in July. Photo: AFP

A walk on wild side as Trump meets Putin at Finland station

US President stirs up a hornet's nest with his press conference alongside his Russian counterpart, but it seems that no 'grand bargain' was struck on Syria, and on Iran they appear to strongly disagree

By PEPE ESCOBAR
JULY 17, 2018

"The Cold War is a thing of the past." By the time President Putin said as much during preliminary remarks at his joint press conference with President Trump in Helsinki, it was clear this would not stand. Not after so much investment by American conservatives in Cold War 2.0.

Russophobia is a 24/7 industry, and all concerned, including its media vassals, remain absolutely livid with the "disgraceful" Trump-Putin presser. Trump has "colluded with Russia." How could the President of the United States promote "moral equivalence" with a "world-class thug"?

Multiple opportunities for apoplectic outrage were in order.

Trump: "Our relationship has never been worse than it is now. However, that changed. As of about four hours ago."

Putin: "The United States could be more decisive in nudging Ukrainian leadership."

Trump: "There was no collusion… I beat Hillary Clinton easily."

Putin: "We should be guided by facts. Can you name a single fact that would definitively prove collusion? This is nonsense."

Then, the clincher: the Russian president calls [Special Counsel] Robert Mueller's 'bluff', offering to interrogate the Russians indicted for alleged election meddling in the US if Mueller makes an official request to Moscow. But in exchange, Russia would expect the US to question Americans on whether Moscow should face charges for illegal actions.

Trump hits it out of the park when asked whether he believes US intelligence, which concluded that Russia did meddle in the election, or Putin, who strongly denies it.

"President Putin says it's not Russia. I don't see any reason why it would be."

As if this was not enough, Trump doubles down invoking the Democratic National Committee (DNC) server. "I really do want to see the server. Where is the server? I want to know. Where is the server and what is the server saying?"

It was inevitable that a strategically crucial summit between the Russian and American presidencies would be hijacked by the dementia of the US news cycle.

Trump was unfazed. He knows that the DNC computer hard-drives – the source of an alleged "hacking" – simply "disappeared" while in the custody of US intel, FBI included. He knows the bandwidth necessary for file transfer was much larger than a hack might have managed in the time allowed. It was a leak, a download into a flash-drive.

Additionally, Putin knows that Mueller knows he will never be able to drag 12 Russian intelligence agents into a US courtroom. So the – debunked – indictment, announced only three days before Helsinki, was nothing more than a pre-emptive, judicial hand grenade.

No wonder John Brennan, a former CIA director under the Obama administration, is fuming. "Donald Trump's press conference performance in Helsinki rises to exceed the threshold of 'high crimes and misdemeanors.' It was nothing short of treasonous. Not only were Trump's comments imbecilic, he is wholly in the pocket of Putin."

How Syria and Ukraine are linked

However, there are reasons to expect at least minimal progress on three fronts in Helsinki: a solution for the Syria tragedy, an effort to limit nuclear weapons and save the Intermediate-range Nuclear Forces treaty signed in 1987 by Reagan and Gorbachev, and a positive drive to normalize US-Russia relations, away from Cold War 2.0.

Trump knew he had nothing to offer Putin to negotiate on Syria. The Syrian Arab Army (SAA) now controls virtually 90% of national territory. Russia is firmly established in the Eastern Mediterranean, especially after signing a 49-year agreement with Damascus.

ven considering careful mentions of Israel on both sides, Putin certainly did not agree to force Iran out of Syria.

No "grand bargain" on Iran seems to be in the cards. The top adviser to Ayatollah Khamenei, Ali Akbar Velayati, was in Moscow last week. The Moscow-Tehran entente cordiale seems unbreakable. In parallel, as Asia Times has learned, Bashar al-Assad has told Moscow he might even agree to Iran leaving Syria, but Israel would have to return the occupied Golan Heights. So, the status quo remains.

Putin did mention both presidents discussed the Iran nuclear deal or Joint Comprehensive Plan Of Action and essentially they, strongly, agree to disagree. US

Secretary of State Mike Pompeo and Treasury Secretary Steven Mnuchin have written a letter formally rejecting an appeal for carve-outs in finance, energy and healthcare by Germany, France and the UK. A maximum economic blockade remains the name of the game. Putin may have impressed on Trump the possible dire consequences of a US oil embargo on Iran, and even the (far-fetched) scenario of Tehran blocking the Strait of Hormuz.

Judging by what both presidents said, and what has been leaked so far, Trump may not have offered an explicit US recognition of Crimea for Russia, or an easing of Ukraine-linked sanctions.

It's reasonable to picture a very delicate ballet in terms of what they really discussed in relation to Ukraine. Once again, the only thing Trump could offer on Ukraine is an easing of sanctions. But for Russia the stakes are much higher.

Putin clearly sees Southwest Asia and Central and Eastern Europe as totally integrated. The Black Sea basin is where Russia intersects with Ukraine, Turkey, Eastern Europe and the Caucasus. Or, historically, where the former Russian, Ottoman and Habsburg empires converged.

A Greater Black Sea implies the geopolitical convergence of what's happening in both Syria and Ukraine. That's why for the Kremlin only an overall package matters. It's not by accident that Washington identified these two nodes – destabilizing Damascus and turning the tables in Kiev – to cause problems for Moscow.

Putin sees a stable Syria and a stable Ukraine as essential to ease his burden in dealing with the Balkans and the Baltics. We're back once again to that classic geopolitical staple, the Intermarium ("between the seas"). That's the ultra-contested rimland from Estonia in the north to Bulgaria in the south – and to the Caucasus in the east. Once, that used to frame the clash between Germany and Russia. Now, that frames the clash between the US and Russia.

In a fascinating echo of the summit in Helsinki, Western strategists do lose their sleep gaming on Russia being able to "Finlandize" this whole rimland.

And that brings us, inevitably, to what could be termed The German Question. What is Putin's ultimate goal: a quite close business and strategic relationship with Germany (German business is in favor)? Or some sort of entente cordiale with the US? EU diplomats in Brussels are openly discussing that underneath all the thunder and lightning, this is the holy of the holies.

Take a walk on the wild side

The now notorious key takeaway from a Trump interview at his golf club in Turnberry, Scotland, before Helsinki, may offer some clues.

"Well, I think we have a lot of foes. I think the European Union is a foe, what they do to us in trade. Now, you wouldn't think of the European Union, but they're a foe. Russia is a foe in certain respects. China is a foe economically, certainly they are a foe. But that doesn't mean they are bad. It doesn't mean anything. It means that they are competitive."

Putin certainly knows it. But even Trump, while not being a Clausewitzian strategist, may have had an intuition that the post-WWII liberal order, built by a hegemonic US and bent on permanent US military hegemony over the Eurasian landmass while subduing a vassal Europe, is waning.

While Trump firebombs this United States of Europe as an "unfair" competitor of the US, it's essential to remember that it was the White House that asked for the Helsinki summit, not the Kremlin.

Trump treats the EU with undisguised disdain. He would love nothing better than for the EU to dissolve. His Arab "partners" can be easily controlled by fear. He has all but declared economic war on China and is on tariff overdrive – even as the IMF warns that the global economy runs the risk of losing around $500 billion in the process. And he faces the ultimate intractable, the China-Russia-Iran axis of Eurasian integration, which simply won't go away.

So, talking to "world-class thug" Putin – in usual suspect terminology – is a must. A divide-and-rule here, a deal there – who knows what some hustling will bring? To paraphrase Lou Reed, New Trump City "is the place where they say "Hey babe, take a walk on the wild side."

During the Helsinki presser, Putin, fresh from Russia's spectacular World Cup soft power PR coup, passed a football to Trump. The US president said he would give it to his son, Barron, and passed the ball to First Lady Melania. Well, the ball is now in Melania's court.

Russian warships, among them the frigate Admiral Gorshkov (second left), sail near Kronshtadt naval base outside St Petersburg on July 20, 2018, during a rehearsal for the Naval Parade. Photo: AFP / Olga Maltseva

Here's the real reason the US must talk to Russia

A new book details why future historians may well identify Putin's landmark March 1 speech as the ultimate game-changer in the 21st century New Great Game in Eurasia

By PEPE ESCOBAR
JULY 21, 2018

Future historians may well identify Russian President Vladimir Putin's landmark March 1 speech as the ultimate game-changer in the 21st-century New Great Game in Eurasia. The reason is minutely detailed in Losing Military Supremacy: The Myopia of American Strategic Planning, a new book by Russian military/naval analyst Andrei Martyanov.

Martyanov is uniquely equipped for the task. Born in Baku in the early 1960s, he was a naval officer in the USSR era up to 1990. He moved to the US in the mid-1990s and is now a lab director in an aerospace firm. He belongs to an extremely rarified group: top military/naval analysts specializing in US-Russia.

From quoting Alexis de Tocqueville and Leo Tolstoy's War and Peace to revisiting the balance of power during the Soviet era and beyond, Martyanov carefully tracks how the only nation on the planet "which can militarily defeat the United States conventionally" has reacted to a situation where any "meaningful dialogue between Russia and America's politicians is virtually impossible."

What is ultimately revealed is not only a case of disregarding basic Sun Tzu – "if you know the enemy and know yourself, you need not fear the result of a hundred battles" – but most of all undiluted hubris, turbocharged, among a series of illusionistic positive feedback loops, by Desert Storm's "turkey shoot" of Saddam Hussein's heavily inflated, woefully trained army.

The United States' industrial-military-intel-security complex profits from a compounded annual budget of roughly US$1 trillion. The only justification for such whopping expenditure is to manufacture a lethal external threat: Russia. That's the key reason the complex will not allow US President Donald Trump even to try to normalize relations with Russia.

Yet now this is a whole new ball game as the US faces a formidable adversary that, as Martyanov carefully details, deploys five crucial capabilities.

1. Command, control, communications, computers, intel, surveillance and reconnaissance capabilities equal to or better than the US.
2. Electronic warfare capabilities equal to or better than the US.
3. New weapons systems equal to or better than the US.
4. Air defense systems that are more than a match for US airpower.
5. Long-range subsonic, supersonic and hypersonic cruise missiles that threaten the US Empire of Bases and even the entire US mainland.

So how did we get here?

Debunking American military mythology

Martyanov argues that Russia, all through the first decade of the millennium, spent enough time "defining herself in terms of enclosed technological cycles, localization and manufacturing."

In contrast, Germany, even with a large, developed economy, "cannot design and build from scratch a state-of-the-art fighter jet," while Russia can. Germany "doesn't have a space industry, and Russia does."

As for those who pass in the US for Russian "experts," they never saw these techno-breakthroughs coming; they "simply have no grasp of the enormous difference between the processes involved in a virtual monetized economy and those involved in manufacturing of the modern combat informational control system or of the cutting-edge fighter jet."

Martyanov produces plenty of snapshots. For instance, "Russia …without any unnecessary fanfare, launched a complete upgrade of her naval nuclear deterrent with state of the art ballistic missile submarines (SSBNs) of the Borey-class (Project 955 and 955A)…. This is the program which most Russia 'analysts' were laughing at ten years ago. They are not laughing any more."

A central tenet of the book is to debunk American military mythology. That must include in-depth reappraisal of World War II and a re-examination of how the Soviet Navy was closing the technological gap with the US Navy already by the mid-1970s, even as it remained "a dedicated sea denial force designed strictly for deterrent." The Soviet Navy, as the Russian Navy today, "was built largely for a single purpose: to prevent a NATO attack on the USSR from the sea."

Moving to the post-USSR era, it's inevitable that Russia had to come up with a concerted strategy to counteract the North Atlantic Treaty Organization's re-

lentlessly moving east – a clear violation of the (verbal) agreement between George Bush Senior and Mikhail Gorbachev.

And that leads us to the holy of the holies concerning the favorite Beltway mantra, "Russian aggression." Even as Russia "does have the capability to deal major damage to NATO," as Martyanov reminds us, "why would Russia attack or damage European countries which are worth way more for Russia free and prosperous than they would be if damaged and, theoretically, subjugated?"

The caliber of Brzezinski's nightmare

The book's Chapter 7, titled "The Failure to Come to Grips with the Modern Geopolitical Realignment," brings us back to another game-changing moment: the 2015 Victory Parade in Moscow, with Putin and Chinese President Xi Jinping sitting next to each other, graphically exposing the worst Zbigniew "Grand Chessboard" Brzezinski nightmare of the "two most powerful Eurasian nations declaring full independence from the American vision of the world."

And then there was Russia's campaign in Syria; on October 7, 2015, six 3M14 Kalibr cruise missiles were launched in intervals of five seconds from the Russian Navy's small missile ships in the Caspian Sea, aimed at Daesh targets in Syria. The USS Theodore Roosevelt and its carrier battle group immediately understood the message – exiting the Persian Gulf in a flash.

Since then, the message has been amplified: the Eastern Mediterranean, the Black Sea, or "the Russian Navy's Pacific zones of responsibility" are becoming "completely closed zones for any adversary."

The lesson from the Kalibr-in-the-Caspian saga, writes Martyanov, is that "for the first time it was openly demonstrated, and the world took note, that the American monopoly on symbols of power was officially broken."

As Martyanov shows how "in both Donbass and especially in Syria, Russia called the American geopolitical and military bluff," there's no question this Syria-Ukraine interconnection – which I analyzed here – is the foundation stone of the current "historically unprecedented anti-Russian hysteria in the US."

So the ball – just like the one offered by Putin to Trump in Helsinki – is in the United States' court. What Martyanov describes as "the deadly combination of contemporary American elites' ignorance, hubris and desperation," though, cannot be underestimated.

Already during his election campaign, Trump announced multiple times that he would contest the post-Cold War international (dis)order. Helsinki was a graphic demonstration that now Trump's "drain the swamp" faces a massive immovable object, as the swamp will take no prisoners to preserve its trillion-dollar power.

In contrast, Russian diplomacy, as explicitly reaffirmed once again this week by Putin himself, is adamant that anything is permitted when it comes to avoiding Cold War 2.0.

But just in case, Russia's new-generation weapons have now been formally unveiled by the Defense Ministry, and some of them are already operational.

'Pearl Harbor meets Stalingrad'

It's crystal clear that President Trump is applying Kissingerian divide-and-rule tactics, trying to reduce Russian political/economic connectivity with the two other Eurasian integration poles, China and Iran.

Still, the swamp cannot possibly contemplate The Big Picture – as this must-watch conversation between two of the very few Americans who actually know Russia in-depth attests. Professor Stephen Cohen and Professor John Mearsheimer go to the jugular: Nothing can be done when Russophobia is the law of the land.

Over and over again, we must go back to Putin's March 1 speech, which presented the US with what can only be described, writes Martyanov, as "a military-technological Pearl Harbor-meets-Stalingrad."

Martyanov goes all the way to explain how the latest Russian weapons systems present immense strategic – and historical – ramifications. The missile gap between the US and Russia is now "a technological abyss," with ballistic missiles "capable of trajectories which render any kind of anti-ballistic defense useless." Star Wars and its derivatives are now – to use a Trumpism – "obsolete."

The Kinzhal, as described by Martyanov, is "a complete game-changer geopolitically, strategically, operationally, tactically and psychologically." In a nutshell, "no modern or prospective air-defense system deployed today by NATO can intercept even a single missile with such characteristics."

This means, among other things – and stressing it is never enough – that the whole Eastern Mediterranean can be closed off, not to mention the whole Persian Gulf. And all this goes way beyond asymmetry; it's about "the final arrival of a completely new paradigm" in warfare and military technology.

Martyanov's must-read book is the ultimate Weapon of Myth Destruction (WMD). And unlike the Saddam Hussein version, this one actually exists. As Putin warned (at 7:10 in the video), "They did not listen to us then." Are they listening now?

China's President Xi Jinping and Russian President Vladimir Putin have been cooking up deals together. Photo: Russian Presidential Press and Information Office/Anadolu Agency

Greater Eurasia coming together in the Russian Far East

The Eastern Economic Forum in Vladivostok has become a crucial part of strategic integration between China, Russia and other countries in northeast Asia, a graduation assimilation set to transform the current world system

By PEPE ESCOBAR
SEPTEMBER 10, 2018

Xi Jinping and Vladimir Putin were involved in a joint cooking venture. Pancakes with caviar (blin, in Russian), chased down with a shot of vodka. It just happened at the Eastern Economic Forum in Vladivostok. Talk about a graphic (and edible) metaphor sealing the ever-evolving 'Russia-China comprehensive strategic partnership'.

For a few years now the Vladivostok forum has been offering an unequaled roadmap tracking progress on Eurasia integration.

Last year, on the sidelines of the forum, Moscow and Seoul delivered a bombshell: a trilateral trade platform, crucially integrating Pyongyang, revolving around a connectivity corridor between the whole Korean peninsula and the Russian Far East.

Roundtable topics this year included integration of the Russian Far East into Eurasian logistic chains; once again the Russian link-up with the Koreas – aiming to build a Trans-Korean railway connected to the Trans-Siberian and a "Pipelineistan" branch-out into South Korea via China. Other topics were the Russia-Japan partnership in terms of Eurasian transit, centering on the link-up of the Trans-Siberian and Baikal-Amur Mainline (BAM) upgrades to a projected railway to the island of Sakhalin, and then all the way to the island of Hokkaido.

Then there was integration between Russia and ASEAN – beyond current infrastructure, agricultural, and shipbuilding projects to energy, agro-industry sector and forestry, as outlined by Ivan Polyakov, chairman of the Russia-ASEAN Business Council.

Essentially this is all about the simultaneous build-up of a growing East-West and also North-South axis. Russia, China, Japan, the Koreas and Vietnam, slowly but surely, are on their way to solid geoeconomic integration.

Arguably the most fascinating discussion in Vladivostok was Crossroads on the Silk Road, featuring, among others, Sergey Gorkov, Russian deputy minister of economic development; Wang Yilin, chairman of China's oil giant CNPC, and Zhou Xiaochun, vice-chairman of the board of directors of the essential Boao Forum.

Moscow's drive is to link the New Silk Roads or Belt and Road Initiative (BRI) with the Eurasian Economic Union (EAEU). Yet the ultimate geoeconomic target is even more ambitious; a "Greater Eurasian partnership", where BRI converges with the EAEU, the Shanghai Cooperation Organization (SCO) and ASEAN. At its core lies the Russia-China strategic partnership.

The roadmap ahead, of course, involves striking the right chords in a complex balance of political interests and management practices amid multiple East-West projects. Cultural symbiosis has to be part of the picture. The Russia-China partnership is increasingly inclined to reason in go (weiqi, the game) terms, a shared vision based on universal strategic principles.

Another key discussion in Vladivostok featured Fyodor Lukyanov, research director at the always essential Valdai Discussion Club, and Lanxin Xiang, director of the Centre of One Belt and One Road Studies at the China National Institute for SCO International Exchange. That centered on the geopolitics of Asian interaction, involving key BRICS members Russia, China and India, and how Russia might be able to capitalize on it while navigating the harrowing sanctions and trade war swamp.

All power from Siberia

It all comes back to the basics and the evolving Russia-China strategic partnership. Xi and Putin are implicated to the core. Xi defines the partnership as the best mechanism to "jointly neutralize the external risks and challenges". For Putin, "our relations are crucial, not only for our countries, but for the world as well." It's the first time ever that a Chinese leader has joined the Vladivostok discussions.

China is progressively interconnecting with the Russian Far East. International transport corridors – Primorye 1 and Primorye 2 – will boost cargo transit between Vladivostok and northeast China. Gazprom is about to complete the Russian stretch of the massive Power of Siberia gas pipeline to China, in agreement with CNPC. Over 2,000 kilometers of pipes have been welded and laid from Yakutia to the Russian-Chinese border. Power of Siberia starts operating in December 2019.

According to the Russian Direct Investment Fund (RDIF), the partnership is evaluating 73 investment projects worth more than $100 billion. The overseer is the Russian-Chinese Business Advisory Committee, including more than 150 executives from leading Rus-

sian and Chinese companies. The CEO of RDIF, Kirill Dmitriev, is convinced "particularly promising transactions will be found in bilateral deals that capitalize on the Russia-China relationship."

In Vladivostok, Putin and Xi once again agreed to keep increasing bilateral trade on yuan and rubles, bypassing the US dollar – building upon a mutual decision in June to increase the number of yuan-ruble contracts. In parallel, Economic Development Minister Maksim Oreshkin advised Russians to sell US dollars and buy rubles.

Moscow expects the ruble to appreciate to around 64 per US dollar next year. It's currently trading at around 70 rubles against the dollar, dragged down by US sanctions and the dollar weaponization wreaking havoc in BRICS members Brazil, India and South Africa, as well as potential BRICS Plus states such as Turkey and Indonesia.

Putin and Xi once again reaffirmed they will continue to work in tandem on their inter-Korean roadmap based on "dual freeze" – North Korea suspends nuclear tests and ballistic missile launches while the US suspends military drills with Seoul.

But what really seems to be capturing the imagination of the Koreas is the Trans-Korean railway. Kim Changsik, head of railway development in Pyongyang said: "We will further develop this project on the basis of negotiations between Russia, North Korea and South Korea, so that the owners of this project will be the countries of the Korean peninsula."

That connects to what South Korean President Moon Jae-in said only three months ago: "Once the Trans-Korean main line is built, it may be connected to the Trans-Siberian Railway. In this case, it would be possible to deliver goods from South Korea to Europe, which would be economically beneficial not only to South and North Korea, but to Russia as well."

Understanding the matryoshka

Contrary to misinformed or manipulated Western hysteria, the current Vostok war games in the Russian Far East's Trans-Baikal, including 3,000 Chinese troops, are just a section of the much deeper, complex Russia-China strategic partnership. This is all about a matryoshka: the war game is a doll inside the geoeconomic game.

In 'China and Russia: The New Rapprochement', Alexander Lukin, from the National Research University Higher School of Economics in Moscow, lays down the roadmap in detail; the evolving, Eurasia-wide economic partnership is part of a much larger, comprehensive concept of "Greater Eurasia". This is the core of the Russia-China entente, leading to what political scientist Sergey Karaganov has dubbed, "a common space for economic, logistic and information cooperation, peace and security from Shanghai to Lisbon and from New Delhi to Murmansk."

Without understanding the Big Picture enveloping debates such as the annual gathering in Vladivostok, it's impossible to understand how the progressive integration of BRI, EAEU, SCO, ASEAN, BRICS and BRICS Plus is bound to irreversibly change the current world-system.

We might be at the start of a decades-long trade war between China and the US. Photo: iStock

Here comes the 30-year trade war

Trade tensions between the US and China could drag on for decades but China's focus on its Belt and Road Initiative could provide relief

By PEPE ESCOBAR
SEPTEMBER 23, 2018

Alibaba's Jack Ma has warned that the ongoing US-China trade war could last at least 20 years. As we'll see, it's actually more like 30 – up to 2049, the 100th anniversary of the foundation of the People's Republic of China (PRC).

Steve Bannon always boasted that President Trump was bound to conduct a "sophisticated form of economic warfare" to confront China.

The logic underpinning the warfare is that if you squeeze the Chinese economy hard enough Beijing will submit and "play by the rules."

The Trump administration plan – which is, in fact, trade deficit hawk Peter Navarro's plan – has three basic targets:

1. Displace China from the heart of global supply chains.
2. Force companies to source elsewhere in the Global South all the components necessary for manufacturing their products.
3. Force multinational corporations to stop doing business in China.

The overarching concept is that unending confrontation with China is bound to scare companies/investors away.

There's no evidence South Korean or German conglomerates, for instance, would withdraw from the vast Chinese market and/or production facilities.

And even if the Flight Away from China actually happened, arguably the American economy would suffer as much, if not more, than China's.

The latest US tariff volley may lower China's GDP by only 0.9 percentage points, according to Bloomberg Economics. But China may still grow a healthy 6.3% in 2019.

This is a decent overview, with numbers, of what the trade war might cost China.

What's certain is that Beijing, as confirmed by a rash of editorials in Chinese state media, will not just play defense.

Beijing sees the trade war as "protracted." A Commercial Cold War 2.0 atmosphere is now in effect but China is fighting the ideological war on two fronts. At home, Beijing is using strong language to define its position against the US but taking a significantly softer approach in the international arena.

It's extremely helpful to understand how the current situation has arisen by examining the work of Wang Hui, a professor of Chinese language and literature at Tsinghua University, top essayist and the star player of China's New Left.

Hui is the author of the significant The Rise of Modern Chinese Thought, published in 2005 and still without an English translation.

Some of Hui's key conclusions still apply 13 years later, as he explains how Chinese society has not yet adapted to its newfound status in international relations; how it has not solved the "accumulated contradictions" during the breathtakingly fast process of marketization; and how it still has not mastered the inherent risks in the globalization drive.

Hui's analysis is echoed in many a Chinese editorial including delicious throwback lines such as the "sharpening of internal contradictions" in international relations. After all "socialism with Chinese characteristics," as codified by Deng Xiaoping and renewed by Xi Jinping, excels in exploiting and bypassing "internal contradictions."

It's all about BRI

Jack Ma, also hinted at a bigger picture, when he said that to counter the trade war, China should focus exports across the New Silk Roads/Belt and Road Initiative (BRI), specifically mentioning Africa, Southeast Asia and Eastern Europe.

Five years after President Xi launched BRI – then named One Belt One Road (OBOR) – in Astana and then Jakarta, it's only natural that Ma concentrates on what I have emphasized to be the primary Chinese foreign policy strategy for the next three decades.

It's never enough to stress that BRI's six main connectivity corridors, spanning up to 65 nations, according to the original timetable, are still in the planning stage up to 2021. That's when actual implementation starts, all the way to 2049.

Ma alluded to BRI expansion across strategically positioned nations of the Global South, including Central, South and Southeast Asia as well as Africa and Eastern Europe.

Quite a few of these nations have been extremely receptive to BRI, including 11 that the UN describes as Least Developed Countries (LDCs), such as Laos, Djibouti and Tanzania. BRI projects – and not World Bank projects with strings attached – represent the solution to their infrastructure woes.

Thus we see Beijing signing memorandums of understanding (MOUs) for BRI projects with no less than 37 African nations and the African Union (AU).

As BRI is closely interlinked with the Asian Infrastructure Investment Bank (AIIB), the bank will handle financing for BRI projects in Indonesia.

And the US-China trade war extrapolates to third countries such as Brazil profiting in terms of its commodities exports.

China is slowly but surely attempting to master the fine-tuning of financing complexities for projects in multiple connectivity corridors – including those in Bangladesh, Pakistan, Myanmar and Kazakhstan. At the same time, Chinese companies keep an eye on a political deal that will have to be brokered by the Shanghai Cooperation Organization (SCO) to unlock the BRI integration of Afghanistan.

In cases of nations excessively exposed to Chinese investment – such as Laos, Djibouti, Tajikistan and Kyrgyzstan – China is deploying a range of financing options from debt relief to clinching long-term contracts to buy natural resources. Whether China will leverage financing of strategic deep-water ports in Myanmar and Djibouti to build a "string of pearls" dotting the Indian Ocean supply chains is pure speculation.

A key vector to watch is how Germany and France approach BRI's inroads in Central and Eastern Europe, for instance, via the Budapest-Belgrade high-speed rail linked, BRI-style, to Piraeus port in the Mediterranean. Italy is in – the Adriatic is connected to BRI. Germany is in with arguably BRI's key European terminal in the Ruhr valley. France, however, dithers.

Russia is also in. Nearly 70 projects are being co-financed by BRI and the Eurasia Economic Union (EAEU). The Vladivostok forum once again proved the Russia-China strategic partnership, and its BRI/EAEU extension is in full effect.

A flimsy developed strategy by the Quad (US, India, Japan, Australia) has no potential to derail BRI's reach, complexity, wealth of capital and human resources.

For all the financial/soft power challenges, BRI participant nations, especially across the Global South, are locked on their side of the Chinese infrastructure investment "win-win" bargain. The current, relentless BRI-bashing is not only myopic but irrelevant, as BRI, constantly fine-tuned, will keep expanding all the way to 2049. What it will certainly face is a 30-year trade war.

The Trump administration has taken a hard line against China and Russia. Photo: IStock

What sanctions on Russia and China really mean

The Pentagon may not be advocating total war against both Russia and China – as it has been interpreted in some quarters

By PEPE ESCOBAR
OCTOBER 18, 2018

A crucial Pentagon report on the US defense industrial base and "supply chain resiliency" bluntly accuses China of "military expansion" and "a strategy of economic aggression," mostly because Beijing is the only source for "a number of chemical products used in munitions and missiles."

Russia is mentioned only once, but in a crucial paragraph: as a – what else – "threat," alongside China, for the US defense industry.

The Pentagon, in this report, may not be advocating total war against both Russia and China – as it was interpreted in some quarters. What it does is configure the trade war against China as even more incandescent, while laying bare the true motivations behind the sanctioning of Russia.

The US Department of Commerce has imposed restrictions on 12 Russian corporations that are deemed to be "acting contrary to the national security or foreign policy interests of the US." In practice, this means that American corporations cannot export dual-use products to any of the sanctioned Russian companies.

There are very clear reasons behind these sanctions – and they are not related to national security. It's all about "free market" competition.

At the heart of the storm is the Irkut MC-21 narrow-body passenger jet – the first in the world with a capacity of more than 130 passengers to have composite-based wings.

AeroComposit is responsible for the development of these composite wings. The estimated share of composites in the overall design is 40%.

The MC-21's PD-14 engine – which is unable to power combat jets – will be manufactured by Aviadvigatel. Until now MC-21s had Pratt & Whitney engines. The PD-14 is the first new engine 100% made in Russia since the break up of the USSR.

Aviation experts are sure that an MC-21 equipped with a PD-14 easily beats the competition; the Airbus A320 and the Boeing-737.

Then there's the PD-35 engine – which Aviadvigatel is developing specifically to equip an already announced Russia-China wide-body twinjet airliner to be built by the joint venture China-Russia Commercial Aircraft International Corp Ltd (CRAIC), launched in May 2017 in Shanghai.

Aviation experts are convinced this is the only project anywhere in the world capable of challenging the decades-long monopoly of Boeing and Airbus.

Will these sanctions prevent Russia from perfecting the MC-21 and investing in the new airliner? Hardly. Top military analyst Andrei Martyanov convincingly makes the case that these sanctions are at best "laughable," considering how "makers of avionics and aggregates" for the ultra-sophisticated Su-35 and Su-57 fighter jets would have no problem replacing Western parts on commercial jets.

Oh China, you're so 'malign'

Even before the Pentagon report, it was clear that the Trump administration's number one goal in relation to China was to ultimately cut off extended US corporate supply chains and re-implant them – along with tens of thousands of jobs – back into the US.

This radical reorganization of global capitalism may not be exactly appealing for US multinationals because they would lose all the cost-benefit advantages that seduced them to delocalize to China in the first place. And the lost advantages won't be offset by more corporate tax breaks.

It gets worse – from the point to view of global trade: for Trump administration hawks, the re-industrialization of the US presupposes Chinese industrial stagnation. That explains to a large extent the all-out demonization of the high-tech Made in China 2025 drive in all its aspects.

And this flows in parallel to demonizing Russia. Thus we have US Interior Secretary Ryan Zinke threatening no less than a blockade of Russian energy flows: "The United States has that ability, with our Navy, to make sure the sea lanes are open, and, if necessary, to blockade … to make sure that their energy does not go to market."

The commercial and industrial demonization of China reached a paroxysm with Vice-President Mike Pence accusing China of "reckless harassment," trying to "malign" Trump's credibility and even being the top US election meddler, displacing Russia. That's hardly attuned to a commercial strategy whose main goal should be to create US jobs.

President Xi Jinping and his advisers are not necessarily averse to making a few trade concessions. But that becomes impossible, from Beijing's point of view, when China is sanctioned because it is buying Russian weapons systems.

Beijing also can read some extra writing on the trade wall, an inevitable consequence of Pence's accusations; Magnitsky-style sanctioning of Russian individuals and businesses may soon be extended to the Chinese.

After all, Pence said Russia's alleged interference in US affairs paled in comparison with China's "malign" actions.

China's ambassador to the US, Cui Tiankai, in his interview with Fox News, strove for his diplomatic best: "It would be hard to imagine that one-fifth of the global population could develop and prosper, not by relying mainly on their own efforts, but by stealing or forcing some transfer of technology from others … That's impossible. The Chinese people are as hard-working and diligent as anybody on earth."

That is something that will be validated once again in Brussels this week at the biennial ASEM – Asia Europe – summit, first held in 1996. The theme of this year's summit is "Europe and Asia: global partners and global challenges." At the top of the agenda is trade, investment and connectivity – at least between Europe and Asia.

Washington's offensive on China should not be interpreted under the optics of "fair trade," but rather as a strategy for containing China technologically, which touches upon the absolutely crucial theme: to prevent China from developing the connectivity supporting the extended supply chains which are at the heart of the Belt and Road Initiative (BRI).

We don't need no peer competitors

A glaring giveaway that these overlapping sanctions on Russia and China are all about the good old Brzezinski fear of Eurasia being dominated by the emergence of "peer competitors" was recently offered by Wess Mitchell, the US State Department Assistant Secretary at the Bureau of European and Eurasian Affairs – the same post previously held by Victoria "F*ck the EU" Nuland.

This is the original Mitchell testimony to the Senate Foreign Relations Committee. And this is the redacted, sanitized State Department version.

A crucial phrase in the middle of the second paragraph simply disappeared: "It continues to be among the foremost national security interests of the United States to prevent the domination of the Eurasian landmass by hostile powers."

That's all the geopolitics Beijing and Moscow need to know. Not that they didn't know it already.

A large Russian missile is seen in a rehearsal for a military parade in Red Square, Moscow, on May, 5 2008. Photo: iStock

Who profits from the end of the mid-range nuclear treaty?

The US move to shelve the Intermediate-range Nuclear-Forces treaty could accelerate the demise of the whole post-WWII Western alliance, and herald a bad remix of the 1930s

By PEPE ESCOBAR
OCTOBER 25, 2018

The Bulletin of the Atomic Scientists has moved its Doomsday Clock to only 2 minutes to midnight. It might be tempting to turn this into a mere squabble about arrows and olives if this wasn't such a terrifying scenario.

US president Ronald Reagan and Mikhail Gorbachev, secretary-general of the USSR, signed the Intermediate-Range Nuclear Forces Treaty (INF) in 1987.

The Arms Control Association was extremely pleased. "The treaty marked the first time the superpowers had agreed to reduce their nu-

clear arsenals, eliminate an entire category of nuclear weapons, and utilize extensive on-site inspections for verification."

Three decades later, the Trump administration wants to unilaterally pull out of the INF Treaty.

Earlier this week President Trump sent his national security adviser John Bolton to officially break the news to Russian President Vladimir Putin in Moscow.

As they were discussing extremely serious issues such as implications of a dissolving INF Treaty, the perpetuation of anti-Russia sanctions, the risk of not extending a new START Treaty and the deployment, in Putin's words, of "some elements of the missile shield in outer space", the Russian President got into, well, arrows and olives:

"As I recall, there is a bald eagle pictured on the US coat of arms: it holds 13 arrows in one talon and an olive branch in the other as a symbol of peaceful policy: a branch with 13 olives. My question: has your eagle already eaten all the olives leaving only the arrows?"

Bolton's response: "I didn't bring any olives."

A 'new strategic reality'?

By now it's clear the Trump administration's rationale for pulling out of the INF Treaty is due, in Bolton's words, to "a new strategic reality". The INF is being dismissed as a "bilateral treaty in a multipolar ballistic missile world", which does not take into consideration the missile capabilities of China, Iran and North Korea.

But there is a slight problem. The INF Treaty limits missiles with a range from 500 km to 5,000 km. China, Iran and North Korea simply cannot pose a "threat" to the United States by deploying such missiles. The INF is all about the European theater of war.

So, it's no wonder the reaction in Brussels and major European capitals has been of barely disguised horror.

EU diplomats have told Asia Times the US decision was a "shock", and "the last straw for the EU as it jeopardizes our very existence, subjecting us to nuclear destruction by short-range missiles", which would never be able to reach the US heartland.

The "China" reason – that Russia is selling Beijing advanced missile technology – simply does not cut it in Europe, as the absolute priority is European security. EU diplomats are establishing a parallel to the possibility – which was more than real last year – that Washington could nuclear-bomb North Korea unilaterally. South Korea and Japan, in that case, would be nuclear "collateral damage". The same might happen to Europe in the event of a US-Russia nuclear shoot-out.

It goes without saying that shelving the INF could even accelerate the demise of the whole post-WWII Western alliance, heralding a remix of the 1930s with a vengeance.

And the clock keeps ticking

Reports that should be critically examined in detail assert that US superiority over China's military power is rapidly shrinking. Yet China is not much of a military technology powerhouse compared to Russia and its state of the art hypersonic missiles.

NATO may be relatively strong on the missile front – but it still wouldn't be able to compete with Russia in a potential battle in Europe.

The supreme danger, in Doomsday Clock terms, is the obsession by certain US neocon factions that Washington could prevail in a "limited", localized, tactical nuclear war against Russia.

That's the whole rationale behind extending US first-strike capability as close as possible to the Russian western borderlands.

Russian analysts stress that Moscow is already – "unofficially" – perfecting what would be their own first-strike capability in these borderlands. The mere hint of NATO attempting to start a countdown in Poland, the Baltics or the Black Sea may be enough to encourage Russia to strike.

Kremlin spokesman Dmitry Peskov starkly refuted Trump and Bolton's claims that Russia was violating the INF Treaty: "As far as we understood, the US side has made a decision, and it will launch formal procedures for withdrawing from this treaty in the near future."

As for Russia's resolve, everything one needs to know is part of Putin's detailed intervention at the Valdai Economic Forum. Essentially, Putin did not offer any breaking news – but a stark reminder that Moscow will strike back at any provocation configured as a threat to the future of Russia.

Russians, in this case, would "die like martyrs" and the response to an attack would be so swift and brutal that the attackers would "die like dogs".

The harsh language may not be exactly diplomatic. What it does is reflect plenty of exasperation towards the US conservatives who peddle the absurd notion of a "limited" nuclear war.

The harsh language also reflects a certainty that whatever the degree of escalation envisaged by the Trump administration and the Pentagon, that won't be enough to neutralize Russian hypersonic missiles.

So, it's no wonder that EU diplomats, trying to ease their discomfort, recognize that this, in the end, is all about the Full Spectrum Dominance doctrine and the necessity of keeping the massive US military-industrial-surveillance complex running.

Even as the clock keeps ticking closer to midnight.

US President Donald Trump peers across from German Chancellor Angela Merkel toward French President Emmanuel Macron and his wife Brigitte, Russian President Vladimir Putin and Australian Governor General Peter Cosgrove at a ceremony to mark the 100th anniversary in Paris of the end of World War I. Photo: AFP

Decoding the hypersonic Putin on a day of remembrance

Sitting alongside French President Macron during the 100th anniversary to commemorate the end of World War I, Putin and Trump stole the show in Paris

By PEPE ESCOBAR
NOVEMBER 13, 2018

The Elysee Palace protocol was implacable. Nobody in Paris would be allowed to steal the spotlight away from the host, President Emmanuel Macron, during the 100th anniversary of Armistice Day marking the end of World War I.

After all, Macron was investing all his political capital as he visited multiple World War I battlefields while warning against the rise of nationalism and a surge in right-wing populism across the West. He was careful to always place the emphasis on praising "patriotism."

A battle of ideas now rages across Europe, epitomized by the clash between the globalist Macron and populism icon Matteo Salvini, the Italian interior minister. Salvini abhors the Brussels system. Macron is stepping up his defense of a "sovereign Europe."

And much to the horror of the US establishment, Macron proposes a real "European army" capable of autonomous self-defense side by side with a "real security dialogue with Russia."

Yet all these "strategic autonomy" ideals collapse when you must share the stage, live, with the undisputed stars of the global show: President Donald Trump and President Vladimir Putin.

So the optics in Paris were not exactly of a Yalta 2.0 conference. There were no holds barred to keep Trump and Putin apart. Seating arrangements featured, from left to right, Trump, Chancellor Angela Merkel, Macron, his wife Brigitte and Putin. Neither Trump nor Putin, for different reasons, took part in a "walking in the rain" stunt evoking peace.

And yet they connected. Sir Peter Cosgrove, the governor general of Australia, confirmed that Trump and Putin, at a working lunch, had a "lively and friendly" conversation for at least half an hour.

No one better than Putin himself to reveal, even indirectly, what they really talked about. Three themes are absolutely key.

On the Macron-proposed, non-NATO European army: "Europe is … a powerful economic union and it is only natural that they want to be independent and … sovereign in the field of defense and security."

On the consequences of such an army: It would be "a positive process" that would "strengthen the multipolar world." On top of it, Russia's position "is aligned with that of France."

On relations with the North Atlantic Treaty Organization and Washington: "It is not us who are going to withdraw from the INF Treaty. It is the Americans who plan to do that." Putin added that Moscow has not scheduled military drills near NATO borders as an attempt to appease an already tense situation. Yet Russia has "no issue with" NATO drills and expects at least a measure of dialogue in the near future.

Enter the Avangard

Vast sectors of the US Deep State are in denial, but Putin may have been able to impress on Trump the necessity of serious dialogue due to an absolutely key vector: the Avangard.

The Avangard is a Russian hypersonic glide vehicle capable of flying over Mach 20 – 24,700km/h, or 4 miles per second – and one of the game-changing Russian weapons Putin announced at his ground-breaking March 1 speech.

The Avangard has been in the production assembly line since the summer of 2018, and is due to become operational in the southern Urals by the end of next year or early 2019.

In the near future, the Avangard may be launched by the formidable Sarmat RS-28 intercontinental ballistic missile and reach Washington in a mere 15 minutes, flying in a cloud of plasma "like a meteorite" – even if the launch is from Russian territory. Serial production of Sarmat ICBMs starts in 2021.

The Avangard simply cannot be intercepted by any existing system on the planet – and the US knows it. Here is General John Hyten, head of US Strategic Command: "We don't have any defense that could deny the employment of such a weapon against us."

Iran as the new Serbia?

I wish I had been in Paris – my home in Europe – to follow these concentric World War I–related plots live. But it was no less fascinating to follow them from Islamabad, where I am now, back from the northern part of the China-Pakistan Economic Corridor (CPEC). The British Empire used 1.5 million to 2 million Indian

colonial subjects to fight, and die, for empire in that war. Quite a few were Punjabis, from what is now Pakistan.

As for the future, Trump is certainly aware of Russia's hypersonic breakthroughs. Trump and Putin also talked about Syria, and might have touched on Iran, although no one at the working lunch leaked anything about it.

Assuming the dialogue continues at the Group of 20 summit in Buenos Aires at the end of November, Putin might be able to impress on Trump that just as Serbia catalyzed a chain of events that led great powers to sleepwalk into World War I, the same could happen with Iran leading to the terrifying prospect of World War III.

Team Trump's obsession on strangling Iran into economic submission is a no-go, even for the Macron-Merkel-led European Union. On top of it, the Russia-China strategic partnership simply won't allow any funny – reckless – games to be played against a crucial node of Eurasia integration.

Putin won't even need to go hypersonic to make his case to Trump.

People take pictures of the first freight train from Shenzhen to Minsk, capital of Belarus, that set out of Yantian Port in Shenzhen in May 2017. Photo: Reuters / stringer

How the New Silk Roads are merging into Greater Eurasia

Russia is keen to push economic integration with parts of Asia and this fits in with China's Belt and Road Initiative

By PEPE ESCOBAR
DECEMBER 13, 2018

The concept of Greater Eurasia has been discussed at the highest levels of Russian academia and policy-making for some time. This week the policy was presented at the Council of Ministers and looks set to be enshrined, without fanfare, as the main guideline of Russian foreign policy for the foreseeable future.

President Putin is unconditionally engaged to make it a success. Already at the St Petersburg International Economic Forum in 2016, Putin referred to an emerging "Eurasian partnership".

I was privileged over the past week to engage in excellent discussions in Moscow with some of the top Russian analysts and policymakers involved in advancing Greater Eurasia.

Three particularly stand out: Yaroslav Lissovolik, program director of the Valdai Discussion Club and an expert on the politics and economics of the Global South; Glenn Diesen, author of the seminal Russia's Geoeconomic Strategy for a Greater Eurasia; and the legendary Professor Sergey Karaganov, dean of the Faculty of World Economy and International Affairs at the National Research University Higher School of Economics and honorary chairman of the Presidium of the Council on Foreign and Defense Policy, who received me in his office for an off-the-record conversation.

The framework for Great Eurasia has been dissected in detail by the indispensable Valdai Discussion Club, particularly on Rediscovering the Identity, the sixth part of a series called Toward the Great Ocean, published last September, and authored by an academic who's who on the Russian Far East, led by Leonid Blyakher of the Pacific National University in Khabarovsk and coordinated by Karaganov, director of the project.

The conceptual heart of Greater Eurasia is Russia's Turn to the East, or pivot to Asia, home of the economic and technological markets of the future. This implies Greater Eurasia proceeding in symbiosis with China's New Silk Roads, or Belt and Road Initiative (BRI). And yet this advanced stage of the Russia-China strategic partnership does not mean Moscow will neglect its myriad close ties to Europe.

Russian Far East experts are very much aware of the "Eurocentrism of a considerable portion of Russian elites." They know how almost the entire economic, demographic and ideological environment in Russia has been closely intertwined with Europe for three centuries. They recognize that Russia has borrowed Europe's high culture and its system of military organization. But now, they argue, it's time, as a great Eurasian power, to profit from "an original and self-sustained fusion of many civilizations"; Russia not just as a trade or connectivity point, but as a "civilizational bridge".

What my conversations, especially with Lissovolik, Diesen and Karaganov, have revealed is something absolutely groundbreaking – and virtually ignored across the West; Russia is aiming to establish a new paradigm not only in geopolitics and geoeconomics, but also on a cultural and ideological level.

Conditions are certainly ripe for it. Northeast Asia is immersed in a power vacuum. The Trump administration's priority – as well as the US National Security Strategy's – is containment of China. Both Japan and South Korea, slowly but surely, are getting closer to Russia.

Culturally, retracing Russia's past, Greater Eurasia analysts may puzzle misinformed Western eyes. 'Towards the Great Ocean', the Valdai report supervised by Karaganov, notes the influence of Byzantium, which "preserved classical culture and made it embrace the best of the Orient culture at a time when Europe was sinking into the Dark Ages." Byzantium inspired Russia to adopt Orthodox Christianity.

It also stresses the role of the Mongols over Russia's political system. "The political traditions of most Asian countries are based on the legacy of the Mongols. Arguably, both Russia and China are rooted in Genghis Khan's empire," it says.

If the current Russian political system may be deemed authoritarian – or, as claimed in Paris and Berlin, an exponent of "illiberalism" – top Russian academics argue that a market economy protected by lean, mean military power performs way more efficiently than crisis-ridden Western liberal democracy.

As China heads West in myriad forms, Greater Eurasia and the Belt and Road Initiative are bound to merge. Eurasia is crisscrossed by mighty mountain ranges such as the Pamirs and deserts like the Taklamakan and the Karakum. The best ground route runs via Russia or via Kazakhstan to Russia. In crucial soft power terms, Russian remains the lingua franca in Mongolia, Central Asia and the Caucasus.

And that leads us to the utmost importance of an upgraded Trans-Siberian railway – Eurasia's current connectivity core. In parallel, the transportation systems of the Central Asian "stans" are closely integrated with the Russian network of roads; all that is bound to be enhanced in the near future by Chinese-built high-speed rail.

Iran and Turkey are conducting their own versions of a pivot to Asia. A free-trade agreement between Iran and the Eurasia Economic Union (EAEU) was approved in early December. Iran and India are also bound to strike a free-trade agreement. Iran is a big player in the International North-South Transport Corridor (INSTC), which is essential in driving closer economic integration between Russia and India.

The Caspian Sea, after a recent deal between its five littoral states, is re-emerging as a major trading post in Central Eurasia. Russia and Iran are involved in a joint project to build a gas pipeline to India.

Kazakhstan shows how Greater Eurasia and BRI are complementary; Astana is both a member of BRI and the EAEU. The same applies to gateway Vladivostok, Eurasia's entry point for both South Korea and Japan, as well as Russia's entry point to Northeast Asia.

Ultimately, Russia's regional aim is to connect China's northern provinces with Eurasia via the Trans-Siberian and the Chinese Eastern Railway – with Chita in China and Khabarovsk in Russia totally inter-connected.

And all across the spectrum, Moscow aims at maximizing return on the crown jewels of the Russian Far East; agriculture, water resources, minerals, lumber, oil and gas. Construction of liquefied natural gas (LNG) plants in Yamal vastly benefits China, Japan and South Korea.

Community spirit

Eurasianism, as initially conceptualized in the early 20th century by the geographer PN Savitsky, the geopolitician GV Vernadsky and the cultural historian VN Ilyn, among others, regarded Russian culture as a unique, complex combination of East and West, and the Russian people as belonging to "a fully original Eurasian community".

That certainly still applies. But as Valdai Club analysts argue, the upgraded concept of Greater Eurasia "is not targeted against Europe or the West"; it aims to include at least a significant part of the EU.

The Chinese leadership describes BRI not only as connectivity corridors, but also as a "community". Russians use a similar term applied to Greater Eurasia; sobornost ("community spirit").

As Alexander Lukin of the Higher School of Economics and an expert on the SCO has constantly stressed, including in his book China and Russia: The New Rapprochement, this is all about the interconnection of Greater Eurasia, BRI, EAEU, SCO, INSTC, BRICS, BRICS Plus and ASEAN.

The cream of the crop of Russian intellectuals – at the Valdai Club and the Higher School of Economics – as well as top Chinese analysts, are in sync. Karaganov himself constantly reiterates that the concept of Greater Eurasia was arrived at, "jointly and officially", by the Russia-China partnership; "a common space for economic, logistic and information cooperation, peace and security from Shanghai to Lisbon and New Delhi to Murmansk".

The concept of Greater Eurasia is, of course, a work in progress. What my conversations in Moscow revealed is its extraordinary ambition; positioning Russia as a key geoeconomic and geopolitical crossroads linking the economic systems of North Eurasia, Central and Southwest Asia.

As Diesen notes, Russia and China have become inevitable allies because of their "shared objective of restructuring global value-chains and developing a multipolar world". It's no wonder Beijing's drive to develop state-of-the-art national technological platforms is provoking so much anger in Washington. And in terms of the big picture, it makes perfect sense for BRI to be harmonized with Russia's economic connectivity drive for Greater Eurasia.

That's irreversible. The dogs of demonization, containment, sanctions and even war may bark all they want, but the Eurasia integration caravan keeps moving along.

A Chinese guardian lion in the Forbidden City, Beijing. Intellectual and cultural traditions between the world's two superpowers differ greatly. Photo: iStock

All under Heaven, China's challenge to Westphalian system

Beijing is tweaking the rules of the Western order to reflect its revitalized geopolitical and economic power, but some Americans see this as a threat to their way of life

By PEPE ESCOBAR
JANUARY 10, 2019

Embedded in the now dominant US narrative of "Chinese aggression", Sinophobes claim that China is not only a threat to the American way of life, but also an existential threat to the American republic.

It's worth noting, of course, that the American way of life has long ceased to be a model to be emulated all across the Global South and that the US walks and talks increasingly like an oligarchy.

Underneath it all is a huge divide, in outlook and cultural beliefs, between the two great powers, as some leaders and writers have attempted to explain.

President Xi Jinping's speech last week does make it clear that Beijing is engaged in tweaking the rules of the current Westphalian system to truly reflect its reconquered geopolitical and economic power.

Yet it's hardly a matter of "overthrowing" the system established by the Treaty of Westphalia in 1648. As much as trade blocks are ruling the new geoeconomic game, nation-states are bound to remain the backbone of the international system.

One of Beijing's key foreign policies is no interference in other nations' internal affairs. In parallel, the historical record since the end of WWII shows that the US has never refrained from interfering in other nations' internal affairs.

What Beijing is really aiming at is what Professor Xiang Lanxin, director of the Centre of One Belt and One Road Studies at the China National Institute for SCO International Exchange and Judicial Cooperation, referred to at a crucial intervention during the June 2016 Shangri-la Dialogue in Singapore.

Lanxin defined the New Silk Roads, or Belt and Road Initiative (BRI) as being an avenue to a 'post-Westphalian world', in a sense of a true 21st century geoeconomic integration of Eurasia acted out by Asian nations. That's the key reason why Washington, which set the current international rules in 1945, fears BRI and now demonizes it 24/7.

Understanding Tianxia

The notion that imperial China, over the centuries, obtained a Mandate of Heaven over Tianxia, or "All under Heaven", and that Tianxia is a "dictatorial system" is absolute nonsense. Once again that reflects the profound ignorance by professional Sinophobes about the deepest strands of classical Chinese culture.

They could do worse than learn about Tianxia from someone like Zhao Tingyang, a researcher at the Chinese Academy of Social Sciences and author of an essential book first published by China CITIC Press in 2016, then translated into French last year under the title Tianxia: Tous sous un meme ciel.

Tingyang teaches us that the Tianxia system of the Zhou dynasty (1046-256 BC) is essentially a theory – a concept born in Ancient China but not specific to China that goes way beyond the country to tackle universal problems in a "process of dynamic formation that refers to globalization."

This introduces us to a fascinating conceptual bridge linking ancient China to 21st-century globalization, arguing that political concepts defined by nation-states, imperialisms and rivalries for hegemony are losing meaning when faced with globalization. The future is symbolized by the new power of all-inclusive global networks – which is at the center of the BRI concept.

Tingyang shows that the Tianxia concept refers to a world system where the true political subject is the world. Under the Western imperialist vision, the world was always an object of conquest, domination and exploitation, and never a political subject per se.

So we need a higher and more comprehensive unifying vision than that of the nation-state – under a Lao Tzu framework: "To see the world from the point of view of the world".

You are not my enemy

Plunging into the deepest roots of Chinese culture, Tingyang shows the idea that there's nothing beyond Tianxia is, in fact, a metaphysical principle, because Tian (heaven) exists globally. So, Tianxia (all under Heaven), as Confucius said, must be the same, in order to be in accordance with heaven.

Thus the Tianxia system is inclusive and not exclusive; it suppresses the idea of enemy and foreigner; no country or culture would be designated as an enemy, and be non-incorporable to the system.

Tingyang's sharpest deconstruction of the Western system is when he shows how the theory of progress, as we know it, clings to the narrative logic of Christi-

anity; then "that becomes a modern superstition. The mélange is neither scientific or theological – it's an ideological superstition."

From the point of view of Chinese intellectual and cultural traditions, Tingyang shows that since Christianity won over pagan Greek civilization, the West has been driven by a logic of combat. The world appears as a bellicose entity, with groups or tribes opposing one another. The (Western) "mission of conquering the world destroyed the a priori integrity of the concept of 'world'. The world lost its sacred character to become a battlefield devoted to the universal accomplishment of Christianity. The word became an object."

So we came to a point where a hegemonic system of knowledge, via its mode of diffusion and monopoly of the rules of language, propagates a "monotheist narrative on everything, societies, history, life, values".

This system "interrupted knowledge and the historical thread of other cultures." It dissolved other spiritual worlds into debris without meaning, so they would lose their integrity and sacredness. It debased "the historicity of all other histories in the name of faith in progressivism (a secular version of monotheism)." And it divided the world into center and periphery; an "evolved" world which has a history contraposed to a stagnated world deprived of history.

This hardly differs from other major strands of criticism of Western colonialism to be found all across the Global South.

Yin and yang

Tingyang finally reverts to a Lao Tzu formula. "According to the Way of Heaven, excess is diminished and insufficiencies compensated". And that ties in with Yin and Yang, as referred to in the Book of Mutations of Zhou; "Yin and Yang is a functional metaphor of equilibrium, meaning that the vitality of every existence resides in dynamic equilibrium."

What irks the Sinophobes is that Tianxia, as explained by Tingyang and adopted by the current Beijing leadership, striving towards a real "dynamic equilibrium" in international relations, poses a serious challenge to American leadership in both hard power and soft power.

It's under this framework that Foreign Minister Wang Yi's crucial, wide-ranging commentary on Xi Jinping's diplomatic strategy must be interpreted. Wang stressed how Xi "has made innovations on and transcended the traditional Western theories of international relations for the past 300 years."

The Chinese challenge is unprecedented – and no wonder Washington, in tandem with other Western elites, is stunned. In the end, it's a matter of positioning Tianxia as a superior promoter of "dynamic equilibrium" in international relations in comparison with the Westphalian system.

As a result, immense political and cultural repercussions may be lost in translation, and China needs some serious soft power to get its point across.

Yet instead of producing reductionist diatribes, this process should galvanize a serious global debate in the years to come.

Russian President Vladimir Putin delivers his state of the nation address in Moscow on Wednesday. Photo: AFP / Alexander Nemenov

Putin rattles sabre as nuclear pact collapses

Russian President warns West that deploying missile launchers in Europe could ignite 'tit for tat' response

By PEPE ESCOBAR
FEBRUARY 22, 2019

President Putin's state of the nation address to the Federal Assembly in Moscow this week was an extraordinary affair. While heavily focused on domestic social and economic development, Putin noted, predictably, the US decision to pull out of the Intermediate-Range Nuclear Forces (INF) treaty and clearly outlined the red lines in regard to possible consequences of the move.

It would be naïve to believe that there would not be a serious counterpunch to the possibility of the US deploying launchers "suitable for using

Tomahawk missiles" in Poland and Romania, only a 12-minute flight away from Russian territory.

Putin cut to the chase: "This is a very serious threat to us. In this case, we will be forced – I want to emphasize this – forced to take tit-for-tat steps."

Later that night, many hours after his address, Putin detailed what was construed in the US, once again, as a threat.

"Is there some hard ideological confrontation now similar to what was [going on] during the Cold War? There is none. We surely have mutual complaints, conflicting approaches to some issues, but that is no reason to escalate things to a stand-off on the level of the Caribbean crisis of the early 1960s".

This was a direct reference to the Cuban missile crisis in 1962 when President Kennedy confronted USSR's Nikita Khrushchev over missiles deployed off the US mainland.

The Russian Defense Ministry, meanwhile, has discreetly assured that conference calls with the Pentagon are proceeding as scheduled, every week, and that this bilateral dialogue is "working".

In parallel, tests of state-of-the-art Russian weaponry such as the Sarmat intercontinental ballistic missile and the hypersonic Khinzal also proceed, alongside mass production of the hypersonic Avangard. The first regiment of the Russian Strategic Missile Forces will get the Avangard before the end of this year.

And then there's the Tsircon, a hypersonic missile capable of reaching US command centers in a mere five minutes – leaving the whole range of NATO military assets exposed.

What Putin meant in his address about Russia targeting "centers for decision-making" was fundamentally related to NATO, not the American mainland.

And once again, it's crucial to underline that none of these disturbing developments mean that Russia would engage in a pre-emptive strike against the deployment of US missiles in Eastern Europe. Putin was adamant that there's no need for it. Moreover, Russian nuclear doctrine forbids any sort of pre-emptive strikes, not to mention a nuclear first strike.

House of the Rising (Nuclear) Sun

To allow this new paradigm to sink in, I went on a long walk across Zamoskvorechye – "behind the Moskva river" – stopping on the way back in front of the Biblioteka Lenina to pay my respects to the Grandmaster Dostoevsky. And then it hit me; this was entirely connected to what had happened the day before.

The day before Putin's state of the union address I went to visit Alexander Dugin at his office in the deliciously Soviet, art nouveau building of the former Central Post Office. Dugin, a political analyst and strategist with a refined philosophical mind, is vilified in Washington as Putin's ideologue. He has also been targeted by US sanctions.

I was greeted in the lobby by his multi-talented daughter Daria – active in everything from philosophy and music to geopolitics. Dugin was being interviewed by RAI correspondent Sergio Paini. After the wrap-up, the three of us immediately engaged in a discussion on populism, Salvini, the Italian politician, and the Gilets Jaunes (Yellow Vests in France), in Italian. (Dugin is fluent in many languages).

Then we picked up on what we had left behind, when I was in Moscow last December and talked extensively with Daria. Dugin was in Shanghai teaching an international relations course at Fudan University (see here and here), and gave lectures at Tsinghua and Peking University. He returned quite impressed by Chinese academia's interest in populism, plus German philosopher Martin Heidegger and the Gilets Jaunes, as well as the evolving paths of Russia and China's strategic partnership.

Eurasia debate

So inevitably we delved into Eurasianism – and strategies towards Eurasian integration. Dugin sees China applying a sort of remixed Spykman outlook to the "Road" component of the Belt and Road Initiative (BRI), which is maritime, along the rimland. He privileges the "Belt" component, which is overland, with one of the main corridors going through Russia via the upgraded Trans-Siberian railway. I tend to view it as a mix of Halford Mackinder, the famed English academic, and the influential American political scientist Nicholas Spykman; China advancing on the West, simultaneously in the heartland and the rimland.

Dugin's office has the atmosphere of a revolving think tank. I was trying to inform him on how Brazil – under the 'leadership' of Steve Bannon, who walks and talks like he runs the Bolsonaro presidential clan – has been dragged to the frontline in the US in contrast to the Eurasian integration chessboard. Suddenly, none other than Alastair Crooke drops in. Serendipity or synchronicity?

Alastair, with his consummate diplomatic flair, is, of course, one of the world's foremost experts in the Middle East and Europe – and much else. He's in Moscow as a guest for one of the Valdai Club's famed discussions, on the Middle East, along with key figures from Syria and Iran.

Soon the three of us are engaged in an absorbing conversation on the soul of Islam, the purity of Sufism, the Muslim Brotherhood (those fabled friends of the Clinton machine), what President Erdogan and the Qataris are really up to, and the sterility – intellectual and spiritual – of the Wahhabi House of Saud and the Emirates.

We tend to agree that discussions like this, going on in Moscow – and in Tehran, Istanbul, Shanghai – would greatly profit from the presence of a progressive Steve Bannon, capable of organizing and promoting a running, non-ideological debate on multipolarity.

A day before Putin's stark reminder against any slip towards nuclear Armageddon, we were also discussing the post-INF world, but with emphasis on post-Mackinder (and post-Brzezinski) Eurasian integration. And that includes Russian and Chinese intellectual elites acutely aware that they can't afford to be isolated by American hyperpower.

I walked Alastair to his hotel, past a gloriously illuminated Bolshoi. I kept going, and as Lubyanka disappeared from view, a sidewalk busker was playing 'House of the Rising Sun', the Animals version. In Russian.

A container ship unloads cargo at the port terminal in Long Beach, California on May 10, as talks to resolve the US-China trade battle ended Friday with no deal, but no breakdown. Photo: Mark Ralston / AFP

US-China: the hardcore is yet to come

The Trump administration's response to China's emergence has been to throw all sorts of spanners in the works, but tariffs won't bring back manufacturing jobs

By PEPE ESCOBAR
MAY 11, 2019

Let's start with the "long" 16th Century – which, as with the 21st, also saw a turbulent process of marketization. At that time, the Jesuits and the Counter-Reformation were trying to rebound across Asia – but within a context where the rivalry between the Iberian superpowers of the age, Spain and Portugal, still lingered.

The Reformation first attached itself to the Dutch trade thalassocracy – a seaborne empire, under which commerce was paramount – over strict propaganda of religious dogma. Britain's maritime realm was still biding its time. The emergence of Protestantism proceeded in parallel to the emergence of neo-Confucianism in East Asia.

Fast forward to our turbulent times. Marketization – renamed as globalization – seems to be in crisis. But not in the Middle Kingdom, which is now investing in globalization 2.0 amid increasing rivalry with the other superpower, the US.

The American thalassocracy is being superseded by the Revenge of the Heartland, in the form of the Russia-China strategic partnership – for whom Eurasian trade integration, as expressed by the New Silk Roads, or Belt and Road Initiative (BRI), is paramount over the Make America Great Again (MAGA) dogma.

Meanwhile, the re-emergence of Right populism in the West mirrors the re-emergence of pragmatic neo-Confucianism across Asia.

BRI – the prime vehicle for Eurasia integration – would have never come to light without China's four decades of breakneck economic development.

My sharpest and most informed geopolitical readers, such as the wonderfully enigmatic Larchmonter, are in synch with my running conversations – for years now – with top analysts in Russia, China, Iran, Turkey and Pakistan; following the Obama administration's fuzzy "pivot to Asia", the Trump administration's response to China's emergence has been to throw all sorts of spanners in the works.

Thus, the current hysteria over tariffs, the trade offensive, the demonization of BRI, Made in China 2025 and Huawei's 5G dominance, and all manner of disruptive Hybrid War tactics such as repeatedly claiming "freedom of navigation" in the South China Sea to progressive weaponizing of Taiwan.

All that duly fueled by non-stop hatchet jobs on media outlets, as in branding Huawei as "suspect" or "permanently untrustworthy".

From the point of view of the hyperpower, there can be only one possible endgame: an amputated, permanently crippled and preferably non-stop aching Chinese economy – with unfavorable demographics to boot.

Where are our jobs?

Pause on the sound and fury for necessary precision. Even if the Trump administration slaps 25% tariffs on all Chinese exports to the US, the IMF has projected that would trim just a meager slither – 0.55% – off China's GDP. And America is unlikely to profit, because the extra tariffs won't bring back manufacturing jobs to the US – something that Steve Jobs told Barack Obama eons ago.

What happens is that global supply chains will be redirected to economies that offer comparative advantages in relation to China, such as Vietnam, Indonesia, Bangladesh, Cambodia and Laos. And this redirection is already happening anyway – including by Chinese companies.

BRI represents a massive geopolitical and financial investment by China, as well as its partners; over 130 states and territories have signed on. Beijing is using its immense pool of capital to make its own transition towards a consumer-based economy while advancing the necessary pan-Eurasian infrastructure development – with all those ports, high-speed rail, fiber optics, electrical grids expanding to most Global South latitudes.

The end result, up to 2049 – BRI's time span – will be the advent of an integrated market of no less than 4.5 billion people, by that time with access to a Chinese supply chain of high-tech exports as well as more prosaic consumer goods.

Anyone who has followed the nuts and bolts of the Chinese miracle launched by Little Helmsman Deng Xiaoping in 1978 knows that Beijing is essentially exporting the mechanism that led China's own 800 million citizens to, in a flash, become members of a global middle class.

As much as the Trump administration may bet on

"maximum pressure" to restrict or even block Chinese access to whole sectors of the US market, what really matters is BRI's advance will be able to generate multiple, extra US markets over the next two decades.

We don't do 'win-win'

There are no illusions in the Zhongnanhai, as there are no illusions in Tehran or in the Kremlin. These three top actors of Eurasian integration have exhaustively studied how Washington, in the 1990s, devastated Russia's post-USSR economy (until Putin engineered a recovery) and how Washington has been trying to utterly destroy Iran for four decades.

Beijing, as well as Moscow and Tehran, know everything there is to know about Hybrid War, which is an American intel concept. They know the ultimate strategic target of Hybrid War, whatever the tactics, is social chaos and regime change.

The case of Brazil – a BRICS member like China and Russia – was even more sophisticated: a Hybrid War initially crafted by NSA spying evolved into lawfare and regime change via the ballot box. But it ended with mission accomplished – Brazil has been reduced to the lowly status of an American neo-colony.

Let's remember an ancient mariner, the legendary Chinese Muslim Admiral Zheng He, who for three decades, from 1405 to 1433, led seven expeditions across the seas all the way to Arabia and Eastern Africa, reaching Champa, Borneo, Java, Malacca, Sumatra, Ceylon, Calicut, Hormuz, Aden, Jeddah, Mogadiscio, Mombasa, bringing tons of goods to trade (silk, porcelain, silver, cotton, iron tools, leather utensils).

That was the original Maritime Silk Road, progressing in parallel to Emperor Yong Le establishing a Pax Sinica in Asia – with no need for colonies and religious proselytism. But then the Ming dynasty retreated – and China was back to its agricultural vocation of looking at itself.

They won't make the same mistake again. Even knowing that the current hegemon does not do "win-win". Get ready for the real hardcore yet to come.

Russian President Vladimir Putin welcomes US State Secretary Mike Pompeo, left, during their meeting, in Sochi, Russia. Photo: AFP / Sergey Guneev / Sputnik

What Putin and Pompeo did not talk about

Russia is uneasy over the destabilization of Tehran, and on other hotspots the powers' positions are clear

By PEPE ESCOBAR
MAY 15, 2019

Even veiled by thick layers of diplomatic fog, the overlapping meetings in Sochi between US Secretary of State Mike Pompeo and President Putin and Foreign Minister Sergey Lavrov still offer tantalizing geopolitical nuggets.

Russian presidential aide Yury Ushakov did his best to smooth the utterly intractable, admitting there was "no breakthrough yet" during the talks but at least the US "demonstrated a constructive approach."

Putin told Pompeo that after his 90-minute phone call with Trump,

initiated by the White House, and described by Ushakov as "very good," the Russian president "got the impression that the [US] president was inclined to re-establish Russian-American relations and contacts to resolve together the issues that are of mutual interest to us."

That would imply a Russiagate closure. Putin told Pompeo, in no uncertain terms, that Moscow never interfered in the US elections, and that the Mueller report proved that there was no connection between the Kremlin and the Trump campaign.

This adds to the fact Russiagate has been consistently debunked by the best independent American investigators such as the VIPS group.

'Interesting' talk on Iran

Let's briefly review what became public of the discussions on multiple (hot and cold) conflict fronts – Venezuela, North Korea, Afghanistan, Iran.

Venezuela – Ushakov reiterated the Kremlin's position: "Any steps that may provoke a civil war in the country are inadmissible." The future of President Maduro was apparently not part of the discussion.

That brings to mind the recent Arctic Council summit. Both Lavrov and Pompeo were there. Here's a significant exchange:

Lavrov: I believe you don't represent the South American region, do you?

Pompeo: We represent the entire hemisphere.

Lavrov: Oh, the hemisphere. Then what's the US doing in the Eastern Hemisphere, in Ukraine, for instance?

There was no response from Pompeo.

North Korea – Even acknowledging that the Trump administration is "generally ready to continue working [with Pyongyang] despite the stalemate at the last meeting, Ushakov again reiterated the Kremlin's position: Pyongyang will not give in to "any type of pressure," and North Korea wants "a respectful approach" and international security guarantees.

Afghanistan – Ushakov noted Moscow is very much aware that the Taliban are getting stronger. So the only way out is to find a "balance of power." There was a crucial trilateral in Moscow on April 25 featuring Russia, China and the US, where they all called on the Taliban to start talking with Kabul as soon as possible.

Iran – Ushakov said the JCPOA, or Iran nuclear deal, was "briefly discussed.".He would only say the discussion was "interesting."

Talk about a larger than life euphemism. Moscow is extremely uneasy over the possibility of a destabilization of Iran that allows a free transit of jihadis from the Caspian to the Caucasus.

Which brings us to the heart of the matter. Diplomatic sources – from Russia and Iran – confirm, off the record, there have been secret talks among the three pillars of Eurasian integration – Russia, China and Iran – about Chinese and Russian guarantees in the event the Trump administration's drive to strangle Tehran to death takes an ominous turn.

This is being discussed at the highest levels in Moscow and Beijing. The bottom line: Russia-China won't allow Iran to be destroyed.

But it's quite understandable that Ushakov wouldn't let that information slip through a mere press briefing.

Wang Yi and other deals

On multiple fronts, what was not disclosed by Ushakov is way more fascinating than what's now on the record. There's absolutely no way Russian hypersonic weapons were not also discussed, as well as China's intermediate-range missiles capable of reaching any US military base encircling or containing China.

The real deal was, in fact, not Putin-Pompeo or Pompeo-Lavrov in Sochi. It was actually Lavrov-Wang Yi (the Chinese Foreign Minister), the day before in Moscow.

A US investment banker doing business in Russia told me: "Note how Pompeo ran like mad to Sochi. We are frightened and overstretched."

Diplomats later remarked: "Pompeo looked solemn afterwards. Lavrov sounded very diplomatic and calm." It's no secret in Moscow's top diplomatic circles that the Chinese Politburo overruled President Xi Jinping's effort to find an accommodation to Trump's tariff offensive. The tension was visible in Pompeo's demeanor.

In terms of substance, it's remarkable how Lavrov and Wang Yi talked about, literally, everything: Syria, Iran, Venezuela, the Caspian, the Caucasus, New Silk Roads (BRI), Eurasia Economic Union (EAEU), Shanghai Cooperation Organization (SCO), missiles, nuclear proliferation.

Or as Lavrov diplomatically put it: "In general, Russia-China cooperation is one of the key factors in maintaining the international security and stability, establishing a multipolar world order. . . . Our states cooperate closely in various multilateral organizations, including the UN, G20, SCO, BRICS and RIC [Russia, India, China trilateral forum], we are working on aligning the integration potential of the EAEU and the Belt and Road Initiative, with potentially establishing [a] larger Eurasian partnership."

The strategic partnership is in sync on Venezuela, Syria, Iran, Afghanistan – they want a solution brokered by the SCO. And on North Korea, the message could not have been more forceful.

After talking to Wang Yi, Lavrov stressed that contacts between Washington and North Korea "proceeded in conformity with the road map that we had drafted together with China, from confidence restoration measures to further direct contacts."

This is a frank admission that Pyongyang gets top advice from the Russia-China strategic partnership. And there's more: "We hope that at a certain point a comprehensive agreement will be achieved on the denuclearization of the Korean Peninsula and on the creation of a system of peace and security in general in Northeast Asia, including concrete firm guarantees of North Korea's security."

Translation: Russia and China won't back down on guaranteeing North Korea's security. Lavrov said: "Such guarantees will be not easy to provide, but this is an absolutely mandatory part of a future agreement. Russia and China are prepared to work on such guarantees."

Reset, maybe?

The indomitable Maria Zakharova, Russian Ministry of Foreign Affairs spokeswoman, may have summed it all up. A US-Russia reset may even, eventually, happen. Certainly, it won't be of the Hillary Clinton kind, especially when current CIA director Gina Haspel is shifting most of the agency's resources towards Iran and Russia.

Top Russian military analyst Andrei Martyanov was way more scathing. Russia won't break with China, because the US "doesn't have any more a geopolitical currency to 'buy' Russia – she is out of [the] price range for the US."

That left Ushakov with his brave face, confirming there may be a Trump-Putin meeting on the sidelines of the G20 summit in Osaka next month.

"We can organize a meeting 'on the go' with President Trump. Alternatively, we can sit down for a more comprehensive discussion."

Under the current geopolitical incandescence, that's the best rational minds can hope for.

An engraving from 1882 of The Battle of Milvian Bridge Between The Roman Emperors Constantine I And Maxentius. Image: iStock

'Clash of civilizations' or crisis of civilization?

The outlook of current Western leaders suggests that humanity will be hard pressed to survive the 21st century

By PEPE ESCOBAR
MAY 18, 2019

Talk about a graphic display of soft power: Beijing this week hosted the Conference on Dialogue of Asian Civilizations.

Organized under the direct supervision of President Xi Jinping it took place amid an "Asian Culture Carnival." Sure, there were dubious, kitschy and syrupy overtones, but what really mattered was what Xi himself had to say to China and all of Asia.

In his keynote speech, the Chinese leader essentially stressed that one civilization forcing itself upon another is "foolish" and "disastrous." In Xi's concept of a dialogue of civilizations, he referred to the New Silk Roads, or Belt and Road Initiative (BRI), as programs that "have expanded the channels for communication exchanges."

Xi's composure and rationality present a stark, contrasting message to US President Donald Trump's "Make America Great Again" campaign.

West vs East and South

Compare and contrast Xi's comments with what happened at a security forum in Washington just over two weeks earlier. Then, a bureaucrat by the name of Kiron Skinner, the State Department's policy planning director, characterized US-China rivalry as a "clash of civilizations," and "a fight with a really different civilization and ideology the US hasn't had before."

And it got worse. This civilization was "not Caucasian" – a not so subtle 21st century resurrection of the "Yellow Peril." (Let us recall: The "not Caucasian" Japan of World War II was the original "Yellow Peril.")

Divide and rule, spiced with racism, accounts for the toxic mix that has been embedded in the hegemonic US narrative for decades now. The mix harks back to Samuel Huntington's The Clash of Civilizations and the Remaking of World Order, published in 1996.

Huntington's pseudo-theory, coming from someone who did not know much about the multi-polar complexity of Asia, not to mention African and South American cultures, was mercilessly debunked across vast swathes of the global South. In fact, Huntington did not even come up with the original, flawed concept. That was the work of Anglo-American historian and commentator Bernard Lewis, who passes for a Middle East guru in the US.

Divide, rule, conquer

As Alastair Crooke, the founder of the Conflicts Forum, has outlined, Lewis consistently preached divide and rule, tinged with racism, in Islamic states. He was a fervent proponent of regime change in Iran and his recipe for dealing with Arabs was "to hit them between the eyes with a big stick" because, in his world view, the only thing they respect is power.

Crooke reminds us that since the 1960s, Lewis has been a master at spotting vulnerabilities in "religious, class and ethnic differences as the means to bring an end to Middle Eastern states." Lewis is a hero across a certain spectrum – a spectrum that includes former US Vice President Dick Cheney and US Secretary of State Mike Pompeo.

Now, we live in the era of "Lewis redux." Given that the Islamic world is largely subdued, in torpor or in turmoil, the clash of civilizations basically applies, on a downsized scale, to containing or destroying Shi'ite Iran.

Meanwhile the real clash – as the State Department insists – is with China.

Huntington, the sub-Lewis, did not include Russia among "The West." The revisionist State Department does. Otherwise how could "Nixon in reverse"be justified? ("Nixon in reverse," let us remember, is the Kissingerian recommendation to President Donald Trump: Apply divide and rule between Russia and China – but this time seducing Russia.)

A revisionist Pentagon also came up with the "Indo-Pacific" concept. The only justification for the amalgam is that these two zones should conduct a foreign policy subjected to American hegemony.

The logic is always divide and rule and clash of civilizations – divisions provoking chaos all across Eurasia.

But this strategy is being applied against the background of a crucial historical juncture: The era when BRI is being configured as the road map for progressive Eurasian integration.

Quo vadis, humanity?

It's not hard to detect the faintest of smiles on the faces of Chinese strategists as they survey "The Big Picture" from the vantage point of 5,000 years of civilization. The Christian West as the unique road map to deliver humanity from evil – in fact, the foundation of Pax Americana – is regarded as an amusing fiction at best.

That fiction is now looking downright dangerous, wallowing in exceptionalism and demonization of "The Other" in myriad forms. The Other – from the Islamic Republic of Iran to atheist China, not to mention "autocratic" Russia – automatically qualifies as a manifestation of "evil."

China, by contrast, is polytheist, pluralist, multi-polar – embracing Confucianism, Buddhism, Taoism. That is mirrored by the current drive towards a multi-polar world-system. What matters is unity in multiplicity – as Xi stressed in his keynote speech. In it, we find China and Persia, two ancient civilizations – not by accident linked by the Ancient Silk Road – thinking alike.

Then there's the appalling state of the planet, which dwarfs the current appalling spectacle of political madness. UCLA geographer and global best-selling author Jared Diamond is not being terribly precise, but he estimates there's a 49% chance "that the world as we know it will collapse by about 2050."

As encapsulated by author Nafeez Ahmad: "Over the last 500 years or so, humanity has erected an 'endless growth' civilization premised on a particular patchwork of ideological worldviews, ethical values, political and economic structures, and personal behaviors. This is a paradigm that elevates the vision of human beings as disconnected, atomistic, competing material units, which seek to maximize their own material consumption as the principal mechanism for self-gratification."

What we're living now is not a clash of civilizations; it's a crisis of civilization.

If the paradigm under which most of humanity barely survives is not changed – and there's precious little evidence it will – there won't be any civilizations left to clash.

States in central Asia fear the impact of a new Cold War on integration plans. Image: iStock

Far from quiet on the US vs Russia-China front

Kazakhs fear impacts of new 'cold war', but Putin is adamant Eurasian integration will go ahead

By PEPE ESCOBAR
MAY 29, 2019

Let's start in mid-May, when Nur-Sultan, formerly Astana, hosted the third Russia-Kazakhstan Expert Forum, jointly organized by premier think tank Valdai Club and the Kazakhstan Council on International Relations.

The ongoing, laborious and crucial interconnection of the New Silk Roads, or Belt and Road Initiative and the Eurasia Economic Union was at the center of the debates. Kazakhstan is a pivotal member of both the BRI and EAEU.

As Valdai Club top analyst Yaroslav Lissovolik told me, there was much discussion "on the state of play in emerging markets in light of the developments associated with the US-China trade stand-off." What emerged was the necessity of embracing "open regionalism" as a factor to neutralize "the negative protectionist trends in the global economy."

This translates as regional blocks along a vast South-South axis harnessing their huge potential "to counter protections pressures", with "different forms of economic integration other than trade liberalization" having preeminence. Enter "connectivity" – BRI's premier focus.

The EAEU, celebrating its fifth anniversary this year, is fully into the open regionalism paradigm, according to Lissovolik, with memoranda of understanding signed with Mercosur, ASEAN, and more free-trade agreements coming up later this year, including Serbia and Singapore.

Sessions at the Russia-Kazakhstan forum produced wonderful insights on the triangular Russia-China-Central Asia relationship and further South-South collaboration. Special attention should focus on the concept of the Non-Aligned Movement (NAM) 2.0. If a new bipolarity is emerging, pitting the US against China, NAM 2.0 rules that vast sectors of the Global South should profit by remaining neutral.

On the complex Russia-China strategic partnership, featuring myriad layers, by now it's established that Beijing considers Moscow a sort of strategic rearguard in its ascent to superpower status. Yet doubts persist across sectors of "pivot to the East" Moscow elites on how to handle Beijing.

It's fascinating to watch how neutral Kazakh analysts see it. They tend to interpret negative perceptions about a possible "Chinese threat" as impressed upon Russia, including Russia media, by its notorious Western "partners" – and "from there proceed to Kazakhstan and other post-Soviet countries."

Kazakhs stress that the development of the EAEU is always under tremendous pressure by the West, and are very worried that the US-China trade war will have serious consequences for the development of Eurasian integration. They dread the possibility of another front of the US-China fight opening in strategically positioned Kazakhstan. Still, they hope the EAEU will expand, mostly because of Russia.

Andrei Sushentsov, program director of the Valdai Discussion Club, had a more lenient explanation. He reads the current chaos not as a Cold War, but rather a "Phony Cold War" – with no pronounced aggressor, no ideological component in the confrontation, and even "a desire to relieve tension."

NAM 2.0 or Eurasia integration?

In a crucial speech to the Valdai Club, President Putin made it clear, once again, that the BRI-EAEU interconnection is an absolute priority. And the only road map ahead is for Eurasian integration.

That interlinks with the advance of the Shanghai Cooperation Organization, whose annual summit is next month, in Kyrgyzstan. One of the key goals of the SCO, since it was founded in 2001, is to create an evolving Russia-China-Central Asia synergy.

It's not far-fetched to consider that what happens next may include a clash between the inbuilt logic of the Non-Aligned Movement (NAM) 2.0 and the massive Eurasian integration drive. Moscow, for instance, would be in an intractable position if it came to either align with Beijing or NAM 2.0.

Putin has had a crack on how to solve the problem. "Historical experience shows that the Soviet Union had quite trust-based and constructive relations with many countries of the Non-Aligned Movement. It is also clear that if pursued in a too radical and uncompromising way, the logic of the 'new non-aligned movement' can become a challenge to the consolidation and unity of Eurasia, which is the top priority for the SCO and other projects."

Putin has arguably dedicated a lot of thought to "the case of a new rupture in Russia-China relations, toward which many are pushing us." He recognizes that "quite a large part of Russian society will receive it as a quite natural and even positive development. Therefore, to avoid this scenario (to reiterate, consolidation and unity of Greater Eurasia is the key value of the SCO and the EAEU-BRI association), not only diplomatic work outside of Russia is required… but also a lot of work inside the country. In this case, the work needs to be done less with elites by way of expert papers, than directly with the people in entirely different media formats (which, by the way, not all traditional experts can do)."

The ultimate target though remains set in stone – to "achieve the purported goal of consolidating Greater Eurasia."

The US three-war front

Maximum pressure from 'Exceptionalistan' won't relent. For instance, CAATSA – the Countering America's Adversaries Through Sanctions Act – now in overdrive after the adoption of a European Recapitalization Incentive Program, will continue to economically punish nations that purchase Russian and Chinese weapons.

The logic of this extreme "military diplomacy" is stark; if you don't weaponize the American way, you will suffer. Key targets feature, among others, India and Turkey, two still theoretical poles of Eurasian integration.

In parallel, from US Think Tankland, comes the latest RAND Corporation report on – what else – how to wage Cold War 2.0 against Russia, complete with scores of strategic bombers and new intermediate-range nuclear missiles stationed in Europe to counter "Russian aggression". Santa Monica's RAND arguably qualifies as the top Deep State think tank.

So, it's no wonder the road ahead is fraught with Desperation Row scenarios. The US economic war on China – at least for now – is not as hardcore as the US economic war on Russia, which is not as hardcore as the US economic siege or blockade of Iran. Yet all three wars carry the potential to degenerate in a flash. And we're not even counting the strong possibility of an extra Trump administration economic war on the EU.

It's no accident that the current economic wars target the three key nodes of Eurasian integration. The war against the EU may not happen because the main beneficiaries would be the Russia-China-Iran triumvirate.

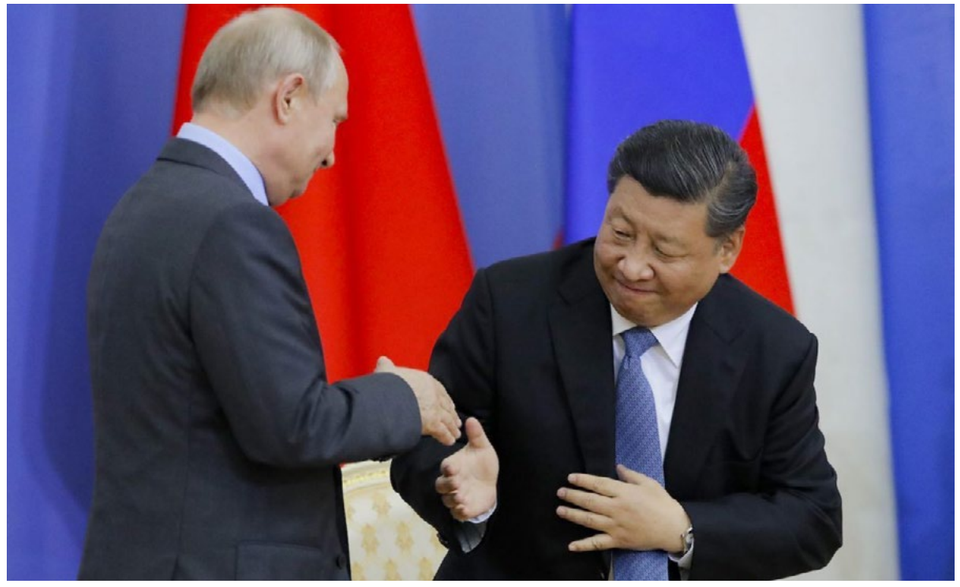
Obviously, no illusions remain in Beijing, Moscow and Tehran's corridors of power. Frantic diplomacy prevails. After the BRI forum in Beijing, Presidents Putin and Xi meet again in early June at the St Petersburg International Economic Forum – where discussion of BRI-EAEU interconnection will be paramount, alongside containment of the US in Central Asia.

Then Russia and China meet again at the SCO summit in Bishkek. The head of Russia's Federal Security Service (FSB), Alexander Bortnikov, went on the record stating that as many as 5,000 ISIS/Daesh-linked jihadis fresh from their "moderate rebel" Syrian stint are now massed in Afghanistan bordering Tajikistan and Uzbekistan, with the possibility of crossing to Pakistan and China.

That's a major security threat to all SCO members – and it will be discussed in detail in Bishkek, alongside the necessity of including Iran as a new permanent member.

Chinese Vice-President Wang Qishan is visiting Pakistan, which is a key BRI member with the CPEC corridor, and after will visit the Netherlands and Germany. Beijing wants to diversify its complex global investment strategy.

Meanwhile, from Istanbul to Vladivostok, the key question remains: how to make NAM 2.0 work to the benefit of Eurasian integration.



Russian President Vladimir Putin and Chinese President Xi Jinping get friendly at a ceremony to present Xi with a degree from the St Petersburg State University on June 6, 2019. Photo: AFP / Dmitri Lovetsky

Putin and Xi step up the strategic game

Russian and Chinese leaders have met almost 30 times since 2013 and have become tight strategic partners

By PEPE ESCOBAR
JUNE 8, 2019

A single image epitomizes the hurricane at the center of the current geopolitical chessboard: an extremely affectionate handshake between Xi Jinping and Vladimir Putin.

The image crystallizes the stuff of nightmares by those in the US that still follow the Eurasian prophecies of Halford Mackinder and his disciples, such as the late Zbigniew "Grand Chessboard" Brzezinski, that focused on the imperative of preventing the emergence of a peer competitor in Eurasia.

The peer competitor has emerged, in full: the Russia-China strategic partnership.

On Wednesday, Xi said at the Kremlin this was his eighth trip to Russia since 2013 – when the New Silk Roads, or Belt and Road Initiative (BRI), were announced. And he added he and Putin had met "almost 30 times" since then.

Among a raft of agreements signed by Putin and Xi, one stands out: the drive to develop bilateral trade and cross-border payments using the ruble and the yuan, bypassing the US dollar. Or, as Putin diplomatically put it, "Russia and China intend to develop the practice of "settlements in national currencies."

It's crucial to remember this has been discussed in depth at the BRICS level – and specifically by the Russia-China strategic partnership – since the mid-2000s.

Vast swathes of the Global South are paying attention. Trade balance settlement everywhere is bound to progressively embrace the use of other currencies, not only ruble and yuan.

After their bilateral meeting, Xi warned that "currently, the international situation is experiencing unprecedented, over the centuries, profound changes. Peace and development remain the trends of the time, but raise-your-head protectionism, unilateralism, increasing power politics and hegemonism."

That's an understatement. Russia is under harsh US sanctions. China is facing an all-out trade war. The Russia-China strategic partnership is the bête noire of the US National Security Strategy.

In sync

Geopolitically, Russia-China is in total sync. On Syria, and the necessity of preventing "moderate rebel" jihadis from migrating to Xinjiang, Central Asia and the Caucasus. On the necessity of preserving the JCPOA, or Iran nuclear deal. On the necessity of solving the Korean peninsula riddle. On the necessity of supporting Venezuela – with military cooperation and humanitarian aid.

Crucially, they're in sync on Putin's total support for BRI, as well as the drive to merge BRI and Eurasia Economic Union (EAEU) projects. It's this interconnection that may solidify Moscow's aim of configuring Russia as the key Eurasian land bridge.

It's fitting that Putin and Xi, apart from clinching deals, had so much to discuss in Moscow.

And all this happened before Putin and Xi met top executives of over 50 Russian and 60 Chinese companies attending the second Russian-Chinese Energy Forum, organized by Rosneft and China National Petroleum Corp. And before Putin's much-awaited speech on the current turbulent geopolitical chessboard, side by side with Xi, at the plenary session of the St Petersburg International Economic Forum (SPIEF) on Friday.

St Petersburg

SPIEF is Russia's top annual business forum. It's absolutely impossible to understand the nuts and bolts of the complex machinery of progressive Eurasia integration without attending or following SPIEF's debates and discussions.

2019 is, in so many aspects, The Year of Living Dangerously. The chessboard is totally monopolized by the clash between the US and Russia-China – with the added twist of the Trump administration flirting with a "reverse Nixon" strategy to split Russia from China. So, it's fitting for Xi to be a guest of honor at SPIEF. And that is only the first of three crucial Xi-Putin meetings this month.

Next week, they meet again in Bishkek for the annual Shanghai Cooperation Organization summit – where topics they discussed in Moscow and St Petersburg will be shared with Central-South Asian nations, including crucial SCO observer Iran.

Arguably the key issue in Bishkek will be how Putin and Xi handle fellow BRICS member India's Modi,

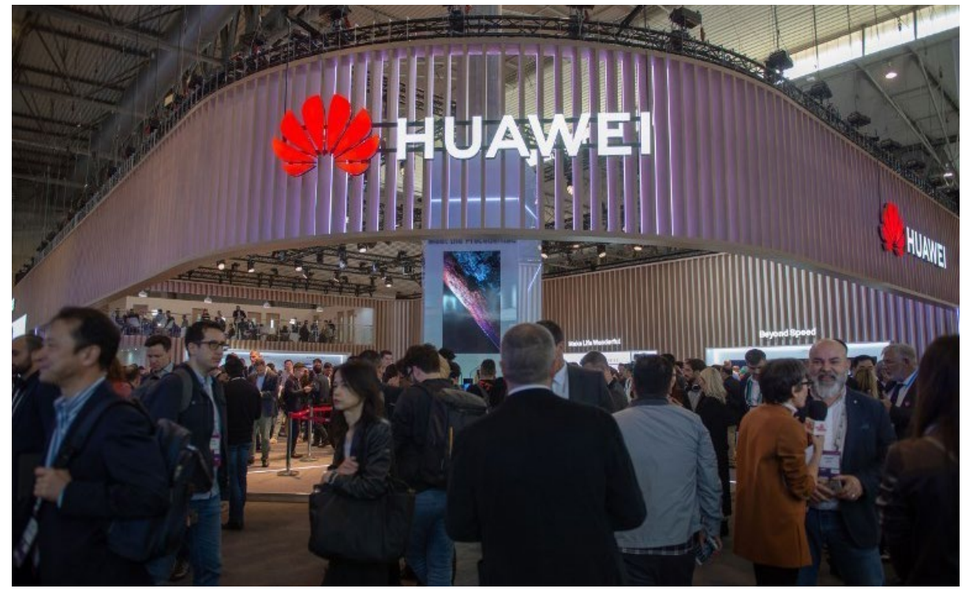
fresh from an electoral victory, and dreaming of a starring role in Washington's Indo-Pacific strategy – which is essentially yet another "containment of China" mechanism.

And they meet again in Osaka – along with the other BRICS members – on June 28 for the G20 summit.

The St Petersburg meeting this year staged some absolutely essential discussions revolving around Eurasian integration. Most of these issues are simply ignored across the West. Here are just a few examples, which deserve to be closely examined.

- The transportation challenges facing SCO member nations, in a panel featuring SCO secretary-general Vladimir Norov, and an excellent intervention by KPMG's global head of infrastructure Richard Threlfall;
- An energy panel featuring Rosneft's CEO Igor Sechin, Qatar's Finance Minister Ali Shareef al-Emadi, BP's group chief executive Robert Dudley and president of ExxonMobil global projects Neil Duffin;
- A discussion on the current paradigm shift in the global economic order, featuring Russia's Deputy Minister of Economic Development Timur Maksimov, the head of Emerging Markets Economics and Strategy at Bank of America Merrill Lynch David Hauner, and the extremely articulated Paul Chan, Hong Kong's financial secretary;
- A wide-ranging panel on business/investment across Eurasia, featuring the president of the EAEU's business council, Viktor Khristenko, the chairman of the management board of the Eurasian Development Bank, Andrey Belyaninov, Russia's first Deputy Prime Minister Anton Siluanov, and Sberbank's head of analytical directorate Yaroslav Lissovolik;
- What's evolving business-wise around the Russia-China strategic partnership, leading to joint large-scale projects in infrastructure, energy and high-technology, featuring CEOs and directors of top Russian and Chinese companies.

The Putin-Xi meetings, the discussions at St Petersburg, and the SCO summit next week, in less than 10 days, fully articulate the road map ahead for Eurasian integration. Over it all hangs the ultimate (economic) paradigm shift: multiple nations getting ready to bypass the US dollar as the world's reserve currency.



Huawei's stand at the 2019 Mobile World Congress. Photo: dpa / Andrej Sokolow

Say hello to the Russia-China operating system

The US ban on Huawei is pushing it to develop alternative systems that may rival Google and Android

By PEPE ESCOBAR
JUNE 13, 2019

Google cuts Huawei off Android; so Huawei may migrate to Aurora. Call it mobile Eurasia integration; the evolving Russia-China strategic partnership may be on the verge of spawning its own operating system – and that is not a metaphor.

Aurora is a mobile operating system currently developed by Russian Open Mobile Platform, based in Moscow. It is based on the Sailfish operating system, designed by Finnish technology company Jolla, which featured a batch of Russians in the development team. Quite a few top

coders at Google and Apple also come from the former USSR – exponents of a brilliant scientific academy tradition.

In 2014, Russian entrepreneur Grigory Berezkin started co-owning Jolla, and from 2016 his Mobile Platform company started developing a Russian version of the operating system. In 2018, Rostelecom, a state company, bought a 75% share in Open Mobile Platform.

Ahead of the St Petersburg International Economic Forum last week, Huawei chairman Guo Ping discussed the possibility of adopting Aurora with Russian minister of digital development and communications, Konstantin Noskov. According to Guo, "China is already testing devices with the Aurora pre-installed."

In Moscow, before moving to St Petersburg, Presidents Putin and Xi Jinping discussed multiple possible deals; and these include Huawei-Aurora, as well as where to locate some of Huawei's production lines in Russia.

Google, here we come

Aurora could be regarded as part of Huawei's fast-evolving Plan B. Huawei is now turbo-charging the development and implementation of its own operating system, HongMeng, a process that started no less than seven years ago. Most of the work on an operating system is writing drivers and APIs (application programming interfaces). Huawei would be able to integrate their code to the Russian system in no time.

HongMeng, for its part, is a key project of Huawei 2012 Laboratories, the innovation, research and technological development arm of the Shenzhen colossus.

No Google? Who cares? Tencent, Xiaomi, Vivo and Oppo are already testing the HongMeng operating system, as part of a batch of one million devices already distributed.

HongMeng's launch is still a closely guarded secret by Huawei, but according to CEO Richard Yu, it could happen even before the end of 2019 for the Chinese market, running on smartphones, computers, TVs and cars. HongMeng is rumored to be 60% faster than Android.

The HongMeng system may also harbor functions dedicated to security and protection of users' data. That's what's scaring Google the most; Huawei developing a software impenetrable to hacking attempts. Google is actively lobbying the Trump administration to add another reprieve – or even abandon the Huawei ban altogether.

By now it's clear Team Trump has decided to wield a trade war as a geopolitical and geoeconomic weapon. They may have not calculated that other Chinese producers have the power to swing markets. Xiaomi, Oppo and Vivo, for instance, are not (yet) banned in the US market, and combined they sell more than Samsung. They could decide to move to Huawei's operating system in no time.

By the end of August, probably at an industry fair in Berlin, Huawei should be announcing its new chip Kirin 985. And by September the first Huawei smartphone equipped with HongMeng could be hitting the market.

Watch that Lineage

Google bought Android in 2005. Android is based on Linux, a free software operating system. There are already similar and better free software systems on the market, such as Lineage, which has a version adapted to at least two Huawei models, the P20 Pro and the Honor View 10.

The existence of Lineage operating system is proof that Huawei is not facing a lot of hurdles developing HongMeng – which will be compatible with all Android apps. There would be no problem to adopt Aurora as well. Huawei will certainly open is own app store to compete with Google Play.

The next step for Huawei and other producers is to go for Made in China processing and memory chips, breaking the stranglehold by Intel, Qualcomm, Broadcom, Micron Technology, Western Digital and the British ARM.

And then there's the Holy Grail: 5G. Huawei founder Ren Zhengfei has repeatedly stressed that what really matters is how advanced Huawei is compared to the competition.

Total tech war is in full effect. Huawei may face a very hard spell ahead. But at the end of a long and winding road there may be a sweet, unbeatable prize; prevailing over Google, Cisco, Microsoft, Qualcomm, and all that with invaluable help from the Trump administration.

The leaders of RIC - Russian President Vladimir Putin, Indian Prime Minister Narendra Modi and Chinese President Xi Jinping - hold a meeting on the sidelines of the G20 summit in Osaka on June 28, 2019. Photo: Mikhail Klimentyev / Sputnik / AFP

Russia-India-China share a room with a view

No leaks from their trilateral at the G20, but the trend toward togetherness is clear

By PEPE ESCOBAR
JUNE 29, 2019

The most important trilateral at the G20 in Osaka was confined to a shoddy environment unworthy of Japan's unrivaled aesthetic minimalism.

Japan excels in perfect planning and execution. So it's hard to take this setup as an unfortunate "accident." At least the – unofficial – Russia-India-China summit at the sidelines of the G20 transcended the fate of an interior decorator deserving to commit seppuku.

Leaders of these three countries met in virtual secrecy. The very few media representatives present in the shabby room were soon invited to leave.

Presidents Putin, Xi and Modi were flanked by streamlined teams who barely found enough space to sit down. There were no leaks. Cynics would rather joke that the room may have been bugged anyway. After all, Xi is able to call Putin and Modi to Beijing anytime he wants to discuss serious business.

New Delhi is spinning that Modi took the initiative to meet in Osaka. That's not exactly the case. Osaka is a culmination of a long process led by Xi and Putin to seduce Modi into a serious Eurasia integration triangular road map, consolidated at their previous meeting last month at the Shanghai Cooperation Organization (SCO) summit in Bishkek.

Now Russia-India-China (RIC) is fully back in business; the next meeting is set for the Eastern Economic Forum in Vladivostok in September.

In their introductory remarks, Putin, Xi and Modi made it clear that RIC is all about configuring, in Putin's words, an "indivisible security architecture" for Eurasia.

Modi – very much in a Macron vein – stressed the multilateral effort to fight climate change, and complained that the global economy is being ruled by a "one-sided" dictate, emphasizing the necessity of a reform of the World Trade Organization.

Putin went a step ahead, insisting, "our countries are in favor of preserving the system of international relations, whose core is the UN Charter and the rule of law. We uphold such important principles of interstate relations as respect for sovereignty and non-interference in domestic affairs."

Putin clearly underlined the geopolitical interconnection of the UN, BRICS, SCO and G20, plus "strengthening the authority of the WTO" and the International Monetary Fund as the "paragon of a modern and just multipolar world that denies sanctions as legitimate actions."

The Russia-India-China contrast with the Trump administration could not be starker.

Those 'tremendous assets'

BRICS, as it stands, is dead. There was an "official," pro-forma BRICS meeting before the RIC. But it's no secret both Putin and Xi completely distrust Brazil's Jair Bolsonaro, regarded as a Trump neocolonial asset.

Ahead of his bilateral with Trump, Bolsonaro peddled Brazil's mineral wealth, claiming the country may now export "niobium trinkets."

Well, that's certainly less controversial than the Brazilian military sherpa arrested in Spain for carrying industrial quantities of cocaine (36kg) in the presidential plane, definitely ruining the after-hours party time in Osaka.

Later on, Trump eagerly praised Brazil's "tremendous assets," now being fully privatized to the benefit of US companies.

Xi, as he addressed the BRICS meeting, denounced protectionism and called for a stronger WTO. BRICS nations, he said, should "increase our resilience and capability to cope with external risks."

Putin went one up. Apart from denouncing "protectionist" tendencies in global trade, he called for bilateral trade in national currencies bypassing the US dollar – mirroring a commitment by the Russia-China strategic partnership.

Russia-China, via Finance Minister Anton Siluanov and head of the People's Bank of China, Yi Gang, have signed an agreement to switch to rubles and yuan in bilateral trade, starting with energy and agriculture, and increase cross-currency settlements by 50% in the next few years.

There will be a concerted effort to increasingly bypass SWIFT, using the Russian System for Transfer of Financial Messages (SPFS) and the Chinese Cross-Border Inter-Bank Payments System (CIPS).

Sooner or later Russia-China will entice India to join. Moscow has excellent bilateral relations with both Beijing and New Delhi, and is decisively playing the role of privileged messenger.

The mini-trade war against New Delhi launched by the Trump administration – including the loss of India's special trade status and punishment for buying Russian S-400 missile systems – is quickening the pace of the process. India, by the way, will pay for the S-400s in euros.

There were no leaks whatsoever from Russia-India-China about Iran. But diplomats say that was a key theme of the discussion. Russia is already – covertly – helping Iran on myriad levels. India has an existential choice to make: keep buying Iranian oil or say goodbye to Iran's strategic help, via the Chabahar port, to facilitate India's mini-Silk Road to Afghanistan and Central Asia.

China sees Iran as a key node of the New Silk Roads, or Belt and Road Initiative. Russia sees Iran as essential for strategic stability in Southwest Asia – a key theme of the Putin-Trump bilateral, which also discussed Syria and Ukraine.

RIC or Belt and Road?

Whatever the psyops tactics employed by Trump, Russia-India-China is also directly implicated in the massive short and long-term ramifications of the Trump-Xi bilateral in Osaka. The Big Picture is not going to change; the Trump administration is betting on re-routing global supply chains out of China, while Beijing advances full speed ahead with its Belt and Road Initiative.

Trump is heavily distrusted across Europe – as Brussels knows the EU is the target of another imminent trade war. Meanwhile, with over 60 nations committed to myriad Belt and Road projects, and with the Eurasia Economic Union also interlinked with Belt and Road, Beijing knows it's just a matter of time before the whole of the EU hits the BRI highway.

There's no evidence that India may suddenly join Belt and Road projects. The geopolitical lure of "Indo-Pacific" – essentially just another strategy for containment of China – looms large. That's good old imperial Divide and Rule – and all the major players know it.

Yet India, now on the record, is starting to spin that Indo-Pacific is not "against somebody." India getting deeper into RIC does not imply getting closer to Belt and Road.

It's time for Modi to rise to the occasion; ultimately, he will decide which way the geoeconomic pendulum swings.

Indian Prime Minister Narendra Modi, left, and Russian President Vladimir Putin review a Kamov KA-226T helicopter painted in Indian Army colors at the Eastern Economic Forum in Vladivostok, Russia on Wednesday. Photo: Grigory Sysoev / Sputnik / AFP

Welcome to the Indo-Russia maritime Silk Road

Modi and Putin discuss business and joint ventures at an economic conference in the Far East

By PEPE ESCOBAR
SEPTEMBER 5, 2019

There's no way to follow the complex inner workings of the Eurasia integration process without considering what takes place annually at the Eastern Economic Forum in Vladivostok.

BRICS for the moment may be dead – considering the nasty cocktail of economic brutalism and social intolerance delivered by the incendiary "Captain" Bolsonaro in Brazil. Yet RIC – Russia-India-China – is alive, well and thriving.

That was more than evident after the Putin-Modi bilateral summit in

Vladivostok.

A vast menu was on the table, from aviation to energy. It included the "possibility of setting up joint ventures in India that would design and build passenger aircraft," defense technologies and military cooperation as the basis for "an especially privileged strategic partnership," and a long-term agreement to import Russian crude, possibly using the Northern Sea Route and a pipeline system."

All that seems to spell out a delightful revival of the notorious Soviet-era motto Rusi-Hindi bhai bhai (Russians and Indians are brothers).

And all that would be complemented by what may be described as a new push for a Russia-India Maritime Silk Road – revival of the Chennai-Vladivostok maritime corridor.

Arctic to the Indian Ocean

Chennai-Vladivostok may easily interlock with the Chinese-driven Maritime Silk Road from the South China Sea to the Indian Ocean and beyond, part of the Belt and Road Initiative. Simultaneously, it may add another layer to Russia's "pivot to Asia".

The "pivot to Asia" was inevitably discussed in detail in Vladivostok. How is it interpreted across Asia? What do Asians want to buy from Russia? How can we integrate the Russian Far East into the pan-Asian economy?

As energy or trade corridors, the fact is both Chennai-Vladivostok and Belt and Road spell out Eurasia integration. India in this particular case will profit from Russian resources traveling all the way from the Arctic and the Russian Far East, while Russia will profit from more Indian energy companies investing in the Russian Far East.

The fine-print details of the Russia-China "comprehensive strategic partnership" as well as Russia's push for Greater Eurasia were also discussed at length in Vladivostok. A crucial factor is that as well as China, Russia and India have made sure their trade and economic relationship with Iran – a key node of the ongoing, complex Eurasian integration project – remains.

As Russia and India stressed: "The sides acknowledge the importance of full and efficient implementation of the Joint Comprehensive Plan of Action on the Iranian nuclear program for ensuring regional and international peace, security and stability. They confirm full commitment to Resolution 2231 of the UN Security Council."

Most of all, Russia and India reaffirmed an essential commitment since BRICS was set up over a decade ago. They will continue to "promote a system of mutual transactions in national currencies," bypassing the US dollar.

One can easily imagine how this will go down among Washington sectors bent on luring India into the Trump administration's Indo-Pacific strategy, which is a de facto China containment mechanism.

Luring Chinese capital

In terms of Eurasian integration, what's happening in the Russian Far East totally interlocks with a special report on China's grand strategy across the Eurasian heartland presented in Moscow earlier this week.

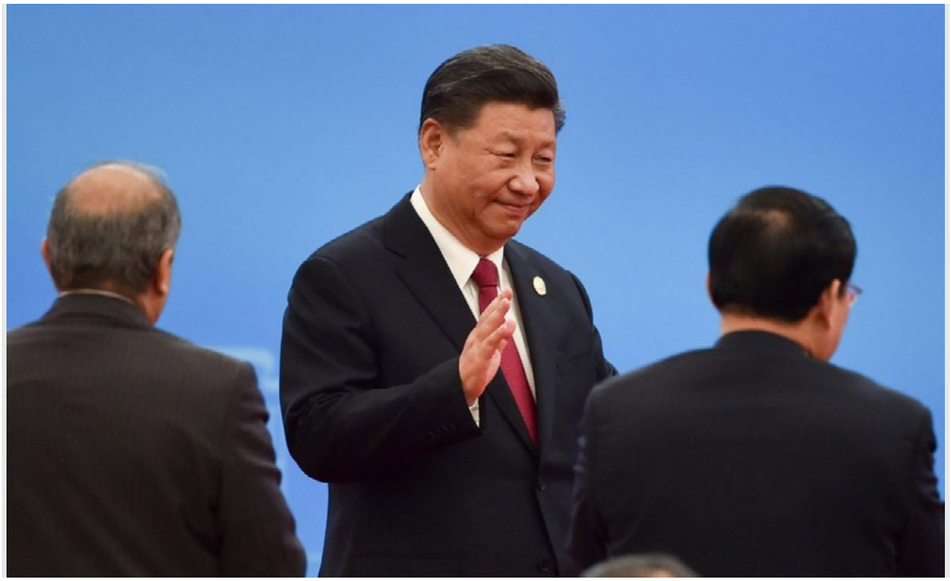
As for Russia's own "pivot to Asia," an essential plank of which is integration of the Russian Far East, inevitably it's bound to remain a complex issue. A sobering report by the Valdai club meticulously details the pitfalls. Here are the highlights:

- A depopulation phenomenon: "Many well-educated and ambitious young people go to Moscow, St. Petersburg or Shanghai in the hope of finding opportunities for career advancement and personal fulfillment, which they still do not see at home. The overwhelming majority of them do not come back."
- Who's benefitting? "The federal mega projects, such as the Eastern Siberia-Pacific Ocean oil pipeline, the Power of Siberia gas pipeline or the Vostochny Cosmodrome produce an increase in gross regional product but have little effect on the living standards of the majority of Far Easterners."
- What else is new? "Oil and gas projects on Sakhalin account for the lion's share of FDI. And these are not new investments either – they were made in the late 1990s-2000s, before the proclaimed "turn to the East."
- The role of Chinese capital: There's no rush towards the Far East yet, "in part because Chinese companies would like to mine natural resources there on similarly liberal terms as in Third World countries, such as Angola or Laos where they bring their own workforce and do not overly concern themselves with environmental regulations."
- The raw material trap: Resources in the Russian Far East "are by no means unique, probably with the exception of Yakutian diamonds. They can be imported from many other countries: coal from Australia, iron ore from Brazil, copper from Chile and wood from New Zealand, all the more so since the costs of maritime shipping are relatively low today."
- Sanctions: "Many potential investors are scared off by US sanctions on Russia."

The bottom line is that for all the pledges in the "comprehensive strategic partnership," the Russian Far East has not yet built an effective model for cooperation with China.

That will certainly change in the medium term as Beijing is bound to turbo-charge its "escape from Malacca" strategy, to "build up mainland exports of resources from Eurasian countries along its border, including the Russian Far East. The two recently built bridges across the Amur River obviously could be of help in this respect."

What this means is that Vladivostok may well end up as a major hub for Russia and India after all.



As the pandemic puts US leadership in doubt, China under President Xi Jinping is striving to bolster its image. Photo: AFP / Hector Retamal

A blue dot barely visible from New Silk Roads

US-Australia-Japan alternative to Belt and Road helps explain why the US sent a junior delegation to Thailand and why India opted out of RCEP

By PEPE ESCOBAR
NOVEMBER 7, 2019

Chinese President Xi Jinping six years ago launched New Silk Roads, now better known as the Belt and Road Initiative, the largest, most ambitious, pan-Eurasian infrastructure project of the 21st century.

Under the Trump administration, Belt and Road has been utterly demonized 24/7: a toxic cocktail of fear and doubt, with Beijing blamed for everything from plunging poor nations into a "debt trap" to evil designs of world domination.

Now finally comes what might be described as the institutional American response to Belt and Road: the Blue Dot Network.

Blue Dot is described, officially, as promoting global, multi-stakeholder "sustainable infrastructure development in the Indo-Pacific region and around the world."

It is a joint project of the US Overseas Private Investment Corporation, in partnership with Australia's Department of Foreign Affairs and Trade and the Japan Bank for International Cooperation.

Now compare it with what just happened this same week at the inauguration of the China International Import Expo in Shanghai.

As Xi stressed: "To date, China has signed 197 documents on Belt and Road cooperation with 137 countries and 30 international organizations."

This is what Blue Dot is up against – especially across the Global South. Well, not really. Global South diplomats, informally contacted, are not exactly impressed. They might see Blue Dot as an aspiring competitor to BRI, but one that's moved by private finance – mostly, in theory, American.

They scoff at the prospect that Blue Dot will include some sort of ratings mechanism that will be positioned to vet and downgrade Belt and Road projects. Washington will spin it as a "certification" process setting "international standards" – implying Belt and Road is sub-standard. Whether Global South nations will pay attention to these new ratings is an open question.

The Japanese example

Blue Dot should also be understood in direct comparison with what just happened at the summit-fest in Thailand centered on the meetings of East Asia, the Association of Southeast Asian Nations and the Regional Comprehensive Economic Partnership (RCEP).

The advent of Blue Dot explains why the US sent only a junior delegation to Thailand, and also, to a great extent, why India missed the RCEP train as it left the pan-Asian station.

Indian Prime Minister Narendra Modi is still between a rock – Washington's Indo-Pacific strategy – and a hard place – Eurasia integration. They are mutually incompatible.

Blue Dot is a de facto business extension of Indo-Pacific, which congregates the US, Japan, Australia – and India: the Quad members. It's a mirror image of the – defunct – Obama administration Trans-Pacific Partnership in relation to the – also defunct – "pivot to Asia."

It's unclear whether New Delhi will join Blue Dot. It has rejected Belt and Road, but not, finally and irrevocably, RCEP. ASEAN has tried to put on a brave face and insist differences will be smoothed out and all 16 RCEP members will sign a deal in Vietnam in 2020.

Yet the bottom line remains: Washington will continue to manipulate India by all means deemed necessary to torpedo – at least in the South Asian theater – the potential of Belt and Road as well as larger Eurasia integration.

And still, after all these years of non-stop demonization, the best thing Washington could come up with was to steal Belt and Road's idea and dress it up in private bank financing.

Now compare it, for instance, with the work of the Economic Research Institute for ASEAN and East Asia. They privilege the ASEAN Outlook on the Indo-Pacific, an original Indonesian idea, instead of the American version. The institute's president, Hidetoshi Nishimura, describes it as "a guideline for dialogue partners" and stresses that "Japan's own vision of the Indo-Pacific fits very well with that of ASEAN."

As much as Nishimura notes how "it is well known that Japan has been the key donor and a real partner in the economic development of Southeast Asia throughout the past five decades," he also extols RCEP as "the symbol of free trade." Both China and Japan are firmly behind RCEP. And Beijing is also firmly stressing the direct connection between RCEP and Belt and Road projects.

In the end, Blue Dot may be no more than a PR exercise, too little, too late. It won't stop Belt and Road expansion. It won't prevent China-Japan investment partnerships. It won't stop awareness all across the Global South about the weaponization of the US dollar for geopolitical purposes.

And it won't bury prevailing skepticism about the development project skills of a hyperpower engaged on a mission to steal other nation's oil reserves as part of an illegal Syrian occupation.

Iranian seamen salute the Russian Navy frigate Yaroslav Mudry while moored at Chabahar on the Gulf of Oman during Iran-Russia-China joint naval drills. The photo was provided by the Iranian Army office on December 27, 2019. Photo: AFP / HO / Iranian Army office

Battle of the Ages to stop Eurasian integration

Coming decade could see the US take on Russia, China and Iran over the New Silk Road connection

By PEPE ESCOBAR
JANUARY 16, 2020

The Raging Twenties started with a bang with the targeted assassination of Iran's General Qasem Soleimani.

Yet a bigger bang awaits us throughout the decade: the myriad declinations of the New Great Game in Eurasia, which pits the US against Russia, China and Iran, the three major nodes of Eurasia integration.

Every game-changing act in geopolitics and geoeconomics in the coming decade will have to be analyzed in connection to this epic clash.

The Deep State and crucial sectors of the US ruling class are absolutely terrified that China is already outpacing the "indispensable nation" economically and that Russia has outpaced it militarily. The Pentagon officially designates the three Eurasian nodes as "threats."

Hybrid War techniques – carrying inbuilt 24/7 demonization – will proliferate with the aim of containing China's "threat," Russian "aggression" and Iran's "sponsorship of terrorism." The myth of the "free market" will continue to drown under the imposition of a barrage of illegal sanctions, euphemistically defined as new trade "rules."

Yet that will be hardly enough to derail the Russia-China strategic partnership. To unlock the deeper meaning of this partnership, we need to understand that Beijing defines it as rolling towards a "new era." That implies strategic long-term planning – with the key date being 2049, the centennial of New China.

The horizon for the multiple projects of the Belt and Road Initiative – as in the China-driven New Silk Roads – is indeed the 2040s, when Beijing expects to have fully woven a new, multipolar paradigm of sovereign nations/partners across Eurasia and beyond, all connected by an interlocking maze of belts and roads.

The Russian project – Greater Eurasia – somewhat mirrors Belt & Road and will be integrated with it. Belt & Road, the Eurasia Economic Union, the Shanghai Cooperation Organization and the Asia Infrastructure Investment Bank are all converging towards the same vision.

Realpolitik

So this "new era", as defined by the Chinese, relies heavily on close Russia-China coordination, in every sector. Made in China 2025 is encompassing a series of techno/scientific breakthroughs. At the same time, Russia has established itself as an unparalleled technological resource for weapons and systems that the Chinese still cannot match.

At the latest BRICS summit in Brasilia, President Xi Jinping told Vladimir Putin that "the current international situation with rising instability and uncertainty urge China and Russia to establish closer strategic coordination." Putin's response: "Under the current situation, the two sides should continue to maintain close strategic communication."

Russia is showing China how the West respects realpolitik power in any form, and Beijing is finally starting to use theirs. The result is that after five centuries of Western domination – which, incidentally, led to the decline of the Ancient Silk Roads – the Heartland is back, with a bang, asserting its preeminence.

On a personal note, my travels these past two years, from West Asia to Central Asia, and my conversations these past two months with analysts in Nur-Sultan, Moscow and Italy, have allowed me to get deeper into the intricacies of what sharp minds define as the Double Helix. We are all aware of the immense challenges ahead – while barely managing to track the stunning re-emergence of the Heartland in real-time.

In soft power terms, the sterling role of Russian diplomacy will become even more paramount – backed up by a Ministry of Defense led by Sergei Shoigu, a Tuvan from Siberia, and an intel arm that is capable of constructive dialogue with everybody: India/Pakistan, North/South Korea, Iran/Saudi Arabia, Afghanistan.

This apparatus does smooth (complex) geopolitical issues over in a manner that still eludes Beijing.

In parallel, virtually the whole Asia-Pacific – from the Eastern Mediterranean to the Indian Ocean – now takes into full consideration Russia-China as a counter-force to US naval and financial overreach.

Stakes in Southwest Asia

The targeted assassination of Soleimani, for all its long-term fallout, is just one move in the Southwest Asia chessboard. What's ultimately at stake is a macro geoeconomic prize: a land bridge from the Persian Gulf to the Eastern Mediterranean.

Last summer, an Iran-Iraq-Syria trilateral established that "the goal of negotiations is to activate the Iranian-Iraqi-Syria load and transport corridor as part of a wider plan for reviving the Silk Road."

There could not be a more strategic connectivity corridor, capable of simultaneously interlinking with the International North-South Transportation Corridor; the Iran-Central Asia-China connection all the way to the Pacific; and projecting Latakia towards the Mediterranean and the Atlantic.

What's on the horizon is, in fact, a sub-sect of Belt & Road in Southwest Asia. Iran is a key node of Belt & Road; China will be heavily involved in the rebuilding of Syria; and Beijing-Baghdad signed multiple deals and set up an Iraqi-Chinese Reconstruction Fund (income from 300,000 barrels of oil a day in exchange for Chinese credit for Chinese companies rebuilding Iraqi infrastructure).

A quick look at the map reveals the "secret" of the US refusing to pack up and leave Iraq, as demanded by the Iraqi Parliament and Prime Minister: to prevent the emergence of this corridor by any means necessary. Especially when we see that all the roads that China is building across Central Asia – I navigated many of them in November and December – ultimately link China with Iran.

The final objective: to unite Shanghai to the Eastern Mediterranean – overland, across the Heartland.

As much as Gwadar port in the Arabian Sea is an essential node of the China-Pakistan Economic Corridor, and part of China's multi-pronged "escape from Malacca" strategy, India also courted Iran to match Gwadar via the port of Chabahar in the Gulf of Oman.

So as much as Beijing wants to connect the Arabian Sea with Xinjiang, via the economic corridor, India wants to connect with Afghanistan and Central Asia via Iran.

Yet India's investments in Chabahar may come to nothing, with New Delhi still mulling whether to become an active part of the US "Indo-Pacific" strategy, which would imply dropping Tehran.

The Russia-China-Iran joint naval exercise in late December, starting exactly from Chabahar, was a timely wake-up for New Delhi. India simply cannot afford to ignore Iran and end up losing its key connectivity node, Chabahar.

The immutable fact: everyone needs and wants Iran connectivity. For obvious reasons, since the Persian empire, this is the privileged hub for all Central Asian trade routes.

On top of it, Iran for China is a matter of national security. China is heavily invested in Iran's energy industry. All bilateral trade will be settled in yuan or in a basket of currencies bypassing the US dollar.

US neocons, meanwhile, still dream of what the Cheney regime was aiming at in the past decade: regime change in Iran leading to the US dominating the Caspian Sea as a springboard to Central Asia, only one step away from Xinjiang and weaponization of anti-China sentiment. It could be seen as a New Silk Road in reverse to disrupt the Chinese vision.

Battle of the Ages

A new book, The Impact of China's Belt and Road Initiative, by Jeremy Garlick of the University of Economics in Prague, carries the merit of admitting that, "making sense" of Belt & Road "is extremely difficult."

This is an extremely serious attempt to theorize Belt & Road's immense complexity – especially considering China's flexible, syncretic approach to policymaking, quite bewildering for Westerners. To reach his goal, Garlick gets into Tang Shiping's social evolution paradigm, delves into neo-Gramscian hegemony, and dissects the concept of "offensive mercantilism" – all that as part of an effort in "complex eclecticism."

The contrast with the pedestrian Belt & Road demonization narrative emanating from US "analysts"

is glaring. The book tackles in detail the multifaceted nature of Belt & Road's trans-regionalism as an evolving, organic process.

Imperial policymakers won't bother to understand how and why Belt & Road is setting a new global paradigm. The NATO summit in London last month offered a few pointers. NATO uncritically adopted three US priorities: even more aggressive policy towards Russia; containment of China (including military surveillance); and militarization of space – a spin-off from the 2002 Full Spectrum Dominance doctrine.

So NATO will be drawn into the "Indo-Pacific" strategy – which means containment of China. And as NATO is the EU's weaponized arm, that implies the US interfering on how Europe does business with China – at every level.

Retired US Army Colonel Lawrence Wilkerson, Colin Powell's chief of staff from 2001 to 2005, cuts to the chase: "America exists today to make war. How else do we interpret 19 straight years of war and no end in sight? It's part of who we are. It's part of what the American Empire is. We are going to lie, cheat and steal, as Pompeo is doing right now, as Trump is doing right now, as Esper is doing right now … and a host of other members of my political party, the Republicans, are doing right now. We are going to lie, cheat and steal to do whatever it is we have to do to continue this war complex. That's the truth of it. And that's the agony of it."

Moscow, Beijing and Tehran are fully aware of the stakes. Diplomats and analysts are working on the trend, for the trio, to evolve a concerted effort to protect one another from all forms of hybrid war – sanctions included – launched against each of them.

For the US, this is indeed an existential battle – against the whole Eurasia integration process, the New Silk Roads, the Russia-China strategic partnership, those Russian hypersonic weapons mixed with supple diplomacy, the profound disgust and revolt against US policies all across the Global South, the nearly inevitable collapse of the US dollar. What's certain is that the Empire won't go quietly into the night. We should all be ready for the battle of the ages.

Modern day traders on the ancient Silk Road track in Central Asia. Photo: Facebook

Why the New Silk Roads are a 'threat' to US bloc

The Middle East is the key to wide-ranging, economic, interlinked integration, and peace

By PEPE ESCOBAR
JANUARY 24, 2020

Under the cascading roar of the 24/7 news cycle cum Twitter eruptions, it's easy for most of the West, especially the US, to forget the basics about the interaction of Eurasia with its western peninsula, Europe.

Asia and Europe have been trading goods and ideas since at least 3,500 BC. Historically, the flux may have suffered some occasional bumps – for instance, with the irruption of 5th-century nomad horsemen in the Eurasian plains. But it was essentially steady up to the end of the 15th century. We can essentially describe it as a millennium-old axis – from Greece

to Persia, from the Roman empire to China.

A land route with myriad ramifications, through Central Asia, Afghanistan, Iran and Turkey, linking India and China to the Eastern Mediterranean and the Black Sea, ended up coalescing into what we came to know as the Ancient Silk Roads.

By the 7th century, land routes and sea trade routes were in direct competition. And the Iranian plateau always played a key role in this process.

The Iranian plateau historically includes Afghanistan and parts of Central Asia linking it to Xinjiang to the east, and to the west all the way to Anatolia. The Persian empire was all about land trade – the key node between India and China and the Eastern Mediterranean.

The Persians engaged the Phoenicians in the Syrian coastline as their partners to manage sea trade in the Mediterranean. Enterprising people in Tyre established Carthage as a node between the Eastern and Western Mediterranean. Because of the partnership with the Phoenicians, the Persians would inevitably be antagonized by the Greeks – a sea trading power.

When the Chinese, promoting the New Silk Roads, emphasize "people to people exchange" as one of its main traits, they mean the millenary Euro-Asia dialogue. History may even have aborted two massive, direct encounters.

The first was after Alexander The Great defeated Darius III of Persia. But then Alexander's Seleucid successors had to fight the rising power in Central Asia: the Parthians – who ended up taking over Persia and Mesopotamia and made the Euphrates the limes between them and the Seleucids.

The second encounter was when emperor Trajan, in 116 AD, after defeating the Parthians, reached the Persian Gulf. But Hadrian backed off – so history did not register what would have been a direct encounter between Rome, via Persia, with India and China, or the Mediterranean meeting with the Pacific.

Mongol globalization

The last western stretch of the Ancient Silk Roads was, in fact, a Maritime Silk Road. From the Black Sea to the Nile delta, we had a string of pearls in the form of Italian city/emporia, a mix of end journey for caravans and naval bases, which then moved Asian products to Italian ports.

Commercial centers between Constantinople and Crimea configured another Silk Road branch through Russia all the way to Novgorod, which was very close culturally to the Byzantine world. From Novgorod, merchants from Hamburg and other cities of the Hanseatic League distributed Asian products to markets in the Baltics, northern Europe and all the way to England – in parallel to the southern routes followed by the maritime Italian republics.

Between the Mediterranean and China, the Ancient Silk Roads were of course mostly overland. But there were a few maritime routes as well. The major civilization poles involved were peasant and artisanal, not maritime. Up to the 15th century, no one was really thinking about turbulent, interminable oceanic navigation.

The main players were China and India in Asia, and Italy and Germany in Europe. Germany was the prime consumer of goods imported by the Italians. That explains, in a nutshell, the structural marriage of the Holy Roman Empire.

At the geographic heart of the Ancient Silk Roads, we had deserts and the vast steppes, trespassed by sparse tribes of shepherds and nomad hunters. All across those vast lands north of the Himalayas, the Silk Road network served mostly the four main players. One can imagine how the emergence of a huge political power uniting all those nomads would be in fact the main beneficiary of Silk Road trade.

Well, that actually happened. Things started to change when the nomad shepherds of Central-South Asia started to have their tribes regimented as horseback archers by politico-military leaders such as Genghis Khan.

Welcome to the Mongol globalization. That was actually the fourth globalization in history, after the Syrian, the Persian and the Arab. Under the Mongolian Ilkhanate, the Iranian plateau – once again playing a major role – linked China to the Armenian kingdom of Cilicia in the Mediterranean.

The Mongols didn't go for a Silk Road monopoly. On the contrary: during Kublai Khan – and Marco Polo's travels – the Silk Road was free and open. The Mongols only wanted caravans to pay a toll.

With the Turks, it was a completely different story. They consolidated Turkestan, from Central Asia to northwest China. The only reason Tamerlan did not annex India is that he died beforehand. But even the Turks did not want to shut down the Silk Road. They wanted to control it.

Venice lost its last direct Silk Road access in 1461, with the fall of Trebizond, which was still clinging to the Byzantine empire. With the Silk Road closed to the Europeans, the Turks – with an empire ranging from Central-South Asia to the Mediterranean – were convinced they now controlled trade between Europe and Asia.

Not so fast. Because that was when European kingdoms facing the Atlantic came up with the ultimate Plan B: a new maritime road to India.

And the rest – North Atlantic hegemony – is history.

Enlightened arrogance

The Enlightenment could not possibly box Asia inside its own rigid geometries. Europe ceased to understand Asia, proclaimed it was some sort of proteiform historical detritus and turned its undivided attention to "virgin," or "promised" lands elsewhere on the planet.

We all know how England, from the 18th century onwards, took control of the entire trans-oceanic routes and turned North Atlantic supremacy into a lone superpower game – till the mantle was usurped by the US.

Yet all the time there has been counter-pressure from the Eurasian Heartland powers. That's the stuff of international relations for the past two centuries – peaking in the young 21st century into what could be simplified as The Revenge of the Heartland against Sea Power. But still, that does not tell the whole story.

Rationalist hegemony in Europe progressively led to an incapacity to understand diversity – or The Other, as in Asia. Real Euro-Asia dialogue – the de facto true engine of history – had been dwindling for most of the past two centuries.

Europe owes its DNA not only to much-hailed Athens and Rome – but to Byzantium as well. But for too long not only the East but also the European East, heir to Byzantium, became incomprehensible, quasi incommunicado with Western Europe, or submerged by pathetic clichés.

The Belt and Road Initiative (BRI), as in the Chinese-led New Silk Roads, are a historical game-changer in infinite ways. Slowly and surely, we are evolving towards the configuration of an economically interlinked group of top Eurasian land powers, from Shanghai to the Ruhr valley, profiting in a coordinated manner from the huge technological know-how of Germany and China and the enormous energy resources of Russia.

The Raging 2020s may signify the historical juncture when this bloc surpasses the current, hegemonic Atlanticist bloc.

Now compare it with the prime US strategic objective at all times, for decades: to establish, via myriad forms of divide and rule, that relations between Germany, Russia and China must be the worst possible.

No wonder strategic fear was glaringly visible at the NATO summit in London last month, which called for ratcheting up pressure on Russia-China. Call it the late Zbigniew "Grand Chessboard" Brzezinski's ultimate, recurrent nightmare.

Germany soon will have a larger than life decision to make. It's like this was a renewal – in way more dra-

matic terms – of the Atlanticist vs Ostpolitik debate. German business knows that the only way for a sovereign Germany to consolidate its role as a global export powerhouse is to become a close business partner of Eurasia.

In parallel, Moscow and Beijing have come to the conclusion that the US trans-oceanic strategic ring can only be broken through the actions of a concerted block: BRI, Eurasia Economic Union (EAEU), Shanghai Cooperation Organization (SCO), BRICS+ and the BRICS' New Development Bank (NDB), the Asia Infrastructure Investment Bank (AIIB).

Middle East pacifier

The Ancient Silk Road was not a single camel caravan route but an inter-communicating maze. Since the mid-1990s I've had the privilege to travel almost every important stretch – and then, one day, you see the complete puzzle. The New Silk Roads, if they fulfill their potential, pledge to do the same.

Maritime trade may be eventually imposed – or controlled – by a global naval superpower. But overland trade can only prosper in peace. Thus the New Silk Roads potential as The Great Pacifier in Southwest Asia – what the Western-centric view calls the Middle East.

The Middle East (remember Palmyra) was always a key hub of the Ancient Silk Roads, the great overland axis of Euro-Asia trade going all the way to the Mediterranean.

For centuries, a quartet of regional powers – Egypt, Syria, Mesopotamia (now Iraq) and Persia (now Iran) – have been fighting for hegemony over the whole area from the Nile delta to the Persian Gulf. More recently, it has been a case of external hegemony: Ottoman Turk, British and American.

So delicate, so fragile, so immensely rich in culture, no other region in the world has been, continually, since the dawn of history, an absolutely key zone. Of course, the Middle East was also a crisis zone even before oil was found (the Babylonians, by the way, already knew about it).

The Middle East is a key stop in the 21st century, trans-oceanic supply chain routes – thus its geopolitical importance for the current superpower, among other geoeconomic, energy-related reasons. But its best and brightest know the Middle East does not need to remain a center of war, or intimations of war, which, incidentally, affect three of those historical, regional powers of the quartet (Syria, Iraq and Iran).

What the New Silk Roads are proposing is wide-ranging, economic, interlinked integration from East Asia, through Central Asia, to Iran, Iraq and Syria all the way to the Eastern Mediterranean. Just like the Ancient Silk Roads. No wonder vested War Party interests are so uncomfortable with this real peace "threat."

Marcello (Marcello Mastroianni) and Maddalena (Anouk Aimee) in La Dolce Vita, impossibly cool and chic, are like the Last Woman and the Last Man before the deluge of 'tawdry cheapness.'

The siren call of a 'system leader'

The United States may be destined for a shorter historical existence than the Mongol era established by Genghis Khan

By PEPE ESCOBAR
FEBRUARY 20, 2020

A considerable spectrum of the liberal West takes the American interpretation of what civilization consists of to be something like an immutable law of nature. But what if this interpretation is on the verge of an irreparable breakdown?

Michael Vlahos has argued that the US is not a mere nation-state but a "system leader" – "a civilizational power like Rome, Byzantium, and the Ottoman Empire." And, we should add, China – which he did not mention. The system leader is "a universalistic identity framework tied to a

state. This vantage is helpful because the United States clearly owns this identity framework today."

Intel stalwart Alastair Crooke, in a searing essay, digs deeper into how this "civilizational vision" was "forcefully unfurled across the globe" as the inevitable, American manifest destiny: not only politically – including all the accouterments of Western individualism and neo-liberalism, but coupled with "the metaphysics of Judeo-Christianity, too".

Crooke also notes how deeply ingrained the notion that victory in the Cold War "spectacularly affirmed" the superiority of the US civilizational vision among the US elite.

Well, the post-modern tragedy – from the point of view of US elites – is that soon this may not be the case anymore. The vicious civil war engulfing Washington for the past three years – with the whole world as stunned spectators – has just accelerated the malaise.

Remember Pax Mongolica

It's sobering to consider that Pax Americana may be destined to a shorter historical existence than Pax Mongolica – established after Genghis Khan, the head of a nomad nation, went about conquering the world.

Genghis first invested in a trade offensive to take over the Silk Roads, crushing the Kara-Kitais in Eastern Turkestan, conquering Islamic Khorezm, and annexing Bukhara, Samarkand, Bactria, Khorasan and Afghanistan. The Mongols reached the outskirts of Vienna in 1241 and the Adriatic Sea one year after.

The superpower of the time extended from the Pacific to the Adriatic. We can barely imagine the shock for Western Christendom. Pope Gregory X was itching to know who these conquerors of the world were, and could be Christianized?

In parallel, only a victory by the Egyptian Mamluks in Galilee in 1260 saved Islam from being annexed to Pax Mongolica.

Pax Mongolica – a single, organized, efficient, tolerant power – coincided historically with the Golden Age of the Silk Roads. Kublai Khan – who lorded over Marco Polo – wanted to be more Chinese than the Chinese themselves. He wanted to prove that nomad conquerors turned sedentary could learn the rules of administration, commerce, literature and even navigation.

Yet when Kublai Khan died, the empire fragmented into rival khanates. Islam profited. Everything changed. A century later, the Mongols from China, Persia, Russia and Central Asia had nothing to do with their ancestors on horseback.

A jump cut to the young 21st century shows that the initiative, historically, is once again on the side of China, across the Heartland and lining up the Rimland. World-changing, game-changing enterprises don't originate in the West anymore – as has been the case from the 16th century up to the late 20th century.

For all the vicious wishful thinking that coronavirus will derail the "Chinese century", which will actually be the Eurasian Century, and amid the myopic tsunami of New Silk Roads demonization, it's always easy to forget that implementation of myriad projects has not even started.

It should be in 2021 that all those corridors and axes of continental development pick up speed across Southeast Asia, the Indian Ocean, Central Asia, Southwest Asia, Russia and Europe, in parallel with the Maritime Silk Road configuring a true Eurasian string of pearls from Dalian to Piraeus, Trieste, Venice, Genoa, Hamburg and Rotterdam.

For the first time in two millennia, China is able to combine the dynamism of political and economic expansion both on the continental and maritime realms, something that the state did not experience since the short expeditionary stretch led by Admiral Zheng He in the Indian Ocean in the early 15th century. Eurasia, in the recent past, was under Western and Soviet colonization. Now it's going all-out multipolar – a series of complex, evolving permutations led by Russia-China-Iran-Turkey-India-Pakistan-Kazakhstan.

Every player has no illusions about the "system leader" obsessions: to prevent Eurasia from uniting under one power – or coalition such as the Russia-China strategic partnership; ensure that Europe remains under US hegemony; prevent Southwest Asia – or the "Greater Middle East" – from being linked to Eurasian powers; and prevent by all means that Russia-China have unimpeded access to maritime lanes and trade corridors.

The message from Iran

In the meantime, a sneaking suspicion creeps in – that Iran's game plan, in an echo of Donbass in 2014, may be about sucking US neocons into a trademark Russian cauldron in case the regime-change obsession is turbocharged.

There is a serious possibility that under maximum pressure Tehran might eventually abandon the JCPOA for good, as well as the NPT, thus openly inviting a US attack.

As it stands, Tehran has sent two very clear messages. The accuracy of the missile attack on the US Ayn Al-Asad base in Iraq, replying to the targeted assassination of Major General Qassem Soleimani, means that any branch of the vast US network of bases is now vulnerable.

And the fog of non-denial denials surrounding the downing of the CIA Battlefield Airborne Communications Node (BACN) – essentially an aerial spook shop – in Ghazni, Afghanistan also carries a message.

CIA icon Mike d'Andrea, known as 'Ayatollah Mike', The Undertaker, the Dark Prince, or all of the above, may or may not have been on board. Irrespective of the fact that no US government source will ever confirm or deny that Ayatollah Mike is dead or alive, or even that he exists at all, the message remains the same: your soldiers and spooks are also vulnerable.

Since Pearl Harbor, no nation has dared to stare down the system leader so blatantly, as Iran did in Iraq. Vlahos mentioned something I saw for myself in 2003, how "young American soldiers referred to Iraqis as 'Indians', as though Mesopotamia were the Wild West". Mesopotamia was one the crucial cradles of civilization as we know it. Well, in the end, that $2 trillion spent to bomb Iraq into democracy did no favors to the civilizational vision of the 'system leader'.

The Sirens and La Dolce Vita

Now let's add aesthetics to our "civilizational" politics. Every time I visit Venice – which in itself is a living metaphor for both the flimsiness of empires and the Decline of the West – I retrace selected steps in The Cantos, Ezra Pound's epic masterpiece.

Last December, after many years, I went back to the church of Santa Maria dei Miracoli, also known as "The jewel box", which plays a starring role in The Cantos. As I arrived I told the custodian signora that I had come for "The Sirens". With a knowing smirk, she lighted my way along the nave to the central staircase. And there they were, sculpted on pillars on both sides of a balcony: "Crystal columns, acanthus, sirens in the pillar head", as we read in Canto 20.

These sirens were sculpted by Tullio and Antonio Lombardo, sons of Pietro Lombardo, Venetian masters of the late 15th and early 16th century – "and Tullio Romano carved the sirens, as the old custode says: so that since then no one has been able to carve them for the jewel box, Santa Maria dei Miracoli", as we read in Canto 76.

Well, Pound misnamed the creator of the sirens, but, that's not the point. The point is how Pound saw the sirens as the epitome of a strong culture – "the perception of a whole age, of whole congeries and sequence of causes, went into an assemblage of detail, whereof it would be impossible to speak in terms of magnitude", as Pound wrote in Guide to Kulchur.

As much as his beloved masterpieces by Giovanni Bellini and Piero della Francesca, Pound fully grasped how these sirens were the antithesis of usura – or the

"art" of lending money at exorbitant interest rates, which not only deprives a culture of the best of art, as Pound describes it, but is also one of the pillars for the total financialization and marketization of life itself, a process that Pound brilliantly foresaw, when he wrote in Hugh Selwyn Mauberley that, "all things are a flowing, Sage Heracleitus says; But a tawdry cheapness, shall reign throughout our days."

La Dolce Vita will turn 60 in 2020. Much as Pound's sirens, Fellini's now mythological tour de force in Rome is like a black and white celluloid palimpsest of a bygone era, the birth of the Swingin' Sixties. Marcello (Marcello Mastroianni) and Maddalena (Anouk Aimee), impossibly cool and chic, are like the Last Woman and the Last Man before the deluge of "tawdry cheapness". In the end, Fellini shows us Marcello despairing at the ugliness and, yes, cheapness intruding in his beautiful mini-universe – the lineaments of the trash culture fabricated and sold by the 'system leader' about to engulf us all.

Pound was a human, all too human American maverick of unbridled classical genius. The 'system leader' misinterpreted him; treated him as a traitor; caged him in Pisa; and dispatched him to a mental hospital in the US. I still wonder whether he may have seen and appreciated La Dolce Vita during the 1960s, before he died in Venice in 1972. After all, there was a little cinema within walking distance of the house in Calle Querini where he lived with Olga Rudge.

"Marcello!" We're still haunted by Anita Ekberg's iconic siren call, half-immersed in the Fontana di Trevi. Today, still hostages of the crumbling civilizational vision of the 'system leader', at best we barely muster, as TS Eliot memorably wrote, a "backward half-look, over the shoulder, towards the primitive terror.

Chinese Foreign Minister Wang Yi makes a speech at the 56th Munich Security Conference at on Feb 15, 2020. Photo: Abdulhamid Hosbas / Anadolu / AFP

Munich conference reveals East-West divide

Chinese Foreign Minister Wang Yi stresses urgent need for international coordination 'to build a shared future'

By PEPE ESCOBAR
FEBRUARY 19, 2020

Few postmodern political pantomimes have been more revealing than the hundreds of so-called "international decision-makers," mostly Western, waxing lyrical, disgusted or nostalgic over "Westlessness" at the Munich Security Conference.

"Westlessness" sounds like one of those constipated concepts issued from a post-party bad hangover at the Rive Gauche during the 1970s. In theory (but not French Theory) Westlessness in the age of Whatsapp should mean a deficit of multiparty action to address the most pressing

threats to the "international order" – or (dis)order – as nationalism, derided as a narrow-minded populist wave, prevails.

Yet what Munich actually unveiled was some deep – Western – longing for those effervescent days of humanitarian imperialism, with nationalism in all its strands being cast as the villain impeding the relentless advance of profitable, neocolonial Forever Wars.

As much as the MSC organizers – a hefty Atlanticist bunch – tried to spin the discussions as emphasizing the need for multilateralism, a basket case of ills ranging from uncontrolled migration to "brain dead" NATO got billed as a direct consequence of "the rise of an illiberal and nationalist camp within the Western world." As if this were a rampage perpetrated by an all-powerful Hydra featuring Bannon-Bolsonaro-Orban heads.

Far from those West-is-More heads in Munich is the courage to admit that assorted nationalist counter-coups also qualify as blowback for the relentless Western plunder of the Global South via wars – hot, cold, financial, corporate-exploitative.

For what it is worth, here's the MSC report. Only two sentences would be enough to give away the MSC game: "In the post-Cold War era, Western-led coalitions were free to intervene almost anywhere. Most of the time, there was support in the UN Security Council, and whenever a military intervention was launched, the West enjoyed almost uncontested freedom of military movement."

There you go. Those were the days when NATO, with full impunity, could bomb Serbia, miserably lose a war on Afghanistan, turn Libya into a militia hell and plot myriad interventions across the Global South. And of course none of that had any connection whatsoever with the bombed and the invaded being forced into becoming refugees in Europe.

West is more

In Munich, South Korean Foreign Minister Kang Kyung-wha got closer to the point when she said she found "Westlessness" quite insular as a theme. She made sure to stress that multilateralism is very much an Asian feature, expanding on the theme of ASEAN centrality.

Russian Foreign Minister Sergey Lavrov, with his customary finesse, was sharper, noting how "the structure of the Cold War rivalry is being recreated" in Europe. Lavrov was a prodigy of euphemism when he noted how "escalating tensions, NATO's military infrastructure advancing to the East, exercises of unprecedented scope near the Russian borders, the pumping of defense budgets beyond measure – all this generates unpredictability."

Yet it was Chinese State Councilor and Foreign Minister Wang Yi who really got to the heart of the matter. While stressing that "strengthening global governance and international coordination is urgent right now," Wang said, "We need to get rid of the division of the East and the West and go beyond the difference between the South and the North, in a bid to build a community with a shared future for mankind."

"Community with a shared future" may be standard Beijing terminology, but it does carry a profound meaning as it embodies the Chinese concept of multilateralism as meaning no single state has priority and all nations share the same rights.

Wang went farther: The West – with or without Westlessness– should get rid of its subconscious mentality of civilization supremacy; give up its bias against China; and "accept and welcome the development and revitalization of a nation from the East with a system different from that of the West." Wang is a sophisticated enough diplomat to know this is not going to happen.

Wang also could not fail to raise the Westlessness crowd's eyebrows to alarming heights when he stressed, once again, that the Russia-China strategic partnership will be deepened – alongside exploring "ways of peaceful coexistence" with the US and deeper cooperation with Europe.

What to expect from the so-called "system leader" in Munich was quite predictable. And it was delivered, true to script, by current Pentagon head Mark Esper, yet another Washington revolving door practitioner.

21st Century threat

All Pentagon talking points were on display. China is nothing but a rising threat to the world order – as in "order" dictated by Washington. China steals Western know-how; intimidates all its smaller and weaker neighbors; seeks an "advantage by any means and at any cost."

As if any reminder to this well-informed audience was needed, China was once again placed at the top of the Pentagon's "threats," followed by Russia, "rogue states" Iran and North Korea, and "extremist groups." No one asked whether al-Qaeda in Syria is part of the list.

The "Communist Party and its associated organs, including the People's Liberation Army," were accused of "increasingly operating in theaters outside China's borders, including in Europe." Everyone knows only one "indispensable nation" is self-authorized to operate "in theaters outside its borders" to bomb others into democracy.

No wonder Wang was forced to qualify all of the above as "lies": "The root cause of all these problems and issues is that the US does not want to see the rapid development and rejuvenation of China, and still less would they want to accept the success of a socialist country."

So in the end Munich did disintegrate into the catfight that will dominate the rest of the century. With Europe de facto irrelevant and the EU subordinated to NATO's designs, Westlessness is indeed just an empty, constipated concept: all reality is conditioned by the toxic dynamics of China ascension and US decline.

The irrepressible Maria Zakharova once again nailed it: "They spoke about that country [China] as a threat to entire humankind. They said that China's policy is the threat of the 21st century. I have a feeling that we are witnessing, through the speeches delivered at the Munich conference in particular, the revival of new colonial approaches, as though the West no longer thinks it shameful to reincarnate the spirit of colonialism by means of dividing people, nations and countries."

An absolute highlight of the MSC was when diplomat Fu Ying, the chairperson on foreign affairs for the National People's Congress, reduced US House Speaker Nancy Pelosi to dust with a simple question: "Do you really think the democratic system is so fragile" that it can be threatened by Huawei?

China and the US have played the blame game over the Covid-19 pandemic. Illustration: Asia Times

China locked in hybrid war with US

Fallout from Covid-19 outbreak puts Beijing and Washington on a collision course

By PEPE ESCOBAR
MARCH 17, 2020

Among the myriad, earth-shattering geopolitical effects of coronavirus, one is already graphically evident. China has re-positioned itself. For the first time since the start of Deng Xiaoping's reforms in 1978, Beijing openly regards the US as a threat, as stated a month ago by Foreign Minister Wang Yi at the Munich Security Conference during the peak of the fight against coronavirus.

Beijing is carefully, incrementally shaping the narrative that, from the beginning of the coronovirus attack, the leadership knew it was under a hybrid war attack. Xi's terminology is a major clue. He said, on the record, that this was war. And, as a counter-attack, a "people's war" had to be launched.

Moreover, he described the virus as a demon or devil. Xi is a Confucianist. Unlike some other ancient Chinese thinkers, Confucius was loath to discuss supernatural forces and judgment in the afterlife. However, in a Chinese cultural context, devil means "white devils" or "foreign devils": guailo in Mandarin, gweilo in Cantonese. This was Xi delivering a powerful statement in code.

When Zhao Lijian, a spokesman for the Chinese Foreign Ministry, voiced in an incandescent tweet the possibility that "it might be US Army who brought the epidemic to Wuhan" – the first blast to this effect to come from a top official – Beijing was sending up a trial balloon signaliing that the gloves were finally off. Zhao Lijian made a direct connection with the Military Games in Wuhan in October 2019, which included a delegation of 300 US military.

He directly quoted US CDC director Robert Redfield who, when asked last week whether some deaths by coronavirus had been discovered posthumously in the US, replied that "some cases have actually been diagnosed this way in the US today."

Zhao's explosive conclusion is that Covid-19 was already in effect in the US before being identified in Wuhan – due to the by now fully documented inability of US to test and verify differences compared with the flu.

Adding all that to the fact that coronavirus genome variations in Iran and Italy were sequenced and it was revealed they do not belong to the variety that infected Wuhan, Chinese media are now openly asking questions and drawing a connection with the shutting down in August last year of the "unsafe" military bioweapon lab at Fort Detrick, the Military Games, and the Wuhan epidemic. Some of these questions had been asked – with no response – inside the US itself.

Extra questions linger about the opaque Event 201 in New York on October 18, 2019: a rehearsal for a worldwide pandemic caused by a deadly virus – which happened to be coronavirus. This magnificent coincidence happened one month before the outbreak in Wuhan.

Event 201 was sponsored by Bill & Melinda Gates Foundation, the World Economic Forum (WEF), the CIA, Bloomberg, John Hopkins Foundation and the UN. The World Military Games opened in Wuhan on the exact same day.

Irrespective of its origin, which is still not conclusively established, as much as Trump tweets about the "Chinese virus," Covid-19 already poses immensely serious questions about biopolitics (where's Foucault when we need him?) and bio-terror.

The working hypothesis of coronavirus as a very powerful but not Armageddon-provoking bio-weapon unveils it as a perfect vehicle for widespread social control – on a global scale.

Cuba rises as a biotech power

Just as a fully masked Xi visiting the Wuhan frontline last week was a graphic demonstration to the whole planet that China, with immense sacrifice, is winning the "people's war" against Covid-19, Russia, in a Sun Tzu move on Riyadh whose end result was a much cheaper barrel of oil, helped for all practical purposes to kick-start the inevitable recovery of the Chinese economy. This is how a strategic partnership works.

The chessboard is changing at breakneck speed. Once Beijing identified coronavirus as a bio-weapon attack the "people's war" was launched with the full force of the state. Methodically. On a "whatever it takes" basis. Now we are entering a new stage, which will be used by Beijing to substantially recalibrate the interaction with the West, and under very different frameworks when it comes to the US and the EU.

Soft power is paramount. Beijing sent an Air China flight to Italy carrying 2,300 big boxes full of masks bearing the script, "We are waves from the same sea, leaves from the same tree, flowers from the same gar-

den." China also sent a hefty humanitarian package to Iran, significantly aboard eight flights from Mahan Air – an airline under illegal, unilateral Trump administration sanctions.

Serbian President Aleksandar Vucic could not have been more explicit: "The only country that can help us is China. By now, you all understood that European solidarity does not exist. That was a fairy tale on paper."

Under harsh sanctions and demonized since forever, Cuba is still able to perform breakthroughs – even on biotechnology. The anti-viral Heberon – or Interferon Alpha 2b – a therapeutic, not a vaccine, has been used with great success in the treatment of coronavirus. A joint venture in China is producing an inhalable version, and at least 15 nations are already interested in importing the therapeutic.

Now compare all of the above with the Trump administration offering $1 billion to poach German scientists working at biotech firm Curevac, based in Thuringia, on an experimental vaccine against Covid-19, to have it as a vaccine "only for the United States."

Social engineering psy-op?

Sandro Mezzadra, co-author with Brett Neilson of the seminal The Politics of Operations: Excavating Contemporary Capitalism, is already trying to conceptualize where we stand now in terms of fighting Covid-19.

We are facing a choice between a Malthusian strand – inspired by social Darwinism – "led by the Johnson-Trump-Bolsonaro axis" and, on the other side, a strand pointing to the "requalification of public health as a fundamental tool," exemplified by China, South Korea and Italy. There are key lessons to be learned from South Korea, Taiwan and Singapore.

The stark option, Mezzadra notes, is between a "natural population selection," with thousands of dead, and "defending society" by employing "variable degrees of authoritarianism and social control." It's easy to imagine who stands to benefit from this social re-engineering, a 21st century remix of Poe's The Masque of the Red Death.

Amid so much doom and gloom, count on Italy to offer us Tiepolo-style shades of light. Italy chose the Wuhan option, with immensely serious consequences for its already fragile economy. Quarantined Italians remarkably reacted by singing on their balconies: a true act of metaphysical revolt.

Not to mention the poetic justice of the actual St. Corona ("crown" in Latin) being buried in the city of Anzu since the 9th century. St. Corona was a Christian killed under Marcus Aurelius in 165 AD, and has been for centuries one of the patron saints of pandemics.

Not even trillions of dollars raining from the sky by an act of divine Fed mercy were able to cure Covid-19. G-7 "leaders" had to resort to a videoconference to realize how clueless they are – even as China's fight against coronavirus gave the West a head start of several weeks.

Shanghai-based Dr. Zhang Wenhong, one of China's top infectious disease experts, whose analyses have been spot on so far, now says China has emerged from the darkest days in the "people's war" against Covid-19. But he does not think this will be over by summer. Now extrapolate what he's saying to the Western world.

It's not even spring yet, and we already know it takes a virus to mercilessly shatter the Goddess of the Market. Last Friday, Goldman Sachs told no fewer than 1,500 corporations that there was no systemic risk. That was false.

New York banking sources told me the truth: systemic risk became way more severe in 2020 than in 1979, 1987 or 2008 because of the hugely heightened danger that the $1.5 quadrillion derivative market would collapse.

As the sources put it, history had never before seen anything like the Fed's intervention via its little understood elimination of commercial bank reserve requirements, unleashing a potential unlimited expansion of credit to prevent a derivative implosion stemming from a total commodity and stock market collapse of all stocks around the world.

Those bankers thought it would work, but as we know by now all the sound and fury signified nothing. The ghost of a derivative implosion – in this case not caused by the previous possibility, the shutting down of the Strait of Hormuz – remains.

We are still barely starting to understand the consequences of Covid-19 for the future of neoliberal turbo-capitalism. What's certain is that the whole global economy has been hit by an insidious, literally invisible circuit breaker. This may be just a "coincidence." Or this may be, as some are boldly arguing, part of a possible, massive psy-op creating the perfect geopolitlcal and social engineering environment for full-spectrum dominance.

Additionally, along the hard slog down the road, with immense, inbuilt human and economic sacrifice, with or without a reboot of the world-system, a more pressing question remains: will imperial elites still choose to keep waging full-spectrum-dominance hybrid war against China?

Chinese medical workers in face masks on a deployment overseas. Photo: Facebook

China rolls out the Health Silk Road

In the Belt and Road framework, China is supplying much of the world including virus-hit Europe with medicine and healthcare items

By PEPE ESCOBAR
APRIL 2, 2020

When President Xi Jinping was on a phone call in mid-March with Italian Prime Minister Giuseppe Conti, before the arrival of a China Eastern flight from Shanghai to Milan full of medical help, the key takeaway was the Chinese pledge to develop a Health Silk Road (*Jiankang Sichou Zhilu*).

That was in fact already inbuilt in the Belt and Road Initiative playbook since at least 2017, under the framework of enhanced, pan-Eurasian health connectivity. The pandemic only accelerated the timeline. The Health Silk Road will run in parallel to the multiple overland Silk Road corridors and the Maritime Silk Road.

In a graphic demonstration of soft power, so far China has offered Covid-19-related equipment and medical help to no fewer than 89 nations – and counting.

That covers Africa (especially South Africa, Namibia and Kenya, with Alibaba in fact announcing it will send help to all African nations); Latin America (Brazil, Argentina, Venezuela, Peru); the arc from East Asia to Southwest Asia; and Europe.

Key recipients in Europe include Italy, France, Spain, Belgium, the Netherlands, Serbia and Poland. But Italy, most of all, is a very special case. Most are donations. Some are trade – like millions of masks sold to France (and the US).

Less than a year ago Italy became the first G-7 nation to sign a memorandum of understanding formally joining Belt and Road – much to the displeasure of Washington and the Atlanticist galaxy in Brussels and beyond.

Earlier this year in Sicily, I discussed these intricacies in detail with Enrico Fardella, Professor of History at Peking University and an expert on China-Mediterranean relations.

Italy is supported on myriad fronts – not only at the highest political level but also via the Chinese Red Cross, Sino-Italian associations, tech/logistics Chinese companies and donations from Alibaba, Huawei, ZTE and Lenovo. There are three Chinese medical teams in Italy at the moment.

This all ties up with the larger Belt and Road picture, featuring investments in Genoa and Trieste, two key ports and future Belt and Road nodes.

This Chinese soft power offensive is carefully calibrated to offset the current paralysis of global supply chains. China is now working overtime to supply many parts of the world with medicine and related healthcare items – always with the Belt and Road framework in mind, as if doubling down on Globalization 2.0.

That spells out the interconnectivity of nations that badly need development and infrastructure along with the need for good health systems and practices.

And that prepares the terrain for, when Covid-19 is more or less tamed and the Chinese economy fully recovered, the Belt and Road reboot: an inexorable historic trend based on a new economic model that Beijing deems more equitable, and in the interests of the Global South.

'Chinese lie'

A Health Silk Road is already in effect when we see China, Russia – and Cuba with its first-class health system – sending teams of doctors and virologists as well as planes with medical equipment to Italy, and China sending drugs, test kits and supplies to illegally sanctioned Iran.

China immediately understood what was at stake as it saw Covid-19 ravage many hot points of world-famous Made in Italy. With its offer of skilled, cheaper manufacturing, China had initially lured key Italian fashion houses to outsource their production to China, and most of all to Wuhan.

The connectivity – which has been there for decades – works both ways. Chinese investors started to arrive in northern Italy in the early 1990s. They bought a string of factories; renovated them; created their own, top Made in Italy brands; and brought in tens of thousands of skilled Chinese seamstresses to work in these factories.

There are plenty of direct flights from Wuhan to Lombardy – to serve at least 300,000 Chinese who have moved permanently to Italy to work in Chinese-owned factories producing Made in Italy.

So it's no wonder Doctor Giuseppe Remuzzi, director of the Mario Negri Pharmacology Institute in Milan, became a superstar in China. In an interview that went viral, Remuzzi talks about his explosive findings in conversations with general practitioners in Lombardy.

Here's Dr. Remuzzi, at 4:19: "Do you know what happened? Certain family doctors, who have the best antennas in the territory, at least the most able and attentive ones, have told me recently that they were seeing grave cases of pneumonia, which we had never seen in other years.

These pneumonia cases had nothing to do with typical flu pneumonia, they were interstitial pneumonias, they had to do CT, radiography [to diagnose it], and this was seen in October, November, December. So this virus has been circulating a long time."

That was indeed in parallel with or even before the first coronavirus cases in Wuhan in mid-November. It's been already scientifically established that the virus strains in Wuhan and in Lombardy are different. Which came first, and where from, remains a matter of incendiary debate.

Inevitably the Health Silk Road would have to be dismissed by the Atlanticist gang as a disinformation ploy exploiting the pandemic to "destabilize" and weaken Europe. That's the narrative promoted by EUvsDisinfo, an NGO whose personnel love to blast Russia and China for a living.

So for the Brussels bureaucracy, the Health Silk Road is not about saving lives; it's about "destabilizing" the EU and improving Xi Jinping's domestic image after China lied, lied and lied again about the extent and severity of coronavirus. That happens to be the exact same narrative of the Trump administration, US corporate media and US intelligence.

Does it matter? Not for those 89 nations that are receiving much-needed help and equipment. The dogs of demonization bark while the Health Silk Road caravan passes.

Immanuel Kant was the first thinker to actually come up with a theory of the 'yellow race'. Photo: Google Images

The deeper roots of Chinese demonization

Hegel saw history moving east to west – 'Europe thus absolutely being the end of history, Asia the beginning'

By PEPE ESCOBAR
MAY 2, 2020

Fasten your seat belts: the US hybrid war against China is bound to go on frenetic overdrive, as economic reports are already identifying Covid-19 as the tipping point when the Asian – actually Eurasian – century truly began.

The US strategy remains, essentially, full spectrum dominance, with the National Security Strategy obsessed by the three top "threats" of China, Russia and Iran. China, in contrast, proposes a "community of shared destiny" for mankind, mostly addressing the Global South.

The predominant US narrative in the ongoing information war is now set in stone: Covid-19 was the result of a leak from a Chinese biowarfare lab. China is responsible. China lied. And China has to pay.

The new normal tactic of non-stop China demonization is deployed not only by crude functionaries of the industrial-military-surveillance-media complex. We need to dig much deeper to discover how these attitudes are deeply embedded in Western thinking – and later migrated to the "end of history" United States. (Here are sections of an excellent study, Unfabling the East: The Enlightenment's Encounter with Asia , by Jurgen Osterhammel).

Only Whites civilized

Way beyond the Renaissance, in the 17th and 18th centuries, whenever Europe referred to Asia it was essentially about religion conditioning trade. Christianity reigned supreme, so it was impossible to think by excluding God.

At the same time the doctors of the Church were deeply disturbed that in the Sinified world a very well organized society could function in the absence of a transcendent religion. That bothered them even more than those "savages" discovered in the Americas.

As it started to explore what was regarded as the "Far East," Europe was mired in religious wars. But at the same time it was forced to confront another explanation of the world, and that fed some subversive anti-religious tendencies across the Enlightenment sphere.

It was at this stage that learned Europeans started questioning Chinese philosophy, which inevitably they had to degrade to the status of a mere worldly "wisdom" because it escaped the canons of Greek and Augustinian thought. This attitude, by the way, still reigns today.

So we had what in France was described as chinoiseries — a sort of ambiguous admiration, in which China was regarded as the supreme example of a pagan society.

But then the Church started to lose patience with the Jesuits' fascination with China. The Sorbonne was punished. A papal bull, in 1725, outlawed Christians who were practicing Chinese rites. It's quite interesting to note that Sinophile philosophers and Jesuits condemned by the Pope insisted that the "real faith" (Christianity) was "prefigured" in ancient Chinese, specifically Confucianist, texts.

The European vision of Asia and the "Far East" was mostly conceptualized by a mighty German triad: Kant, Herder and Schlegel. Kant, incidentally, was also a geographer, and Herder a historian and geographer. We can say that the triad was the precursor of modern Western Orientalism. It's easy to imagine a Borges short story featuring these three.

As much as they may have been aware of China, India and Japan, for Kant and Herder God was above all. He had planned the development of the world in all its details. And that brings us to the tricky issue of race.

Breaking away from the monopoly of religion, references to race represented a real epistemological turnaround in relation to previous thinkers. Leibniz and Voltaire, for instance, were Sinophiles. Montesquieu and Diderot were Sinophobes. None explained cultural differences by race. Montesquieu developed a theory based on climate. But that did not have a racial connotation – it was more like an ethnic approach.

The big break came via French philosopher and traveler Francois Bernier (1620-1688), who spent 13 years traveling in Asia and in 1671 published a book called La Description des Etats du Grand Mogol, de l"Indoustan, du Royaume de Cachemire, etc. Voltaire, hilariously, called him Bernier-Mogol — as he became a star telling his tales to the royal court. In a subsequent book, Nouvelle Division de la Terre par les Differentes Especes ou Races d'Homme qui l'Habitent, published in 1684, the "Mogol" distinguished up to five human races.

This was all based on the color of the skin, not on families or the climate. The Europeans were mechanically placed on top, while other races were considered "ugly." Afterward, the division of humanity in up to five races was picked up by David Hume — always based on the color of the skin. Hume proclaimed to the Anglo-Saxon world that only whites were civilized; others were inferiors. This attitude is still pervasive. See, for instance, this pathetic diatribe recently published in Britain.

Two Asias

The first thinker to actually come up with a theory of the yellow race was Kant, in his writings between 1775 and 1785, David Mungello argues in The Great Encounter of China and the West, 1500-1800.

Kant rates the "white race" as "superior," the "black race" as "inferior" (by the way, Kant did not condemn slavery), the "copper race" as "feeble" and the "yellow race" as intermediary. The differences between them are due to a historical process that started with the "white race," considered the most pure and original, the others being nothing but bastards.

Kant subdivided Asia by countries. For him, East Asia meant Tibet, China and Japan. He considered China in relatively positive terms, as a mix of white and yellow races.

Herder was definitely mellower. For him, Mesopotamia was the cradle of Western civilization, and the Garden of Eden was in Kashmir, "the world's paradise." His theory of historical evolution became a smash hit in the West: the East was a baby, Egypt was an infant, Greece was youth. Herder's East Asia consisted of Tibet, China, Cochinchina, Tonkin, Laos, Korea, Eastern Tartary and Japan — countries and regions touched by Chinese civilization.

Schlegel was like the precursor of a Californian 60s hippie. He was a Sanskrit enthusiast and a serious student of Eastern cultures. He said that "in the East we should seek the most elevated romanticism." India was the source of everything, "the whole history of the human spirit." No wonder this insight became the mantra for a whole generation of Orientalists. That was also the start of a dualist vision of Asia across the West that's still predominant today.

So by the 18th century we had fully established a vision of Asia as a land of servitude and cradle of despotism and paternalism in sharp contrast with a vision of Asia as a cradle of civilizations. Ambiguity became the new normal. Asia was respected as mother of civilizations — value systems included — and even mother of the West. In parallel, Asia was demeaned, despised or ignored because it had never reached the high level of the West, despite its head start.

Those Oriental despots

And that brings us to The Big Guy: Hegel. Hyper well informed – he read reports by ex-Jesuits sent from Beijing — Hegel does not write about the "Far East" but only the East, which includes East Asia, essentially the Chinese world. Hegel does not care much about religion as his predecessors did. He talks about the East from the point of view of the state and politics. In contrast to the myth-friendly Schlegel, Hegel sees the East as a state of nature in the process of reaching toward a beginning of history – unlike black Africa, which he saw wallowing in the mire of a bestial state.

To explain the historical bifurcation between a stagnant world and another one in motion, leading to the Western ideal, Hegel divided Asia in two.

One part was composed by China and Mongolia: a puerile world of patriarchal innocence, where contradictions do not develop, where the survival of great empires attests to that world's "insubstantial," immobile and ahistorical character.

The other part was Vorderasien ("Anterior Asia"), uniting the current Middle East and Central Asia, from Egypt to Persia. This is an already historical world.

These two huge regions are also subdivided. So in the end Hegel's Asiatische Welt (Asian world) is divided into four: first, the plains of the Yellow and Blue rivers, the high plateaus, China and Mongolia; second, the

valleys of the Ganges and the Indus; third, the plains of the Oxus (today the Amur-Darya) and the Jaxartes (today the Syr-Darya), the plateaus of Persia, the valleys of the Tigris and the Euphrates; and fourth, the Nile valley.

It's fascinating to see how in the Philosophy of History (1822-1830) Hegel ends up separating India as a sort of intermediary in historical evolution. So we have in the end, as Jean-Marc Moura showed in L'Extreme Orient selon G. W. F. Hegel, Philosophie de l'Histoire et Imaginaire Exotique, a "fragmented East, of which India is the example, and an immobile East, blocked in chimera, of which the Far East is the illustration."

To describe the relation between East and West, Hegel uses a couple of metaphors. One of them, quite famous, features the sun: "The history of the world voyages from east to west, Europe thus absolutely being the end of history, and Asia the beginning." We all know where tawdry "end of history" spin-offs led us.

The other metaphor is Herder's: the East is "history's youth" — but with China taking a special place because of the importance of Confucianist principles systematically privileging the role of the family.

Nothing outlined above is of course neutral in terms of understanding Asia. The double metaphor — using the sun and maturity — could not but comfort the West in its narcissism, later inherited from Europe by the "exceptional" US. Implied in this vision is the inevitable superiority complex, in the case of the US even more acute because legitimized by the course of history.

Hegel thought that history must be evaluated under the framework of the development of freedom. Well, China and India being ahistorical, freedom does not exist, unless brought by an initiative coming from outside.

And that's how the famous "Oriental despotism" evoked by Montesquieu and the possible, sometimes inevitable, and always valuable Western intervention are, in tandem, totally legitimized. We should not expect this Western frame of mind to change anytime soon, if ever. Especially as China is about to be back as Number One.

Chinese President Xi Jinping visits the Jiayu Pass, a famed MIng Dynasty era part of the Great Wall in Jiayuguan City, during an inspection tour of northwest China's Gansu Province, August 20, 2019. Photo: Facebook

Why Xi won't repeat Ming Dynasty mistakes

China has learned from its own rich history and is applying those lessons to re-emerge as a major 21st century power

By PEPE ESCOBAR
MAY 11, 2020

With hybrid warfare 2.0 against China reaching fever pitch, the New Silk Roads, or Belt and Road Initiative, will continue to be demonized 24/7 as the proverbial evil communist plot for economic and geopolitical domination of the "free" world, boosted by a sinister disinformation campaign.

It's idle to discuss with simpletons. In the interest of an informed debate, what matters is to find the deeper roots of Beijing's strategy – what the Chinese learned from their own rich history and how they are applying these lessons as a re-emerging major power in the young 21st century.

Let's start with how East and West used to position themselves at the center of the world.

The first Chinese historic-geographic encyclopedia, the 2nd century B.C. Classic of the Mountains and the Seas, tells us the world was what was under the sun (tienhia). Composed of "mountains and seas" (shanhai), the world was laid out between "four seas" (shihai). There's only one thing that does not change: the center. And its name is "Middle Kingdom" (Zhongguo), that is, China.

Of course, the Europeans, in the 16th century, discovering that the earth was round, turned Chinese centrality upside down. But actually not that much (see, for instance, this 21st century Sinocentric map published in 2013).

The principle of a huge continent surrounded by seas, the "exterior ocean," seems to have derived from Buddhist cosmology, in which the world is described as a "four-petal lotus." But the Sinocentric spirit was powerful enough to discard and prevail over every cosmogony that might have contradicted it, such as the Buddhist, which placed India at the center.

Now compare Ancient Greece. Its center, based on reconstituted maps by Hippocrates and Herodotus, is a composite in the Aegean Sea, featuring the Delphi-Delos-Ionia triad. The major split between East and West goes back to the Roman empire in the 3rd century. And it starts with Diocletian, who made it all about geopolitics.

Here's the sequence: In 293, he installs a tetrarchy, with two Augustuses and two Caesars, and four prefectures. Maximian Augustus is charged to defend the West (Occidens), with the "prefecture of Italy" having Milan as capital. Diocletian charges himself to defend the East (Oriens), with the "prefecture of Orient" having Nicomedia as capital.

Political religion is added to this new politico-military complex. Diocletian starts the Christian dioceses (dioikesis, in Greek, after his name), twelve in total. There is already a diocese of the Orient – basically the Levant and northern Egypt.

There's no diocese of the Occident. But there is a diocese of Asia: basically the Western part of Mediterranean Turkey nowadays, heir to the ancient Roman provinces in Asia. That's quite interesting: the Orient is placed east of Asia.

The historical center, Rome, is just a symbol. There's no more center; in fact, the center is slouching towards the Orient. Nicomedia, Diocletian's capital, is quickly replaced by neighbor Byzantium under Constantine and rechristened as Constantinople: he wants to turn it into "the new Rome."

When the Western Roman empire falls in 476, the empire of the Orient remains.

Officially, it will become the Byzantine empire only in the year 732, while the Holy Roman Empire – which, as we know, was neither holy, nor Roman, nor an empire – resurrects with Charlemagne in 800. From Charlemagne onwards, the Occident regards itself as "Europe," and vice-versa: the historical center and the engine of this vast geographical space, which will eventually reach and incorporate the Americas.

Superstar admiral

We're still immersed in a – literally – oceanic debate among historians about the myriad reasons and the context that led everyone and his neighbor to frenetically take to the seas starting in the late 15th century – from Columbus and Vasco da Gama to Magellan.

But the West usually forgets about the true pioneer: iconic Admiral Zheng He, original name Ma He, a eunuch and Muslim Hui from Yunnan province.

His father and grandfather had been pilgrims to Mecca. Zheng He grew up speaking Mandarin and Arabic and learning a lot about geography. When he was 13, he was placed in the house of a Ming prince, Zhu Di, member of the new dynasty that came to power in 1387.

Educated as a diplomat and warrior, Zheng He converted to Buddhism under his new name, although he always remained faithful to Islam. After all, as I saw for myself when I visited Hui communities in 1997 when branching out from the Silk Road, on my way to Labrang monastery in Xiahe, Hui Islam is a fascinating syncretism incorporating Buddhism, the Tao and Confucianism.

Zhu Di brought down the Emperor in 1402 and took the name Yong Le. A year later he had already commissioned Zheng He as admiral, and ordered him to supervise the construction of a large fleet to explore the seas around China. Or, to be more precise, the "Occidental ocean" (Xiyang): that is, the Indian Ocean.

Thus from 1405 to 1433, roughly three decades, Zheng He led seven expeditions across the seas all the way to Arabia and Eastern Africa, leaving from Nanjing in the Yangtze and benefiting from monsoon winds. They hit Champa, Borneo, Java, Malacca, Sumatra, Ceylon, Calicut, Hormuz, Aden, Jeddah/Mecca, Mogadiscio and the Eastern African coast south of the Equator.

Those were real armadas, sometimes with over 200 ships, including the 72 main ones, carrying as many as 30,000 men and vast amounts of precious merchandise for trade: silk, porcelain, silver, cotton, leather products, iron utensils. The leading vessel of the first expedition, with Zheng He as captain, was 140 meters long, 50 meters wide and carrying over 500 men.

This was the original Maritime Silk Road, now revived in the 21st century. And it was coupled with another extension of the overland Silk Road: after all the dreaded Mongols were in retreat, there were new allies all the way to Transoxiana, the Chinese managed to strike a peace deal with the successor of Tamerlane. So the Silk Roads were booming again. The Ming court sent diplomats all over Asia – Tibet, Nepal, Bengal, even Japan.

The main objective of pioneering Chinese seafaring has always puzzled Western historians. Essentially, it was a diplomatic, commercial and military mix. It was important to have Chinese suzerainty recognized – and materialized via the payment of a tribute. But most of all this was about trade; no wonder the ships had special cabins for merchants.

The armada was designated as the Treasury Fleet – but denoting more a prestige operation than a vehicle for capturing riches. Yong Le was strong on soft power and economics – as he took control of overseas trade by imposing an imperial monopoly over all transactions. So in the end this was a clever, comprehensive application of the Chinese tributary system – in the commercial, diplomatic and cultural spheres.

Yong Le was in fact following the instructions of his predecessor Hongwu, the founder of the Ming ("Lights") dynasty. Legend rules that Hongwu ordered that one billion trees should be planted in the Nanjing region to supply the building of a navy.

Then there was the transfer of the capital from Nanjing to Beijing in 1421, and the construction of the Forbidden City. That cost a lot of money. As much as the naval expeditions were expensive, their profits, of course, were useful.

Yong Le wanted to establish Chinese – and pan-Asian – stability via a true Pax Sinica. That was not imposed by force but rather by diplomacy, coupled with a subtle demonstration of power. The Armada was the aircraft carrier of the time, with cannons on sight – but rarely used – and practicing "freedom of navigation".

What the emperor wanted was allied local rulers, and for that he used intrigue and commerce rather than shock and awe via battles and massacres. For instance, Zheng He proclaimed Chinese suzerainty over Sumatra, Cochin and Ceylon. He privileged equitable commerce. So this was never a colonization process.

On the contrary: before each expedition, as its planning proceeded, emissaries from countries to be visited were invited to the Ming court and treated, well, royally.

Plundering Europeans

Now compare that with the European colonization led a decade later by the Portuguese across these same lands and these same seas. Between (a little) carrot and (a lot of) stick, the Europeans drove commerce mostly

via massacres and forced conversions. Trading posts were soon turned into forts and military installations, something that Zheng He's expeditions never attempted.

In fact Zheng He left so many good memories that he was divinized under his Chinese name, San Bao, which means "Three Treasures," in such places in Southeast Asia as Malacca and Siam's Ayutthaya.

What can only be described as Judeo-Christian sadomasochism focused on imposing suffering as virtue, the only path to reach Paradise. Zheng He would never have considered that his sailors – and the populations he made contact with – had to pay this price.

So why did it all end, and so suddenly? Essentially Yong Le run out of money because of his grandiose imperial adventures. The Grand Canal – linking the Yellow River and the Yangtze basins – cost a fortune. Same for building the Forbidden City. The revenue from the expeditions was not enough.

And just as the Forbidden City was inaugurated, it caught fire in May 1421. Bad omen. According to tradition, this means disharmony between Heaven and the sovereign, a development outside of the astral norm. Confucians used it to blame the eunuch councilors, very close to the merchants and the cosmopolitan elites around the emperor. On top of it, the southern borders were restless and the Mongol threat never really went away.

The new Ming emperor, Zhu Gaozhi, laid down the law: "China's territory produces all goods in abundance; so why should we buy abroad trinkets without any interest?"

His successor Zhu Zanji was even more radical. Up to 1452, a series of imperial edicts prohibited foreign trade and overseas travel. Every infraction was considered piracy punished by death. Worse, studying foreign languages was banished, as was the teaching of Chinese to foreigners.

Zheng He died (in early 1433? 1435?) in true character, in the middle of the sea, north of Java, as he was returning from the seventh, and last, expedition. The documents and the charts used for the expeditions were destroyed, as well as the ships.

So the Ming ditched naval power and re-embraced old agrarian Confucianism, which privileges agriculture over trade, the earth over the seas, and the center over foreign lands.

No more naval retreat

The takeaway is that the formidable naval tributary system put in place by Yong Le and Zheng He was a victim of excess – too much state spending, peasant turbulence – as well as its own success.

In less than a century, from the Zheng He expeditions to the Ming retreat, this turned out to be a massive game changer in history and geopolitics, prefiguring what would happen immediately afterwards in the long 16th century: the era when Europe started and eventually managed to rule the world.

One image is stark. While Zheng He's lieutenants were sailing the eastern coast of Africa all the way to the south, in 1433, the Portuguese expeditions were just starting their adventures in the Atlantic, also sailing south, little by little, along the Western coast of Africa. The mythical Cape Bojador was conquered in 1434.

After the seven Ming expeditions crisscrossed Southeast Asia and the Indian Ocean from 1403 for nearly three decades, only half a century later Bartolomeu Dias would conquer the Cape of Good Hope, in 1488, and Vasco da Gama would arrive in Goa in 1498.

Imagine a historical "what if?": the Chinese and the Portuguese bumping into each other in Swahili land. After all, in 1417 it was the turn of Hong Bao, the Muslim eunuch who was Zheng He's lieutenant; and in 1498 it was Vasco da Gama's turn, guided by the "Lion of the Sea" Ibn Majid, his legendary Arab master navigator.

The Ming were not obsessed with gold and spices. For them, trade should be based on equitable exchange, under the framework of the tribute. As Joseph Needham conclusively proved in works such as Science and Civilization in China, the Europeans wanted Asian products way more than Orientals wanted European products, "and the only way to pay for them was gold."

For the Portuguese, the "discovered" lands were all potential colonization territory. And for that the few colonizers needed slaves. For the Chinese, slavery amounted to domestic chores at best. For the Europeans, it was all about the massive exploitation of a workforce in the fields and in mines, especially concerning black populations in Africa.

In Asia, in contrast to Chinese diplomacy, the Europeans went for massacre. Via torture and mutilations, Vasco da Gama and other Portuguese colonizers deployed a real war of terror against civilian populations.

This absolutely major structural difference is at the root of the world- system and the geo-historical organization of our world, as analyzed by crack geographers such as Christian Grataloup and Paul Pelletier. Asian nations did not have to manage – or to suffer – the painful repercussions of slavery.

So in the space of only a few decades the Chinese abdicated from closer relations with Southeast Asia, India and Eastern Africa. The Ming fleet was destroyed. China abandoned overseas trade and retreated unto itself to focus on agriculture.

Once again: the direct connection between the Chinese naval retreat and the European colonial expansion is capable of explaining the development process of the two "worlds" – the West and the Chinese center – since the 15th century.

At the end of the 15th century, there were no Chinese architects left capable of building large ships. Development of weaponry also had been abandoned. In just a few decades, crucially, the Sinified world lost its vast technological advance over the West. It got weaker. And later it would pay a huge price, symbolized in the Chinese unconsciousness by the "century of humiliation."

All of the above explains quite a few things. How Xi Jinping and the current leadership did their homework. Why China won't pull a Ming remix and retreat again. Why and how the overland Silk Road and the Maritime Silk Road are being revived. How there won't be any more humiliations. And most of all, why the West – especially the American empire – absolutely refuses to admit the new course of history.

A Chinese anti-US propaganda poster from the Korean War era shows Chinese troops crushing US-led forces. Photo: Facebook

China updates its 'Art of (Hybrid) War'

Chinese General Qiao Liang argues, 'If we have to dance with the wolves, we should not dance to the rhythm of the United States'

By PEPE ESCOBAR
MAY 19, 2020

In 1999, Qiao Liang, then a senior air force colonel in the People's Liberation Army, and Wang Xiangsui, another senior colonel, caused a tremendous uproar with the publication of Unrestricted Warfare: China's Master Plan to Destroy America.

Unrestricted Warfare was essentially the PLA's manual for asymmetric warfare: an updating of Sun Tzu's Art of War. At the time of original publication, with China still a long way from its current geopolitical and geo-economic clout, the book was conceived as laying out a defensive approach, far from the sensationalist "destroy America" added to the title for US publication in 2004.

Now the book is available in a new edition and Qiao Liang, as a retired general and director of the Council for Research on National Security, has resurfaced in a quite revealing interview originally published in the current edition of the Hong Kong-based magazine Zijing (Bauhinia).

General Qiao is not a Politburo member entitled to dictate official policy. But some analysts I talked with agree that the key points he makes in a personal capacity are quite revealing of PLA thinking. Let's review some of the highlights.

Dancing with wolves

The bulk of his argument concentrates on the shortcomings of US manufacturing: "How can the US today want to wage war against the biggest manufacturing power in the world while its own industry is hollowed out?"

An example, referring to Covid-19, is the capacity to produce ventilators: "Out of over 1,400 pieces necessary for a ventilator, over 1,100 must be produced in China, including final assembly. That's the US problem today. They have state of the art technology, but not the methods and production capacity. So they have to rely on Chinese production."

General Qiao dismisses the possibility that Vietnam, the Philippines, Bangladesh, India and other Asian nations may replace China's cheap workforce: "Think about which of these countries has more skilled workers than China. What quantity of medium and high level human resources was produced in China in these past 30 years? Which country is educating over 100 million students at secondary and university levels? The energy of all these people is still far from being liberated for China's economic development."

He acknowledges US military power even in times of epidemic and economic difficulties is always capable of "interfering directly or indirectly in the Taiwan straits question" and finding an excuse to "block and sanction China and exclude it from the West." He adds that, "as a producing country, we still cannot satisfy our manufacturing industry with our own resources and rely on our own markets to consume our products."

In consequence, he argues, it's a "good thing" for China to engage in the cause of reunification, "but it's always a bad thing if it's done at the wrong time. We can only act at the right time. We cannot allow our generation to commit the sin of interrupting the process of the Chinese nation's renaissance."

General Qiao counsels, "Don't think that only territorial sovereignty is linked to the fundamental interests of a nation. Other kinds of sovereignty – economic, financial, defense, food, resources, biological and cultural sovereignty – are all linked to the interests and survival of nations and are components of national sovereignty."

To arrest movement toward Taiwan's independence, "apart from war, other options must be taken into consideration. We can think about the means to act in the immense gray zone between war and peace, and we can even think about more particular means, like launching military operations that will not lead to war, but may involve a moderate use of force."

In a graphic formulation, General Qiao thinks that, "if we have to dance with the wolves, we should not dance to the rhythm of the US. We should have our own rhythm, and even try to break their rhythm, to minimize its influence. If American power is brandishing its stick, it's because it has fallen into a trap."

In a nutshell, for General Qiao, "China first of all must show proof of strategic determination to solve the Taiwan question, and then strategic patience. Of course, the premise is that we should develop and maintain our strategic force to solve the Taiwan question by force at any moment."

Gloves are off

Now compare General Qiao's analysis with the by now obvious geopolitical and geo-economic fact that Beijing will respond tit for tat to any hybrid war tactics deployed by the United States government. The gloves are definitely off.

The gold standard expression has come in a no-holds barred Global Times editorial: "We must be clear that coping with US suppression will be the key focus of China's national strategy. We should enhance cooperation with most countries. The US is expected to contain China's international front lines, and we must knock out this US plot and make China-US rivalry a process of US self-isolation."

An inevitable corollary is that the all-out offensive to cripple Huawei will be counterpunched in kind, targeting Apple, Qualcom, Cisco and Boeing, even including "investigations or suspensions of their right to do business in China."

So for all practical purposes, Beijing has now publicly unveiled its strategy to counteract US President Donald Trump's "We could cut off the whole relationship" kind of assertions.

A toxic racism-meets-anti-communism matrix is responsible for the predominant anti-Chinese sentiment across the US, encompassing at least 66% of the whole population. Trump instinctively seized it – and repackaged it as his re-election campaign theme, fully approved by Steve Bannon.

The strategic objective is to go after China across the full spectrum. The tactical objective is to forge an anti-China front across the West: another instance of encirclement, hybrid war-style, focused on economic war.

This will imply a concerted offensive, trying to enforce embargoes and trying to block regional markets to Chinese companies. Lawfare will be the norm. Even freezing Chinese assets in the US is not a far-fetched proposition anymore.

Every possible Silk Road branch-out – on the energy front, ports, the Health Silk Road, digital interconnection – will be strategically targeted. Those who were dreaming that Covid-19 could be the ideal pretext for a new Yalta – uniting Trump, Xi and Putin – may rest in peace.

"Containment" will go into overdrive. A neat example is Admiral Philip Davidson – head of the Indo-Pacific Command – asking for $20 billion for a "robust military cordon" from California to Japan and down the Pacific Rim, complete with "highly survivable, precision-strike networks" along the Pacific Rim and "forward-based, rotational joint forces" to counteract the "renewed threat we face from great power competition."

Davidson argues that, "without a valid and convincing conventional deterrent, China and Russia will be emboldened to take action in the region to supplant US interests."

Watch People's Congress

From the point of view of large swathes of the Global South, the current, extremely dangerous incandescence, or New Cold War, is mostly interpreted as the progressive ending of the Western coalition's hegemony over the whole planet.

Still, scores of nations are being asked, bluntly, by the hegemon to position themselves once again in a "you're with us or against us" global war on terror imperative.

At the annual session of the National People's Congress, starting this Friday, we will see how China will be dealing with its top priority: to reorganize domestically after the pandemic.

For the first time in 35 years, Beijing will be forced to relinquish its economic growth targets. This also means that the objective of doubling GDP and per capita income by 2020 compared with 2010 will also be postponed.

What we should expect is absolute emphasis on domestic spending – and social stability – over a struggle to become a global leader, even if that's not totally overlooked.

After all, President Xi Jinping made it clear earlier this week that a "Covid-19 vaccine development and deployment in China, when available," won't be subjected to Big Pharma logic, but "will be made a global public good. This will be China's contribution to ensuring vaccine accessibility and affordability in developing countries." The Global South is paying attention.

Internally, Beijing will boost support for state-owned enterprises that are strong in innovation and risk-taking. China always defies predictions by Western "experts." For instance, exports rose 3.5% in April, when the experts were forecasting a decline of 15.7%. The trade surplus was $45.3 billion, when experts were forecasting only $6.3 billion.

Beijing seems to identify clearly the extending gap between a West, especially the US, that's plunging into de facto New Great Depression territory with a China that's about to rekindle economic growth. The center of gravity of global economic power keeps moving, inexorably, toward Asia.

Hybrid war? Bring it on.

Chinese President Xi Jinping and US President Donald Trump. Many issues divide their countries. Image: YouTube

Beijing sees Trump's hand and won't fold

With Sinophobic hysteria reaching new heights in US, China's counter play is a massive new economic plan

By PEPE ESCOBAR
MAY 30, 2020

Stranger things have happened.

Everyone was expecting US President Donald Trump to go nuclear by de facto sanctioning China to death over Hong Kong. In an environment where Twitter and the President of the United States are now engaged in open warfare, the rule is that there are no rules anymore.

So in the end, what was announced against China amounted to an anti-climax.

The US government, as it stands, is terminating its relationship with the World Health Organization (WHO). The geopolitical repercussions are immense and that will take time to sink in. In the short term, something must be blamed for the US' appalling Covid-19 record, so it might as well be a UN institution.

Hong Kong's preferential trade status will also be terminated, but in a hazy future in still undetermined terms.

Phase 1 of the US-China trade deal still stands – at least for now. Yet there's no guarantee that Beijing itself won't start to doubt it.

The bottom line: "Investors" were duly appeased, for now. Team Trump seems not to be exactly versed in the niceties of Hong Kong's Basic Law, as the president stressed the "plain violation of Beijing's treaty obligations with the United Kingdom." The national security law was blasted as "the latest" Chinese aggression against its own special administrative region.

Now compare all this with the Two Sessions in Beijing ending the day before, with an intriguing, quite Keynesian performance by Prime Minister Li Keqiang. This was compelling as much for what Li did not say as for what he chose to put on the public record.

Let's review some of the highlights. Li stressed that the NPC's resolution putting forth a national security law for Hong Kong is meant to protect "one country, two systems," and not as an "aggression."

Instead of demonizing the WHO, Beijing is committed to a serious scientific investigation of the origins of Sars-Cov-2. "No cover-up" will be allowed, Li said, adding that a clear, scientific understanding should contribute to global public health. Beijing also supports an independent review into the WHO's handling of Covid-19.

Geopolitically, China rejects a "Cold War mentality" and hopes China and the US will be able to cooperate. Li stressed the relationship could be either mutually beneficial or mutually harmful. Decoupling was described as a very bad idea, for bilateral relations and for the world at large. China, after all, will start to import more and that should also profit US companies.

Domestically, the absolute focus – 70% of the available new funding – will be on employment, support for small and medium enterprises and measures to encourage consumption rather than investment in infrastructure building. In summation, in Li's own words: "The central government will live on a tight budget."

If not completely Sisyphean in the long term, it will at least be a "daunting task" in Li's terminology considering the previously stated end-of-2020 deadline would be to reach President Xi Jinping's goal of eliminating poverty across China.

Li said absolutely nothing about three key themes: the alarming Himalayan border stand-off between China and India; the prospects for Belt and Road Initiative (BRI) projects; and China's complex geopolitical and geo-economic relationship with the European Union (EU).

The non-mention of the last theme is especially noticeable after Chancellor Merkel's quite encouraging assessment earlier this week and EU foreign affairs chief Josep Borrell's remark to a group of German ambassadors that "the end of an American-led system and the arrival of an Asian century" is now "happening in front of our eyes."

Confirming steady rumors emanating from Frankfurt, Berlin, Brussels and Paris, China and East Asia are taking precedence as the EU's top trading partner. This is something that will be extensively discussed at the upcoming EU-China summit next autumn in Germany. The EU is going Eurasia. Team Trump won't be amused.

Dancing with wolves, remixed

Predictably, the Beijing leadership needs to focus on domestic consumption and reaching the next level on technological production so as not to fall into the

notorious "middle-income trap." Fine-tuning the balance between domestic stability and a very strong and wide global reach is another tak that brings Sisyphos to mind.

Xi, Li and the Politburo very well know that Covid-19 hugely affected migrants, farmers and small-scale family entrepreneurs. The risk of social unrest is very high. Unemployment protection is far from Scandinavian levels. So back to business, fast, has to be the top priority.

Enveloping this strategy is a new diplomatic offensive. Foreign Minister Wang Yi, usually meticulously nuanced and polite, is now increasingly exasperated. Earlier this week, Yi defined the demonization of China by the US over Covid-19 as "a product of the three no's": no grounds, no factual basis and no international precedent.

Moreover, he described attempts to blackmail China through threats as "daydreaming." The Global Times, for its part, has blasted the Trump administration for "typical international hooliganism" and additionally stressed that "labeling Chinese diplomacy as 'wolf warrior' reflects an extreme ideology."

The "wolf warrior" plot is bound to thicken. Beijing does seem ready to deploy its diplomatic force as wolf warriors. One should always keep in mind General Qiao Liang: if China is forced to dance with wolves, it might as well set up the rhythm.

That applies perfectly to the Hong Kong question. Whatever Team Trump thinks, Beijing has no interest whatsoever in disturbing the Hong Kong financial system or collapsing the Hang Seng index. That's exactly what the black block protesters last year were accomplishing.

What we saw during this week is the result of what a task force, sent to Shenzhen last year to examine every angle of the protests, relayed back to the leadership in Beijing.

The sources of financing for the hardcore black blocks have reputedly been cut. The local 5th columnist "leaders" have been isolated. Beijing was being very patient tackling the whole mess. Then along came Covid-19.

The economic consensus in Beijing is that this will be an L-shaped recovery – actually very slow on the bottom of the L. So the West will buy much less from and invest much less in China.

This implies that Hong Kong is not going to be very useful. Its best bet has already been offered many times over: integrate with the Greater Bay Area and be part of a booming Pearl river delta southern cluster. Hong Kong businesses support it.

Another conclusion was that, whatever Beijing does, the Sinophobic hysteria in the US – and in this case also the UK – is unabated. So now is the right moment to go for the national security law, which of course is against subversion, against British-era "wigs" (judges) acting as 5th columnists and, most of all, against money laundering.

A Global Times editorial cut to the chase: the national security law is the "death knell" for US intervention in Hong Kong.

Cold War 2.0

As much as Yi may have said, this time diplomatically, that we're "on the brink" of a new Cold War, the fact is the Trump administration's hybrid war on China – or Cold War 2.0 – is now fully established.

US Secretary of State Mike Pompeo is openly threatening Five Eyes allies and vassals, as well as Israel, with consequences if they fail to ditch any projects linked to Belt and Road.

That is intimately linked to the avalanche of threats and measures against Huawei and everything connected to Made in China 2025, which proceeds at a fast pace but without using the terminology.

The official Trump re-election campaign strategy "China, China, China," detailed in a 57-page memo to Republicans, is bound to be deployed as total hybrid warfare, including non-stop propaganda, threats, infowar technologies, cyber warfare and breaking news fabrications.

The ultimate objective shared by every Sinophobic strand, whether commercially-minded or think tank-based, is to derail the Chinese economy – a top level competitor – by any means necessary and thus cripple the ongoing Eurasian integration process whose three key nodes, China, Russia and Iran, happen to be top "threats" according to the US national security strategy.

Once again, the gloves are off. And Beijing won't stop counterpunching in kind.

It's as if Beijing had so far serially underestimated the Deep State and Beltway's larger than life obsession with always remaining the undisputed hegemon, geopolitically and geo-economically. Every "conflict" erupting across the chessboard is and will continue to be directly linked to the twin objectives of containment of Russia and disruption of the Belt and Road.

I previously referred to the Empire of Chaos, where a plutocracy progressively projects its own internal disintegration upon the whole world. But only now is the serious game starting, complete with Trump's intention to test nuclear bombs again. Not against a bunch of low-life "terrorists," but against a serious, peer-competitor: the Eurasian strategic partnership.

It would be too much to expect Team Trump to learn from Gramscian analyses of Belt and Road, which demonstrate how the Chinese Dream – a Confucianist variant of neoliberalism – marks the evolution of China into a core production zone in the neoliberal world economy by profiting from the existing global legal structure.

Team Trump has vociferously announced its own strategy. Expect serial, silent Sun Tzu counterpunches.

'Russia's Kissinger': Head of the Council on Foreign and Defense Policy Sergey Karaganov. Photo: AFP/Evgeny Biyatov/Sputnik

Russia aiming to realize Greater Eurasia dream

The Russian role will be to balance the hegemonic powers, as a guarantor of a new union of non-aligned nations

By PEPE ESCOBAR
JUNE 12, 2020

Professor Sergey Karaganov is informally known in influential foreign policy circles as the "Russian Kissinger" – with the extra bonus of not having to carry a "war criminal" tag from Vietnam and Cambodia to Chile and beyond.

Karaganov is the dean of the Faculty of World Economy and International Affairs at the National Research University Higher School of Economics. He's also the honorary chairman of Russia's Presidium of the Council on Foreign and Defense Policy.

In December 2018, I had the pleasure of being received at Karaganov's office in Moscow for a one-on-one conversation essentially about Greater Eurasia – the Russian path for Eurasia integration.

Now Karaganov has expanded his main insights for an Atlanticist made in Italy vehicle usually more distinguished for its maps than its predictable "analyses" straight from a NATO press release.

Even noting, correctly, that the EU is a "profoundly inefficient institution" on a slow path towards dissolution – and that's a massive understatement – Karaganov observes that Russia-EU relations are on their way to a relative normalization.

This is something that has been actively discussed in Brussels corridors for months now. Not exactly the agenda envisaged by the US Deep State – or the Trump administration, for that matter. The degree of exasperation with Team Trump's antics is unprecedented.

Still, as Karaganov recognizes: "Western democracies don't know how to exist without an enemy." Enter NATO's routine secretary-general Stoltenberg's platitudes on the Russian "threat."

Even as Russia's trade with Asia is now equivalent to trade with the EU, a new "threat" emerged in Europe: China.

An Inter-Parliamentary Alliance on China was just invented last week as a new demonization platform, congregating representatives from Japan, Canada, Australia, Germany, the UK, Norway and Sweden as well as members of the European Parliament.

China "as led by the Chinese Communist Party," is to be faced as a "threat" to "Western values" – the same old triad of democracy, human rights and neoliberalism. The paranoia embodied in the dual Russia-China "threat" is nothing but a graphic illustration of the prime Grand Chessboard clash: NATO vs Eurasia integration.

A great Asian power

Karaganov breaks down the crucial Russia-China strategic partnership to an easily absorbed formula: As much as Beijing finds strong support on Russia's strategic power as a counterpunch to the US, Moscow can count on China's economic might.

He recalls the crucial fact that when Western pressure on Russia was at its peak after Maidan and the Crimea referendum, "Beijing offered Moscow virtually unlimited credit, but Russia decided to brave the situation on its own."

One of the subsequent benefits is that Russia-China abandoned their competition in Central Asia – something I saw for myself in my travels late last year.

That does not mean competition has been erased. Conversations with other Russian analysts reveal that fear of excessive Chinese power is still on, especially when it comes to China's relations with weaker and non-sovereign states. But the bottom line, for such a sterling realpolitik practitioner as Karaganov, is that the "pivot to the East" and the strategic entente with China favored Russia in the Grand Chessboard.

Karaganov totally understands the Russian DNA as a great Asian power – taking into consideration everything from authoritarian politics to the natural resource wealth of Siberia.

Russia, he says, is "close to China in terms of common history despite the enormous cultural distance separating them. Up to the 15th century, both were under Genghis Khan's empire, the largest in history. If China assimilated the Mongols, Russia ended up expelling them, but in two and a half centuries of submission it incorporated many Asian traits."

Karaganov considers Kissinger and Brzezinski "lucid strategists," and laments that even if they suggested otherwise "the American political class" inaugurated a "new Cold War" against China. He breaks down Washington's objective as playing a "Last Battle" profiting from the forward bases the US still dominates in what Wallerstein would define as our collapsing world-system.

New Non-Aligned Movement

Karaganov is very sharp on Russia's independent streak – always fiercely countering "whoever pointed at a global or regional hegemony: from the descendants of Genghis Khan to Charles XII of Sweden, from Napoleon to Hitler. In the military and political spheres, Russia is self-sufficient. Not in the economic, technological and cyber spheres, where it needs markets and external partners, which it will search and find."

The result is that the Russia-EU rapprochement dream remains very much alive, but under "Eurasian optics."

That's where the concept of Greater Eurasia comes in, as I discussed with Karaganov in our meeting: "a multilateral, integrated partnership, officially supported by Beijing, based on an egalitarian system of economic, political and cultural links between diverse states," with China playing the role of primus inter pares. And that includes a "significative part of the Western extremity of the Eurasian continent, that is, Europe."

That's what the evolution in the Grand Chessboard seems to point at. Karaganov – correctly – identifies western and northern Europe as attracted to the "American pole," while southern and eastern Europe are "inclined towards the Eurasian project."

The Russian role, under this framework, will be to "balance the two possible hegemonic powers," as a "guarantor of a new union of non-aligned nations." That hints at a very interesting new configuration of the Non-Aligned Movement.

So meet Russia as one of the supporters of a new multilateral, multi-vector partnership, finally moving from a status of "periphery of Europe or Asia" to "one of the fundamental centers of northern Eurasia." A work in – steady – progress.

Chinese President Xi Jinping and Russian President Vladimir Putin share a toast. Image: AFP via Zuma

The malign Russians and Chinese are coming

A feeble Russiagate 2.0 attempt coincides with hypocritical attacks on the new Hong Kong national security law

By PEPE ESCOBAR
JULY 2, 2020

In Russia, 78% have just voted in support of constitutional amendments.

Among these, we find the paramount Atlanticist obsession: the possibility that Vladimir Putin will be able to run for two more presidential terms.

Predictably, anguished cries of "Dictator! Dictator!" have been lobbed like deadly shells all across the Beltway.

They might even silence the echoes of the latest CIA press release to the New York Times, based on "raw" intel and supported by no evidence or

proof whatsoever, that Russia had been paying bounties to the Afghan Taliban to kill US troops.

A crafty amalgamated headline in the Washington Post – the CIA/Jeff Bezos vehicle – gave away the game: "The only people dismissing the Russian bounties intel: The Taliban, Russia and Trump."

Simpletons will easily fall for it. The message is clear.

No one cares about the endless war in and on Afghanistan. The only thing that matters is whether Trump knew months ago about the intel, and why the National Security Council did not unload another Himalaya of sanctions on Russia.

Afghan Taliban fighters and villagers attend a gathering as they celebrate the peace deal signed between US and Taliban in Laghman Province, Alingar district on March 2, 2020. Photo: Wali Sabawoon/NurPhoto)

When in doubt, ask House speaker Nancy Pelosi, a notorious DC swamp dweller, who gave away the game with her famous remark, "With him, all roads lead to Putin. I don't know what the Russians have on the president, politically, personally or financially."

Ray McGovern – who knows one or two things about the CIA – completely debunked the CIA plant. He included a key assessment by Scott Ritter – who knows a thing or two about US "intel" from his experience as a former UN weapons inspector in Iraq:

"Perhaps the biggest clue concerning the fragility of the New York Times' report is contained in the one sentence it provides about sourcing: 'The intelligence assessment is said to be based at least in part on interrogations of captured Afghan militants and criminals.' That sentence contains almost everything one needs to know about the intelligence in question, including the fact that the source of the information is most likely the Afghan government as reported through CIA channels."

No wonder the Kremlin dismissed it for what it is: "an unsophisticated plant." And fine, sophisticated Russian diplomacy did smell the proverbial rat: the framing of Trump, once again, as a Russian agent.

A delicious touch of mischief was added by a Taliban spokesman: "We" have conducted "target killings" for years "on our own resources."

Anyone familiar with the Afghanistan quagmire knows that if Moscow wanted to raise hell against Americans, it could easily supply the Taliban with deadly surface and surface to air missiles – and end that endless war in a flash.

Russia simply does not need to expel the US from Afghanistan. As much as US bases such as Bagram keep an eye on everything happening in the strategic intersection between Central Asia and South Asia, so do Russia, China and the Shanghai Cooperation Organization (SCO) keep an eye on the Americans.

What the SCO wants is to devise a realistic Afghan peace plan – already a work in progress – brokered by Asians, including India, Pakistan and SCO observers Iran and Afghanistan.

Russian diplomacy also clearly identifies the collateral damage of the CIA plant – in fact a meek Russiagate 2.0 attempt, but with perfect timing.

Everything that Putin and Trump had been negotiating – the oil market, arms control, the G-7 and, of course, Afghanistan – is now on hold. The only "winner" would be NATO's wet dream of – hostile – power play, capable of thwarting the Eurasia integration project led in tandem by China and Russia's "pivot to Asia."

Meanwhile, in Hong Kong …

Hybrid war by the Deep State on Russia, a relentless affair, now proceeds in tandem with hybrid war on China.

So cries of deep despair once again had to be raised all across the NATO spectrum when, 23 years after the Hong Kong handover, the special administrative region (SAR) finally started to be de facto decolonized.

The full text of the Hong Kong National Security Law is here. It got the seal of approval of President Xi Jinping only a few hours before midnight on June 30 – exactly 23 years after the handover.

Article 9 is particularly interesting: it stresses the necessity to "strengthen public communication, guidance, supervision and regulation over matters concerning national security, including those relating to schools, social organizations, the media and the internet."

If media and social media are let loose in Hong Kong, 5th columnists will run riot, as they do in any color revolution, and as they did during the "protests" last year, black blocs included. Now with the new law it's a matter of being responsible, or otherwise landing in major legal trouble.

The new National Security Law is as much about preventing sedition – and hybrid war tactics – as smashing money laundering by dodgy mainland characters. There is nothing extraordinary about Hong Kong's now having legislation with a broad extrajudicial reach.

The US awards itself the privilege of being extrajudicial as it sees fit. Take the case of Julian Assange, facing extradition to the US for the "crime"– committed outside US territory – of acting as a publisher.

The Assange case, complete with psychological torture inflicted by British minions in a high-security prison fit for terrorists, reduces to ashes the whole US hysteria over Hong Kong.

And then there are European so-called leaders who, in unison, are condemning China over the "deplorable" security law.

The late, great Gore Vidal told me in London in 1987 that in the future Europe would be a mere, inconsequential boutique. Now Europe is in fact terrified that sooner rather than later it will be reduced to Far Western Asia.

Talk about the revenge of history on those who named Asia "the Far East."