

Obama's Attempt at Intimidating Russia

## 11/06/2014



Crimea from Russia, US Admiral Cecil Haney confirmed that the US Air Force had deployed two B-2 stealth bombers to Europe to conduct military exercises. The addition of the multipurpose B-2, which is capable of delivering nuclear weapons, is intended to send a message to Moscow that the United States is prepared to provide backup for Ukraine's fledgling government and to protect its interests in Central Asia. News of the deployment was reported in the Russian media, but was excluded by all the western news outlets.

The B-2 announcement was preceded by an inflammatory speech by Poroshenko at the presidential "swearing in" ceremony in Kiev. In what some analysts have called a "declaration of war", Poroshenko promised to wrest control of Crimea from Russia which annexed the region just months earlier following a public referendum that showed 90 percent support for the measure. Here's part of what Poroshenko said:

"The issue of territorial integrity of Ukraine is not subject to discussion...I have just sworn 'with all my deeds to protect the sovereignty and independence of Ukraine,' and I will always be faithful to this sacred promise...

"Russia occupied Crimea, which was, is and will be Ukrainian soil...Yesterday, in the course of the meeting in Normandy, I told this to President Putin: Crimea is Ukraine soil. Period. There can be no compromise on the issues of Crimea, European choice and state structure..." (<u>New York Times</u>)

On Thursday, the day before Poroshenko was sworn in, "President Obama and British Prime Minister David Cameron set a deadline for Russia to comply with its demands or face harsher economic sanctions that would be imposed by members of the G-7. Once again, the threat of new sanctions was largely ignored by the western media but was reported in the Israeli newspaper Haaretz. Here's an excerpt from the article:

"To avoid even harsher sanctions.. Putin must meet three conditions: Recognize Petro Poroshenko's election as the new leader in Kiev; stop arms from crossing the border; and cease support for pro-Russian separatist groups concentrated in eastern Ukraine.



"If these things don't happen, then sectoral sanctions will follow..."

Obama said the G-7 leaders unanimously agree with the steps Cameron outlined." (Haaretz)

The United States is ratcheting up the pressure in order to widen the conflict and force Russian president Vladimir Putin to meet their demands. It's clear that the threat of sanctions, Poroshenko's belligerent rhetoric, and the steady buildup of military assets and troops in the region, that Obama and Co. still think they can draw Putin into the conflict and make him look like a dangerous aggressor who can't be trusted by his EU partners. Fortunately, Putin has not fallen into the trap. He's resisted the temptation to send in the tanks to put an end to the violence in Donetsk, Lugansk and Slavyansk. This has undermined Washington's plan to deploy NATO to Russia's western border, assert control over the "bridgehead" between Europe and Asia, and stop the further economic integration between Russia and the EU. So far, Putin has out-witted his adversaries at every turn, but there are still big challenges ahead, particularly the new threats from Poroshenko.

If Poroshenko is determined to take Crimea back from Moscow, then there's going to be a war. But there are indications that he is more pragmatic than his speeches would suggest. In a private meeting with Putin at the D-Day ceremonies in France, the Ukrainian president said he had a plan to "immediately stop the bloodshed"

Here's how Putin summarized his meeting with Poroshenko:

"Poroshenko has a plan in this respect; it is up to him to say what kind of plan it is... I cannot say for sure how these plans will be implemented, but I liked the general attitude, it seemed right to me, so, if it happens this way, there will be conditions to develop our relations, in other areas, including economy.

"It's important to stop the punitive actions in the southeast without a delay. That's the only way to create conditions for the start of a real process of negotiations with the supporters of federalization. No one has yet said anything concrete to the people (living in the southeast of Ukraine) and nothing practical has been offered to them. People there simply don't understand how they'll live in the future and what the parameters of the new Constitution will look like." (Poroshenko tells Putin of plan to immediately stop bloodshed in Ukraine, Itar-Tass)

If the report is accurate, then there's reason to hope that Poroshenko is moving in Russia's direction on most of the key issues which are; greater autonomy for the people in East Ukraine, Constitutional provisions that will protect them from future abuse by Kiev, and an immediate end to the violence. Putin has sought assurances on these issues from the very beginning of the crisis. Now it looks like he might get his way. Of course, it is impossible to know, since Poroshenko is sending mixed messages.

So why is Poroshenko sounding so conciliatory in his private meetings with Putin, but so belligerent in public?

It could be any number of things, but it probably has a lot to do with Monday's scheduled tripartite meetings of representatives from the European Union, Ukraine and Russia. These meetings will have incalculable impact of Ukriane's economic future. They will resolve the issues of price for future gas purchases as well as a plan for settling all previous claims. (Russia says that Ukraine owes \$3.5 billion in back payments for natural gas.)

On April 1, Gazprom cancelled Ukraine's discount and raised the price of gas to 485.5 dollars per 1,000 cubic meters nearly doubling the rate of payment. (It had been \$268.5 per 1,000 cubic meters) It is impossible to overstate the impact this will have Ukraine's economy. Even Ukrainian hardline Prime Minister Arseniy Yatsenyuk was candid in his dire assessment of the situation. He said, "I could have made a populist statement but it is not true. We cannot refrain from using Russian gas."

If Poroshenko sounds conciliatory, this is why.

Putin refused to discuss the gas issue with the media, but implied that political developments in Ukraine would factor heavily into any decision by Gazprom.

"Russia will be compelled to enact economic protection measures to defend its market if Ukraine signs the association agreement with the EU. "As soon as that accord is signed, we'll start taking measures to defend our economy," Putin said. (Itar-Tass)

In other words, if Ukraine doesn't play ball, it's going to have to go-it-alone. Kiev cannot expect "most favored trade partnerstatus", gas discounts, or other perks if they're going to stab Moscow in the back and jump into bed with the EU. That's just not the way things work. Putin is merely warning Poroshenko to think about what he's about to do before taking the plunge. ( "Average gas prices for Ukrainian households began rising by more than 50 percent in May, and heating prices are expected to climb by about 40 percent, starting in July." World Socialist Web Site)

This is a much more important issue that most analysts seem to grasp. Many seem to think that IMF, EU and US loans and other assistance can buoy Ukraine's sinking economy and restore it to health. But that's a pipedream. In a "must read" report by the Brookings Institute, authors Clifford G. Gaddy and Barry W. Ickes spell it out in black and white, that is, that "Ukraine is a prize that neither Russia nor the West can afford to win." Here's a clip from the text:

"It is clear to most observers that the West would not be able to defend Ukraine economically from a hostile Russia...The simple fact is that Russia today supports the Ukrainian economy to the tune of at least \$5 billion, perhaps as much as \$10 billion, each year...

When we talk about subsidies, we usually think of Russia's ability to offer Ukraine cheap gas — which it does when it wants to. But there are many more ways Russia supports Ukraine, only they are hidden. The main support comes in form of Russian orders to Ukrainian heavy manufacturing enterprises. This part of Ukrainian industry depends almost entirely on demand from Russia. They wouldn't be able to sell to anyone else...

If the West were somehow able to wrest full control of Ukraine from Russia, could the United States, the other NATO nations, and the EU replace Russia's role in eastern Ukraine? The IMF, of course, would never countenance supporting these dinosaurs the way the Russians have. So the support would have to come in the way of cash transfers to compensate for lost jobs. How much are we talking about? The only known parallel for the amount of transfer needed is the case of German reunification. The transfer amounted to 2 trillion euros, or \$2.76 trillion, over 20 years. If Ukraine has per capita income equal to one-tenth of Germany's, then a minimum estimate is \$276 billion to buy off the east. (In fact, since the population size of eastern Ukraine is larger than East Germany's, this is an underestimate.) It is unthinkable that the West would pay this amount." (Ukraine: A Prize Neither Russia Nor the West Can Afford to Win, Brookings)

The authors go on to show that "a NATO-affiliated Ukraine — is simply impossible under any real-world conditions" because it assumes that Russia will either "become an enthusiastic EU and NATO member itself" (or) "will it return to being the bankrupt, dependent, and compliant Russia of the 1990s." In other words, the Obama administration's strategic objectives in Ukraine do not jibe with economic reality. The US cannot afford to win in Ukraine, that's the bottom line. Even so, we are convinced the aggression will persist regardless of the presumed outcome. The train has already left the station.

At the D-Day ceremonies, Putin and Poroshenko also met briefly with German Chancellor Angela Merkel and French President Francois Hollande although the content of their discussions was not revealed. Public support for the two leaders' Ukraine policy is gradually withering as the fighting continues in the East without any end in sight. An article in the popular German newspaper Die Zeit indicates that elite opinion in Europe is gradually shifting and no longer sees Washington's Ukraine policy as being in its interests.

Here's a brief summary from the WSWS: "It goes on to argue that Washington's aggression is laying the foundations for a Chinese-Russian-Iranian axis that "would force the West to pursue a more aggressive foreign policy to secure its access to important but dwindling raw materials such as oil." In opposition to this, the commentary insists that Germany's independent interests lie "with preserving and deepening Europe's relations with Russia," while pursuing similar ties with Iran." (D-Day anniversary: Commemorating the Second World War and preparing the Third, World Socialist Web Site)

This is an important point and one that could put a swift end to US aggression in Ukraine. Washington's objectives are at crosspurposes with those of the EU. The EU needs a reliable source of energy and one, like Russia, that will set its prices competitively without resorting to coercion or blackmail. Washington, on the other hand, intends to situate itself in this century's most prosperous region, Eurasia, in order to control the flow of oil from East to West. This is not in Europe's interests, but promises to be a source of conflict for the foreseeable future. Case in point: Just last week Bulgaria's prime minister, Plamen Oresharski, "ordered a halt to work on Russia's South Stream pipeline, on the recommendation of the EU. The decision was announced after his talks with US senators."

According to RT News, Oresharski stopped construction after meeting with John McCain, Chris Murphy and Ron Johnson during their visit to Bulgaria on Sunday.

McCain, commenting on the situation, said that "Bulgaria should solve the South Stream problems in collaboration with European colleagues," adding that in the current situation they would want "less Russian involvement" in the project.



"America has decided that it wants to put itself in a position where it excludes anybody it doesn't like from countries where it thinks it might have an interest, and there is no economic rationality in this at all. Europeans are very pragmatic, they are looking for cheap energy resources – clean energy resources, and Russia can supply that. But the thing with the South Stream is that it doesn't fit with the politics of the situation," Ben Aris, editor of Business New Europe told RT." (<u>Bulgaria halts</u> <u>Russia's South Stream gas pipeline project</u>, RT)

Once again, we can see how US meddling is damaging to Europe's interests.

Western elites want to control the flow of gas and oil from East to West. This is why they've installed their puppet in Kiev, threatened to levy more sanctions on Moscow, and moved B-2 stealth bombers into the European theater. They are determined to succeed in their plan even if it triggers a Third World War.