Recent Geopolitical Developments Point to a Better Future

During her recent visit to Washington, the German Chancellor Angela Merkel was at pains to convince her United States host President Joe Biden that Germany was determined to finish the Nord Stream 2 project with Russia. The scheme is seen by the Germans as vital to Germany’s future economic well-being. It was simply nonnegotiable. In all the plethora that the Russians are literally holding Germany to ransom over the pipeline, the fact that it was a German initiative is simply overlooked.

Following her meeting with Biden, Merkel declared that Russia had to maintain its contract with Ukraine to continue using Ukrainian territory for the transit of Russian gas. This is a contract that is currently worth about $3 billion per year to Ukraine. Quite where the German Chancellor thought her authority came from to demand that the Russians continue to use Ukraine for transit purposes is unclear.

Russia has in any vowed to continue the existing contract until its expiry which is scheduled for 2024. This is a major concession by Russia to Ukraine, which continues its anti-Russian program on all levels. They recently forbade the use of the Russian language in its territory, which adversely affects the first language of approximately one third of its population. Quite what they hope to achieve by this policy is unclear. It will certainly not endear themselves to the people of the Donbas region, with whom Ukraine remains in a state of armed conflict.

The American concession to Germany had several motives. First, it was an obvious recognition of political reality. The Germans were determined to continue with a project that they perceived as vital to their own economic and energy self-interest.
Secondly, it was a recognition by the Americans but they would never likely to persuade the Europeans, not just the Germans, to purchase their own (United States) much more expensive natural gas in preference to the cheap and reliable Russian version.

Thirdly, Europeans are not totally stupid. They recognised the American ploy for what it was: a blatant attempt by the United States to retain an economic lever over Europe, that European reliance upon United States energy supplies would inevitably entail. Only the terminally naïve would believe that if Europe became dependent upon United States energy resources that its own survival that would not be used by the Americans at some future date to their own advantage.

Fourthly, the United States gesture is not in the least magnanimous. They clearly have their eyes set on what they believe to be the greater long-term challenge to their hegemony, and that is the inexorable rise of China. China is by many counts already the world’s largest economic power, and the gap between themselves and the Americans will continue to rise inexorably in the coming decades.

According to some commentators, the Americans are also hoping that an improved relationship with Russia will be instrumental in persuading the Russians to separate from their relationship with China. The formal nature of that relationship recently marked the 20th anniversary of the signing of a Russia – China cooperation arrangement. If that is indeed the American wish it is bound to be disappointed.

The Russians and Chinese have strengthened their relationship each year since the treaty was signed. They are in fact, if not yet in word, partners. They share a great deal of common interests. This interest takes a number of forms. It appears for example, in the common partnership in China’s Belt and Road Initiative.

One manifestation of that partnership is seen in the approach of both countries to the rapidly evolving situation in Afghanistan. Both countries enjoy a stable relationship with the Taliban (banned in Russia), who by some estimates already control 80% of Afghanistan’s territory. Their taking over the balance is only a matter of time, and that time is rapidly drawing closer and closer.

Afghanistan is already an observer state with China’s Belt and Road Initiative and the Chinese will be anxious to advance that relationship further. An important element of that relationship will be the Taliban once more destroying the heroin crop that is both a dominant feature of the country’s economy and a major source of illicit income for the CIA. It is absolutely no surprise that the CIA has been amongst the strongest arguers for a continued United States presence in Afghanistan.

Neither the Russians nor the Chinese have any desire to see a continuation of Afghanistan’s role as a major supplier of heroin and it is undoubtedly a condition of Chinese investment in Afghanistan that the poppy crop suffer the same fate as it did during the last period of Taliban control more than 20 years ago.

China’s Belt and Road Initiative is also a target of the Americans. It is clearly seen by them as a great threat to their previous hegemony over so many nations. At the recent G7 meeting held in Britain, the G7 announced their own intention to launch a counter scheme to the BRI. Its objective is plainly clear: to undermine the growing Chinese dominance in the bulk of the world.

Quite what form this new scheme would take is not clear. It will struggle to gain acceptance from the 140 countries that have already signed up to the BRI. Many of them will perceive, rightly, that it is attempt by the seven nations to correct the slide in the percentage of world trade that they hold. This has more than halved in the past 40 years and the trend seems irresistible.

The other factor which is increasingly important is the inexorable rise of Russian military domination. The recently released Avanguard, Khinsal and Zircon missile systems are an absolute game changer in terms of comparability between the United States and Russian systems. Russia has gained a major strategic advantage with their development, a factor which has already concerned the United States which has no answer, and will not do so for at least a decade. They will undoubtedly be made available to their Chinese colleagues. In short, we are on the cusp of major changes in the world geopolitical structure. It is an old Chinese curse “to live in interesting times.” One sincerely hopes it does not turn out to be a curse but rather a genuine opportunity for the first time in more than 70 years to actually create a better world. One further sincerely hopes the Americans will absorb that lesson.

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