



ISOLATING RUSSIA: CAN G20 SUMMIT BE TERMED A SUCCESS?

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The G20 summit 2014 was held on 15-16 November in Brisbane, Australia. The focus of the summit was to advance global financial measures and address the catastrophic global climate change. The agenda also included key themes like boosting the global GDP with creation of additional job opportunities and strengthening of global institutions to ensure crisis response to future shocks affecting the global economy.¹ Although many claim the Brisbane summit to be a success, it cannot however be considered as an accomplishment as one of the official member nations- Russia staged a near walk out.

The summit did not prove a very amicable occasion for Russia as President Putin found himself at the receiving end of criticism by few Western leaders. Putin left the G20 summit early as several Western nations accused Russia of invading Ukraine and warned of possible additional sanctions if it did not withdraw troops from Eastern Ukraine. The leaders also demanded accountability from Putin for the MH17 flight disaster. The US, Australia and Japan issued a statement condemning Russia for its actions in Ukraine. In fact, as a response to annexation of Crimea by Russia, the transatlantic countries had decided to boycott Russia for the G20 summit. But, abstention of vote during the UN Resolution, showed solidarity on part of BRICS member states with China, Brazil, South Africa and India² which had put pressure on Western countries, hence, the Russian participation in Brisbane summit.

The aim of the West should have been to gain Russia's confidence in a multilateral platform like G20 Forum which in turn could have led Moscow to deliberate a possible solution to the ongoing Ukraine crisis. But the treatment meted out to Russian President has further isolated Russia from international community. With more sanctions around the corner, Russia's vexation towards the West has further aggravated as the previous sanctions aimed at sectors like oil and banking, have squeezed Russia's fragile economy as falling oil prices has strained the budget and the Ruble which has plunged on financial markets.³ Russian leaders have watched it fade since the imposition of sanctions as the Ruble's share of global trading has dropped to 0.4 percent from 0.6 percent since 2012, falling five places to rank 18th as the most-traded currency in the world.⁴

Contemporary developments in Ukraine have only revealed the complete failure of 'reset' between the transatlantic countries and Russia to find a path toward defence and security co-operation in the post- cold war era. While NATO and EU see Russia's claim in Ukraine as illegal and a continuation of its cold war policy of hegemonic control of former Soviet space, Russia on the other hand views the collaboration of NATO and EU in its 'Near Abroad' as 'containment' of Russia's influence in its zone of influence. Kremlin described the Kiev uprising as a Western-backed coup and fuelling the conflict.

With countries still coping with the global economic crisis, European Union is no exception. This is one of the reasons why EU has been reluctant to impose severe sanctions on Russia. Apart from its economic ties with Moscow and dependency on energy markets of Russia, Eurozone is looming towards a third global economic crash. Economic stagnation is haunting Europe. The International Monetary Fund managing director, Christine Lagarde, expressed fears in Brisbane that a diet of high debt, low growth and unemployment may yet become "the new normal in Europe". David Cameron, the Prime Minister of United Kingdom, recently stated that the Eurozone is teetering on the brink of a possible third recession, with high unemployment, falling growth and the real risk of falling prices too.⁵

Bearing in mind the current economic situation, the sanctions imposed on Russia has had self-defeating impact on the EU as well, as it has heavily depended on its business with Russia. For instance, though Germany has frequently admonished Kremlin on its intervention in Ukraine, German public opinion, particularly that of the country's business leaders, has tied the Chancellor's hands from taking stringent action demanded of her as a NATO member. German big businesses have been the main obstacle to imposing the type of systemic sanctions that might have dissuaded Russian President Vladimir Putin from annexing Crimea and continuing to back the insurgency in eastern Ukraine.⁶ Ms Merkel also confirmed that the EU was likely to extend the list of sanctions but conceded that the stand-off was not helping to achieve the G20's goal of reviving the global economy.⁷

Therefore, one can conclude that isolating Russia in any form will not help resolve the tensions between Moscow and the West but would only widen the gap between them. With growing global Islamist fundamentalism, corruption and life-threatening diseases like Ebola on the rise, the West needs to engage Russia in confidence-building measures and explore common grounds which will help in bridging the gap between US and Russia and also bring stability in the relations. In addition, as climate

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change has been one of the primary concerns of the G20 member nations, the countries should act together to address the issue as it is too big off a problem to be solved. Russia's participation for such a purpose initiated by international forums like G20 can be extended in addressing the environmental degradation of the Arctic region as Russia is an influential player in the North Pole.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])

End Notes

¹ "A G20 Agenda for Growth and Resilience" https://www.g20.org/g20_priorities/g20_2014_agenda Accessed on 20 November 2014.

² Rajeev Sharma, "India's Abstention on Ukraine Resolution Does Not Mean Neutrality", Business Central Asia, April 2014. Pg. 32

³ Lincoln Feast and Alexei Anishchuk, "G20 Commits to Higher Growth, Fight Climate Change; Russia Isolated over Ukraine", *Reuters*, 16 November 2014

⁴ Ye Xie and Fion Li, "Putin Reserve Rubles Vanish in Crimea Grab", 1 October 2014 <http://www.bloomberg.com/news/2014-09-30/putin-reserve-rubles-vanish-in-crimea-as-yuan-holds-gain.html> Accessed on 22 November 2014

⁵ Patrick Vintour, "David Cameron warns of Looming Second Global Crash", *The Guardian*, 17 November 2014. <http://www.theguardian.com/world/2014/nov/16/david-cameron-third-eurozone-recession-g20-warning>

⁶ Yuriko Koike, "The New Neutrality", <http://www.project-syndicate.org/commentary/yuriko-koike-takes-germany-and-south-korea-to-task-for-downgrading-their-traditional-alliance-ties> 15 July 2014. accessed on 21 November 2014

⁷ George Parker, Jamie Smyth and Roman Olearchyk, "Putin leaves G20 early over Ukraine", *Financial Times*, 23 November 2014.

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