

## **BRICS/SCO Sow Panic in Exceptionalistan**

**By getting BRICS, SCO and EEU leaders in one place Russia sent a graphic message about the emergence of a coordinated Eurasian drive towards a world order not dictated by the west**

By Pepe ESCOBAR,  
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As austerity-ravaged Europe watches its undemocratic “institutions” grapple with the Greek tragedy, and the US backtracks on a fair nuclear deal with Iran, geopolitical tectonic plates are shifting in the Urals.

Can you feel an inchoate multipolar world? Well, just look right here at the BRICS 2015 Ufa declaration. (1) The EU is hardly featured in the BRICS declaration and not by accident.

Forget about the dead on arrival G7. This – the joint BRICS/SCO summit – is the real deal in 2015. Russia’s diplomatic masterstroke was to merge two summits – BRICS and the Shanghai Cooperation Organization (SCO) - with a third, informal meeting of the Eurasian Economic Union (EEU).

After all, some nations with leaders present in Ufa are members of at least one of these organizations. But the absolute key point is that getting BRICS, SCO and EEU leaders in one place packs a graphic punch about the emergence of a coordinated, Eurasia-wide, and in some aspects worldwide **drive towards a more equitable world order not dictated by exceptionalists.**

So here’s the not-so-veiled message to Rouhani and Foreign Minister Zarif: Iran will be “punished” for getting too close to Moscow. And then there’s Iran. President Rouhani met President Putin in Ufa to discuss a formidable range of topics. Not least the coming acceptance of Iran as a member of the SCO, assuming there is a deal in Vienna and after UN sanctions are lifted.

Right on cue, and also not by accident, US President Barack Obama issued marching orders to Secretary of State John Kerry to backtrack from some positions the entire Iran/P5+1 diplomatic corps was already taking for granted – **as a top Iranian negotiator confirmed to me in Vienna.**

### **Have strategy, will travel**

Only Russia is a member of all three organizations – BRICS, SCO and EEU. Russia and China are key members of two – BRICS and SCO. The Russia-driven EEU is slowly but surely merging with the China-driven New Silk Roads. The key structural framework is the ever-solidifying Russia-China strategic partnership.

**As the Pentagon remains self-absorbed in its 2002-concocted Full Spectrum Dominance doctrine,** Russia and China counterpunch with full spectrum cooperation on politics, economics, finance, diplomacy and defense.

The endgame – which will be the apex of the current New Great Game in Eurasia – is a new global geopolitical structure anchored on Eurasian integration. Thus the importance of Iran: no matter what happens in Vienna, **Iran is the vital hub/node in Eurasia.**

The road has been long for the SCO. I remember when Euro-bureaucrats only a few years ago dismissed it as a mere talk shop. What started as a security forum to integrate the Central Asian “stans” so they would not be ravaged by terrorism and extremism evolved into a serious economic/political organization.

So now the SCO is starting to add to, and draw upon, the BRICS’s ever expanding economic cooperation, which features two essential pillars: the Asia Infrastructure Investment Bank (**AIB**) and the BRICS’s New Development Bank (**NDB**). As for the EEU, it is also indirectly linked to China, as part of the Russia-China strategic partnership.

This will all translate in the next few years into a complex maze of economic and trade/commerce networks traversing Eurasia. Call it the road map of the myriad New Silk Road(s).

### **Faster! Dust up our war plans!**

Here’s just a sample of what has been decided in Ufa: Putin and Chinese President Xi Jinping actively discussed, face-to-face, interlinks in the New Silk Road(s); India will become a full member of the SCO next year; Russia’s Finance Minister Anton Siluanov was appointed chairman of the BRICS New Development Bank (NDB), which will finance infrastructure projects not only in the five BRICS countries, but in other developing nations as well. **And all that based in their own currencies, bypassing the US dollar.**

The **NDB has the potential to accumulate as much as \$400 billion in capital**, according to bank head KV Kamath. The parent capital is \$100 billion.

Currency swaps are the way to go. It already applies to Russia and China on trade in futures, and Putin has dubbed its expansion to other nations as “interesting.”

A strategy for BRICS economic partnership has been devised that “touches upon the responsibility of different ministers and requires high-level coordination,” according to Russia’s Economic Development Minister Aleksey Ulyukaev, which means in essence easier trade between BRICS nations.

Both the China-led Asian Infrastructure Investment Bank (AIIB) and the NDB are headquartered in China. However, they won’t compete with each other; they will add to and complement one another.

Russia’s Direct Investment Fund (RDIF) signed a memorandum of understanding with the other BRICS. Significantly, China’s Silk Road Fund and India’s IDFC (Infrastructure Development Finance Company) are key partners.

**Russia will lift restrictions on Chinese banks working in Russia**, accelerating Beijing’s drive to invest in all sectors of the Russian economy.

Russia proposed a roadmap for investment cooperation. Crucially, that includes the possibility of an energy association, according to Putin, as well as an **international energy research center**.

The subject of energy brings us to Greece. Russia's Turkish Stream pipeline – yet another diplomatic/energy counterpunch after the EU scored a proverbial own goal by scotching the South Stream – will be linked to Greece.

No wonder that elicited panic in Exceptionalistan. What if Syriza's "flirting with Moscow" becomes a strategic shift, thus causing NATO's eastern flank to fall to pieces?

It doesn't matter that Russia wants a strong EU – and the EU won't be strong without Greece, as Russia's Foreign Minister Sergey Lavrov emphasized in Ufa.

So what does NATO propose to seduce anyone across Eurasia away from all the frantic BRICS, SCO and EEU politico/economic activity? Nothing less than an obsession with a "strategy rethink." In other words, detailed "secret" scenarios for a war on European soil.

That's all one needs to know about who wants what in the new, emerging geopolitical order. -- *emphasis m.z.* --

#### **Notes** (*m.z.*)

(1) **VII BRICS Summit, Ufa Declaration** (Ufa, the Russian Federation, 9 July 2015); URL: [http://www.brics.utoronto.ca/docs/150709-ufa-declaration\\_en.pdf](http://www.brics.utoronto.ca/docs/150709-ufa-declaration_en.pdf)