

AMERICA, RUSSIA, AND THE WORLD DURING THE LAST TWO YEARS

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The election campaign of 2012 has already started to gear up both in the US and in Russia, but the general situation is by no means unique for either country. The American political system has one significant problem, and it is the permanent election campaign. In the US, the presidential term is rather short, only four years, and there are mid-term Congress elections. As a result, political life is trapped in a constant state of campaigning to raise funds for the next election.

This environment of constant elections conceals the real issues of primary importance even from its participants. The US and the rest of the world need to make a choice as to the main course of development. The US should decide whether it is going to become a more social-democratic country than it is now, but not in the

European sense of the word. The US should decide whether it is going to move along the progressive path that was favoured after 1960-ies, or roll back to an individualistic society with an unrestricted free market.

Sooner or later, American democrats will come forward with a program largely similar to that of Franklin Delano Roosevelt, who implemented a very efficient program after the financial crash of 1929. Extremely effective measures aimed at regulating the American banking system were carried out in order to avoid such situations in the future. This system worked quite well until the 80s and 90s, when the Republicans, led by Reagan, and then the Democrats under Clinton, began to dismantle it. We are dealing with the current financial crisis today as a result.

In preparation for the coming election, Democrats should adopt the following message: 'Our country suffered an economic catastrophe in the early 1930s. Democrats came to power, and for the next forty to sixty years, even under the Republicans when Eisenhower and Nixon were in power, America basically followed the policies of the New Deal, which fought the greed of banks, and emphasized investments into such infrastructures as roads and utilities and the development of the American national industry and American technologies. This development plan was achieved by common

for office on a platform of wide capitalism with a focus on deregulation. Not surprisingly, one financial crisis followed another, the most recent of which would have been as terrible as the crash of 1929 had we not spent trillions of dollars to cope with it. It is time to get back to the good life. **It is time to forget all the nonsense about an absolutely free market economy.'**

Such an appeal would meet with great success across the country. Of course, one should not think from this that Obama's campaign will call for socialism. A system of constant interference into the economy will be offered, but will go no further than policies between the 1930s and the 70s. Obama will also hopefully offer measures to protect the environment, paying earnest attention to the overall social well-being of the country. Obama's administration will not move any further left than these strategies.

In response, Republicans will no doubt initiate a hysterical campaign against Obama, accusing him of inciting socialism and communism, and at the same time appealing to once again develop unrestricted market relationships. **But, in spite of all the 'tea parties' and the populism of middle-class white Americans, as of now, nothing can warrant a Republican victory** — bankers remain bitterly unpopular, and Obama should build his campaign on the basis of punishing them, taming them, and regulating their activities. Many Americans

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Americans, and they were the best years in the history of the country. There were high levels of employment, social security, and cheap energy. Unfortunately, since the 1980s, the Republicans have run

will sympathize with this position. However, the final say will depend on the conditions of the American economy at the time of elections. If there remains high unemployment ratings by 2012, and if the

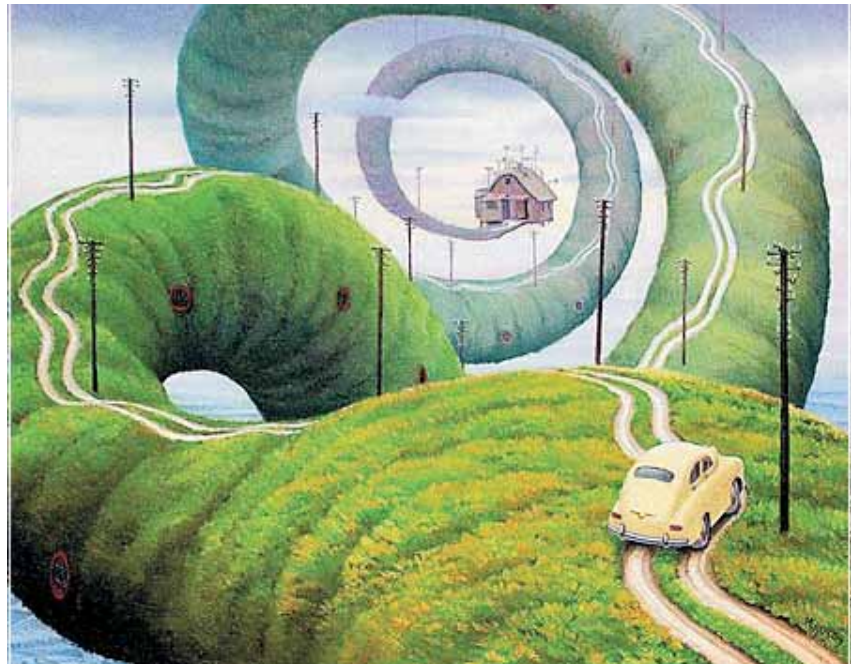
economy grows sluggishly, then Obama is certain to lose the elections, regardless of what he may promise.

The economy is still a topic of heightened interest in America. The problem is that nobody knows for sure how to improve the economic situation, largely because America has been bogged down with debt and, to a large extent, surrendered its economic independence to China. In this regard, it is likely that we will hear even greater appeals to curb the excesses of an untrammelled and wild capitalism. Sooner or later, Obama will decide to play his strongest card – the regulation of bank activities. He will be forced to do it in his fight against the Republicans. Energy, provision of independent American energy carriers, decreasing threats to the environment and the dependence on imported oil, will also be key issues. Obama has declared himself as the follower of a reliable US security without adventurism: ‘We need to win the war in Afghanistan, but we are not going to get involved in any other wars’ – such is the motto of Obama’s strategy.

In Russia, ultra right nationalists have only a pitiful candidate to offer, whose election would almost certainly solve nothing. However, liberals don’t really decide anything either. Everything is decided by the current authorities and their different factions. Any attempts by America to improve relations with Russia must be made with them. So, if the Republicans (‘the American nationalist party’) think that today’s Russia has become to close with America following the ‘reset’ process, they might look to make sure that such relations be cooled. Most likely, Russian-American relations during the coming years will prevail through the same effect that has been prominent for many years in the relations between the US and China.

In moments of opposition, Republicans and Democrats speak rather harshly about China before elections: ‘We need to support Tibet and Taiwan; we have to be more firm when demanding respect for human rights, and more uncompromising in trade relations.’ Once in power, both parties quickly realise that to actually implement these suggestions could prove rather dangerous. The US cannot make sudden moves in their relations with China, because then China may demand that

At present, elections in the EU amount to almost nothing. The European Union still believes that it plays an important role in the Ukrainian issue and in the relations between some other countries and Russia. But in practice, expansion of the EU has finished, with only a few Balkan countries remaining as potential areas for future influence. Admitting Turkey into the EU would prompt considerable outrage among the electorate of many



America honour its financial obligations, leading to the collapse of the entire fiscal system of the nation. Something similar could perhaps become a basis for future relations between the US and Russia.

At the moment, Iran remains at the centre of Russian-US relations. Naturally, the Republicans may try to return to the issue of deploying an anti-missile defence system in Eastern Europe. But then Russia could refuse to support any US initiatives regarding Iran, forcing the the Republicans to either accept whatever Iran is doing, or attack them directly. Such an attack would mean a quick defeat in Afghanistan, because the Iranians would move to support the Taliban. Implementing any of these measures would surely be a reckless step for any US administration.

Western countries, and may even lead to the emergence of racist and fascist governments in Western Europe, and to the outright disintegration of the European Union.

Possible membership of Ukraine into the EU is merely a phantom of current events. Everyone is now witnessing the painful and very expensive attempt to save Greece, and it is still unclear whether or not their attempts will meet with any success. A succession of defaults is still possible in the EU – in Greece, Portugal, Spain and even Italy. The EU is spending large amounts of money in order to prevent this. In such an environment, there is no one who would have the resolve to admit Ukraine to the EU. No one wants to start paying the bills for yet another country on the verge of bankruptcy. ■

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