

**From:** Office of Terje Rod-Larsen <[REDACTED]>  
**Subject:** May 6 update  
**Date:** Tue, 06 May 2014 13:00:23 +0000

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[Article 1.](#)

Al Monitor

## **Hamas's Abu Marzouk says recognizing Israel a 'red line'**

Adnan Abu Amer

May 5, 2014 -- Gaza City, Gaza Strip — “ Hamas will not recognize Israel,” Mousa Abu Marzouk, deputy chairman of Hamas’ political bureau,

told Al-Monitor in an exclusive interview.

“This is a red line that cannot be crossed,” said the 63-year-old Hamas leader who played a pivotal role in achieving the [reconciliation deal](#) with Fatah on April 23.

Abu Marzouk’s remarks come as Hamas leader Khaled Meshaal and Palestinian Authority President Mahmoud Abbas meet in Qatar. The Hamas leader added that the Quartet’s requirement that Hamas recognize Israel “do not concern us one bit.”

“We would have spared ourselves seven years of misery under the siege and two wars in 2008 and 2012 had we wanted to recognize Israel,” he said.

Abbas said April 26 that a [unity government would recognize Israel](#), but this was not agreed upon with Hamas, according to Abu Marzouk, who said that Abbas “alone is responsible for his words.” He also reiterated Hamas’ refusal to disarm the [Izz ad-Din al-Qassam Brigades](#), despite requests by Fatah to do so as part of the reconciliation.

“Hamas’ position in this regard is clear, and it will not allow any tampering with the brigades’ armament under any circumstances,” said the Hamas deputy leader.

Abu Marzouk, who is based in Cairo, said he made a request to the Egyptian security services to permit him entry into Gaza to facilitate the deal, describing Hamas-Egypt relations as “markedly improving” following a period of high tension brought about by the ouster of former President Mohammed Morsi last July.

There has also been recent talk of a possible [visit by Meshaal to Tehran](#) to restore the ties that have been damaged by the Syria crisis. That visit remains indefinitely delayed.

Abu Marzouk conceded that restoring ties with Iran remains a work in progress, saying, “I do not think that the relationship with Tehran is as it was in the past, but there are efforts to repair it.”

The text of the interview follows:

**Al-Monitor:** Palestinians in Gaza and the West Bank are skeptical about the prospects of reconciliation. Are you confident that it will be implemented, in light of past failures? And why are the [Palestinian masses not convinced](#) that it will last this time around?

**Abu Marzouk:** The overall political situation is very difficult. But all problems must be faced for reconciliation, which came about as a result of internal and external factors, to succeed. First and foremost, contributing factors included the presence of a sincere desire toward that end on the part of Fatah and Hamas. The second factor was a disregard toward external meddling that disrupted these efforts in the past. And third was the political pressure felt by both sides. In the West Bank, Fatah has endured never-ending crises revolving around [Israeli] settlement efforts, Judaization and the failure of negotiations, while Hamas has had to contend with the siege and the dispute with Egypt. And fourth was the attempt by some Arab regimes to renege on their responsibilities toward the Palestinian cause under the pretext of internal Palestinian divisions. All of these factors bolstered efforts toward achieving reconciliation and emphasized the need to unify the Palestinian ranks.

The difference is great this time around, and reconciliation is not what it used to be. Yet, its implementation will require diligence by both parties, as well as seriousness in addressing the issues and a commitment to professionalism, to overcome all hurdles on the path toward ending the state of division, despite the reservations expressed by some. The issue of freedoms must thus be addressed, for it is shameful for Palestinians to be arresting other Palestinians and restricting their freedom. We must provide an atmosphere conducive to reconciliation, and put an end to the reprisals against resistance activists in the West Bank.

Its desire and conviction in reconciliation led Hamas this time to overcome many issues that remained contentious in the past. Instead of there being a victor and vanquished, achieving half a victory is much better than suffering a total defeat.

**Al-Monitor:** Many say that your arrival to Gaza played a pivotal role in achieving reconciliation. What is that role? And was Egypt's consent to you coming to the Gaza Strip an indication that it supports the ongoing efforts?

**Abu Marzouk:** I submitted an application to Egyptian security services to come to Gaza and participate in the signing of the reconciliation agreement. Three days later, the request was approved, with the hope that reconciliation would succeed this time. And indeed, this is what occurred, with Egypt being one of the first regional countries that lauded the effort.

**Al-Monitor:** It has been said lately that Hamas was considering nominating one of its leaders to the presidential elections. What is the background of this historical step, and what are its results?

**Abu Marzouk:** Hamas is seriously studying this issue, and our previous experience through legislative elections and governmental positions has proven that popular legitimacy is an important factor. As a result, we will deal with these elections with an utmost degree of national responsibility. We will participate in all public service and political elections. Presidential elections, on the other hand, were not the subject of prior deliberations by the movement, but the truth of the matter is that Hamas will not shy away from any future elections, regardless of their level.

**Al-Monitor:** The weapons wielded by the al-Qassam Brigades constitute one of the hardest issues dealt with in the reconciliation effort. What are Hamas' proposals in this regard, and what are the red lines that you think must not be crossed? Will you allow the brigades to be assimilated into the Palestinian security forces?

**Abu Marzouk:** This issue was not discussed at all in reconciliation negotiations with Fatah; it was never put on the table. The al-Qassam Brigades' weaponry is of national importance to confront the occupation. Hamas' position in this regard is clear, and it will not allow any tampering with the brigades' armament, under any circumstances, because it is a strategic asset for all Palestinians. In contrast, the Quartet negotiations require that violence be renounced, which, in effect, means that the al-Qassam weapons must be decommissioned. But this is unacceptable, and Hamas will reject it outright.

**Al-Monitor:** It was not clear whether Hamas would endorse the agreements signed between the PLO and Israel, if it became part of the former. Can you clarify the movement's position in this regard?

**Abu Marzouk:** Hamas will not recognize Israel. This is a red line that cannot be crossed. The future government is not interested in providing Israel with recognition, and the conditions set by the Quartet committee do not concern us one bit. We would have spared ourselves seven years of misery under the siege and two wars in 2008 and 2012 had we wanted to recognize Israel. Hamas underwent great political pressure and suffering during the past years, and yet it did not recognize Israel.

At the same time, Hamas will not burden the next government's success with hurdles and obstacles. On the contrary, it will strive to market it internationally. We were encouraged by the level of regional and international acceptance of the reconciliation. Russia and the European Union endorsed it, and the American and Israeli stances against it saw some marked retreat, which is encouraging.

[Abbas'] statement before the [Palestinian] Central Council on April 26, about the next government's commitment to his political line, was not agreed upon, and he alone is responsible for his words.

**Al-Monitor:** How important is the emergence of Mohammed Dahlan as a political actor in the Gaza Strip once again? And what about his public dispute with Abbas concerning the reconciliation decision?

**Abu Marzouk:** Hamas does not deal with Fatah as a disparate group of factions here and there. We signed a reconciliation agreement with Fatah, irrespective of [Abbas'] intentions or his internal organizational calculations. It is true that the split occurred with Dahlan's faction in Gaza in 2007, but Hamas is determined to implement the reconciliation agreement with all Fatah factions, regardless of their organizational loyalties or partisan allegiances.

**Al-Monitor:** What is the latest news concerning the protracted reconciliation between Hamas and Iran? What is causing the continued delay for Meshaal's upcoming visit?

**Abu Marzouk:** The region is undergoing a reshuffling of relations and alliances that includes Hamas. As a result, Hamas is endeavoring to fix some deep-rooted problems and ongoing differences as well as rectify any misunderstandings with Iran. I do not think that the relationship with Tehran is as it was in the past, but there are efforts to repair it as much as possible. We hope that it returns to normal, for Hamas must not be hostile in its relations, except with the Israeli enemy. Our relationship with Iran will be restored regardless of the Syrian crisis, because we share many commonalities, and we will do our best to restore it to past levels. Our improved relationship with Iran is determined by the extent of its proximity and support for the central issue that is the Palestinian cause. It is true that the relationship with Tehran was marred by some hesitation or deterioration, but Hamas is keen on bolstering those ties once again,

without prejudging the relations that exist between Iran and other regional countries.

**Al-Monitor:** Some believe that electing Abdel Fattah al-Sisi as president of Egypt would reduce tensions with Hamas. How do you view the development of the relationship between the two in light of your stay in Cairo and your contacts with the various political forces?

**Abu Marzouk:** We are a country under occupation, and we do not possess a surplus of power allowing us to forego others, including our Egyptian brothers. Egypt always played a pivotal role in all crucial moments of the Palestinian cause. As a result, we have no alternative for Egypt, and Egypt cannot do without us, because it is a main player in determining the course of regional policies.

I would like to stress that Hamas has never, nor will it ever, meddle in Egyptian affairs. It respects the choices that the Egyptian people will make in the coming period. I categorically deny the accusations and allegations leveled against Hamas concerning its meddling in Egyptian affairs. I can say that the relationship between Egypt and Hamas is markedly improving, and we hope that it will continue to evolve for the better until it is restored to its former glory.

*[Adnan Abu Amer](#) is dean of the Faculty of Arts and head of the Press and Information Section as well as a lecturer in the history of the Palestinian issue, national security, political science and Islamic civilization at Al Ummah University Open Education. He holds a doctorate in political history from the Demashq University and has published a number of books on issues related to the contemporary history of the Palestinian cause and the Arab-Israeli conflict.*

[Article 2.](#)

Boston Globe

## **Peace between unequal parties**

Andrew J. Bacevich

May 5, 2014 -- The collapse of Secretary of State John Kerry's effort to resolve the Israeli-Palestinian conflict has provoked much handwringing. A

recurring theme is this: Given that the deal's basic terms are known to all, why can't the parties involved just sign and have done with it? After all, the endgame is clear: Two states living side-by-side, Israel withdrawing more or less to its pre-1967 borders, Palestinians accepting compensation in lieu of an actual "right of return," and some sort of creative arrangement for sharing Jerusalem. Let's stop the bickering and get on with it.

The problem with this analysis is that it implicitly treats peace as an agreement between equals. That definition might pertain to relations between Norway and Sweden. But it does not describe relations between Israel and the Palestinians.

In politics, power determines outcomes, but power is always relative. Between Israelis and Palestinians, the disparity of power looms large and not by accident. Even before founding their state, Zionists were intent on acquiring a surplus of power. By means both fair and foul, Israel succeeded in doing just that. Today it has a regionally dominant conventional army; nuclear weapons and the means to deliver them; and the world's leading superpower in its pocket. By comparison, the Palestinians can claim no remotely comparable advantage.

So when it comes to relative power, Israel enjoys an immense edge, which the Israeli government has no intention of surrendering. For Prime Minister Benjamin Netanyahu, the "peace process" is not a means to settle differences through compromise or give-and-take. It's a mechanism to enshrine hard-earned Israeli advantages in perpetuity.

Several years ago, in outlining his own "vision of peace," Netanyahu spelled out the implications of this approach. "If we get a guarantee of demilitarization," he remarked, "we are ready to agree to a real peace agreement, a demilitarized Palestinian state side by side with the Jewish state."

Note that Netanyahu does not say, "When the Palestinians disarm, we will follow suit." In the eyes of most Israelis, doing so would constitute the height of folly. Similarly, to relinquish control over strategic terrain such as the West Bank or strategic resources such as water in return for assurances that by-gones will henceforth be by-gones will strike many Israelis as a dubious bargain.

Stripped to its essence, therefore, peace, as Israelis understand the term, is an agreement between supplicant and benefactor. It's the condition that

ensues when the weaker party meets the stronger party's requirements. Peace implies submission. Given its superior power, why should Israel settle for less?

Fair? Of course not. But in international relations, fairness is like good sportsmanship in pro hockey. You might give it a nod during postgame interviews. On the ice, meanwhile, you do whatever you can get away with.

Viewed from this perspective, when Palestinians refuse to acquiesce in Israeli demands — protesting the expansion of settlements in the occupied territories or balking at a requirement to acknowledge Israel's indelibly Jewish identity — they are willfully rejecting peace. Given that existing circumstances manifestly favor Israel, we may take with a grain of salt Israeli expressions of disappointment that peace should remain so elusive. The United States has limited ability to break this deadlock. Although an interested third party, it cannot simply mandate peace. As a practical matter, Washington's plausible policy options reduce to three.

The first, by far the easiest, is to perpetuate the never-ending charade of the "peace process." This implies tacitly endorsing the pro-Israeli status quo while affirming Palestinian statelessness for the foreseeable future. Solving nothing, it also costs nothing, merely kicking the can down the road.

The second option, by far the most dangerous, is to persuade the weaker party to accede to the stronger party's expectations. A Palestinian quasi-state designed with Israeli preferences uppermost in mind might yield a sort of peace, sullen but better than no peace at all.

But for the United States such an achievement will likely cost plenty. Any hint that Washington has forced Palestinians to knuckle under to Israel will further inflame anti-Americanism throughout the Islamic world. We have quite enough of that already.

The third option, by far the most difficult, is to peel away the advantages to which the stronger party has become accustomed. Reducing the disparity of power will level the playing field. Rendering the status quo less tenable might create incentives for meeting the other side halfway rather than issuing diktats or scoldings.

What makes this option so difficult is that the stronger party will not voluntarily relinquish its advantages. Just as obliging Palestinians to accept a made-in-Israel formula for a two-state solution would entail considerable

nudging so too will obliging Israel to negotiate with the Palestinians as equals.

When it comes to nudging, the United States has several tools at hand. It can curb the flow of US military hardware and technology to Israel. It can cease to indulge double standards regarding weapons of mass destruction. It can withhold diplomatic cover for Israeli actions inconsistent with US interests. None of these guarantee success. All entail risk. But together they might encourage Israeli leaders to rethink the consequences of continued inaction.

Although it may not be able to mandate peace, the United States can at least encourage the stronger partner to want it.

Which of these three options are our leaders in Washington most likely to choose? Count on them to take the easy way out.

*Andrew J. Bacevich is a professor of history and international relations at Boston University.*

[Article 3.](#)

Asharq Al Awsat

## **Israel alone is responsible for undermining the Palestinian–Israeli peace talks**

Barakat El-Farra

5 May, 2014 -- The division of the Palestinian arena following a coup by Hamas in the Gaza Strip on July 14, 2007 led to seven lean years that dealt the Palestinian cause a lethal blow. The division has led to severe damage, reflected in the weakening of the Palestinian position in the face of Israeli occupation, creating a situation from which Israel benefits first and foremost. The only losers are the Palestinian people, because their suffering has increased.

Despite the strenuous efforts Egypt has made since day one of the split between Hamas and Fatah, the two sides have never been able to reconcile because of Hamas' intransigence and procrastination. When a reconciliation agreement signed by Fatah was reached through Egyptian mediation in 2009, Hamas refused to sign it. The agreement stagnated until

May 5, 2011, when Hamas and other Palestinian factions signed up to what was called the Cairo Agreement. Then, in February 2012, the Doha Declaration complemented the Cairo Agreement. Despite this, neither agreement was able to push the reconciliation process even a single step forward due to obfuscation by Hamas, in what amounted to an evasion of the agreed-upon commitments.

The new Gaza Agreement stipulates operational mechanisms to implement the Cairo Agreement and the Doha Declaration. Such mechanisms include the formation of a government of national consensus, headed by President Mahmoud Abbas, within a five-week timeframe. Specialists and technocrats are to prepare for legislative, presidential and National Council elections. President Abbas set the date of simultaneous elections for all three bodies for at least six months in the future, after the formation of the government in consultation with the Palestinian factions. This latest agreement also includes creating a Special Committee of the Palestine Liberation Organization, as well as a Freedoms and Community Reconciliation Committee.

It is natural that Palestinian society and the Arab world should welcome this latest agreement and abide by it. Its implementation would end the seven lean years, and restore the lost unity of the Palestinian people. It would enable the Palestinians to better confront the Zionist occupation, restore the Palestinian cause to its rightful status on the world stage, and strengthen Palestine's position at the negotiating table. It would also ease the suffering endured by the Palestinian people as a result of their divisions, and renew their executive and legislative frameworks.

What is surprising about the responses to the reconciliation agreement is that the Israeli government decided to halt negotiations with the Palestinian side—even though everyone knew they were already over. It is hinting at new penalties imposed on the Palestinian people—as if there were a more severe penalty than that of occupation. Also surprising is Israeli Prime Minister Benjamin Netanyahu's declaration that President Abbas has to choose between peace with Israel and reconciliation with Hamas. Israel forgets that the two issues are unrelated. The prime minister of Israel has ignored the fact that Palestinian reconciliation is a Palestinian affair, not an Israeli one or anyone else's.

But when the prime minister of Israel has no desire for peace or intent to work towards it, and instead puts obstacles in front of every attempt to reach a compromise, it confirms the Arab and global public view that Israel is still refusing a just and comprehensive peace. Here we ask Netanyahu why he didn't release the fourth batch of Palestinian prisoners; why didn't he, under American supervision, do what he had already agreed to do? His actions led to the failure of these negotiations, while the Palestinian side presented all that was required of it to achieve the desired peace.

How long will Israel delay? How long will it occupy the territory of the Palestinian state as the international community stands idly by?

Israel is pushing the entire region to the brink by pursuing its aggressive policies of continued settlement and wall-building, the Judaization of Jerusalem, the desecration of holy sites—especially the Al-Aqsa Mosque—and the siege of the Gaza Strip by land and sea—not to mention the unrelenting raids, arrests, murder and aggression.

Israel must comply with international resolutions and international law and withdraw from the territory of the State of Palestine—now an observer member of the United Nations—instead of looking for flimsy and futile excuses. It knows it isn't fooling anyone anymore.

*Barakat El-Farra is Palestine's ambassador to Egypt and permanent representative to the Arab League.*

[Article 4.](#)

Foreign Affairs

## **The Czar of Brinkmanship**

Cynthia A. Roberts

May 5, 2014 -- It has been exceedingly difficult, over the past several months, to discern the precise limits to Russian President Vladimir Putin's willingness to escalate the crisis in Ukraine. In addition to stationing some 40,000 Russian troops on the Ukrainian border and ordering them to conduct military exercises, Putin has used pro-Russian activists, guided by covert Russian operatives, to foment unrest and instability in eastern Ukraine. All the while, he has warned that Kiev's military actions to

reassert government control violate the rights of those Russian populations and push the country to “the verge of civil war.” Putin has also suggested that the Ukrainian government, already on the brink of default, will have to pay for its gas at higher prices beginning on June 1 -- a veiled threat to the European Union, which depends on Russian gas imports through Ukrainian pipelines. Amid all of these threats, the ultimate goal of Putin’s risky provocations has remained unclear.

One might conclude that Putin is motivated by anger or resentment. After speaking with him in early March, as the crisis in Ukraine was still in its early stages, German Chancellor Angela Merkel seemed to draw that conclusion, telling U.S. President Barack Obama that the Russian president was living in “another world.” But Putin’s actions are not irrational. Understanding them requires a close reading of the international relations theorist Thomas Schelling, whose classic work on brinkmanship, *The Strategy of Conflict*, seems -- in its Russian translation, perhaps -- to have found its way onto Putin’s desk.

As Schelling explains, brinkmanship “is the tactic of deliberately letting the situation get somewhat out of hand, just because its being out of hand may be intolerable to the other party and force his accommodation.” Schelling would describe the dynamic that Putin has imposed in Ukraine as the “rationality of irrationality”: Putin has been purposefully generating risk and “exploiting the danger that somebody may inadvertently go over the brink, dragging the other with him.”

In threatening to intervene to protect Russian “compatriots” in Ukraine from the escalating violence that Moscow helped incite and has done nothing to stop, Putin is signaling that he has a tremendous amount at stake. If Western policymakers hadn't previously appreciated the extent to which Ukraine is a core Russian interest, they certainly do now. Ukraine’s alignment is central both to Putin’s conservative nationalist base and to Russian security as a buffer state, given its indefensible borders. Ukraine is the main artery through which Russian exports flow, and it remains part of the post-Soviet military-industrial complex. Putin's clearest geopolitical ambition, the creation of a Eurasian Union, allowing Russia to dominate its neighbors and act as a major regional power, would be impossible to achieve without a close relationship with Ukraine.

In an April 17 interview, Putin declared, "We have reached a point beyond which we cannot retreat." The Kremlin's determination to stop the advance of Euro-Atlantic institutions was signaled in a smaller campaign against Georgia in 2008. Now Putin also implies that Russia would begin to treat a broad swath of southeastern Ukraine -- a region historically called Novorossiia (New Russia) that was transferred to Ukraine by Soviet authorities -- as a Russian protectorate. But tough talk on Ukraine doesn't signal a preference for a war of conquest. Rather, his brinkmanship signals that Russia has higher stakes in Ukraine than the West. By communicating to leaders in Kiev and the West that he is willing to risk plunging Ukraine into outright civil war, Putin has already gained bargaining leverage in any discussions over Ukraine's fate.

Brinkmanship has had plenty of admirers among policymakers, especially during the Cold War, when Schelling formulated his theory. John Foster Dulles, who served as U.S. President Dwight Eisenhower's secretary of state from 1953 to 1959, is considered by some historians as the "master of brinkmanship." Recent research suggests that the Eisenhower administration's threats to "respond vigorously at places and with means of its own choosing," including the use of atomic weapons against China, if it expanded the war in Indochina in 1954, had an impact: the Chinese leadership modified its position and pressured the Viet Minh to make concessions for a negotiated settlement.

But Dulles himself warned that brinkmanship was not a strategy for the timid. "If you are scared to go the brink, you are lost," he explained: it was "the ability to get to the verge without getting into the war" that was "the necessary art." Soviet Premier Nikita Khrushchev, who admired Dulles for his nervy policy, agreed, as the historian Marc Trachtenberg has shown. He wielded the same tactic in a series of crises from 1958 to 1962, exploiting the vulnerability of West Berlin to pressure the West into recognizing East Germany as a separate state. Khrushchev managed to block West German ambitions while demonstrating his resolve to hawks in the Kremlin and communist bloc. "I think the people with the strongest nerves will be the winners," he said in 1958. "The people with weak nerves will go to the wall."

Although Schelling's theory suggests that policymakers who use brinkmanship wisely could prevail without having to fight, in practice the

record is mixed. In the Cuban Missile Crisis of 1962, President John F. Kennedy confronted the Soviet Union after discovering the secret installation of Soviet nuclear-capable missiles in Cuba, despite Khrushchev's repeated assurances that Moscow would not provide Havana with such weapons. Knowing -- as Kennedy did not -- that the nuclear missiles were fully operational and accompanied by tactical nuclear weapons under the control of local commanders to repel a U.S. attack against Cuba, Khrushchev recognized that the potential for uncontrollable risks and unintended outcomes greatly outweighed the limited payoffs to Moscow, so he prudently backed down. Paying no heed to this about-face, U.S. President Richard Nixon declared Khrushchev "the most brilliant world leader" he had ever met, because he "scared the hell out of people." Nixon embraced his own variant of the madman theory during the Vietnam War, when he ratcheted up nuclear alert levels to coerce the Soviets and their North Vietnamese clients to be more accommodating in peace talks. But the historical record shows that Nixon's coercive gambit had little effect. According to the scholars Scott Sagan and Jeremi Suri, Nixon's nuclear alert strategy "produced the worst of all worlds ... [it was] both ineffective and dangerous."

Putin's approach to Ukraine bears some resemblances to Khrushchev's strategy in Germany. Khrushchev was confronted with a West German leadership bolstered by economic recovery, increasingly serious in its nuclear ambitions, and eager for reunification on Western terms; he also faced challenges to his authority at home and elsewhere in the communist world. Putin, similarly, seems to be worried that a Ukraine anchored in the West will eventually become a prosperous democratic country and lead Russians to challenge their own stagnating crony capitalist system. Like Khrushchev, Putin has staked his domestic legitimacy, in part, on geopolitical advances in the face of foreign challenges and recalcitrant client states. Putin used both sticks and carrots in dealing with Viktor Yanukovich, Ukraine's former President, who resisted bringing Ukraine into Russia's orbit against the will of the many Ukrainians, who wanted their country to be oriented toward the European Union. Putin finally brought Yanukovich around, but this sparked the Maidan revolt, Yanukovich's rapid exit, and Putin's need to shift strategies. For both Khrushchev and Putin, a competition in risk-taking offered a beguiling

chance to solve multiple international and domestic challenges in one swoop, forcing others to compromise in unwanted tests of wills. Putin's brinkmanship has not only generated risks. It also reveals information about the bargaining range of possible deals that could be reached in Ukraine and which side is willing to commit more power to achieve its objectives. In contrast to President Obama, who ruled out the use of force, Putin has shown that he is strongly motivated to win. But very likely he would accept some outcomes short of his maximal position in order to prevent scenarios he would prefer to avoid. Putin would surely prefer not to launch an all-out invasion of Ukraine, or be stuck with the costs of defeating any subsequent insurgency. He would also likely rather avoid an economic war with the West. But the West should not confuse Putin's reluctance to carry out his threats about military intervention or Russian economic retaliation for extreme Western sanctions with a lack of determination to do so if he felt it necessary. With an economy the size of Germany's and substantial cash reserves, Russia is in a position to risk mutual economic destruction with the West. Moscow could strike blows against Western firms invested in Russia and take other economic measures that would wreak havoc on global markets and economic recovery in Europe. In that sense, although NATO should bolster the defenses of member states, the West would be foolish to match Putin's strategy with brinkmanship of its own. Instead, Western leaders should recognize that the West has significantly lower stakes in Ukraine's fate than Russia does and work on facilitating a deal that accommodates elements of all sides' second-best preferences. For Moscow, these include federalization of Ukraine with significant regional autonomy, Kiev's nonaligned status, and a trade partnership with Russia. For the West, this means stopping the spread of violence and keeping Ukraine intact. Rather than pass new sanctions or offer military support to Kiev -- which would escalate the crisis and run the risk of a collapse of the coalition government, full-blown war in Ukraine, and eventual partition -- the West should push Russia to help broker a deal it will support, provide a share of economic aid, and lower the price of gas. In the short term, this will mean that Russia will have significant sway over Ukraine's fate. But the West would still have the advantage in the long term. Khrushchev's brinkmanship half a century ago offers a cautionary tale for Putin. Although Khrushchev had correctly

calculated that the West was unwilling to risk a war over West Berlin, the West's acquiescence to the existence of two Germanys only created a new set of problems for Moscow, which soon shifted its strategy from brinkmanship to the building of the Berlin Wall. Khrushchev found himself obliged to stop a mass exodus of skilled workers to the West, shore up the East German economy with Soviet subsidies, and stem any risk of contagion within the Soviet bloc, which proved an immense economic burden that eventually contributed to the Soviet Union's final economic crisis. In Putin's case, as in Khrushchev's, short-term gains could boomerang into long-term disasters.

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[Article 5.](#)

Al Jazeera

## **Is Putin going all the way in Ukraine?**

Peter Zalmayev

5 May 2014 -- On May 4, in New York, a panel was held at the PEN International Literature Festival, devoted to the fall of the Berlin Wall and the Central European revolutions of 1989. Although originally the panel - which consisted of prominent intellectuals from Poland, Hungary, the Czech Republic - intended to take stock of the lofty lessons of the democratic "velvet" revolutions, the agenda quickly devolved into an angst-ridden colloquium about the tinderbox that is Ukraine these days. If there was any consensus reached during the discussion, it proceeded along the following lines: 1) The master in the Kremlin may go all the way in his Ukrainian adventure and there is little stopping him; and 2) Ukraine is a crucial battleground for Vladimir Putin's emerging new doctrine and a decisive test of the western resolve. To the last point, I would add that Putin's emerging "New Russia" doctrine serves one paramount goal: his own and his regime's survival.

As the date of Ukraine's presidential election, scheduled for May 25, approaches, cities and towns in eastern Ukraine and now Odessa continue to fall victim to the secessionist hysteria, with armed balaclava-wearing men in turn vandalising and occupying office buildings and setting upon anyone who dares disagree. Their demands range from a referendum on the independent status for the region to an outright annexation by Russia, based on the Crimea model.

The rabble-rousers' identities are apparently mixed - for example, many of them are local veterans of the Soviet war in Afghanistan while others, though mostly citizens of Ukraine, have an enduring nostalgia for the Soviet Union and may see in Putin the saviour of the Eastern Slavic, Eastern Orthodox world against the "onslaught of the decadent, fascist" West.

#### Daring tactics

Despite this demography and thanks to the capture of many rebels bearing Russian passports in Odessa and elsewhere, it has become undeniable that their actions are inspired and coordinated from Moscow - whether directly from the Kremlin, or through its now captive acolytes - former Ukraine President Viktor Yanukovich and his son Aleksandr. The rebels and their masters are resorting to increasingly daring tactics, with the reported downing of a Ukrainian army helicopter in Slovyansk and the apparent collusion of the police with the pro-Russian thugs in Odessa on Friday, which led to dozens of deaths after an administrative building was set on fire.

TV stations are being stormed to take Ukrainian channels off the air in favour of Russian state propaganda. The latter then dutifully files its "reports from Ukraine's battlefields", turning every single instance of blood spilled into a crime against humanity committed by Kiev's "junta". This is done in order to question its ability to hold a legitimate presidential election on May 25 and to continue the drumbeat of the threatened military intervention.

How ironic and indicative of the Kremlin's crude machinations is this spin, considering that it stayed completely silent when former President Yanukovich's storm troops and snipers were killing protesters on the Maidan by the dozen.

It is thus becoming clear that Putin is growing anxious that his operation in Ukraine may be losing steam as the government in Kiev steps up its anti-terrorist operations in the east. As the May 25 election approaches, the window of opportunity for Putin to justify an invasion of Eastern Ukraine is closing: It will carry too high a political cost to justify invading a country with an elected president as opposed to the current "junta" in Kiev. And if a few weeks ago a sober analysis of Putin's motives may have precluded an invasion of eastern Ukraine as being too politically and economically costly for Putin, now that cold-headed calculus may have to be revised. Having woken up the beast of Russian nationalism and jingoism, for Putin the Tsar and Liberator of Historically Russian Lands to back down now, seemingly in the face of limited Western sanctions, would be seen as ultimate weakness. One only has to look at the readers' comments under a random Ukraine-related article in state-sponsored press, such as the Soviet-era Izvestiya or Pravda, to see the kind of popular pressure Putin has placed himself under:

"Putin is a coward. Where is the army? Donetsk is up in flames and we are still idling by the border? What is this lice-ridden russophobe waiting for?"

"Were Putin to give up on Ukraine he would be the ultimate traitor to all Russians. Ukraine will be folded into NATO and will be used as a bulwark against Russia."

"All of the blood spilled in Ukraine is Putin's responsibility, for as long as he refuses to act and to teach those ornery Ukrainian fascists a lesson."

This sort of rhetoric is common currency today in Russia.

Containing henchmen and sympathisers

A major trial for the government in Kiev is looming on May 9, the day which celebrates the Soviet victory against Nazi Germany, when the Kremlin is expected to be planning spectacular pro-Russian "fireworks" throughout Ukraine's Russian-speaking areas.

If the government is able to prevent a major conflagration and if in the days that follow Kremlin henchmen and sympathisers in Donetsk, Luhansk or Odessa are contained as a result of Kiev's stepped-up anti-terrorist action, Putin may feel it a matter of his own survival to intervene. For then there will not be anyone left to push for the referendum leading to Ukraine's federalisation, as according to all reputable polls, 70 percent of

respondents in eastern Ukraine are against the country's division. Ukraine will have chosen its president; its army and security services will have honed their skills in dealing with the separatists; IMF funds will have started flowing to shore up the economy, and the Ukrainian state will have become much more viable, free to revisit the trade agreement with the EU. Ukraine will then reemerge on the path towards the West through adoption of EU's economic and political norms, which is what it sought to achieve when its citizens gathered in the hundreds of thousands on the Maidan square: a model antithetical to Putin's "sovereign democracy" and a potential threat to his survival. Were that allowed to happen, "the train will have left the station", as an old Russian saying goes.

Putin might then consider the cost of this scenario to himself and his coterie to be greater than the cost of the broken economy he would inherit in eastern Ukraine and even the inevitably harsh subsequent sanctions from the West.

And so, we continue to stand on the precipice of war in Ukraine and may be inching closer. But does an internal conflict in Ukraine, with or without Russia's military incursion, portend a World War III, as even cool heads are now asking? As Adam Michnik, the great Polish intellectual and leader of the 1980 Solidarity movement, asked rhetorically at the aforementioned panel: "Will a European or an American want to go to war to defend Estonia or Latvia, both of them members of NATO and the EU, if Putin invades them 'to protect the large ethnic Russian minorities' there?"

The audience responded with a resounding silence.

"Much less would it be willing to engage in any military action over the non-NATO, non-EU Ukraine," concluded the speaker. And that's why Putin is acting so recklessly in Ukraine: Because he can and because he thinks that he cannot afford not to.

*Peter Zalmayev is director of the Eurasia Democracy Initiative (EDI), an international non-profit organization dedicated to the promotion of democracy and rule of law in post-Communist transitional societies of Eastern and Central Europe, the Caucasus and Central Asia.*

[Article 6.](#)

Project Syndicate

# The Techno-Political Transformation

Klaus Schwab

May 5, 2014 -- It would be an understatement to say that our world is undergoing rapid and far-reaching change. The global economy, the geopolitical landscape, the environment, and technology are subject to constantly shifting conditions that reinforce and transform one another in a web of complex interactions. In such an unpredictable and interconnected setting, effective leadership must be based on a radical outlook, a multifaceted skillset, and an understanding of technology and talent. The trends that are shaping the twenty-first-century world embody both promise and peril. Globalization, for example, has lifted hundreds of millions of people out of poverty, while contributing to social fragmentation and a massive increase in inequality, not to mention serious environmental damage. Likewise, big data offers untold benefits to companies and consumers, but poses a real threat to privacy and personal freedom.

A similar dichotomy applies to many other critical issues, including adaptation to climate change, efforts to improve resource management, urbanization and the rise of megacities, increased labor mobility, and human-capital expansion.

The scale and complexity of the challenges that lie ahead are undoubtedly daunting. But rapid, far-reaching change can also present great opportunities. To make the most of them, the world needs technologically literate leaders – call them “techno-politicians” – who have an intuitive understanding of how to shape progress in this new, unpredictable environment.

Within the framework of techno-politics, economic growth and technological innovation are the two most important factors shaping the global landscape. How we adapt to and guide their trajectories will determine our collective future.

In economic terms, the world is entering an era of diminished expectations. If, as predicted, [average annual GDP growth](#) amounts to 3% in the foreseeable future, it will take 25 years for the world economy to double in size – ten years longer than it took before the global economic crisis, when

average GDP growth stood at 5%. Learning to live with slower growth will not be easy.

Given that debt-fueled consumption has run its course, productivity gains will become an increasingly critical driver of economic growth. But, at a time when [rising inequality](#) is undermining social cohesion, it is far from certain that the conditions required to support such gains – that is, improved education and stronger incentives to innovate – can be met. Perhaps most important, even as economic growth slows, technological change continues at a breakneck pace, raising seemingly unanswerable questions about its potential impact on the global economy. While some warn that technological progress will leave many unemployed, others remain convinced that displaced workers will find new jobs that do not yet exist, as has occurred in the past. All that is certain is that technology and innovation are disrupting virtually every aspect of life.

How can we adapt to such a world? What underpins success in this new and challenging environment?

In a techno-polity, two inextricably linked factors are crucial: talent and innovation. Talent is now the key factor driving competitiveness (or the lack thereof) for companies and countries alike. Indeed, “talentism” will be the prevailing economic credo, with human or intellectual capital becoming the most critical asset – and the one most difficult to acquire and retain.

Innovation, spurred by talent, will determine success. In the future, the distinction between high- and low-income countries, or between emerging and mature markets, will no longer matter. The question will be whether or not an economy can innovate.

A techno-polity also recognizes the critical role of cooperation, strategic thinking, and adaptation. The biggest challenges nowadays are global in nature, and thus can be addressed only by engaging decision-makers and interest groups from various spheres. New partnerships must be forged, even among actors with seemingly disparate interests. Those who struggle to cope with change must be supported, not scorned.

But effective techno-politicians must go beyond firefighting to think about the long term. They must be able to respond to new and impending developments without delay, constantly experimenting with new ideas and

processes. Moreover, they must to be able to understand and react simultaneously to multiple competing realities.

The role of the techno-polity is to steer the world toward positive outcomes. It will demand that decision-makers use their heads and hearts – and it will also test their nerves.

*Klaus Schwab is Founder and Executive Chairman of the World Economic Forum.*

[Article 7.](#)

Bloomberg

## **China Buys Friends and Influences Nations**

[William Pesek](#)

7 May 5, 2014 -- If you can't beat them, outspend them. That seems to be the thinking behind a huge new infrastructure investment [fund](#) being promoted by China as an alternative to established international lending agencies. It's a terrible rationale for starting a bank -- and a good reason to reform the current international system, which remains dominated by Americans, Europeans and Japanese.

Japan, in particular, seems to be the target of China's proposed Asian Infrastructure Investment Bank. Tensions between the two countries are running dangerously high over a set of disputed islands that Japan calls the Senkakus and China calls Diaoyu. In this blood feud, Chinese leaders are looking for any leverage they can find to undermine Tokyo's influence across the wider region. Until now, Asian nations needing help building up their infrastructure have turned to the Japanese either directly or through the Manila-based Asian Development Bank, which is traditionally run by a Japanese official, much like the World Bank tends to be run by an American and the International Monetary Fund by a European.

With an anticipated \$50 billion kitty, Beijing's new fund could begin to put the ADB out of business as China effectively bribes leaders from Dili to Ulaanbaatar. Indonesia needs a swanky new port? Here's \$3 billion.

Manila's airport needs a facelift? No problem. Thailand's power grid is overloaded? Send us the bill.

It doesn't take a wild imagination to see this largess growing and eventually eclipsing the [World Bank](#), too. Beijing may even look beyond roads and bridges to address balance-of-payments needs. If you're Vietnam, why go to the IMF and submit to the policy changes and increased transparency its officials demand in exchange for aid? All China asks for is friendship and support against rivals -- whether nationalists in Japan or "splittists" in Taiwan and Tibet. If Myanmar or Mongolia suddenly suffered a run on their currencies, Beijing wouldn't send a financial SWAT team with spreadsheets and conditions -- just a check.

For Asia's developing nations, this bargain might look attractive in the short run. But Africa's experience with Chinese financial diplomacy offers a cautionary tale. Over the last decade, China Development Bank, often called the mainland's "[Superbank](#)," became the core of China's efforts to procure both energy and influence in Africa. Trouble is, Beijing's see-no-evil-hear-no-evil approach has propped up rogue governments in Sudan, Zimbabwe and elsewhere. It's deadened incentives to build competitive economies that rely on diverse sources of growth. And the dynamic has ushered in a new colonialism, whereby China grabs raw materials, while enriching corrupt governments rather than ordinary citizens. A similar phenomenon can be seen in Latin America, including in Brazil.

For [Beijing](#), the ADB represents the vanguard of a Bretton Woods order it views as a relic of the past and a tool of U.S. hegemony. Sidelining the Japanese-led bank is the first step toward replacing the liberal "Washington Consensus" and carving out a more dominant role for China in the global capitalist order. The risk is that in its drive to reduce U.S. and Japanese influence, China will foster a new moral hazard in a region that needs better governance and more transparency, not less.

I'm not saying the global status quo is perfect. Far from it, actually. [Japan](#) should indeed allow China to play a bigger role in the ADB, just as Washington must permit developing upstarts a bigger say in the Bretton Woods organizations and the Group of Seven. The World Bank itself thinks China's economy could soon be bigger than the U.S.'s. There's no excuse for blocking Beijing from playing more of a leadership role within existing global institutions.

The alternative will be to weaken those very institutions. Right now, if Myanmar wants a new network of roads, the government must work to curtail corruption. If the Philippines needs loans to increase electricity output, authorities must protect local ecosystems. If Bangladesh requires a new complex of factories, it has to ensure children aren't working in them. By contrast, the only strings attached to China's money involve its geopolitical agenda: cheap fossil fuels, isolating Taiwan, winning control of disputed territory, supporting Beijing's priorities at the United Nations and elsewhere. With \$4 trillion of currency reserves, China can buy lots of friends. Better to give Beijing a say in current institutions than to risk having China's largess undermine them completely.

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