

# Economics and Empires 4

Strategic Considerations about Developments in Asia



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## Introduction[i]

With this article I'm going to describe my view of how things in Asia could develop within the next few years. Here I want to highlight two things:

1. When it comes to geopolitics, I assume that a credible forecast is only possible for approximately one year. And even that's a challenge. I will use assumptions regarding Asia which cover several years. Which implicitly means that we are not talking any longer about credible predictions but about the creation of one scenario out of many possibilities. We are talking about the scenario that sounds most credible to me with the information, knowledge, and methodology that are available. Hence, I do NOT claim to know what is coming. These are assumptions for the sake of evaluating various outcomes.
2. In this article we will zoom out on the world map and observe the greater strategic picture of the struggle between East and West. I have done that in my first Economics and Empires article. But there I analyzed the economics dimension. Here we will focus on the geopolitical dimension.

Moreover, I want to update the potential outcome that I communicated in one of my articles, namely the prospect for World War 3. [I'm going to increase my estimation of the likelihood of the start of World War 3 resulting from the Ukrainian conflict.](#) And I'm going to explain why.

## Background

For a better understanding of the following content, I recommend that you read the previous Economics and Empires articles:

- [Economics and Empires 1: The bigger picture](#)
- [Economics and Empires 2: Germany](#)
- [Economics and Empires 3: National Interests, Media, and Religions](#)

## Personal note

Before we start, I want to issue a personal note. In this article I will name a lot of odious activities of the US empire around the world. It might appear that I hate Americans, but I most definitely do not hate Americans. I like America and the American people. I often visit America, I have a lot of American friends, and I enjoy doing business with Americans. Moreover, I consider the US Constitution as great.

Nevertheless, I don't like the US imperial parasite that is killing and harming millions of people worldwide. And harming Americans themselves. In my next Economics and Empires article this will be the topic.

I truly like the American people, but I have hesitation about the American hegemony.

## The Former Heartland Symbiosis – Russia and Germany

[Here I want to continue where I stopped in Economics and Empires 2. Germany.](#)

Germany and Russia have always formed a symbiotic relationship when allowed to. Unfortunately, this was not too often the case.

Let's simplify slightly and describe a symbiosis as a mutually beneficial relationship between two entities. One could go further and say that it means each entity generates the most advantages while connected to the other.

Since at least the 19<sup>th</sup> century, such a symbiosis between Germany and Russia has been possible. It would be one of the cornerstones of Mackinder's Heartland Theory. Unfortunately, the Sea Powers did everything they could to prevent an economic or military alliance between Russia and Germany.

Here are some reasons why the preconditions for a symbiosis are fulfilled:

- Cultures are not the same but compatible.
- Germany has a central position in Europe over which almost all trade routes and logistics need to go for trade between East and West.
- Germany is well-populated compared to its territorial size.
- Germany has a huge industrial, political, and military potential.
- Germany has no access to vital resources that are needed to exploit the abovementioned potentials.
- Russia has all needed resources for itself, and for a majority of the world.
- Russia has a strategically big territory that borders many important areas of the world.
- Russia is (was?) a European nation.
- Working closely together, Russia and Germany could have dominated the Heartland. But there was no definitive concurrence, at least until the beginning of the 21st century. Then things changed.

These are only a few of many reasons why Germany and Russia would have been a perfect match to ally with one another. But the Sea Powers have been very successful at preventing this. The latest and most well-known blow to prevent such an alliance was the bombing of the Nord Stream pipeline by the Sea Powers. By the American Empire. [See the Seymour Hersh report.](#)

Is this bad for the Heartland? Not at all. It is bad for Europe and its now declining prosperity. If Russia/Germany had been the most favorable alliance until the beginning of the 21st century, it is now no longer. Europe and Germany lost their significance. Why?

Because first, to free Europe from American occupation would cost far more effort and resources than the potential benefit. The consequence could be the end of the

world.

Second, while the West has exploited Russia and Eastern Europe since the end of socialism in Europe, they forgot about China. China rose to become a superpower while the West exploited the Slavs (all) and started a new crusade in the Middle East and Afghanistan.

The new natural Heartland symbiosis is no longer Germany and Russia. It is China and Russia. In fact — and this is bad for Europe — Russia no longer needs Europe. Unfortunately, Russia still needs to defend itself from further Western crusades against it. Napoleon and Hitler failed, but now the third attempt is underway.

## **The New Heartland Symbiosis – Russia and China**

### **Basics**

The new main alliance on the Heartland is between Russia and China. One could state that this alliance is required to control the Heartland. In former centuries this would be exactly what would happen. Power politics were predominant. The future is about multipolarity. The power-blocks will be required to find a way to cooperate the best way with each other to achieve the best outcomes for their respective peoples.

In former times such an alliance would have tried to control, conquer, colonialize, or annex strategic regions on the heartland in order to control trade. This won't be necessary in the future. In the future, regional powers will be empowered by China and Russia to make sovereign decisions about mutually beneficial trade. Examples are Iran, Saudi Arabia, and Turkey. If Turkey and Saudi Arabia are today under US dependency and are only allowed to trade and make alliances if cleared by the US, the future will look different. They will be empowered to form their own decisions. I will dive into that later.

But now I want to outline possible advantages and disadvantages evolving out of such a symbiosis. That's what I will call it for now: Symbiosis. Later I will discuss the question of whether we are talking about an alliance or something else.

# Advantages for Russia in Cooperating with China

Advantages:

- Access to a huge industrial and human potential.
- Access to a huge market.
- Access to extensive developed trade routes (Belt and Road Initiative, BRI) across the Heartland.
- A secured rear, which gives Russia the possibility to focus militarily on the Europeans (now the West) who are trying to conquer Russia every century.
- Worldwide diplomatic support.
- Huge intelligence resources.
- Space cooperation.
- Supply of digital technology.
- Proxy for accessing the Western financial system.
- And many more.

# Advantages for China in Cooperating with Russia

Advantages:

- Almost unlimited resources for an almost unlimited demand.
- Military technology, needed for protection from the West. (Same fate).
- Access to space technology.
- Access to nuclear technology.
- Diplomatic support.
- Support in the Taiwan issue.
- A not-insignificant market.
- A secured north. A better focus is possible to protect other strategic directions if the north is secured.
- Helps solving the Sino-Indian conflict.

- Military experience, tactics, and strategies. China needs to learn this, since it hasn't experienced real battle experience for decades.
- And many more.

## Disadvantages

Not everything is shiny here:

- Incompatible cultures.
- Russia has a huge territory but a small population in comparison.
- China has a huge population and a far smaller territory than Russia.
- Russia has all resources in abundance. Self-sufficient.
- China depends on imports to sustain its huge industrial sector.
- Russia's far eastern territories and their populations are historically Asian rather than European/Russian. The Soviets tried to solve this "problem" through deportations, but there are still regions with mainly ethnic Asians.

In other words, Russia has all it needs. China needs a lot that it doesn't have. Even though Western journalists try to portrait Russia as China's junior partner solely to humiliate Russia and to cause anti-Chinese sentiments in Russia, the truth is the opposite. Russia could do without China in the worst case. They could retreat and declare "Fortress Russia". If it falls, the nuclear rockets would be started. China can't retreat and wait. It lacks the resources and military technology to do so. I will continue this later in the section that discusses the question of whether Russia and China have an alliance, or something else.

# The Empire's Nodes of Control over Asia and the World

## Basics

The big question is how a population of 300 million people is able to control the rest of the world, comprising 8 billion people. How can the US empire control the rest of the world? Through fear. Fear that ensures that not more than a few countries openly

try to rebel against the empire's control at any given time. The empire ensures that those rebel countries are defeated through economic or military means, sending a signal to other countries who are thinking of rebelling. Let me put it this way: If all countries worldwide would stop their collaboration with the US simultaneously, then its empire would promptly end.

The next logical question is, why is this not happening? I will try to explain that.

## **The Two Pillars of Power Projection**

The US is using two pillars of power projection to control each dependent nation worldwide. Its military and its control of the worldwide financial system for trade. These are hard powers.

One could of course add the control of the local media and religions. Which are soft powers.

## **Militarily**

The US has been the strongest military power on the planet since the Soviet Union collapsed. It most likely is still the strongest military power on the planet. But only slightly above Russia and China as single nations. If one combines the military potential of Russia and China, then it dwarfs the military potential of the US, even including that of NATO, by far.

Nevertheless, whenever a country did not play along the US rules-based international order in the past, the US invaded and destroyed it. I, as a Serb, unfortunately can confirm that. During the last century the US gained military bases in most countries worldwide. It is a network of control. If you consider most of these military bases, they are no match for a real military power. Russia, China and even Iran could destroy most of them with missiles. But here comes the point. These bases are not in the country to fight other countries or to "protect" the host country. No. They are there to as one of the two pillars of power, to control the host nation.

The host nation, for example Italy, has its own armed forces. If in the region another country is not playing along the US "rules", the US could use its own forces to threaten this breakaway country, or it can use the armed forces of the host nation next to the breakaway country.

Here is an example to explain what I mean. Libya's ex-President Gaddafi didn't want to play by the US rules any longer (I won't go into details here). The US couldn't let him do that since it would encourage other nations to pursue independent policies. Hence, Libya had to be destroyed. The US could have done that easily alone. But here we come to the military pillar of power. The US controls Europe fully. By the military and the economical pillar. It has its own resources in Europe, but it also controls the European national militaries. Eventually, that led to the fact that European powers fought the war against Libya on the behalf of the US.

While doing that, the US was able to focus its resources and powers in other regions of the world at that time, e.g., Iraq and Afghanistan. And the US also armed and trained "insurgents" in Syria.

That was the military explanation of how the US can control the rest of the world. I call all these satellite nations that are ready to go to war for the US as nodes of US power projection.

Now let's check out the economical pillar.

## Economically

This is quickly explained. The world trade and financial system is controlled by the US. How?

- International trade is mostly noted in Dollars. If a nation trades in Dollars, all the transactions are subject to US law.
- International transactions were mostly transferred through the SWIFT system which is under US control.
- The US has the most capable Navy fleet worldwide. Part of the first pillar, military power projection, it also is there to control trade. Which is mostly done at sea.
- Since oil is mostly traded in Dollars and all nations need oil to survive, one doesn't want to be excluded from the Dollar system.

If a single nation doesn't obey, it can be gradually excluded from the systems mentioned above. There are only very few nations which can survive that. In fact, currently only Russia, Syria, Venezuela, and Iran. Maybe another few as well.



Every other nation would instantly collapse including their political leadership.

# Taiwan

## Basics

The most prominent struggle between China and the West is related to Taiwan, which is a Chinese province. The US is supporting Taiwan's leadership to not come under the full control of China. At the same time the US still supports the "One China" policy, which gives China sovereignty over Taiwan. This is a very difficult situation. It is as if China would support Hawaii to not be under the control of the US government but still would insist that Hawaii is part of the USA. From time-to-time China would sail its fleet around Hawaii and land politicians there for talks that are not agreed upon with the US government. What would the US do? This is a rhetorical question.

Well, China is still under the threat of the two pillars of power projection mentioned above. China can't do much about that, yet.

Taiwan is important to China for many reasons. One reason, of course, is that you don't want to have your enemy right next to your coast line. In the case of US bases on/by Taiwan, China would experience a similar situation as Russia does in Ukraine in terms of its security. Of course, there are many more US satellite countries around China.

Moreover, Taiwan is responsible for a huge share of the semiconductor production of the world. And thereby for China as well. This is some kind of insurance by the US side to hinder China to militarily take direct control of Taiwan. If you try to take Taiwan, we will blow up the semiconductor production. China has reacted to this threat and is now actively building semiconductor factories all over China. As far as I'm aware, we are talking about dozens of physical production sites in China. It looks like China took its own survivability into own hands, just as Russia did. Semiconductors won't hinder China any longer as soon as its production capacities ramp up.

But the point is, China doesn't want to take Taiwan back by military means. Exactly as Russia didn't want that with Ukraine. Eventually, Russia was forced to invade. I'll

explain that later in more detail. The big question is, will China be forced to invade Taiwan?

## Sino-Russian Long-Term Plan

For now, I see many indications that China has an entirely different plan. A peaceful reunification with Taiwan by 2030. And I absolutely believe that it is possible. I will explain why. Keep in mind that my explanation is valid for all other occupied territories outside the West. For example, Kosovo. Kosovo is a Serbian province, currently occupied by the US. And we Serbs also have the same plan. Wait a few more years for reunification without the need to engage in a suicidal fight with the US.

How can China peacefully reunify with Taiwan if the US is holding it? Easily. At that time there won't be the US anymore around in this part of the world. Without the US Taiwan will simply declare itself as an open province and will invite Chinese officials and military to re-establish control over the island.

Hence, the Chinese (Serbian) plan is to simply do nothing. Sit back, watch, and try to keep escalations low to not give the US a reason to convert the issue into an armed conflict. Escalation management. As the Russians are doing in Ukraine to not provoke an unnecessary NATO involvement.

With this in mind, you can re-evaluate why the Chinese didn't do much about the Pelosi visit in Taiwan and many more events. Escalation management.

How will the US be "removed" from this part of the world? With a magic wand? No. I won't go into this now since this will be the topic of my final major article. That article will cover in detail my view of how I believe that US control over the biggest part of the world will diminish without a shot being fired over the next few years. It is about macroeconomics, and I will give only a small hint here. The US won't be able to sustain its presence outside of Western countries until 2030 because the two abovementioned pillars of power projection will no longer be available to the US.

Which leads me to the conclusion that the US will be forced and driven by internal considerations to withdraw its military bases from many places worldwide.

Here again we need to keep in mind the escalation management worldwide. The US is a wounded animal, as I have pointed out in previous articles. The challenge is to not provoke it to do something utterly stupid that could put humankind at risk. We Serbs need to endure major humiliations for another few years. China as well. And Syrians. Who else? Dozens of countries. But I assume that freedom, peace, and independence is near. If the Chinese say it will be over by 2030 then I assume that they have appropriate information.

In fact, we all need to pray that the US will be able to collapse as an empire in an orderly manner without taking humankind into the abyss as well. Both Ukraine and Taiwan will be the spots to determine whether the US willingly stops being an empire and becomes a normal nation-state, or not. Don't get me wrong. I have written it many times. I do not write against the United States of America or its people. In fact, I like the people very much. I do, however, write against the US empire that is abusing the whole world, including the American people.

## Freedom of Navigation

### The West

The nation/alliance that has a navy with the ability to sail freely around the world controls international trade. I described this already in my first [“Economics and Empires”](#) article. Hence, we see the current efforts by Russia and China, through BRICS and SCO, to promote the Belt and Road Initiative (BRI) across the heartland. They make the trade on the heartland more resilient against the sea power nations. See the Five Eyes for reference.

For the time being it is what it is. Due to the two pillars of power projection the US is able to control the worldwide trade and stop and cease any vessel that is sailing on the ocean. And it does so. In theory it could also cease Russian and Chinese ships. And it also does so. But only under highly constructed reasons to be able to have the backing of the Western public. By ceasing, harming, or intimidating Russian, Iranian, Chinese etc. vessels, the US risks starting a major war. Which hasn't been beneficial to it until 2022. Things could change if the US feels that its global dominance is about to fall apart. Desperate actions could follow.

## Russia

Russia, in theory, can also sail wherever it wants. It has a huge and powerful fleet. Still, it is small compared to the combined Western fleet. If the West were to seize a Russian vessel, Russia could harshly retaliate and sink as many American ships and carriers as their stockpiles of hypersonic missiles allow. And then there are thousands of supersonic and sub-sonic anti-ship missiles stored for the navy as well, which can be used as well.

As I said, “in theory”. This indeed would be madness as a retaliation for the seizure of a ship. Hence, Russia’s ability to sail the oceans with both commercial and military vessels is almost unlimited but in rare occasions there could be a threat of seizure. Most likely Russia would react by also seizing a Western ship or Western assets within Russia.

## China

China is in a bad position here. Even though it has the largest capable fleet on earth it is condemned to sail near Chinese borders. Sometimes a small flotilla sails the world oceans for some exercises with allies or to conduct anti pirate missions on African shores.

There are many reasons:

- China has many impressive ships, but they are not yet battle tested.
- The technology is still slightly inferior to the Western and Russian technology. Potential hypersonic technologies are mostly handed over by the Russians to extend its (Russia’s) defense in the rear through the Chinese.
- Chinese sailors have almost no battle experience.
- Chinese commanders have almost no battle experience. They learn now in Ukraine.
- China has no possibility to support its fleet thousands of miles away from its shores. As soon as a Chinese flotilla — no matter how powerful — sails too far away it is shark food. The West being the sharks here. Remember the two pillars of power projection of the American Empire. China has none of it.

Hence, we see the Chinese Navy sitting near its borders and waiting for the US Empire to collapse.

Napoleon said something like, “Never interrupt your enemy when he is making mistakes”. China is using this strategy on a Jedi-Master level.

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## Leverages over China

### China's Dependencies

China today is a very influential and powerful nation. The main reason is that it has established such a big industrial base that it is supplying a big part of the world with everything the world needs regarding physical goods. And it does so fairly cheap, which has led to the dependence of many nations on Chinese goods. They outsourced their industry to China, and if China would fail, the dependent nation would either stay without crucial goods or it would need to buy them for far higher prices than before.

That's China's power. Dependence. But China is also dependent.

To be able to sustain this huge industrial base China is forced to import large amounts of resources:

- Energy (Oil, gas, coal)
- All kinds of metals

- Food
- Being part of the Western financial system

To name only the most important ones. There are far more dependencies.

What does “Being part of the Western financial system” mean? China needs to be part of the Western system as long as the rest of the world is part of the system and is dependent upon it. Otherwise, China couldn’t sell its products and purchase necessary resources. This system is currently being overthrown worldwide, but for the time being it is still intact.

In terms of the financial system, China needs to play the nice game with the West in order to not collapse the system too quickly. This will change now. As soon as a critical mass of customers (BRICS & SCO) starts trading in Yuan with the Chinese SWIFT alternative CIPS, this dependency will be over.

In terms of sustaining its industrial base, China is depending critically on Russia. The Empire’s struggle for survival has already started. Hence, it only makes sense for China to import Russian resources since China and Russia share a common border which can’t be interrupted by “sharks” (sea powers). This leads China into a full dependency on Russia. And this dependency on resources will NEVER go away, as opposed to the dependency on the Western financial system which will go away.

China will always be forced to import massive amounts of resources from abroad. Of course, after the collapse of the American empire China will be able to diversify its risks by commencing purchases of resources again from far away by sea. So to speak, to reduce its dependence on the Russians. But for the time being it is what it is.

You might want to argue that China imports only xyz% of energy or metals from Russia? XYZ, let it be 20% for discussion, is more than enough to collapse the Chinese labor market and cause serious domestic problems within China. You don’t want to have 20% of 1,4 billion people on the streets. Yes, I know, it is an exaggeration. I did that intentionally to give you an understanding of how even low percentages of dependency can lead to fatal domestic problems.

That was exactly the Western strategy with Russia. Shock and awe sanctions that would lead to mass unemployment and the fall of the Russian state.

# The West

The US still can function as a great power without controlling an empire. The US is a great nation. And I hope the US will manage the transition away from the empire and become prosperous again. Taking care of all the homeless people. Maybe getting better healthcare and getting rid of student loans.

But the US has a problem. It relies so much on soft GDP factors (like the big tech companies) that it has lost the capability for industrial production. It is nice to have Facebook, Twitter etc. producing big GDP numbers, but unfortunately you can't eat data. And neither can you eat shares of stocks. You also can't drive to work with data; you need an affordable car. A USB flash drive won't take you to work at the factory.

The USA outsourced a huge part of its industrial base to both China and its closest allies.

Why?

- China:

By buying a big share of physical products from China, the US has been able to pretend prosperity to its citizens. A cheap Chinese welding machine means that the American customer has more money left in the bank to buy more products and feel wealthier/more prosperous. That is true as long as this source (China) is available. What if it is no longer available? This question was not imaginable twenty years ago in the US. Today it is reality. Welcome to dependency, Americans.

- Allies:

One of the cornerstones of the American grip over its first-class colonies is prosperity. Only as long as the people have everything they need and are so satisfied with material goods to not be thinking about politics, can a peaceful occupation exist. Imagine Germany or Japan having severe economic problems resulting from American actions worldwide. Imagine the people aren't able to heat their homes any longer or feed their children. I think the peaceful occupation would change pretty quickly to a war for independence. Not by the governments, but by the people.

Hence, for the last several decades the US has allowed European countries to prosper industrially and economically at the expense of the real US economy and

industry. To keep the colonies satisfied.

This has changed now. If a human body experiences life-threatening trauma, it first stops supplying the limbs with blood and withdraws all vital functions to the most important organs to survive as long as possible.

The American empire is dying and I'm sure the American oligarchs know that. Hence, the withdrawal of industries out of Europe to be brought back to the US. See the [“Economics and Empires 2”](#) article. America is reindustrializing itself to prepare itself for the split into multipolarity. To prepare itself for the time when they maybe won't have access to cheap Chinese goods or only a very expensive access.

If we think of America's national interests, then America is doing the exact right thing. Cannibalizing what is left of its empire to rebuild itself to be prepared for the new age. Pure and ice-cold national interests.

## Russia

Russia has no vital dependencies. It is dependent upon other countries with regards to some luxury products, but not for survival. Since 2008 Russia prepared for the time when it would need to be self-sufficient. And it paid off. Russia survived the Western “Shock and Awe” sanctions, and Russia is still functioning.

Yes, if Russia wouldn't be able to import anything tomorrow, a lot of goods which the people used to use would no longer be available. But if you know Russian history, you know that Russians can survive very well without those things until the American Empire problem has been solved.

In fact, Russia has negative dependencies. The world desperately needs the resources on which Russia is sitting. Not only the West, which is coming every century to conquer Russia for those resources. No, the Chinese need these resources as well. That's why I will warn those who think Russia and China are allies. More about that later.

The West is currently in its third crusade against Russia. But this crusade is a rather pathetic attempt. Hitler wouldn't be very proud about his successors.

Oh yes... Russia's negative dependencies are the reason why The West (Napoleon, Hitler, and now the American oligarchs) is repeatedly trying to conquer it and why



millions upon millions are constantly dying. Russia's resources are the single most important reason for that. The second reason of course is its strategically located territory.

## China's Domestic Challenges

China might become a dominant power in Asia. But China is facing several domestic challenges which are not unsolvable, but also not trivial:

- The demography is a challenge. Due to years of the one child policy, China is facing problems similar to Japan and Germany. These problems are not unsolvable.
- China's population is still developing. One could still call China a developing country. That's the reason why its economy is growing so fast. If the international order is collapsing too fast and the transition to multipolarity is being conducted too fast, it could cause problems for China. China, of course, is happy that Russia is going to bring down American hegemony and that's why China is helping as much as it can. But in the short- and middle term, problems will arise. Markets might break away for some period. Even huge markets like the Western ones.

This directly translates into unemployment in China. Huge production capacities, that are being built as extended workbenches to replace Western industries, could become overcapacities. Of course, the multipolar world order will deliver some new markets, but I'm sure that IF the Western market would break away the loss could not be accommodated easily.

Breakaway markets are a huge risk to China. That's why China plays along with the West to not openly help Russia, and why China proposes peace plans in Ukraine. By the way, the war in Ukraine is existential for Russia. It will need to solve the problem once and for all to stop the West conspiring each century to bring huge sorrow and death to Russia's people. I want to be straightforward as a Slav: China can put its plan where \*\*\*\*\*! And I assume that President Putin told that to Xi in a very polite and diplomatic way when he recently visited Moscow.

There are more internal challenges, but these are the biggest with which China will have to struggle short, middle, and long term. Again, all challenges are solvable, but I assume the China at the end of this struggle will be a different China than the one we know today.

Indeed, I see India as a potential big player as well. But not now. For now, India needs to follow the struggle to bring down the empire. And then hope that China won't object to India's development. But if we talk about a period of the next 3-4 decades, then I see India as a big international player. It has some more healthy preconditions than China. I can't go deeper into India here to not make this article too long.

## China and Russia, an Alliance?

### How to challenge China

At the beginning of this article I wrote a lot about a potential symbiosis between China and Russia. I did not talk about an alliance. It is an extremely difficult configuration.

The West can defeat China within several years by simply using the two pillars of power projection against China. It would play out exactly as against every other nation. China is highly dependent on imports and exports. Dependent, so to speak, on trade. The West can switch that off fairly quickly. Yes, it would have a huge impact on the West as well but at least the US can manage it by cannibalizing its colonies and reindustrializing itself. Much like what the US is currently doing to prevent a too huge impact on itself. The colonies (Europe, Japan etc.) will be thrown away like used condoms.

Yes, I see already the arguments that China could bankrupt the US by ditching its dollar reserves. But no. One needs to understand that the Dollar system is a US system, it is a US game. And the US is making the rules. [Ceteris paribus](#), the US can't be defeated at its own game. I will describe that in Economics and Empires 6. And I will describe HOW the US economic and financial system can be defeated. How, in fact, it currently IS being defeated.

The US Empire basically has two objectives at the present time:

1. Stop the pushback by Russia and China.
2. Bring Russia and China down, and fragment those nations into smaller and better-controlled entities.

How is that achievable?

The US can't really go against China until it has Russia's backing. And it also can't really go directly against Russia since it would mean the end of the world. Hence, there is a sequence of events that needs to take place to achieve the two goals mentioned above:

1. Destabilize all countries bordering Russia.
2. Install governments that are hostile to Russia.
3. Install US bases on the territories of those neighboring countries.
4. Suppress the Russian speaking population.
5. Torture the Russian speaking population.
6. Kill the Russian speaking population.
7. One of two things will happen: Either Russia will intervene militarily and then will be defeated by Shock and Awe sanctions, or there will be regime change in Russia because of "weak leadership" in the face of a genocide of the Russian population abroad.
8. Either way the goal is to trigger mass protests and regime change in Russia.
9. When the mass protests start, then pre-positioned leaders will be injected into the protests, leaders who will take over the protests and conduct the regime change. We are talking about "Boris Yeltsin" type leaders who would allow Russia to fall apart without triggering a nuclear war against the West.
10. After Russia falls apart, the West could simply collapse China by triggering the two pillars of power projection. Or China will bend the knee and continue being a cheap extended workbench for the West.

That's the game plan. At least I assume that that is the game plan. Of course, I can't know!

Now we have a serious problem. It is something I didn't consider in my previous analysis. The West failed to achieve steps 1-9 for the time being. And I would suggest that it is very unlikely that it will be able to achieve them. But the American plan was presumably to get this thing in Russia done and then pivot to Asia. It was already planned in the Obama years. But, what now? If Russia doesn't want to fall, it makes

absolutely no sense to take on China since China is undefeatable as long as it has Russia covering its back. The symbiosis.

Again, I didn't consider that fact in my previous analysis. Therefore, I need to reconsider some aspects.

It is straightforward. To prevail and survive, the American empire will need to defeat Russia in a grinding war in Europe. It is the only way to get Russia and China out of the calculation and get the other breakaway countries back in line. Hence the commitment of all resources available to Ukraine and Poland to try to attrit Russia into bankruptcy. China is kept out of the game militarily by threats to use the two pillars of power projection against it. Which China currently doesn't want/need, and tries to avoid.

I would argue that Russia currently is not in a critical situation even though it is not fully mobilized industrially and economically. There is still a lot of escalation potential in Russia. Though it wouldn't be beneficial to Russia's development to transition into full war footing and economy. That would throw Russia back economically at least several years.

## **How to Protect the Symbiosis?**

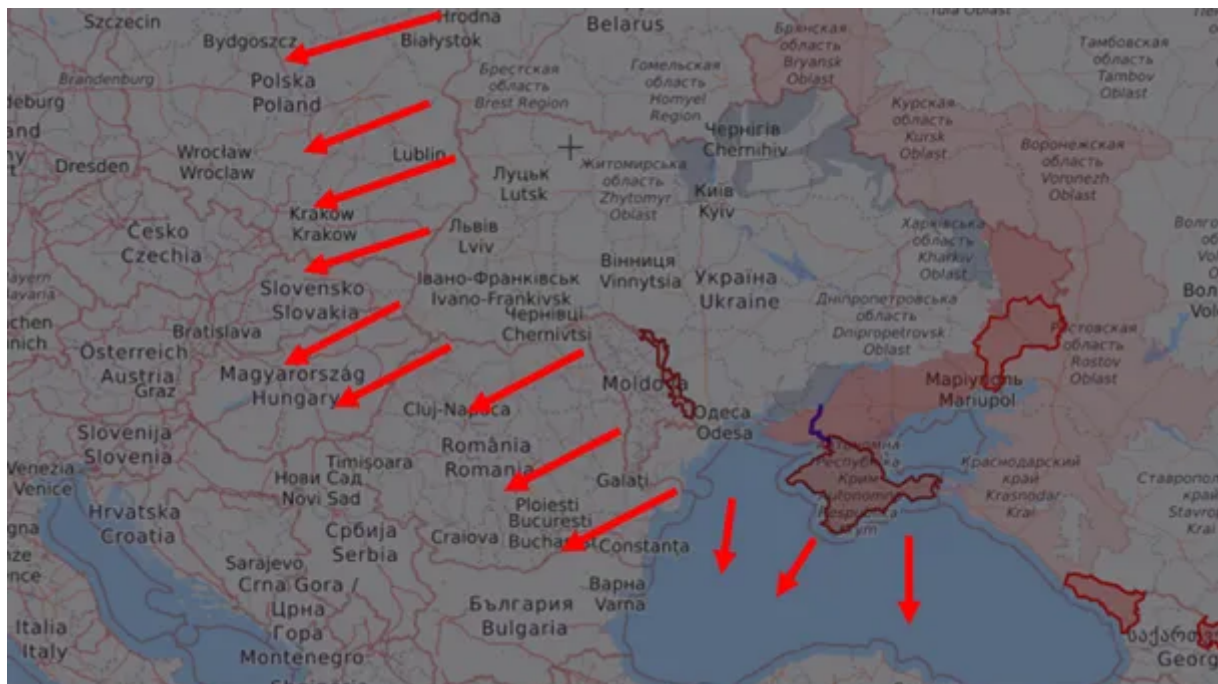
If Russia falls, China is next. Hence it is in China's vital interest to keep Russia in the game. I personally assume that Russia is getting EVERYTHING it needs from China to sustain itself during the SMO. The question of course is what does Russia need. I'd say more civilian goods and semi-finished products. Whether Russia already receives military industrial assistance from China, I can't say. But I wouldn't consider it wrong to ask for it if necessary. An enemy with a population of a billion people is waging war against Russia with its industrial potential. It would be wrong to not take support in such a case IF needed.

Multipolarity is being achieved in Ukraine. If Ukraine falls the US hegemony will fall with it since the ten-points plan mentioned above will be off the table and rolled back completely. Then nothing will stop Russia and China from implementing a multipolar world order. If Russia fails it will cease to exist, and China will need to bend the knee or also risk being partitioned.

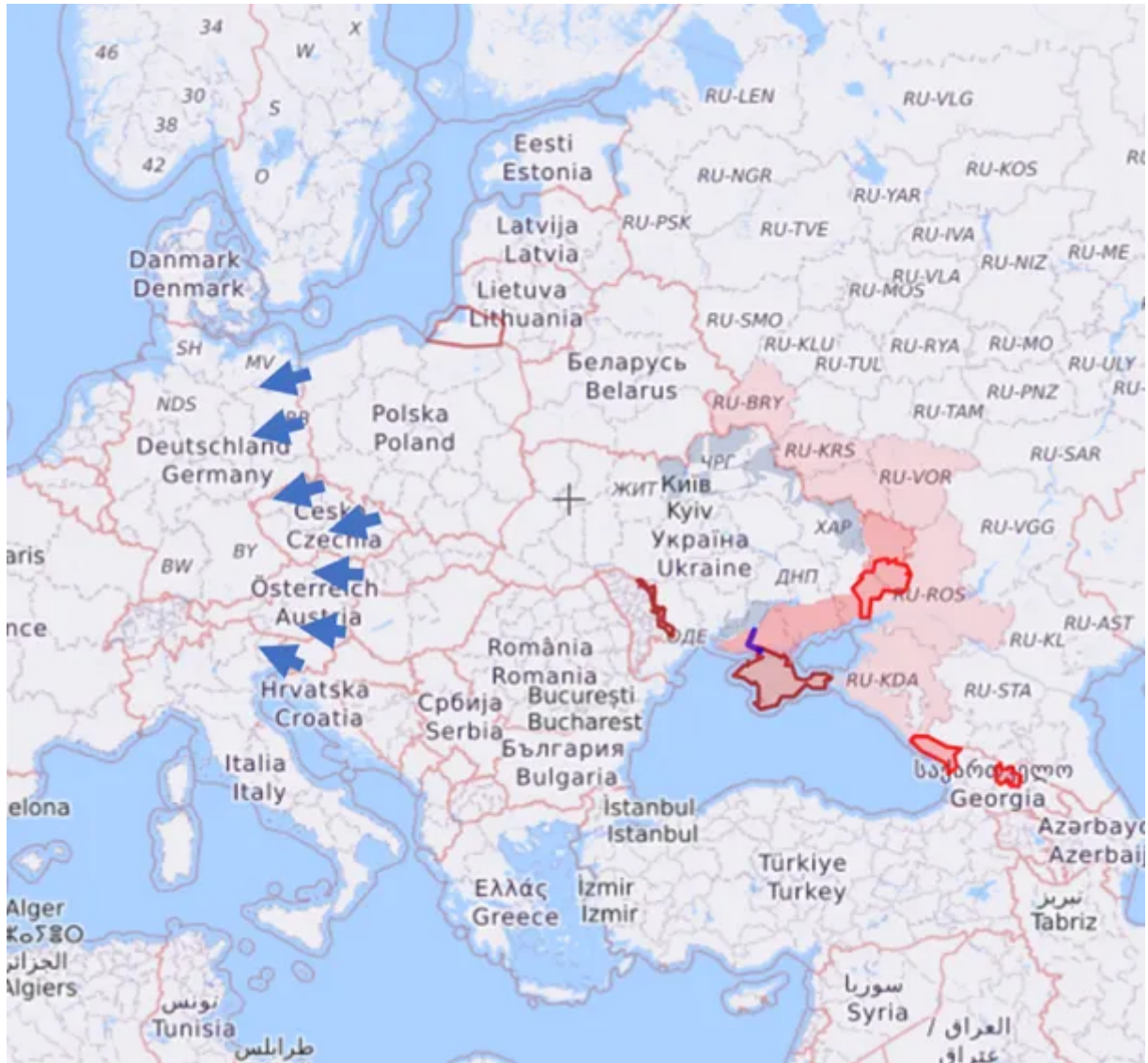
[Now we will understand why Russia is pursuing the implementation of the new draft treaty for European security.](#) It will guarantee that Russia won't be attacked again by a consolidated West and it will guarantee that the Sino-Russia symbiosis can't be challenged, at least as long as it takes to take down the American empire. It will eventually bring an end to my beforementioned ten point plan to stop the emergence of the multipolar world order. To achieve this Russia will need to take over Ukraine entirely. And Russia will take over Ukraine entirely. It will mobilize all resources that are necessary to achieve that since it is existential. If a single bit of Nazi Ukraine prevails, it will be the springboard for the next iteration of crusades against Russia.

Nevertheless, I assume that the Ukrainian army will be defeated within the next months and there will be no big resistance, apart from insurgency spots, to the Russian army taking over the Ukrainian landmass.

The Sino-Russian symbiosis needs a strong defensive belt around Russia's western borders. See my illustration:



The red arrows represent actual military control and defense by the Russian armed forces, where they will be physically present. In other words, the second line of defense.



The blue arrows represent the first line of defense, and at the same time the borders where NATO will have to retreat its military infrastructure according to the new draft treaty for European security.

As soon as this is realized, the multipolar world order has no obstacles left for its implementation, and thus no risk of being rolled back. More importantly, Russia will be safe from Western crusades for at least another century.

China is sitting between chairs. For its part, China would prefer peace in order to facilitate its economic development under the current American hegemony. This is a short-term consideration which China needs to play to keep its population and the West calm. Hence the peace proposals and the public calls for peace in Ukraine. Regarding long-term implications, China knows that the West will do the same to them with Taiwan as it did to Russia with Ukraine. And that would mean war, which needs of course to be avoided.

In the end, Russia and China are fully committed, though not yet overtly, to defend Russia's western borders and to implement the new draft treaty for European security. It will be the end of the US hegemony ... and the full start of multipolarity, peace, freedom, and independence.

## Developments in Central Asia

The former Soviet republics in central Asia have a certain purpose for the American empire. To cause steady instability and trouble in Russia's south. To distract resources away from other strategic directions. Especially the western direction. Russia is still sustaining many of these states and protecting them from trouble that is being injected from abroad. Exactly as in Ukraine.

I'll try to think here long term, and as I said initially this is in geopolitical dimensions impossible. One can only make assumptions. And that's what I'm going to do here.

There will be a time where the American empire will lose its influence over Asia. Hence, also over central Asia. There will be a power vacuum there. Many regional powers like China, Russia, Iran and Turkey claiming influence and control over these states. I personally don't believe that these republics will be able to survive as independent states. I assume that these republics will be incorporated into the other regional powers. At least the smaller ones. The same goes for the Caucasian republics. Will all be dissolved into another state? No, I assume that the bigger nations have the potential to evolve into a few major trade hubs. Which ones? Hard to say. We are talking about an eventuality more than ten years from now.

And there is the big question of how the relations between Russia and China will develop after the American empire has collapsed and the multipolar world order has emerged. I assume this future is too far away and it doesn't make sense to discuss it now. But the answer to this question will determine how the development of central Asia will proceed.

## Developments Around Israel, Iran and the Arab States



## Basics

The middle east is a problematic region. It has been, for decades or even centuries. The Arab and Persian world is “lucky” to sit on huge oil reserves. It is also lucky that the West made sure that for the last one or two centuries, there have been many different small states there that are divided by language and religions. This assures West that they are in constant struggle against each other and never united. Hence the West can control the oil trade and prices, on preferable terms for itself. A very dishonorable outcome for the Osman and Persian empires. Which were once powerful and united against foreigners.

This is essentially exactly what the plan is for Russia. To split it up into many little states that are in constant struggle against each other, and selling their resources cheaply to Western powers.

If the Muslim world would unite in the middle east and the gulf states, it would be very powerful and would be able to control the world economy by independently controlling the oil prices.

Currently this is not the case. The gulf states are occupied by the US empire and are artificially forced to be hostile to Iran.

## Israel

Israel has a very sad history. Nowadays it is very hostile and violent against Arabs, its neighbors, and first and foremost against the Palestinians. I don't blame the Israelis for this.

I assume that Israel has a legitimate right to exist. And that the Jews as people deserve their own state. What I consider as totally idiotic, is how the WW2 victors implemented the creation of Israel. They “dropped” a state right over Palestine, helped a little militarily to conquer the region and to establish governmental structures and that was it.

The Jews were left alone in a hostile environment where they needed to prevail. They were established violently, and they needed to sustain themselves violently against both neighbors and the Palestinians. I consider this as a major crime of the victorious powers of WW2. Yes, Russia (Soviet Union) as well. They should have



established a symbiotic Jewish-Arabian state and protected it as long as needed until the Jews and Arabs would be able to live peacefully together. The Israelis wouldn't get accustomed to the use of violence to solve its problems. And if it needed 100 years of protection until the symbiosis is established, then this should have been granted by the UN.

What the winning powers achieved with modern Israel is maybe not the best possible outcome to put it mildly.

But maybe it was the desired outcome. There was a time when Soviets and Americans respected each other's interests and agreed to unethical divisions of regions to secure strategic resources. Here we are talking about Oil. By having a constant hotspot right in the middle of the middle east, a constant conflict was guaranteed. This meant favorable oil prices for the Western and Soviet economies, and good markets for the military industrial complexes.

Impossible? Welcome to the real power politics that are being decided behind closed doors. A thing of the past? Nope! It is still in full swing. Will it end with the American empire? Nope! The emerging world order will have its cruelties as well. As long as there are different nations with different interests there will be power politics. The new world order will most likely be no less violent than the old one. But it most likely will not be one hegemon that is slaughtering the rest. Well, that's primal nature. See chimpanzees. See people.

## Iran

Iran is the successor of the Persian empire. And it considers itself the leader of the Shia world. This is one of the examples of how idiotic the split of the Muslim world by Western powers actually was. There actually is no reason for Muslims to fight each other. Still, they do. Things may be changing, slowly, since China is brokering peace in the Muslim world.

Arabs, Muslims, and Jews killing each other is the best thing that can happen to the American empire. Billions are being made with weapon sales to Arabs to protect themselves against other. Arabs and against Jews. Jews against Arabs etc. Moreover, the constant conflict ensures the US cheap oil, which favors its economy.

I'm sure Iran is aware of that fact and is ready to instantly settle all disputes with its Sunni neighbors. And it looks like that this is exactly what is going to happen. Nevertheless, I have serious concerns whether Iran will be able to reconcile with Israel in the short or middle term. Who knows? I recently asked that question of Scott Ritter, and he also had his doubts whether this will be possible. I personally wish for that for the sake of peace.

## Arab States

The Arab states want to sell their oil to the world markets, they don't want to be bombed or be "blessed" with terrorists by the United States, and their leaders want to stay in power. Hence, they handed over the control over their nations to the United States. They are being told at which prices and in which currency they need to sell their oil and in return they get protection. I will come back later to this topic.

Moreover, they are being told who the enemy is and who they need to fight.

Again, as I write this article, we are witnessing the end of this system, brokered by China.

## BRICS and SCO

What does China offer? A common economic space for all nations worldwide who want to join. The Arabs and Iranians will be able to trade their oil in a new global and independent currency over which no single nation has power. They won't need to fight each other in the future in order to not face penalties by the empire. They will be able to live peacefully together and spend less money on "defense" and "protection", and more on social and infrastructure projects.

The grand prize would be if Israel also would join BRICS and SCO. It would mean peace in the middle east. As I said, I asked Scott Ritter whether he thinks this could be possible and he thinks it is more probable that Israel would align more closely to the west. Unfortunately, there is a high probability that he is right. But there is hope.

## Imperial Protection Racket System

Now we come to the imperial protection racket system employed by the US empire worldwide. The US unfortunately sows everywhere trouble, war, terrorism, sorrow,

and death. This is the first step. The second step is to offer protection against these self-made problems. The third step is to sell weapons to the states that are fighting against problems that are made by the US.

A full perversion of life.

This is very popular across the Middle East, Africa and the Asian islands around Philippines, Indonesia, etc.

A pretty big example of course is Europe. It is constantly forced to fear Russia and to buy tons of weapons to protect itself from Russia, which doesn't care about Europe at all. It goes as far as the Europeans wanting to protect themselves from Russia within Russia. And who is protecting the Europeans from a Russia that doesn't want to attack them? The Americans and the Brits...

Staying in Iraq and Syria to protect Iraq and Syria from ISIS and at the same time arming and training "democratic freedom fighters" that immediately after their training join ISIS? (Plausible deniability).

Welcome to the worldwide protection racket system, i.e., La Cosa Nostra.

## Conclusion

I want to conclude that the fate of the world will be decided in Europe and not in Asia, as I initially thought. In fact, it will be decided in Ukraine. If the West manages to prevent the new draft treaty for European security to be implemented, it has the possibility to roll back Russia's and China's achievements in some parts of the world. But not in all. If the West fails, then the American empire will come to an end. Not the United States as a nation. As I have often said, I think that the United States has a good future ahead, if it manages to not blow us all up. Its satellites and colonies will most likely be thrown under the bus.

What does that mean? It means that the American oligarchs currently need to decide whether they are willing to fight Russia in Europe with all it has, to manage it to preserve its imperial system or not. If they decide to do so it could end in nuclear war. I personally think that they won't do it. Why?

1. They don't want to die. In death there is no power.

2. They currently can't escalate; neither in Europe nor in Asia to such a degree to defeat the combined Sino-Russian symbiosis. They physically can't.

Nevertheless, the empire decided to increase the materiel support for Ukraine on an unprecedented level. Which increases the likelihood of an accidental escalation slightly. If my estimation for the start of WW3 was before at 10% then I see it now at 15%.

## Outlook

I don't think that Russia and China are in any kind of alliance. There are differences that won't allow that. Moreover, I see them in a symbiotic relationship which has the sole purpose of bringing the empire down. What will happen after that is a question about which we can talk in several years.

Nevertheless, I still see huge differences and contrary interests between China and Russia. They won't talk about that now. Now is the time to fight a common enemy together. But these questions will need to be resolved after the struggle against the empire:

- Huge cultural differences. Russians and Chinese couldn't be more different.
- The territorial shares between China and Russia are not favorable to China. For now, it is no topic. There are worse problems. In several decades it could become a huge problem if China seeks to achieve self-sufficiency.
- Russia struggles to keep its population constant. China has an abundance. Combined with Russia's huge territory there is also a huge potential for conflict.

Again. I don't see these issues NOW. I see them in several decades. And both powers have plenty of time until then to sort things out and to transition to a common future.

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 Steve Apr 13  Liked by Aleks

The single biggest compliment I can give is that each and every one of your articles provokes serious thought about what you are writing about.

A rare gift to possess as a writer or analyst.

Thank you

 LIKE (14)  REPLY ...

3 replies by Aleks and others

 JHW Apr 13  Liked by Aleks

"Remember this, take it to heart, live by it, die for it if necessary: that our patriotism is medieval, outworn, obsolete; that the modern patriotism, the true patriotism, the only rational patriotism, is loyalty to the Nation all the time, loyalty to the Government when it deserves it."

--Mark Twain

 LIKE (3)  REPLY ...

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