



## Warmongers fear Russia-China economic alliance

By *Elisa Barwick*

Anglo-American imperialists are reacting in fear at the prospect of a new global economic and security architecture led by Russia and China, signs of which are accumulating. A *New York Times* editorial on 21 July, "What's America's Winning Hand if Russia Plays the China Card?", warned that "Western interests" would be threatened if America's two major "adversaries"—Russia and China—unite. The threat? That their control would be dissolved, their system superseded.

The editorial cited a May 2019 Pentagon white paper on "Russian Strategic Intentions" on the topic of deterring Russian aggression, including malign activities below the level of armed conflict (a.k.a. the "gray zone" of warfare).

Dr John Arquilla, a former RAND analyst currently teaching at the US Naval Postgraduate School, is quoted from the white paper, saying, "The world system, and American influence in it, would be completely upended if Moscow and Beijing aligned more closely." Arquilla advised General Norman Schwarzkopf during Operation Desert Storm in 1991, assisted the Defence Department during the 1998-99 Kosovo War (the first use of the "Responsibility to Protect" doctrine, a Tony Blair-promoted ruse to justify regime change), and advised Secretary of Defence Donald Rumsfeld when the George W. Bush administration unleashed its post-9/11 regime-change program (2001-06).

The *NYT* article cited the expanding economic and military cooperation between Russia and China; the close personal relationship of Presidents Vladimir Putin and Xi Jinping; the coincidence of views on strategic affairs; and the alignment of Russia's Eurasian Economic Union plan, a union of Russia, Kyrgyzstan, Kazakhstan, Belarus and Armenia bridging Europe and China, with China's Belt and Road Initiative (BRI), which is drawing in much of Asia, Africa and Europe, with adjuncts in South America.

With China a greater threat than Russia due to its growing economic and military prowess, the paper suggests Trump pre-emptively play the Russia card, developing "a sounder relationship with Russia [to] peel it away from China". Yes, that's right: the newspaper that led the media's Russia-gate hysteria over fraudulent hacking and election interference allegations, is now pushing Trump to do what he campaigned on: make friends with Putin! The USA must rally democratic allies, said the *NYT*, in order to sustain its "political and economic model" into the future.

The editorial coincides with a literary to-and-fro over Trump's China policy. On 17 July, 130 military and intelligence figures, mostly linked to the new Committee on the Present Danger: China—a consortium of rabidly anti-China neoconservative political operatives—signed an open letter to President Trump encouraging him to act more decisively to counter China, while praising his actions so far. Among the lies trotted out was that China has never been a peaceful regime. The very people responsible for the permanent war and regime-change agenda of the past 19 years claimed that "In our political system, politics is the norm, and war is the exception. It is explicitly the opposite in the PRC's worldview." Published on US conservative website the Washington Free Beacon, the letter was in response to a 3 July open letter, headlined "China is not an enemy",

signed by a hundred well-known China experts including top former State Department figures, military officials and ambassadors, published by the *Washington Post*. While admitting they are troubled by some of China's actions, the signers criticised the foreign policy approach of the Trump administration which is "contributing directly to the downward spiral in relations".

### New rising architecture

Following intense diplomacy, particularly on the part of China in recent years, major nations are beginning to concur on the need for a new economic paradigm, despite many points of difference. China has been pushing for a new financial architecture since the 2008 financial crisis. In 2013, President Xi's leading economic advisor Liu He (currently heading trade negotiations with the USA) conducted a study of the causes of the crisis which determined that the real economy had become split from the finance sector due to the policies of economic liberalism. China increased its issuance of credit into real economic ventures, launching the BRI, and unveiled a new multilateral credit institution that would lend to other nations for the same purpose, the Asian Infrastructure Investment Bank (AIIB), along with the Silk Road Fund. The New Development bank was launched by the BRICS nations (Brazil, Russia, India, China, South Africa) in 2014. At the 2016 G20 summit in Beijing, Xi called for "a new path of economic development" by moving away from purely fiscal and monetary mechanisms.

This year's St. Petersburg International Economic Forum on 6-8 June was another break point in this drive. China and Russia significantly upgraded their relationship across all areas, and Putin's speech indicated that his position on the global financial system was approaching Xi's. He blasted the "Euro-Atlantic" response to the 2008 crisis, designed to save its dominance of the global system, showing how quantitative easing made the crisis even worse. He called for a global agreement to develop a "fair development model" to revive the world economy. Described as a potentially "revolutionary" breakthrough for a shift in Russian economic policy, still dominated by the economic liberalism that Putin blasted, it has propelled discussion of the practical collaboration required to build out of the crisis.

Following this event, at which Xi was guest of honour, Putin and Xi met with newly re-elected Indian Prime Minister Narendra Modi at the 13-14 June Shanghai Cooperation Organisation (SCO) summit in Bishkek, Kyrgyzstan; the three then held talks at the 28-29 June G20 summit in Osaka, Japan. While India has hesitated to embrace the BRI concept due to longstanding conflicts with China, Xi and Modi announced a new starting point for relations at their April 2018 meeting in Wuhan, China. At the June 2018 Shangri-La Dialogue in Singapore, Modi spoke out against the "age of great-power rivalries" dictated by new Anglo-American defence and security strategies, saying the world "summons us to rise above divisions and competition to work together". Today, India has more approved lending projects with the AIIB than any other nation.

At the Second Global Manufacturing and Industrialisation Summit in Yekaterinburg, Russia on 9 July, Putin threw another vital impetus into the mix, calling for "broad

international cooperation” to develop fusion power and other new technologies—a science-driver program to reboot the world economy.

### Aspiration for peace over war

The West’s fear that China will supplant its control over the global system is unfounded. China’s just-released defence white paper, titled “China’s National Defence in the New Era”, states that the Chinese military is dedicated to safeguarding the nation’s sovereignty and peaceful development, affirming that China’s defence strategy is “never seeking hegemony, expansion or spheres of influence”.

The paper asserts the growing “realignment of international powers” as developing countries emerge more confidently, bringing about a greater balance of strategic power. “The pursuit of peace, stability and development has become a universal aspiration of the international community with forces for peace predominating over elements of war”,

## Pacific vision: military bastion or trade hub?

Following its report last month of plans for a new port near Darwin, from which US marines stationed under the Asia Pivot could operate, the ABC has revealed that a draft US Congressional bill allocates US\$211.5 million for new “Navy Military Construction” in Darwin, US\$50 million for a “new airport parking apron for the Navy”, and US\$70.6 million for the Air Force stationed at the Tindal Royal Australian Air Force base. There are 2,500 US Marines currently stationed in the Northern Territory, initiated under US President Barack Obama’s Asia Pivot announced in 2011, which was consciously aimed at China and defending the Anglo-American “rules-based order”. Washington was therefore openly miffed when the Australian government leased the existing Darwin Port to Chinese company Landbridge in 2015. The Defence Department told the ABC it was awaiting details of exactly what the Congressional bill would authorise.

The new US Ambassador, Arthur Culvahouse, has urged Australia to adopt “a great power leadership role” in the Pacific, describing the Asia Pivot as a means of directing “soft and hard power” into the region. Prime Minister Scott Morrison’s Pacific Step-Up strategy and Pacific Infrastructure Bank proposal to increase Australia’s assistance to Pacific nations, is part of this picture. Even recent mainstream coverage of Australia’s aid, however, has stressed that the biggest difference between Chinese and Australian aid is that China asks nations where they want the investment to go. Consequently, Chinese assistance ends up building infrastructure which gives nations the capability to lift themselves up, while Australia’s is more focused on things like health, human rights or gender equality.

While Pacific nations have expressed happiness to be receiving help from all quarters, they are not blind to the real agenda. Minister of Foreign Affairs for Vanuatu, Ralph Regenvanu, tweeted on 29 July, “Can we stop militarising the Pacific, please?” There is no evidence to back up speculation about planned Chinese military bases in Vanuatu or Cambodia, but the USA, Australia and Papua New Guinea announced last year they would re-develop a naval base at Manus Island; the USA maintains military outposts on Guam and the Marshall Islands.

### New Zealand launches “Southern Link” concept

Linking in with China’s Belt and Road Initiative (BRI) is a boon to Pacific nations; even New Zealand can see the attraction of China’s “Blue Economy” concept. “China’s new

states the report, but this ambition is “undermined by growing hegemonism, power politics, unilateralism and constant regional conflicts and wars”. The paper cites the fact that the USA has adjusted its national security and defence strategies towards a more unilateral policy. These are the strategies that name “great power competitors” China and Russia as greater threats than international terrorism. The creation of the regional security cooperation architecture, the Shanghai Cooperation Organisation, is cited as an example of the needed change. The forum includes China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan working in the spirit of “mutual trust, mutual benefit, equality, consultation, respect for diverse civilisations and pursuit of common development”.

A new economic system is a very real threat to the status quo, because any flourishing, sovereign economy *will not be dictated to*—by any of the globalist structures responsible for the economic disasters of recent decades.

concept of the Blue Economy accords with the island nations’ ocean development strategy and long-term approaches. The bilateral and

multilateral model that China has been upholding inspires better collaboration”, explained Chen Hong, from the Australian Studies Centre, East China Normal University, in the 15 July *Global Times*. In recent years plans have been made to incorporate the Pacific Islands into the Maritime Silk Road, with Fiji touted as a “maritime Dubai”.

New Zealand, the only Five Eyes nation to sign a Memorandum of Understanding with China on the BRI, is exploring the idea of transforming itself into a key connection between China and South America, to be known as the Southern Link. The distance from New Zealand across the Pacific Ocean to Valparaiso, Chile, is almost exactly half the distance from Shanghai directly to Valparaiso. With trade between China and South America set to boom, the proposal could be lucrative for NZ. The idea has been mooted for some time, but the BRI now provides the framework to make it reality. On 25 June, 150 policymakers, business leaders and experts from Argentina, Chile, China and New Zealand attended a conference, “Building the Southern Link”, sponsored by the New Zealand-China Council and its counterparts in China and South America. Executive Director of the NZ-China Council, Stephen Jacobi, declared that the mission of turning New Zealand into a major “hub and conduit” for economic activity between Asia and South America had officially been born, due to the “momentum, rationale, and framework” provided by the BRI.

New Zealand’s current Minister of Trade and Export Growth, David Parker, declared the “conditions are right” to move ahead with the plan; former Trade Minister Tim Groser urged participants to “turbo charge” the Southern Link, because “small countries must move fast, and must move decisively” to succeed in creating change in regional relationships. A working group was established to put together concrete proposals to turn the concept into reality.

