

After G8 summit: Conflict between US and Russia intensifies

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The show of harmony between the leaders of the G8 states, which was publicly celebrated at their summit in Heiligendamm, Germany, lasted less than 24 hours. The participants were still making their way home when conflicts, particularly between the US and Russia, erupted once again.

On his return flight to London, British Prime Minister Tony Blair gave an in-depth interview to three journalists from *Der Spiegel* magazine. The first thing he said was that the conflicts with Russia remained unresolved.

“Of course, there is the desire to overcome mutual difficulties,” Blair said, “but the existing differences remain.” He continued, “Naturally, good relations with Russia are important, but there are now deeply different views in Europe about how to reestablish them.”

Blair expressly defended the setting up of a missile defence system by the United States in the Czech Republic and Poland. Russia vehemently rejects these plans and regards them as a threat to its own security. At the G8 summit, Russian President Vladimir Putin put forward his own suggestion for a missile defence system to be based in Azerbaijan and run as a cooperative project by Russia and the US.

Shortly after the conclusion of the summit on Friday, President Bush visited Polish President Lech Kaczynski in near-by Gdansk and assured him that the US would stick to its original plan of stationing the missile defence system in Poland and the Czech Republic.

From Poland, Bush flew onto Rome, where he showered “my dear Romano” (Italian Prime Minister Romano Prodi) with compliments and repeatedly thanked him for Italian military deployments in Lebanon and Afghanistan. Not long before, relations between Washington and the centre-left Prodi government had been tense, in part because Prodi withdrew Italian troops from Iraq immediately upon taking office. Against a background of intensified conflict with Russia, however, Bush had reason to win the Italian government to his side.

On Sunday, Bush turned up in the Albanian capital of Tirana, where he promised independence for Kosovo to a jubilant crowd. He was opposed, he said, to an “endless dialogue” over the future of Kosovo, and stated, “Sooner rather than later it has to be said: enough is enough. Kosovo is independent.”

The Serbian province of Kosovo, whose inhabitants are mainly ethnic Albanians, was forcibly detached from Serbia in 1999 by the military intervention of NATO. It is currently under a United Nations administration. While the parties of the Albanian Kosovars demand complete independence, Belgrade is strongly opposed to ceding Serbian national territory and prepared only to grant Kosovo broad autonomy. Serbia is supported by its traditional ally, Russia.

After a year of negotiations over the status of Kosovo, former

Finnish President Martti Ahtisaari put forward a plan in February that envisages an internationally supervised process leading to Kosovan independence. The Ahtisaari plan was met with reservations not only from Serbia and Russia, but also from China and a number of European countries, including Spain, Greece, Italy, Slovakia, Cyprus, Romania and Austria.

Bush has now threatened to recognise the independence of Kosovo unilaterally, i.e., without the agreement of the UN Security Council, in which Russia has veto powers. If the efforts to secure a UN resolution fail, Bush suggested, the US is prepared to circumvent Russia’s veto power by moving independently of the UN.

The provocative character of this suggestion is underscored by the fact that the future status of Serbs and other national minorities living in Kosovo (many were forced to flee after the NATO war) remains to be clarified. In the 1990s, the German and American governments abruptly recognized the independence of Croatia and Bosnia Herzegovina, under conditions in which the rights of national minorities had not been settled, sparking bloody ethnic conflicts in Yugoslavia that resulted in the deaths of tens of thousands of people. A renewed eruption of such ethnic warfare would be the likely result of a push for Kosovan independence—all the more so were it done without international legal sanction.

It would also establish a potentially explosive international precedent. This is why European states that are contending with separatist tendencies regard the Ahtisaari plan with a combination of scepticism and alarm.

Russia has repeatedly threatened to recognize the rebel Georgian provinces of Abkhazia and South Ossetia, as well as Moldavian Transnistria, as independent states, should Kosovo be hived off from Serbia as an independent entity. All three of the above regions are closely allied with Russia. The probable result would be new regional conflicts or, in the case of Georgia, which is closely tied politically and militarily to the US, a direct confrontation between Moscow and Washington.

Putin has reacted to the G8 summit with his own political offensive. At a business forum in St. Petersburg on Sunday, he sharply attacked the World Trade Organization (WTO) and other international economic organizations that are dominated by the West. They are “archaic, undemocratic and inflexible,” he said, serving only the interests of a small number of rich countries.

Putin called for alternatives that would favour the economic interests of the emerging markets. He accused the developed countries of protectionism and recommended the creation of a “Eurasian Institute for Free Trade.” He also criticized global financial markets, which, he said, were dominated by “one or two currencies,” i.e., the dollar and

euro. "There is only one answer to this challenge: the creation of different world currencies, different financial centres," he declared.

Russian Deputy Prime Minister Sergey Ivanov, who is regarded as a likely successor to Putin, announced a diversification of the Russian economy. By 2020, the country would control at least ten percent of world-wide production in the sectors of nuclear energy, air and space travel, ship-building, software and nano-technology, and establish itself as one of the five largest industrial nations, he claimed.

Putin and Ivanov spoke before 6,000 representatives of politics and business from the Commonwealth of Independent States (CIS), an alliance of eleven former Soviet republics. Also present were officials from international companies, including the CEOs of Siemens, Motorola, ConocoPhillips, PepsiCo and the Chinese company Sinopec. Speakers included the former World Bank head James Wolfensohn and the former German chancellor Gerhard Schröder. The latter praised the political and economic strength of Russia, which, he declared, was good for Europe.

The meeting was aimed at presenting Russia as an open country that offered an attractive market for investors. Several big contracts were signed in the course of the forum, including deals for the building of auto plants by Suzuki, PSA Peugeot Citroen and Volvo, as well as the purchase by Russian Aeroflot of 22 Boeing 787 airplanes at a cost of \$3-4 billion. Some 3,000 oppositionists, led by former world chess champion Garri Kasparov, were allowed to demonstrate outside.

Putin's attack on the WTO has been interpreted as an appeal for closer cooperation with newly industrialising countries. According to the *Süddeutsche Zeitung*, "Vladimir Putin wants a new international economic system, without the World Bank, without the International Monetary Fund and with reduced influence on the part of the G7 countries, and America in particular ... With his Petersburg address, Putin has associated his country with the list of newly industrialising countries, which are demanding with increasing aggressiveness more say in international institutions."

The newly industrialising countries China, India, South Africa, Mexico and Brazil had been invited to attend the last day of the G8 summit, but were treated rather badly. They were pressured to contribute just as much to climate control measures as the highly industrialized countries, although their economies are less developed. They turned the proposal down.

A further promise of the summit to contribute \$60 billion in the next few years to fight AIDS, tuberculosis and malaria, diseases that particularly impact poorer countries, proved on closer inspection to be utterly fraudulent. According to the computations of relief organizations, this sum consists of monies long since promised, or is to be subtracted from other sums budgeted for development aid. Just \$3 billion of this total, distributed over several years, represents new money.

Between 2008 and 2015, the German government promises to make just 800 million euros in additional monies available for the fight against infectious diseases in Africa. This is a pathetically small sum when one considers that the total cost of the summit in Heiligendamm was in the area of 100 million euros.

The conflicts with Russia are usually presented by the American and European press as a dispute about democracy. Russia, they declare, is not democratic.

There can be no doubt about the ruthless and authoritarian character of the regime of Vladimir Putin, which represents the interests of a newly rich upper-class layer. But the charge of a lack of democracy coming from the American and European governments is cynical in

the extreme.

This was most clearly shown in Bush's trip to Gdansk, where he fulsomely praised Poland as a stronghold of freedom and democracy. In fact, the authoritarian and reactionary inclinations of the regime headed by the Kaczynski brothers are well known. Presently, the Polish education minister, Roman Giertych, from the arch-Catholic League of Polish Families, is at work banning Kafka, Goethe and other representatives of world literature from Polish school books. Their place is to be taken by right-wing, bigoted Polish nationalists.

Bush also praised Albania as a country "working hard on institutions which are necessary for the survival of democracy." Even the conservative *Frankfurter Allgemeine Zeitung* takes a more critical view. With a great deal of understatement, the newspaper traces Bush's popularity in Albania to the fact "that the Americans, unlike the European Union, do not constantly intrude with wearisome demands for reform into the affairs of the political elite in Tirana and their struggles over the redivision of wealth." What the *Frankfurter Allgemeine Zeitung* refers to as "struggles over redivision" are more accurately described as the meshing of corruption and rivalry between organized criminal groups in the country.

Bush's stops in Eastern Europe and Putin's speech in St. Petersburg made very clear the real content of the disputes between the US and Russia: economic and strategic interests.

These disputes confront Europe with a dilemma. German Chancellor Angela Merkel and the new French president, Nicolas Sarkozy, represent a more pro-US line than their respective predecessors, Gerhard Schröder and Jacques Chirac. But both Berlin and Paris are wary of too much dependence on Washington. They need a good relationship with Russia—a country with which Germany, in particular, maintains close trade relations and relies upon for its energy supply.

The conflict between the US and Russia makes this increasingly difficult. It forces Europe to take sides and produces divisions within the continent. Thus, the German chancellor went to some lengths at the G8 summit to dampen down the conflict between Bush and Putin, while seeking to strengthen the role of international institutions such as the UN, where Germany and other European powers find it easier to assert their own imperialist interests. The fact that she supposedly succeeded in shifting the US to accept a climate agreement within the framework of the UN was greeted by the German press as a major success.

Such a regulation is due to extend to the year 2050, but in the meantime it is questionable whether the UN will survive fifteen, let alone fifty years. With tensions between the great powers growing, the UN is proving to be as ineffective and insignificant as its predecessor, the League of Nations. Bush's threat to recognize the Kosovo independently of a vote by the UN is just one more nail in the coffin of this institution.



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