

sian firms from gaining controlling stakes in energy-delivery and other companies in Europe.

Jean-Claude Juncker, the Luxembourg prime minister and finance minister who is a leading candidate for the single-Europe presidency under the Lisbon Treaty, called Feb. 7 for measures to block Russian acquisitions in Europe. Speaking in Japan before the G-7 finance ministers' meeting, which he attended as chairman of the Eurogroup of finance ministers, Juncker demanded roadblocks to the investment of Russia's sovereign wealth funds—accumulated from taxation of oil and gas exports—in Europe, saying, "It is unacceptable that while Russia's government-affiliated fund is sweeping into Europe, European companies are in a situation where they are unable to do similar activities in Russia."

Another British plan to curb Russia's energy clout, this time by exploiting weaknesses in its gas sector, appeared in January from the Defence Academy of the U.K. In *The Shrivenham Papers #6*, titled "Russia & the West: A Reassessment," James Sherr raised an alarm, writing: "A powerful Russia is once again a fact of life.... They have recovered pride in their own traditions and are determined to advance their own interests.... The post-Cold War partnership, founded at a time of Russian disorientation and weakness, is over.... Although Russia is not a global threat, it seeks to be both enabler and spoiler." Sherr berated Western leaders for having "underestimated" the Russian leadership's assumption that it should have "equal say" with other nations, concerning security issues in Europe.

The British analyst proceeded to catalogue weaknesses of the current Russian system, which could contribute to cutting Russia down to size. In the economic field, Sherr pointed to vulnerabilities in the energy sector, the chief one of which, he proposed, is Gazprom's failure to develop new gas fields. The Russian gas monopoly depends on purchasing gas from Central Asia, in order to meet domestic demand and also export. For Sherr, the most promising developments in the energy field are revitalized EU efforts to force Russia to change Gazprom's distribution practices.

## The EU and NATO

While negotiating hard for its interests as an energy exporter, Russia is highly sensitive to the EU's military-strategic expansion eastward. On Feb. 18, dozens of Russian media carried an RIA Novosti dispatch on the reported intention of French President Nicolas Sarkozy to push, "after the Lisbon Treaty goes into effect," for the creation of elite EU military forces. Left-wing and patriotic press ran sensational headlines like "Sarkozy Prepares To Fight Russia." The Novosti article itself, while lower-key, interviewed an expert from the Institute of World Economy and International Relations (IMEMO), who reflected the close Russian attention to potential military projects that may be launched under the EU.

In the as yet unannounced Sarkozy plan, wrote Novosti,

the EU elite force would comprise 10,000 men from each of six EU countries: France, the U.K., Germany, Italy, Spain, and Poland. Dr. Vladimir Yevseyev, the IMEMO analyst, said it remained unclear whom the EU expects to be fighting, but he indicated that IMEMO and others are carefully studying how such a joint EU force would work.

In a Feb. 20 speech at the Hudson Institute, U.S. Deputy Assistant Secretary of State for European Affairs Kurt Volcker brought the energy and military themes together, saying that NATO would be the institution to "protect" European customers from any cut-off threatened by Russia. "The EU ought to impose restrictions on the bundling of energy companies and energy supply so that it breaks up monopolistic tendencies in the marketplace," Volcker said, taking aim at Gazprom. "There are also things that can be done within NATO. The things that NATO is good at are the operational things,

## 'Economist' Editor Slams Westphalia; Lauds Lisbon

*Edward Lucas, editor for Russian and Eastern European affairs for the Economist magazine, the official publication of the British Empire, has written a book, The New Cold War: Putin's Russia and the Threat to the West (Hampshire, England: Palgrave Macmillan, 2008). During a book signing, prior to a lecture he was to deliver at the Watson Institute at Brown University in Providence, R.I., two LaRouche PAC (LPAC) organizers, Alexandra Peribikovskiy and Matthew Ogden, drew him into a pointed dialogue, during which he exposed his lust for the Lisbon Treaty process, which aims to eliminate the sovereignty of nation-states, and bring to an end the era of Westphalia.*

*A paraphrase of the exchange follows, with direct quotations indicated:*

**LPAC:** What do you think of the Kennebunkport process, launched at the meeting of Putin with Bush?

**Lucas:** Bush said he looked into Putin's eyes and saw his soul; I would have seen the letters KGB.

**LPAC:** Many people have compared Putin's Kennebunkport proposal to Reagan's SDI [Strategic Defense Initiative].

**Lucas:** I think the concept of strategic defense is highly overrated.

**LPAC:** While Putin was involved in the meetings

the concrete things, where there is a security element that NATO can tackle. . . . The day-to-day things that happen in the energy field are not going to be done through NATO. But the consequence is that if you nonetheless have a catastrophic interruption of energy supplies to a NATO member, then that is a security issue. That is a strategic issue that NATO needs to think about.”

This posture would not be presented as “anti-Russian,” Volcker hastened to add, but rather as “pro-free market.”

The shift of London and the EU, during 2007, towards increased confrontation with Russia makes sense of the contrast between Foreign Minister Sergei Lavrov’s formulation of the place of Russia and Europe in the world, which he put forward at the beginning of last year, and President Putin’s stark warnings, made at the close of the Russia-EU summit in Lisbon, Oct. 26, 2007. Speaking to *Izvestia* in January 2007, Lavrov

named a “Russia-USA-EU triangle” as one important constellation of nations, which he defined not in any narrow, “Atlantic” way, but on a Eurasian scale, saying, “For us, it is of fundamental importance to establish practical cooperation in the area from Vancouver [eastward] to Vladivostok. . . . Such cooperation would also provide a material guarantee for those who fear Russia may want to ‘drive a wedge’ into relations between the USA and Western Europe.”

In October, however, Putin compared the ongoing show-down over the Bush-Cheney Administration’s desired installation of missile defense systems in EU-NATO members Poland and the Czech Republic, to the Cold War brinkmanship of the 1960s. “Analogous actions by the Soviet Union provoked the Cuban missiles crisis,” Putin said. “For us, technologically, the situation is very similar. On our borders, such threats to our country are being created.”

at Kennebunkport, many leading people in Moscow were repeatedly discussing the legacy of Franklin Roosevelt.

**Lucas:** Well! I think Putin has his own reasons for bringing up FDR!

**LPAC:** Both the Kennebunkport proposal and the SDI are reminiscent of Roosevelt’s war-time Russian-American alliance. In fact, the Russian-American partnership goes all the way back to the Civil War and even the American Revolution. And, ironically, America was always allied with the Russians, against the British!

**Lucas:** World politics were different back then.

**LPAC:** In the context of the crash of the entire world financial system, what do you think about the United States entering into an alliance with Russia and China, to stabilize the dollar, as Roosevelt did with the Bretton Woods conference?

**Lucas:** Why should Russia be party to that sort of conference? Economically, Russia is now a third-rate power. They have no economic power. They’re at the level of a Holland, or a Belgium. Why should the Dutch or the Belgians have a seat at the table discussing a new world system?

**LPAC:** Brussels wants to dictate the new world system, actually! The Lisbon Treaty would give the president of a United Europe a seat in Belgium.

**Lucas:** [direct quote] “I am a strong advocate of the Lisbon Treaty. I support it 100%! We should end all of this discussion and debate about an EU Constitution, and just do it! Just make it happen!”

**LPAC:** So you advocate the elimination of sovereignty for the nations of Europe?

**Lucas:** “The nations of Europe don’t need sovereignty! They no longer need to be separate states; Europe needs to create its own internal market.”. . .

**LPAC:** What you’re advocating would mean the end of the Westphalian System.

**Lucas:** “I HATE THE WESTPHALIAN SYSTEM! The world needs to move beyond the age of Westphalia!”

**LPAC:** You don’t believe that government should exist to promote the general welfare of its people?

**Lucas:** “I believe in international security organizations, like NATO . . . international governing institutions.”

**LPAC:** You know, here in the United States of America, we Americans value highly the idea of national sovereignty.

**Lucas:** I don’t know much about the American system of politics, but I don’t believe in sovereignty. By the way, are you two part of some specific political party or group? I am beginning to notice a certain consistency in your questions. . . .

**LPAC:** Let us ask you one last question. Would you support the construction of a tunnel across the Bering Strait, to connect Russia and the United States, as proposed by Lyndon LaRouche?

**Lucas:** LaRouche! I wouldn’t support anything that that crackpot LaRouche proposed!

**LPAC:** He was the intellectual author of the SDI, you know. . . .

**Lucas:** Members of your group intervened in an event that I held in Washington recently! You practically destroyed my event!