

Russia, China Mock "Divide and Rule": The American "Empire of Chaos"

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Global Research, December 24, 2014

Asia Times

Region: <u>Asia</u>, <u>Russia and FSU</u>

Theme: Global Economy, US NATO War

<u>Agenda</u>

The Roman Empire did it. The British Empire copied it in style. The <u>Empire of Chaos</u> has always done it. They all do it. Divide et impera. Divide and rule – or divide and conquer. It's nasty, brutish and effective. Not forever though, like diamonds, because empires do crumble.

A room with a view to the Pantheon may be a celebration of Venus – but also a glimpse on the works of Mars. I had been in Rome essentially for a symposium – Global WARning – organized by a very committed, talented group led by a former member of European Parliament, Giulietto Chiesa. Three days later, as the run on the rouble was unleashed, Chiesa was arrested and expelled from Estonia as persona non grata, yet another graphic illustration of the anti-Russia hysteria gripping the Baltic nations and the Orwellian grip NATO has on Europe's weak links. [1] Dissent is simply not allowed.

At the symposium, held in a divinely frescoed former 15th century Dominican refectory now part of the Italian parliament's library, Sergey Glazyev, on the phone from Moscow, gave a stark reading of Cold War 2.0. There's no real "government" in Kiev; the US ambassador is in charge. An anti-Russia doctrine has been hatched in Washington to foment war in Europe – and European politicians are its collaborators. Washington wants a war in Europe because it is losing the competition with China.

Glazyev addressed the sanctions dementia: Russia is trying simultaneously to reorganize the politics of the International Monetary Fund, fight capital flight and minimize the effect of banks closing credit lines for many businessmen. Yet the end result of sanctions, he says, is that Europe will be the ultimate losers economically; bureaucracy in Europe has lost economic focus as American geopoliticians have taken over.

Only three days before the run on the rouble, I asked Rosneft's Mikhail Leontyev (Press-Secretary – Director of the Information and Advertisement Department) about the growing rumors of the Russian government getting ready to apply currency controls. At the time, no one knew an attack on rouble would be so swift, and conceived as a checkmate to destroy the Russian economy. After sublime espressos at the Tazza d'Oro, right by the Pantheon, Leontyev told me that currency controls were indeed a possibility. But not yet.

What he did emphasize was this was outright financial war, helped by a fifth column in the Russian establishment. The only equal component in this asymmetrical war was nuclear forces. And yet Russia would not surrender. Leontyev characterized Europe not as a historical subject but as an object: "The European project is an American project." And "democracy" had become fiction.

The run on the rouble came and went like a devastating economic hurricane. Yet you don't threat a checkmate against a skilled chess player unless your firepower is stronger than Jupiter's lightning bolt. Moscow survived. Gazprom heeded the request of President Vladimir Putin and will sell its US dollar reserves on the domestic market. German Foreign Minister Frank-Walter Steinmeier went on the record against the EU further "turning the screw" as in more counterproductive sanctions against Moscow. And at his annual press conference, Putin emphasized how Russia would weather the storm. Yet I was especially intrigued by what he did not say. [2]

As Mars took over, in a frenetic acceleration of history, I retreated to my Pantheon room trying to channel Seneca; from *euthymia* – interior serenity – to that state of imperturbability the Stoics defined as *aponia*. Still, it's hard to cultivate euthymia when Cold War 2.0 rages.

Show me your imperturbable missile

Russia could always deploy an economic "nuclear" option, declaring a moratorium on its foreign debt. Then, if Western banks seized Russian assets, Moscow could seize every Western investment in Russia. In any event, the Pentagon and NATO's aim of a shooting war in the European theater would not happen; unless Washington was foolish enough to start it.

Still, that remains a serious possibility, with the Empire of Chaos accusing Russia of violating the Intermediate-Range Nuclear Forces Treaty (INF) even as it prepares to force Europe in 2015 to accept the deployment of US nuclear cruise missiles.

Russia could outmaneuver Western financial markets by cutting them off from its wealth of oil and natural gas. The markets would inevitably collapse – uncontrolled chaos for the Empire of Chaos (or "controlled chaos", in Putin's own words). Imagine the crumbling of the quadrillion-plus of derivatives. It would take years for the "West" to replace Russian oil and natural gas, but the EU's economy would be instantly devastated.

Just this lightning-bolt Western attack on the rouble – and oil prices – using the crushing power of Wall Street firms had already shaken European banks exposed to Russia to the core; their credit default swaps soared. Imagine those banks collapsing in a Lehman Brothers-style house of cards if Russia decided to default – thus unleashing a chain reaction. Think about a non-nuclear MAD (Mutually Assured Destruction) – in fact warless. Still, Russia is self-sufficient in all kinds of energy, mineral wealth and agriculture. Europe isn't. This could become the lethal result of war by sanctions.

Essentially, the Empire of Chaos is bluffing, using Europe as pawns. The Empire of Chaos is as lousy at chess as it is at history. What it excels in is in upping the ante to force Russia to back down. Russia won't back down.

Darkness dawns at the break of chaos

Paraphrasing Bob Dylan in *When I Paint My Masterpiece*, I left Rome and landed in Beijing. Today's Marco Polos travel Air China; in 10 years, they will be zooming up in reverse, taking high-speed rail from Shanghai to Berlin. [3]

From a room in imperial Rome to a room in a peaceful *hutong* – a lateral reminiscence of imperial China. In Rome, the barbarians swarm inside the gates, softly pillaging the crumbs of such a rich heritage, and that includes the local Mafia. In Beijing, the barbarians are kept

under strict surveillance; of course there's a Panopticon element to it, essential to assure internal social peace. The leadership of the Chinese Communist Party (CCP) – ever since the earth-shattering reforms by the Little Helmsman Deng Xiaoping – is perfectly conscious that its Mandate of Heaven is directly conditioned by the perfect fine-tuning of nationalism and what we could term "neoliberalism with Chinese characteristics".

In a different vein of the "soft beds of the East" seducing Marcus Aurelius, the silky splendors of chic Beijing offer a glimpse of an extremely self-assured emerging power. After all, Europe is nothing but a catalogue of multiple sclerosis and Japan is under its sixth recession in 20 years.

To top it off, in 2014 President Xi Jinping has deployed unprecedented diplomatic/geostrategic frenzy – ultimately tied to the long-term project of slowly but surely keeping on erasing US supremacy in Asia and rearranging the global chessboard. What Xi said in Shanghai in May encapsulates the project; "It's time for Asians to manage the affairs of Asia." At the APEC meeting in November, he doubled down, promoting an "Asia-Pacific dream".

Meanwhile, frenzy is the norm. Apart from the two monster, US\$725 billion gas deals – Power of Siberia and Altai pipeline – and a recent New Silk Road-related offensive in Eastern Europe, [4] virtually no one in the West remembers that in September Chinese Prime Minister Li Keiqiang signed no fewer than 38 trade deals with the Russians, including a swap deal and a fiscal deal, which imply total economic interplay.

A case can be made that the geopolitical shift towards Russia-China integration is arguably the greatest strategic maneuver of the last 100 years. Xi's ultimate master plan is unambiguous: a Russia-China-Germany trade/commerce alliance. German business/industry wants it badly, although German politicians still haven't got the message. Xi – and Putin – are building a new economic reality on the Eurasian ground, crammed with crucial political, economic and strategic ramifications.

Of course, this will be an extremely rocky road. It has not leaked to Western corporate media yet, but independent-minded academics in Europe (yes, they do exist, almost like a secret society) are increasingly alarmed there is no alternative model to the chaotic, entropic hardcore neoliberalism/casino capitalism racket promoted by the Masters of the Universe.

Even if Eurasian integration prevails in the long run, and Wall Street becomes a sort of local stock exchange, the Chinese and the emerging multipolar world still seem to be locked into the existing neoliberal model.

And yet, as much as Lao Tzu, already an octogenarian, gave the young Confucius an intellectual slap on the face, the "West" could do with a wake-up call. Divide et impera? It's not working. And it's bound to fail miserably.

As it stands, what we do know is that 2015 will be a hair-raising year in myriad aspects. Because from Europe to Asia, from the ruins of the Roman empire to the re-emerging Middle Kingdom, we all still remain under the sign of a fearful, dangerous, rampantly irrational Empire of Chaos.

Notes:

- 1. See here.
- 2. What Putin is not telling us, Russia Today, December 18, 2014.
- 3. Eurasian Integration vs. the Empire of Chaos, TomDispatch, December 16, 2014.
- 4. <u>China set to make tracks for Europe</u>, China Daily, December 18, 2014. <u>China's Li cements new export corridor into Europe</u>, Channel News Asia, December 16, 2014.

Pepe Escobar's latest book, just out, is <u>Empire of Chaos</u>. Follow him on <u>Facebook</u>. Pepe Escobar is the author of <u>Globalistan</u>: How the <u>Globalized World is Dissolving into Liquid War</u> (Nimble Books, 2007), <u>Red Zone Blues</u>: a <u>snapshot of Baghdad during the surge</u> (Nimble Books, 2007), and <u>Obama does Globalistan</u> (Nimble Books, 2009). He may be reached at pepeasia@yahoo.com.

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