

# Seeking to strengthen democratic security and solidarity worldwide

## The crisis in Ukraine is at the heart of the G7 agenda, but resolving key global challenges will require the cooperation of Russia

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The G7 summit, being held in Brussels on 4-5 June 2014, promises to be a significant event in several ways. It will be the first annual G7 summit held without a Russian leader being present since Boris Yeltsin started attending as a guest in 1992. It will be the first such summit since 2002, when the G7 leaders issued a stand-alone statement from their last G7 session within the larger G8 summit, which Russia had joined as a full member in 1998. It will be the second G7 summit within three months, following the G7's emergency meeting in the Hague on 24 March, held on the margins of the larger Nuclear Security Summit. It will be the first regular summit held in a country that is not itself a member of the G7/8, marking the advent of the European Union, headquartered in Brussels, as a G7 summit host. And it will be the first summit in decades to showcase and strengthen the democratic solidarity and responsibility that the G7 members share as the basis for their efforts to build a better world.

### Dependence on gas imports

At the centre of the summit agenda is the crisis in Ukraine, in its many forms. The first is energy security. Building on the results of the G7 energy ministers' meeting in Rome on 5-6 May, the leaders will identify ways to keep gas and other energy supplies flowing to Ukraine, to Central and Eastern Europe, and to the European Union as a whole. They will seek to diversify their sources of supply, thus reducing their dependence on gas imports from an unpredictable and thus unreliable Russia that has shut off the flow in the recent past. In doing so they will be guided by their success in confronting the oil shock from the Middle

East in 1979, recalling that their coordinated, multifaceted strategy then led within a decade to the demise and ultimate disappearance of the energy-empowered Soviet Union that had invaded Afghanistan in late 1979.

G7 leaders will again commit to energy conservation and efficiency, starting with efforts to stop governments subsidising and thus wasting fossil fuels. They will also shift to alternative and renewable fuels, regulatory reforms and improved infrastructure to open and integrate markets across Europe and on both sides of the Atlantic and Pacific oceans, especially so that the abundant supplies from the energy superpowers in North America can easily flow to a Europe and Japan where they are needed most. If

### *Trade liberalisation will seek to connect a reforming Ukraine with its European neighbours*

necessary, G7 leaders could signal or start the release of the excess oil from the large strategic petroleum reserves that the United States and other members of the International Energy Agency have accumulated, and could even restart the nuclear power reactors recently shut off in energy-dependent Japan and Germany. These moves should steadily and substantially reduce the world price for oil and gas, and thus the fiscal resources, economic growth and currency value of Russia and other unfriendly petro-dollar states.

A second focus, building on the priority placed on transparency at last year's G8 Lough Erne Summit, is on recovering stolen assets, especially those taken from Ukraine's state and citizens by their former rulers. This will give the Ukrainian Government some of the fiscal

resources it badly needs, as well as helping to identify the places where certain leading Russians have hidden their ill-gotten wealth. This will make the next round of targeted or smart sanctions more effective in damaging and deterring those supporting Russia's forceful expansion into Ukraine. G7 leaders will further examine how and when they might need to impose more serious broader sanctions against key sectors, such as energy, minerals and banking, on which Russia's natural-resource-based economy depends.

### Still fragile economic recovery

A third focus is on mobilising more resources from the International Monetary Fund and other global financial institutions and donors to quickly and reliably give Ukraine the money and impose the tough conditions it badly needs to become a strong modern state. Here the primary task is to stamp out the corruption that has crippled Ukraine since its independence in 1991. Only then will the money that flows in not rush out to tax havens abroad, but instead be used to build the physical and human security that the Ukrainian people deserve. With such conditions and supports in place, G7 leaders at Brussels can mobilise further funding to build the armed forces and government ministries needed to convince all Ukrainians that they will be much better off in a democratically strong, united, sovereign state of their own.

A fourth focus is on managing the global economy, to keep the geopolitical risks from an expansionist Russia and China from damaging investor confidence and thus the still-fragile economic recovery and financial stability that the G7 members and their global democratic partners now enjoy. Emphasis will be placed on the tough tasks of structural reform, tax fairness, fiscal sustainability and trade liberalisation. Trade liberalisation will seek to connect a reforming Ukraine more closely with its like-minded European neighbours and to combine the world-leading market power of the EU and the US through a transatlantic free trade and economic partnership deal.

A fifth focus will be on strengthening G7 members' defence spending and

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sharing, and encouraging their partners in the now 28-member North Atlantic Treaty Organization to do so, too. All can thus better bear the burden of providing democratic security to a Europe that feels newly endangered and, through the Deauville Partnership and in other ways, to a still-troubled Middle East, North Africa and sub-Saharan Africa as well.

Beyond this focus on the immediate fundamentals stand the broader global issues that lie ahead. One task is to advance development and health, by helping to meet the Millennium Development Goals by their due date next year and by shaping a new generation

of goals to galvanise global action for the 15 years beyond. Another task is to define the framework for an effective climate change control regime, to be approved by the full United Nations when its leaders meet in Paris at the end of 2015. Also demanding attention are issues of food security and cyberspace.

**Halting nuclear proliferation**

All these global challenges will eventually require the cooperation of a responsible Russia if they are to be solved before the harmful consequences and costs overwhelm all. The same is true of many of the political security challenges beyond Europe that the

G7 will address. These include ending the deadly civil war in Syria and removing all chemical weapons there; the Middle East peace process; countering civil conflict, insurgency and terrorism in North Africa and sub-Saharan Africa, notably in Mali, the Central African Republic and Nigeria; and halting nuclear proliferation in North Korea, Iran and elsewhere. As such threats arise from within Russia in Chechnya and Dagestan and from Russia's nearby neighbours in Iran and North Korea, there are strong incentives for a Russia, rationally pursuing its national and human security, to return to the democratic G8 fold. ■