

## **Fighting Back Against Western Sanctions on Russia**

By Ulson Gunnar Global Research, August 23, 2014 New Eastern Outlook Region: <u>Russia and FSU</u> Theme: <u>Global Economy</u> In-depth Report: <u>UKRAINE REPORT</u>

While the impact of sanctions leveled against Russia is being debated, one fact is perfectly clear; the dangerous interdependence cultivated by the concept of "globalization" leaves nations vulnerable amid a global order dominated by hegemonic special interests that use such interdependence as a weapon.

Two rounds of sanctions have been leveled against Russia targeting Russian banking, arms manufacturing, and oil industries. Even as the sanctions are marketed to the world as Russia "paying a price" for its role in "destabilizing" Ukraine, Russia has been busy cultivating ties and expanding markets that are increasingly found outside the West's spheres of influence and therefore, beyond the reach of these sanctions. Russia is also looking inward to diversify its markets and seek socioeconomic independence.

Instead of viewing the sanctions as an impassable obstacle requiring capitulation to Wall Street and London, Russia has viewed them as a challenge to sever reliance on unstable markets. More so, Russia's quest for alternative markets is a means of applying its own form of pressure back upon the West. While the West attempts to portray the sanctions as "cutting off Russia," the restrictions do at least as much to isolate the West itself.

## Multipolar World Vs Western Hegemony

In a unipolar world, supranational geopolitical blocs like the EU (European Union), the African Union, ASEAN (Association of Southeast Asian Nations), and regional free trade agreements serve to consolidate and open up the collective socioeconomic potential of the planet to those at the top of this international order. Currently, this constitutes the special interests on Wall Street, in the city of London, and among the special interests converging in Brussels. Interdependence is intentionally cultivated among the various members of individual blocs and between supranational blocs themselves. This ensures that leverage is constantly maintained over each individual national entity, making individual nations incapable of sidestepping collective initiatives of the blocs they are a part of.

In the European Union, this can be clearly seen as individual nations benefiting from ties with Moscow are attempting with limited success to rebel against broader EU sanctions against Russian industries.

The use of sanctions across several supranational blocs, including North America, the EU, and to a lesser extent, the West's proxies in nations like East Asia's Japan, had at one point critically threatened those nations targeted by them. Nations like Iran or Cuba who have suffered under Western sanctions for decades are clearly behind because of them. Behind, but not out.

As technology enables each individual nation to procure wealth on its own it once depended on trade with other nations for, the impact of sanctions is diminishing. The impact of sanctions is also undermined by a growing alternative international order outside of the West's unipolar paradigm. BRICS, the nations of Brazil, Russia, India, China, and South Africa, constitute the leading edge of the rise of the developing world. No longer satisfied with subservience to the Wall Street-London global order, nor eager to find themselves entangled beneath another global empire led by another global superpower, these nations are attempting to redefine international relations in more traditional, multilateral terms.

Becoming self-sufficient economically while redefining international ties in a less interdependent manner, appears to be the defining aspect of the emerging multipolar world BRICS is attempting to create. The creation of international trade outside the traditional framework of the IMF, the World Trade Organization, and other institutions created by the West, for the West, has gradually eroded the impact of sanctions, penalties, and monopolies empowered by Western domination over international finance and global trade.

More to Do

While Russia seems to be taking Western sanctions in stride, the fact that the United States and Europe are targeting Russia in the first place is a warning to all members of BRICS as well as to developing nations around the world. In the capitals of nations residing outside the Wall Street-London international order, the possibility that any one of them could be next should be at the center of economic planning and the future of their respective foreign policy.

Creating alternative markets outside this international order could be a short-term stop gap. In Russia's case, growing ties with China in terms of energy exports ensures a lasting alternative market for Russian natural gas that is set only to grow in the future as the West attempts to cutoff and isolate both Moscow and Beijing.

Seeking to create economic opportunities and progress domestically could be a more longterm and lasting solution. Russia's decision to ban the import of food products from nations targeting it with recent sanctions gives BRICS an opportunity to expand in the void left by European, American, and Australian agricultural industries. It also gives an opportunity for Russian producers to expand their operations domestically. In the immediate aftermath of Russia banning imports from the West, stocks in Russia's agricultural industry soared. While such spikes are more due to speculation than an actual jump in value, the fact that these producers now have an incentive to expand may create long-term value to justify investor confidence today.

But rather than waiting for sanctions to begin disrupting the socioeconomic status quo of a nation residing outside Western hegemony, a disruption the sanctions are designed specifically to create, why shouldn't BRICS and other developing nations begin the process of developing their domestic markets and alternative international trading regimes beforehand?

If Russia, the largest nation geographically, the ninth most populous, and with one of the most formidable conventional and nuclear military forces on Earth, can be targeted for sanctions aimed to cripple its economy, then any nation can be targeted. Russia, with its resources and leadership is able to cope and adapt to these sanctions and even perhaps come out stronger in spite of them. Other nations might not weather such adversity so gracefully. Across BRICS and other nations in the developing world, a concerted effort must be made to move away from the interdependence of globalization and back toward greater multilateral trade regimes and greater domestic economic self-sufficiency.

Ulson Gunnar is a New York-based geopolitical analyst and writer especially for the online magazine <u>"New Eastern Outlook"</u>

The original source of this article is <u>New Eastern Outlook</u> Copyright © <u>Ulson Gunnar</u>, <u>New Eastern Outlook</u>, 2014

## **Comment on Global Research Articles on our Facebook page**

## **Become a Member of Global Research**

Articles by: Ulson Gunnar

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: <a href="mailto:publications@globalresearch.ca">publications@globalresearch.ca</a>

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca