

The SCO and G7 Meetings Point to Different Worlds

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Two meetings of considerable geopolitical significance took place last weekend. They could not have been more different in tone and outcome. Each in their way were representative of the fundamental realignment that is taking place in the world order, and each points to a very different future.

The first of these meetings was the G7 (or G6+1 as some of the participants described it) in Québec City Canada. Attending were political leaders of the six largest (as measured by GDP) of western industrial nations and Japan.

The American **President Donald Trump** did not bother to conceal his fundamental scorn for his alleged friends and allies. He arrived late, made little or nothing by way of a significant contribution, and left early. On his plane en route to a meeting in Singapore with North Korea's **Kim Jong-Un** he resiled from the joint memorandum supposedly agreed to in Québec, and added some personal and bitter insults about the meeting's host, Canadian **Prime Minister Trudeau**.

Prior to arriving at the meeting, Trump had thrown a verbal bomb, suggesting that it was time that Russia was invited back into the group from which it had been suspended in 2014.

The European members of the G7, with the possible exception of Italy, were less than enthusiastic about Trump's unheralded suggestion. Implicit in Trump's suggestion was that if the other members agreed Russia would in fact rejoin the G7. It is indicative of just how out of touch with geopolitical realities the G7 politicians actually are.

The Russian response was directly to the point: "we are," they said, "focusing on other formats."

Those 'other formats' are a range of multilateral arrangements in which Russia is one of the key players. They include for example the Brazil, India, China, South Africa (BRICS) Association who between them account for more than 40% of the world's population. In 2018 three of them (China, India and Brazil) were, according to the IMF, in the top 10 of the world's biggest economies. Perhaps needless to add, none of them are members of the G7.

The second key group central to Russia's 'other formats is the Eurasian Economic Union (EAEU) whose most important member economically and politically is Russia. Even more importantly, the EAEU has signed major cooperation agreements with the China instigated Belt and Road Initiative (BRI). It has also signed a free trade agreement with Iran, to come into effect in 2020. Iran is a pivotal nation in all of the Eurasian and beyond multilateral agreements that are not only already in place, but are having a steadily mounting economic, financial and geopolitical impact.

The third grouping and a one having its annual meeting in Qingdao, China, is the Shanghai Cooperation Organisation (SCO). It was not by coincidence that the SCO meeting took place in Shandong Province, which is the birthplace of Confucius.

It was not a coincidence because in his opening remarks to the conference, China's **President Xi Jinping** specifically quoted from Confucius's teachings on a just cause being pursued for the common good. The Confucian philosophy's emphasis on unity and harmony was reflected in Xi's 2013 speech in Astana when he set out his vision for the BRI. That philosophy is incorporated in what is now known as the Shanghai Spirit; i.e. mutual trust, mutual benefit, and an emphasis on equality, consultation and respect for the diversity of civilisations.

Again without laboring the point, the contrast with the dominant ethos of the G7 group could not be greater.

The SCO meeting was the first to be held since Pakistan and India were admitted as full members in 2017. These two nations have a difficult history, but contrary to the expectations of many western commentators, they have nonetheless agreed to seek a resolution of their differences within the SCO framework.

Significantly, India and Pakistan have also agreed to work together to solve the seemingly intractable Afghanistan war, itself brought about by the illegal intervention and occupation of the United States and its allies. Unsurprisingly, the United States is not participating in this attempted peace process, which also includes Russia, China and Iran.

Zbigniew Brzezinski, the national security adviser to former United States President Jimmy Carter, and the principal architect of Operation Cyclone that gave birth to Al Qaeda, wrote in his 1997 book *The Grand Chessboard*, that the strategic imperative for the United States was to prevent the rise of any national grouping of nations that could challenge US political, economic and military hegemony. He specifically nominated an alliance of Russia, China and "perhaps Iran" as the most dangerous scenario.

United States foreign policy since Brzezinski's book has certainly striven to achieve this outcome, but ironically those policies have had the opposite effect. One unintended consequence has been a 'look East' policy by an increasing number of European nations. American sanctions, not only on its perceived enemies such as Russia and Iran, but also to its European "allies" who have the temerity to adhere to the spirit and the letter of the JCPOA, is causing a reappraisal by the Europeans as to where their national interest truly lies.

Of even greater consequence, China and Russia, through a combination of factors including complementary economies and resources, and the certain knowledge that they are more secure together than apart, have forged an increasingly close relationship. So much so in fact, that in Qingdao President Xi presented President Putin with a unique Medal of Friendship. Xi not only described Russia as China's "best ally", he also used the phrase "strategic partnership" for the first time in a public forum.

Twenty years after Brzezinski's book, and 11 years after Putin's seminal speech to the Munich security conference, the shape of a new political order is forming at an accelerating pace.

BRICS, SCO and the EAEU are similarly spearheading the drive away from the United States dollar as the medium of international trade. A slew of other countries, in Africa, the Middle East and South America are following suit. The gold backed Yuan convertible Note; a similar arrangement being negotiated with the London Metals Exchange; trading in national currencies and the development of CHIPS to replace the American dominated SWIFT system of international exchange are all part of the fundamental realignment taking place. The foundations of US hegemony are being rapidly eroded and short of a catastrophic war there is nothing they can do about it.

That does not mean they won't try. They will undoubtedly cause enormous problems in doing so, not to mention the chaos inherent in a dysfunctional American leadership and their lack of a coherent strategic plan. Attempting to dictate outcomes and expecting blind adherence by its "allies" no longer suffices.

By contrast, the SCO conference has shown with abundant clarity however, that policies based on mutual respect, mutual benefit and respect for the sovereignty of others will trump (no pun intended) the fading imperialism of the self-interested and squabbling group that gathered in Québec.

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