

Brown pretends to be tough on Russia

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Europe

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Prime Minister Gordon Brown, is trying to reassert his authority on the cheap, by publishing an anti-Russian diatribe in today's Guardian (a left-leaning newspaper). It's an impressive exercise in weasel words and tough-sounding emptiness.

Before I take you through it in detail below the fold, let me note again that this sets the tone for public discourse on the topic. Newspapers, even if they have different information on the underlying conflict, have to report the aggressive declarations by Brown and others, and cannot fail to paint that as increased tension with Russia. As Russia responds (and it often does in rather unsubtle ways), reality follows discourse, further inflames it, and the whole process takes a life of its own. Pundits, even well intentioned ones, can then go on to pontificate about evil Russia and a small number of concepts, such as the "energy weapon", enter public lore and become "acquired concepts" (I'm tempted to write "acquired conceits") even when the facts on the ground are rather different.

But by then, the Mission has been Accomplished: the discussion is no longer about our failing energy policies (or rather, the lack thereof), or about our leaders' incompetence, but about the Enemy which wants to hurt us and against which We Must Stand Firm (Behind our Beloved and Fearless Leaders).

I understand our leaders trying this: after all, this is all they have to run on. But why, oh why, does our media have to fall for it hook, line and sinker?

This is how we will stand up to Russia's naked aggression

As European leaders meet, the Prime Minister says security is linked to the politics of energy

"We will stand up" to "Russia's naked aggression" - the stage is set. Once you've read the title, you know how it's going to be, there's really no need to go beyond. We are going to be provided with an enemy, and fearless leaders to fight it. And we know that this is what goes on TV - you get the headline and the subheader as "comment" by the talking heads. Evil Russia is stealing our energy and making us pay dearly for it and We Will Not Tolerate It.

Twenty years ago, as the Berlin Wall fell, people assumed the end of hostility between East and West, and a new world order founded on common values. As part of this, 10 Eastern European states joined Nato and intensified co-operation with Europe and more wanted to follow. But Russia's hostile action towards Georgia suggests that they are

unreconciled to this new reality. Their aggression raises two urgent questions for us: how best to stabilise Georgia now, and how to make it clear to Russia that its unilateral approach is dangerous and unacceptable. War in Georgia also poses a serious longer term issue - how can we best create a rules-based international system that protects our collective security and safeguards our shared values?

Sigh... Where to begin? This is history rewriting on a grand scale...

- our "common values" are embedded, if anywhere, in the <u>Council of Europe</u>, of which <u>47 countries are members</u>, including (to quite a bit of debate in the 90s, as the wars in Chechnya raged on) Russia. NATO does not represent "common values", it is a military organisation created to defend its members against the Warsaw Pact, as run from Moscow. Its explicit and still sole, despite desperate efforts to change that *raison d'être* is to prepare for war with Russia. Making that organisation, rather than the Council of Europe or, more prosaically, the European Union, the embodiment of our values, speaks volumes as does Brown's failure to even mention the EU in that paragraph...
- bam, out of the blue, Russia decided to attack poor weak Georgia. No mention of how this conflict originated in the short term (a Georgian attack), no discussion of the complex past history of South Ossetia (whether you look at the last 15 years or the past 2 centuries) and no reference whatsoever to our policies towards Russia (bringing NATO to Russia's borders, cancelling the ABM treaty, ignoring them on Kosovo, just to note recent events). Nope. We're the good guys, they are the bad guys. It is so because we say so, we, the good guys.
- as to creating a "rules-based international system" how about, you know, us actually following the rules that already apply to us under the existing international system? Like not invading countries on a whim? Not deciding on our own which separatist provinces deserve independence from the countries they are a part of and which don't? Not threatening attack on various others because they do things we don't like? It is legitimate for organisations that focus on international rights or human rights and criticize our own failings to criticize Russia for its patchy record; it is quite another thing to hear the same from governments that engage in the exact same behavior they criticize at this very moment!

At tomorrow's European summit in Brussels we will first unite to alleviate the suffering of the 100,000 Georgian civilians left without homes. The UK has already pledged £2m, and I will urge partners to meet not only Georgia's immediate needs but its long-term reconstruction and development needs. We will deploy peace monitors to better judge violations of the ceasefire, appoint a senior figure to drive the humanitarian and political effort, and support the Nato Georgia Commission, with a Nato team sent to Georgia.

Ooooh. 2 million pounds?! How amazingly generous. That's sure going to help. But never mind, let's create more "Nato Georgia" thingies that take a life of their own, can be ignored if needed (hey, you don't actually want us to *fight* against Russia's army, do you?), but help create the perception in the meantime that we're standing by our proud new ally against the evil invaders. Let's keep NATO on the forefront, and sneakily suggest that the EU is doing NATO's bidding (note that the EU is still not mentioned: a "European summit" is nicely ambiguous in that respect).

Georgia has felt the consequences of the conflict. It is important that the summit also demonstrates to Russia that its actions have real consequences.

Hmmm... I look forward to such a demonstration...

No one wants a new Cold War or the encirclement of Russia.

Let's deny the obvious. I find it particularly noteworthy that Brown feels ready to acknowledge the "encirclement of Russia": that means that this (i) is the reality and (ii) that it will be pushed further. It's denied, so those that say it's happening can now be dismissed as lackeys of Russia, unserious, cowards or any combination thereof as said encirclement proceeds further (or attempts to anyway).

But when I spoke to President Medvedev yesterday, I told him to expect a determined European response. As David Miliband has said, there can be no return to 'business as usual' unless and until Russia commits fully to Georgia's territorial integrity and withdraws to its previous positions.

Ooooh. He talked to Medvedev! (not to Putin?) In a stern tone! To tell him to do something he is clearly not doing (having recognized South Ossetia's independence) or ... or else! The "demonstration" stepping up... to the naive public at home.

Russia has emerged as a significant economic power, with its trade increasing fourfold. It has done so by reaping the benefits of a stable global order based on agreements that make trade and investment both possible and profitable, bringing greater stability and certainty to international relations.

Yes, Russia's rising prosperity is clearly due to agreements that make trade profitable (codewords for the WTO. As we know, trade is *always* profitable and must be expanded) but *to which it is not yet a party*. It has nothing to do with the higher prices for its main exports (oil, gas and metals) or with the relative stability imposed by Putin and his KGB cronies in lieu of the chaos of the Yelstsin years. No, anything good that happens to Russia has to be claimed by the West's neoliberal policies. Not only we're the good guys (ie everything we do is good by definition), but everything that's good anywhere can and should be credited to us to. Others are, well, othery and cannot, also by definition, do any good. Life can be so simple.

Equally, when Russia fights secessionist movements in Chechnya or Dagestan, it expects others to respect its territorial integrity and not to recognise declarations of independence.

Hmmm.... Let's not mention the fact that we didn't really care about Chechnya back then, because we still had access to Russia's oil&gas resources then ("we" being the Western oil majors, of course). In fact, I distinctly remember that in 1999-2001, in the early years of Putin's presidency, the UK and US had rather friendly relationships with Russia, whereas France was in a really tense one as its government (well, what do you expect from 35-hour-promoting socialists) and media were rather vocal about Chechnya - an attitude that was mostly criticised by the Anglos as needlessly disturbing business.

So when Russia has a grievance over an issue such as South Ossetia, it should act multilaterally by consent rather than unilaterally by force. I believe Russia faces a choice about the nature of its responsibilities as a leading and respected member of the international community. My message to Russia is simple: if you want to be welcome at the top table of organisations such as the G8, OECD and WTO, you must accept that with rights come responsibilities. We want Russia to be a good partner in the G8 and other organisations, but it cannot pick and choose which rules to adhere to.

Ack. Again, where to start? Bullet points ahoy: here we go again!

- "it should act multilaterally by consent rather than unilaterally by force," says the head of the government of one of the countries that invaded Iraq despite being told in no uncertain that the invasion was not approved by the UN Security council? Who the fuck does he think he is kidding? (Sad answer: a lot of people, including most of our pundit class);
- more to the specific point, Russia **actually went to the Security Council on <u>8 August</u>** to ask for international intervention, as Georgian troops were attacking South Ossetian with heavy artillery. They followed the existing diplomatic procedures, but their claims were ignored or rejected.
- Russia is a member of the G8, an increasingly pointless body, is not a member of the OECD (described by the Economist as a "think tank"), nor one of the WTO (its membership having been blocked for years by the USA for reasons totally unrelated to the current crisis). What's the value of these carrots, exactly, after years of dangling them in front of the Kremlin's eyes and denying them, or emptying them of their substance?
- "it cannot pick and choose which rules to adhere to" nope, that's only a prerogative of the Good Guys. (I mean, that's the only way to make sense of what would otherwise be breathtaking double standards).

That is why I will argue tomorrow that Russia should accept Georgia's territorial integrity and international mechanisms for addressing these conflicts, and withdraw troops to their previous positions. And, in the light of Russian actions, the EU should review - root and branch - our relationship with Russia. We should continue to strengthen the transatlantic relationship and may need to meet more regularly as the G7. We are also reflecting on the Nato response. We must re-evaluate the alliance's relationship with Russia, and intensify our support to Georgia and others who may face Russian aggression .

So the thing to do if we are unhappy with Russia is to "strengthen the transatlantic relationship", ie to fall in line even more rigidly behind Washington's (provenly toxic) positions? Doesn't this sound like hiding in mama's skirt (or rather, behind papa's big fists) in a schoolyard fight one started?

More interestingly, this is where we see the absolute cowardice in Brown's position: more regular meetings of the G7 means that there won't actually be a confrontation with Russia about its membership in the G8, just more meaningless meetings without Evil Russians to pretend that we're "standing up to them" (safely from a distance). And "reflecting" on NATO's response. That has to be the lamest, weakest line - in diplo-speak, it means, basically, "please stop hitting us, we agree to everything, just give us the time to set our ties properly before we say yes!"

But, as we know, the target here is not Russia, it's the public over here, and what matters is the repetition, yet again, of the words "Russian aggression," along with more calls for "Atlanticism", ie

deciding to not have a common European position and impose division by preeemptively aligning with the extremist position coming from Washington. Bluster, posturing and empty threats that look so manly.

The strangest part is that Russia responds, mostly with surprise, by pointing out that this is empty bluster - and this is taken as yet more aggression (they are contradicting, or worse, mocking, our leaders again!) rather than at simple face value. Clearly they do not play the same game.

No nation can be allowed to exert an energy stranglehold over Europe and the events of August have shown the critical importance of diversifying our energy supply.

Hmmm... Right after "Russian aggression" comes energy. Again, the target is not Russia, but the uninformed public and the naive punditry. As far as I can remember, the war did not cause any disruption in supply - indeed, as the tension between Russia and Georgia built up and turned into actual war, oil prices were collapsing... (for other reasons, but still). The markets obviously took a pretty relaxed view of the impact of this conflict on energy supplies. And the markets are always right, as Brown himself endlessly reminds us (and indeed he will do so before this article is over).

Some pipelines were temporarily cut as conflict raged, but the significance of that is rather different from what pundits might think. The Baku-Supsa oil pipeline was closed, but this was significant only insofar as the much larger Baku-Tbilisi-Ceyhan (BTC) pipeline had been closed the week before (because of events in Turkey which were, as far as I can tell, totally unrelated to the Georgian crisis) and the route to Supsa was used as a substitute. The Baku-Erzurum gas pipeline, which follows the same route, was also closed, but that pipeline only supplies Turkey with small volumes of gas. Despite multiple claims by the Georgians to that effect, the pipelines were not attacked by Russia (something that BP, which operates all of them, confirmed repeatedly) - but that, of course, did not prevent pundits from saying it did happen (or that it "could" have happened), nor of falsely linking the overall closure of the BTC pipeline to the Russian intervention.

The result is again, "Russian aggression" and "pipeline closed" beign closely associated in everybody's minds. And hey, "energy stranglehold" and "Russia" in the same sentence is all good - it takes attention away from "energy" and "European policies" (or the lack thereof).

The tenfold increase in the world oil price in the past decade has demonstrated that diversification from oil is also an economic necessity.

A rare sane sentence in that article - the content of which will of course be ignored as that apparent sanity is used for other purposes than actually solving problems.

The UK will go from being 80 per cent self-sufficient now to having to import almost two-thirds of our gas and more than half of our oil by 2020 - precisely as markets become more volatile as more people chase fewer natural resources. And with states such as Russia increasingly using their energy resources as policy tools it is apparent that the security grounds for this shift are stronger as well.

So, as long as the UK had enough oil for itself, all was fine, and all discussion of energy dependency

was unnecessary (yes, I distinctly remember mockery coming from across the channel and directed at the many continental European countries that worried about long term supplies in the not so distant past). but now that the UK is running out of oil and gas for itself, it becomes an overwhelming issue that hysterically drives everything away - and has to be imposed on the rest of Europe - which are cowards if they don't join in.

Without urgent action we risk sleepwalking into an energy dependence on less stable or reliable partners.

That sentence would be correct with another verb tense: "without action we sleepwalked into an energy dependence on less stable or reliable partners." The dependence is already there: oil is now mostly controlled by countries that fit that description, and any one of a dozen of them can wreak havoc on the global market by withholding production. Think Saudi Arabia or Russia, or course, but also Iran, Venezuela, Nigeria, Angola, Kuwait - or, more interestingly, China, Norway, Iraq or Brazil - or the USA. Any country that can take a million barrels per day of capacity from the global market can cause a massive price hike. The impact of Gustav in the coming days could give yet another demonstration of that state of fact.

And an important point to note is that oil produced in the UK or the US does not belong to UK citizens or the US citizens, it belongs to the oil companies that have acquired the rights to the relevant fields - and they can do whatever they want with that oil, starting with selling it to the highest bidder. which means, of course, that even a self-sufficient country's citizens will need to pay the full market price for oil, just like the citizens of oil-poor countries: neither owns any oil reserves...

As to gas, its reserves are even more concentrated than those of oil, with Russia, Iran and Qatar controlling over two thirds of the total. And there is no global market, as gas only goes where infrastructure, ie pipelines and LNG terminals, will take it - under the long term contracts that such infrastructure requires to be financed and built. So gas, in a very practical sense, belongs as much to those that have long term supply rights at the end of the pipeline as to those that actually have the reserves. In that case, the dependency goes both ways, and the partners have a serious incentive to deliver - and indeed Russia has: it certainly has been a highly reliable supplier over the past 40 years, even through the Soviet period, the break-up of the Soviet Union and the chaos that followed.

That is why we in the UK are putting in law our commitment to cut CO2 emissions by 60 per cent by 2050, looking to replace our ageing nuclear power plants, to encourage greener fuels to power our homes and businesses and to transform the way we travel.

Nice non sequitur. Let's remind people that we're also pretending to be green, and that this supposedly helps on the separate problem of oil use. Let's provide a further gentle push for nukes (which provide electricity, not transport, today) and biofuels (which are an absurdity from every perspective in Europe) and altogether pretend we have policies in place, without ever mentioning demand reduction or even energy efficiency.

Europe also needs to take action.

Oh yeah, let's pretend too that the UK are leaders, and that (the rest of) Europe has done nothing

The Oil Drum: Europe | Brown pretends to be tough on Russia http://europe.theoilde on the energy front for all these years. The arrogance and hubris is, as usual, breathtaking.

Tomorrow's summit must add urgency to the work on Europe's energy agenda. We must more rapidly build relationships with other producers of oil and gas. Our response must include a redoubling of our efforts to complete a single market in gas and electricity, a collective defence to secure our energy supplies.

Sigh... The single market, as I wrote in the FT last year, encourages market players to invest in gas-fired plants, as they are easier to finance and less risky in the short term. Gas-fired plants mean more demand, for a very long time, for the very gas that we are warned Russia threatens to withhold from us. Even if we find alternate suppliers (would Earlier Evil Country Iran do, if they were ever in a position to export gas?), would it not be a better bet to, you know, not increase our demand for gas? The fact that this question is not even touched by Brown demonstrates, more than anything else, that he is not interested in solutions but in finding scapegoats to blame and to use to rebuild his reputation for toughness and decisiveness.

And, if I may be impertinent once more, what exactly does he mean by "building relationships with other suppliers?" Entering into long term supply contracts? Building infrastructure that links their supplies with our markets via an unbreakable physical link? (you know, what Germany, Italy and France have done with Russia) Or invading them, rewriting their oil laws, and giving away their reserves to oil majors (which, as Iraq amply demonstrates, does not work, as the locals usually get uppity when they see that they are being looted)?

I will also be pressing European leaders to increase funding for a project to allow us to source energy from the Caspian Sea, reducing our dependence on Russia.

BTC already exists, than you very much. There is no gas available in the Caspian (even including Iran) to make a pipeline from over there worthwhile unless it is filled with Russian gas. Nabucco is a non-starter, if its goal is to avoid Russian gas. But hey, let's keep on repeating "Nabucco, Nabucco, Nabucco" like a mantra, and discreetly pushing the completion date by a year each year, so as to look like we're finding other sources of gas.

I will encourage European partners to use our collective bargaining power rather than seek separate energy deals with Russia. And because the environmental necessity is urgent, we must deliver an ambitious 2020 climate and energy package by the end of this year.

Again, will anybody EVER tell me what a common bargaining position towards Russia would be? and how would it be determined? According to energy consumption? To gas consumption? To gas imports? To gas imports from Russia? And, presuming that a joint position is reached, what will happen, beyond merging into one giant EU-Russia contract the relatively small number of existing bilateral contracts? A better price? (what would be better? a different index to oil? A non-indexation to oil? who will decide what price formula is most advantageous?) And if a "better" price is obtained compared to the existing framework, who gets the difference? but, more genrally, what will prevent Russia to use the "energy weapon" against Europe any better than it can prevent it against France or Germany? How will gas be allocated in the case of cuts by Russia?

As long as nobody even makes suggestions to all these questions, these ideas for a "common negotiating position" towards Russia are just pointless blather, bluster and, more to the point, a distraction.

More than 10 years ago Alexander Solzhenitsyn - who died just days before this latest chapter in the history of his country - wrote: 'We were recently entertained by a naive fable of the happy arrival of the end of history, of the overflowing triumph of an all-democratic bliss; the ultimate global arrangement had supposedly been attained. But we all see and sense that something very different is coming, something new, and perhaps quite stern. No, tranquillity does not promise to descend on our planet, and will not be granted us so easily.' The past few days have seen some of his predictions realised.

Meh. I have not found the original quote, but I'm pretty sure that he did not have Russia in mind when he wrote this - but rather the USA. (Accurate info here welcomed)

This is why the changing global order cannot be governed by institutions designed in the middle of the last century. We now know how much more we have to do to create an effective system of international rules. We must strengthen the system of global governance to meet the challenges of our interdependent world. We must reshape our global architecture to meet the new challenges: climate change, energy security, poverty, migration. And in doing so we must stand up for both our vital interests and our essential values.

Another non sequitur. I'm sure that the institutions Brown has in mind have only one member with veto rights, and he's so proud that he has the right phone number to know beforehand when the veto will be used.

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Mr Brown: in order to stand up to your values, you must be true to them. In order to stand up for your vital interests, you have to ensure that you actually have those interests (and not those of a very small subset of the people you claim to represent) at heart.

But again, this is not about policies. They're pathetic. This is about politics, and stories. and Brown is selling the irresistible story of the good guys standing up to the evil enemy that seems to be threatening us. That this is is distracting us from policy is not an unwanted side effect, it is the very purpose of articles like this one.

but if nobody calls him on it, then ... it <u>works</u>. And it gets repeated by people, like <u>Jeremy Leggett</u>, an otherwise respected peak oiler, and it gets legitimized even in otherwise skeptical crowds. (this post is already long enough as it stands, but you can read my debunking of Leggett's article <u>here</u>).

Meanwhile, our aggressive grandstanding is fast alienating Russia, which might one day wonder why we think we have a God-Given Right to receive any of the gas under their toundra. The mindless posturing has very real consequences in the real world.

Bleh.

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