MARGINALIZED GLOBAL NEWS

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Category: Opinions

By Ashod Mardigian, Ontario, 6 July 2022

Long before the present war in Ukraine many countries were grumbling against dominance of Petro-dollar which gained the position of hegemony following WW II. Simultaneously there were attempts to stray away from neoliberal approach in economy. These developments are **infrequently** featured in the western mainstream media.

Europe was first to move and established the Euro.

Next major move was creation of BRICS in 2015 and it is still evolving (**B**razil, **R**ussia, **I**ndia, **C**hina, **S**outh Africa). Iran and Argentina are the latest countries that have made applications to join the new formation. The New Development Bank (NDB) in Shanghai under control of BRICS is the primary hub that will act as an alternate to **International Monetary Fund** to extend long term loans to developing countries to help finance infrastructure projects. In addition to the original BRICS countries, Bangladesh, Egypt, United Arab Emirates and Uruguay have joined the NDB.

The US influence has significantly diminished in South America and China now is a serious competitor. Some analysts opine that China has even surpassed in trade relations on this continent. Significant inroads have been established in Africa and south east Asia. Russia has agreed to lease vast areas in eastern Siberia to China on a long term basis.

These changes are accompanied with and reflected in the political field as well. A wave of a new kind of socialism in the absence of USSR is experimented in South America away from the hard approach of former times. Excepting the Caribbean and the smaller central American countries most others are now governed by centre-left rulers. Latest examples were Chile and Colombia. Lula is poised to come back to power in Brazil and Argentina is in honeymoon mode. Ecuador readies itself for a makeover. Indigenous people are playing a bigger role, and climate concerns are in the forefront.

It was very telling that Mexico's president did not attend the latest Pan-American conference held in US and hosted by president Biden. It was a protest against not inviting Cuba, Venezuela and Nicaragua. It's important to note that Mexico is one of the partners in the North American Free Trade Agreement (NAFTA)**,** the other two are Canada and USA. Chile, which was present, along with two other countries also criticized the omission of those three countries. The significance is that a few years ago they would have not dared to criticize USA publicly. Time will tell how serious a challenge was this act of “protest”.

If in the past the lines were drawn between the two opposing camps (capitalist and socialist), that's no more the case. Although the basis of all is economy other concerns have come to the forefront: climate change, security and assertion of sovereignty in economic and trade affairs. That's why in the non-US camp there is cooperation between socialists (Cuba. Venezuela, Nicaragua), countries with mixed-economy (China and others) and simply oligarchy (Russia). This feature, though, may

evolve into an obstacle in long-term cooperation.

The war in Ukraine should also be looked at in the above context. Gyrations in the market will continue irrespective of the war. Probably the war was a catalyst in the process outlined above. The rising parity of Rouble to the Dollar is only one manifestation of a change in evolution, and some countries are already trading with Chinese Yuan.

Continuation of the war is being fed primarily by the US and the UK to bleed Russia into submission. An old Anglo-Saxon dream that so far has not been realized. Whether it succeeds this time around depends on several factors which are not directly related to the war but dependent on local politics in the UK and the US. The only way that Russia can be brought to submission is breaking the military alliance within CSTO, specially between Russia and central Asian countries, Russia's soft belly. The US and the UK elite know well that if they lose this chance it will be harder in future.

With respect to the Republic of Armenia whose existence is much dependent on how the international winds blow, and bearing in mind the constant global changes as outlined, should be very careful in its diplomacy. Simultaneously it should strengthen itself militarily with whatever means possible. The west will not fight for us; Ukrainian experience should teach us a lesson; whereas Russia, whether we like it or not, is present in our midst.

If China and India remain steadfast in their independent approach towards the west (plus the Latin Americans), we will have a bipolar world. The challenge BRICS faces is the following: they are not well organized, economically not sophisticated and steady like the west. Some are also politically unsteady. Latins are prone to change governments and could elect pro-west rulers. The huge distances among this new entity members works against them. Unlike the west they are not mono-cultures.

Comments



Tavo – 2022-07-10 17:33:08
The author writes: "The west will not fight for us; Ukrainian experience should teach us a lesson; whereas Russia, whether we like it or not, is present in our midst." True. And let us not forget Russia has betrayed and is betraying Armenia by having allowed, and by allowing, outside attacks on Armenia and the occupation of parts of southern Armenia. Thus, Russia and the CSTO continue to violate their defense treaties with Armenia. Russia is weakening Armenia. This is hardly the conduct of an ally. It is the conduct of a rat.