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US IMPERIALISM, EU SERVILITY AND THE RUSSO-UKRAINIAN WAR

The Russo-Ukrainian conflict does not erupt on 24 February 2022 with the Russian military intervention but has distant roots. So distant that the real question to ask is not *Why war?* But *Why now?* The book traces the historical and political origins of the conflict and focuses on its economic consequences. From the picture that emerges, *Why now* has little to do with Russia, nor Ukraine, but with US strategies in Europe. It is also intertwined with another major process of our time: the outbreak of the pandemic, which marks a violent acceleration in US-China relations in the transition to the new green and high-tech world, based on renewable energies. From this point of view, the EU's apparently suicidal policy towards Russia is not simply the result of subalternity to the United States. On the contrary, it reflects precise economic interests, with winners and losers even among European capitals.

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INTRODUCTION

According to mainstream narrative, at least in the West, the war in Ukraine begins on 24 February 2022 with Russia's unprovoked and unpredictable attack on Ukraine, immediately after Moscow's recognition of the Donbass republics of Donetsk and Lugansk, which declared independence from Kiev in 2014.

Conversely, according to Russian President Vladimir Putin's statements, the 'special operation' is a reaction to Ukraine's failure to implement the 2014 and 2015 Minsk agreements and the massacres carried out by Kiev-serving military and paramilitary forces against the population of the Donbass and other regions of Ukraine.

These agreements, signed by the representatives of Ukraine, Russia, the Donetsk People's Republic and the Lugansk People's Republic, under the auspices of the Organisation for Security and Cooperation in Europe (OSCE), were intended to resolve the crisis that had developed in Ukraine in the aftermath of the February 2014 coup.

Russia — at the time, the Soviet Union — had also been expressing concerns about the expansion of the North Atlantic Treaty Organisation (NATO) since the fall of the Berlin Wall in 1989, and it is no wonder that tensions have been rising as this process has reached Moscow's doorstep.

With NATO's aggression against Yugoslavia in 1999, even the most westernised Russians began to see the role of NATO's exporters of democracy differently, as it was their Serbian brothers who had ended up under the bombs. A war alien to all principles of international law: from the United Nations (UN), which did not authorise the mission, to NATO itself, since no member country of the alliance had been attacked. But anything but unrelated to the United States' diplomatic modalities, as an act of demonstration and warning to all.

In short, there were many reasons for Russia to be suspicious of the US's good intentions in Ukraine, and the roots run deep. On the other hand, the Cold War ended with a victor and a vanquished, and no matter how one tells the story, according to the logic of war, it is normal for the former to present the bill to the latter.

The real question to ask is, if anything, another one: how is it that if the antecedents are so far back, we come to the clash now?

When one looks for the causes of situations that explode, one must always give two explanations, not one: first, we must identify long-term trends, those forces that progressively push towards the crisis; second, we must explain the contingent factors that lead to the outbreak of the crisis.

The long-term strategy of the United States in Ukraine begins well before the 2014 coup. From this point of view, it is worth starting from the beginning: from the process of the dissolution of the Soviet Union, in which the US plan to hoard the spoils of war is defined. This historical reconstruction is the subject of the first chapter of this book.

The critical analysis of this historical process shows an increasing military pressure of the United States on Russia and explains why Russia eventually had no choice but to respond on a military level. But it is by analysing the dynamics of the war, especially in its economic, before military, aspects, that the answer to the second question is most clearly seen: *Why now*. The second chapter is devoted to this theme.

The economic consequences of the war, absolutely predictable and certainly foreseen by the actors in the battlefield (with the exception, apparently, of some European politicians), show that the direction of the operation is in Washington and that the real enemy is not in Moscow but in Brussels. Ukraine is only the instrument to make Russia intervene and expand the penetration of American capital into the European Union (EU).

From the point of view of the United States, moreover, the strategy of expansion in Europe is only one piece of the global strategies governing relations with China, which are on fire in these very years. In fact, between the Minsk agreements and the Russian intervention, something not exactly minor happened on a global level: the pandemic broke out, another phenomenon described as sudden and unforeseen, but certainly not unforeseeable by the strategic centres of big capital and the intelligence services of the major economic-military powers.

For the purposes of our analysis, the health, legal and moral aspects of pandemic management are completely irrelevant. The only dimension that interests us is the economic one. From an economic point of view, the pandemic is in fact an opportunity to accelerate the process of technological and social transformation in which the United States has invested a great deal but which was struggling to develop. To complete the answer to the question *Why now*, in the third chapter, I therefore broaden the horizon of the critique and discuss the relationship between the war in the Ukraine and the anti-pandemic policies, as distinct but conjoined moments of the global imperialist strategy of the United States.

The picture that emerges shows that Europe is at the centre of US imperialist policies in the global contest with China. The economic-military interest in Europe is by no means new but is part of a long process that started at the end of World War II. As contradictory as it may seem to those who see the EU as an independent economic pole, created to rival the United States, the process of convergence first towards the single market and then towards the single currency follows a diametrically opposite logic. In fact, it is the United States itself that is pushing in this direction.

In chapter four, I therefore further problematise the critical analysis of the Russo-Ukrainian conflict by tracing the US strategy in Europe historically. It is in this process of integration between US and European capitals that the economic, political and military choices of the EU and its individual member states, seemingly contradictory, instead assume full coherence.

In the final chapter, I gather my ideas and draw some conclusions.

1. THE HISTORICAL AND POLITICAL ORIGINS OF THE CONFLICT

Before getting to the heart of the relations between Russia, Ukraine, the United States and the EU, we need to get rid of a theoretical ambiguity that characterises the debate on imperialism, concerning the imperialist nature of Russia. In fact, only by framing the Russo-Ukrainian conflict in the right theoretical framework is it possible to grasp the role of actors, formally not even in the field, but who in reality are at the centre of the economic-military developments of the entire area.

From a military and economic point of view, moreover, it is quite clear that NATO and EU strategies are behind the Russo-Ukrainian conflict. And it is equally evident that NATO is not a defensive organisation among equals but an offensive organisation hegemonised by the United States. To understand the nature of the conflict in Ukraine, we must therefore reconstruct the role of NATO and the United States in Europe.

Alongside these institutional actors, there are also the large multinational corporations, which intervene both with the financial strength of their investments and with political pressure: from lobbying to action on civil society, up to the indication of ministers and economic policy lines.

In an imperialist context, it is from the fusion of the interests of big capital with those of politico-military structures that the geopolitical strategies of states develop. It is therefore by looking at the interests of these different actors, more or less visible in the official debate, that I trace the historical-political process leading to the war in Ukraine.

Powers and pawns of imperialism

Those who frame the Russo-Ukrainian conflict in a supposed Russian imperialism make a gross mistake. Contrary to the geopolitical conception prevailing today in international relations, imperialism is not a context in which relations between countries on a planetary level are regulated through the use of arms, but is the phase of capitalist development in which large monopolised capitals lay down the law to states in order to extend their domination, both nationally and internationally. Armies obviously matter but the engine of the process is economic, not military.[1]

The main imperialist powers in the world are the United States and China. They are the ones competing for the appropriation of the value extracted in any corner of the planet. In imperialism, it is economic rather than military relations that drive this process. From this point of view, the world's top two economies are not so different: if a US or Chinese investor knocks on the door, it is not only to do mutually beneficial trade, but above all to allow US and Chinese capitals to penetrate new markets, exploit new workers and appropriate the value they produce.

The real difference between the People's Republic of China and the United States of America is that the former has no tradition of wars of conquest, while the latter, since the end of World War II, has attacked dozens of countries and participated in almost every regional conflict in every corner of the earth. In fact, the imperialist tradition of the United States has distant roots and is inextricably linked to the role of the military and the arms industry. China's, by contrast, is more recent and occurs through purely economic channels, not also military ones.

China's pro-market turn takes shape under the presidency of Deng Xiao Ping, who in the course of the 1980s dismantles the communist model built by the Great Helmsman, Mao Zedong, by launching a wide-ranging programme of privatisation, liberalisation and opening up to foreign capital. In the first phase, China is mainly a sphere of expansion for foreign capital. In time, however, Chinese capitals (partly multi-nationalised) became large and powerful enough to compete with Western capitals and today China is the only country that can rival the United States.

Even in the strictly economic competition, the US and China follow different ways: the US advances by threats and sanctions against those who do not cooperate, China advances by contracts and investments to incentivise everyone to cooperate.

Russia has none of the traits of an imperialistic power, neither US-style nor Chinese-style. Militarily, it is certainly not expansion-oriented: the main military bases abroad left to Russia after the collapse of the Soviet Union are in ex-Soviet countries (with the exception of Syria where the Russian presence was explicitly requested by the government of the then President, now ex-dictator, Bashar al-Assad). These are by no means bridgeheads for further expansion but what remains of the Russian defence system following NATO expansion.

But above all, from the economic point of view, unlike the imperialist powers, which are characterised by massive capital exports, Russia mainly exports commodities (and lots of them). Even from the financial point of view, the manoeuvres of large Russian capitals abroad are more oriented towards securing trade flows than preparing for relocation and productive development in satellite countries. Typical, from this point of view, is the relationship between Gazprom (the energy giant controlled by the Russian government) and GazpromBank, the Gazprom group's bank, the third largest in Russia, with bank branches only in the Russian federation, but with holdings in Belarus (BelgazpromBank) and Switzerland (GazpromBank - Switzerland) aimed precisely at managing Gazprom's exports.

In foreign relations, Russia is oriented towards developing trade relations. Financial relations are a necessity, not a strategic objective. From a commercial point of view, it is also obvious that Russia has every interest in maintaining peaceful and balanced geopolitical relations. Aggressive strategies in international relations are objectively not in the interest of the country, nor of its capitals.

Russia's transition to capitalism

With the dissolution of the Soviet Union and the savage privatisations imposed by the International Monetary Fund (IMF), a twofold process develops: internally, a corrupt financial oligarchy is formed, in cahoots with the West, which takes advantage of privatisations to enrich itself to the detriment of the community; in international relations, Western financial oligarchies seize the opportunity to acquire at knock-down prices important shares of all the strategic enterprises created during the communist era, to be managed together with the national oligarchs. From this point of view, at least initially, Russia is above all a conquering ground for the imperialist powers, but can hardly be characterised as an imperialist power itself.

During the eight years of Boris Yeltsin's presidency, from 1991 to 1999, Russia is scarred economically, politically and culturally.

In 1992, the first president of post-Soviet Russia initiated the reform programme desired by the West, including all-out privatisation, liberalisation and a move away from planning to make room for the market, causing a deep economic crisis in the country. The idea of distributing vouchers (shares in privatised companies) to the people as a democratic route to privatisation explodes inequality. Predictably, the vouchers are grabbed by strong hands and the workers are left with nothing: the Russian worker sees the main free social services, which he had always enjoyed, disappear in exchange for a bottle of vodka, the new political class that manages the process together with the West discovers instead the glitz of capitalism.

In 1993, the President storms the Parliament in implementation of his decision to dissolve the Chambers, without having the constitutional powers to do so. In 1998, during the ruble crisis, he declares default on the public debt, bringing the country's financial credibility to an all-time low. And soon afterwards, before relinquishing power, he signs new agreements with the IMF, with tear and blood conditions for his people.

The problem is that the second President of the Russian Federation does not think at all like his predecessor: he intends to give a political and economic turnaround to the country, put a stop to the diktats of foreign capital, and restore national pride. Putin's arrival in power reverses many economic and political processes, and his stability at the helm of the country (Putin was President of the Republic in the period 2000-2008 and from 2012 onwards, and was Prime Minister in the periods 1999-2000 and 2008-2012) restores Russia's economic brilliance, dignity to its people, and credibility and respect in the international context. The Russian Communist Party itself, despite being the main alternative force to Putin, is often at the President's side in international choices.

With Putin, cheap shopping by Western capitals comes to an end and politics resumes playing a more active role in defending national interests and in governing the economy and strategic enterprises.

Since the collapse of the Soviet Union, Russia has been greatly weakened both economically and militarily. But Putin's Russia has left behind the humiliation it suffered during the first eight years of capitalism, with the dismantling of the Soviet Union's economic and political apparatus by the pro-Western President. By now, Russia, with all its internal contradictions, has recovered internationally. Economically, it is solid and claims to be on an equal footing with its Western partners. Militarily, while it certainly does not have the means to engage in a world war, it is still able to defend its national interests.

To truly understand the imperialistic features of the Russo-Ukrainian conflict, it is not to the east, but to the west, that one must look.

NATO's expansion in Europe

To get to the origins of the Russo-Ukrainian conflict and understand its links with US expansionism in Europe, let us start with some quick historical reminders.

Until 1991, Ukraine is part of the Union of Soviet Socialist Republics and is called the Soviet Socialist Republic of Ukraine. Following the collapse and dismemberment of the Soviet Union, Ukraine becomes an independent republic and soon also becomes an object of interest for NATO.

It is worth mentioning that on 17 March 1991, a popular referendum on the preservation of the Soviet Union was held, which resulted in an overwhelming yes vote (78 per cent in favour and 22 per cent against, with 80 per cent turnout).

But the will of the people, as we know, does not count for much when the West exports democracy. Thus, under pressure from the US and the European Community (the forerunner of the EU), the Soviet Union is dissolved and, soon after, the process of annexing the post-Soviet republics to the EU and NATO begins.

The two enlargement processes of the EU and NATO proceed in parallel, albeit at varying speeds.[2]

The first preparatory act of this twofold process occurs with the annexation of the German Democratic Republic to West Germany on 3 October 1990, just before the EU came into being (the EU Treaty would be signed in Maastricht on 7 February 1992, after the dissolution of the Soviet Union), which in effect enlarges the European community and incorporates East Germany into the Atlantic Pact without increasing the number of member states in the two organisations.

The following year, Poland, Hungary and the Czech Republic form the *Visegrád Group* (later joined by Slovakia) with the aim of joining the EU and NATO. The official entry of these three countries into NATO takes place on 12 March 1999 at the Washington Summit, while NATO bombers are already warming up their engines against Yugoslavia.

The NATO bombing raids against Europe's westernmost socialist country begin on 24 March and go on until 7 May and have a strong demonstrative value: NATO shows in fact that it can move freely in Europe, even in defiance of UN treaties (where Russia and China veto the operation) and NATO itself (which, theoretically, has only defensive purposes). In order for the message to reach far, in the US-led surgical bombardment (that's how missile and bomb launches were called at the time), five precision bombs hit the Chinese embassy in Belgrade, destroying it.

At the Washington Summit, the guidelines for enlargement to Albania, Bulgaria, Estonia, Latvia, Lithuania, North Macedonia, Romania, Slovakia and Slovenia are also defined. Russia vigorously but unsuccessfully opposes this process, particularly with regard to the entry of the three Baltic states, former Soviet republics, Estonia, Latvia and Lithuania, directly bordering Russia.

In May 2000, the Yugoslavian question having been settled, with the break-up into independent republics, these countries are joined by Croatia to form the *Vilnius Group*, an organisation aimed precisely at joining the military alliance led by the United States.

In 2009, Montenegro, having declared independence from Serbia in 2006, also formally applies for NATO membership.

The process of accession to the Atlantic Pact develops in several stages: on 29 March 2004, the entry of Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia is formalised; Albania and Croatia join on 1 April 2009; on 5 June 2017, enters also Montenegro and, on 27 March 2020, North Macedonia.

In 2022, when by then it is open war between Russia and Ukraine, Bosnia and Herzegovina formally ask to join the alliance, thus completing the long process of integration that began in the aftermath of NATO's 1995 aggression - the 'Operation Deliberate Force' - with which the United States began to redraw the borders of Europe in the aftermath of the collapse of real socialism. NATO also insists on speeding up the accession of Georgia and Ukraine itself, which has been on the waiting list for more than ten years. Finally, without much preamble, Finland and Sweden also apply to join NATO, concerned, according to their spokespersons, about Russian aggressiveness.

Within the framework of NATO's development, Ukraine is only one of the strategic pawns in the process of approaching Russia's borders. Objectively, whatever the military, economic or political objectives of this process, one only has to look at a map to realise that Russia has a national security problem.

The situation in Ukraine

At the fall of the Soviet Union in 1991, the Communist Party of Ukraine, until then the sole party, is outlawed. However, the party retains strong support in industrialised areas and in the east of the country. The law is then revoked two years later, although anti-communism remains the most important political factor through which the West supports the transformation of the country and the entire area. Obviously, the main economic factor is the attractiveness of the state-owned companies, which are rapidly being privatised, offering foreign capitals a tempting opportunity to seize the state jewels of the post-Soviet economy at bargain prices.

In a short time, a new business-political class, linked to the US and the EU, is born and the economic and cultural penetration of the West grows. As everywhere else, with the transition to capitalism, the new rich (corrupt politicians and businessmen) are born, and with them, the new poor (everyone else), who see the essential services provided by the state disappear, to leave room for private profit-seeking companies.

In 1994 and 1999, Leonid Kucma, a former member of the Communist Party of the Soviet Union and the Central Committee of the Communist Party of Ukraine, wins the elections. In this new political context, Kucma has decisively moved away from Marxism and swung in favour of the market. But he is not a true fan of the West and is close to Russia in international relations.

In 1998, Ukraine thus obtains its first IMF loan of $2.2 billion, later increased to $2.6 billion the following year, against a commitment to implement a detailed pro-market reform plan.[3] In 2003, however, Kucma signs a treaty for the creation of a single economic space with Russia, Belarus and Kazakhstan, which provokes the ire of the West.

In the 2004 elections, Viktor Yanukovych, a native of the Donbass, a former member of the Soviet Communist Party and prime minister of the outgoing government of President Kucma, supported by Russia, and the opposition leader Viktor Yushchenko, wanted by the EU and the United States, face off.

The election result hands victory to Yanukovych. Yushchenko, however, does not accept this and disputes the election. On his side, he has the civil society: a network of associations and foundations that, over the years, has received funds from the *Open Society Foundations* of George Soros - one of the richest men in the world and one of the most powerful sharks in global finance - in order to defend Western interests and promote market values and anti-communism.

The so-called *Orange Revolution* thus develops, which leads the Ukrainian Supreme Court to annul the election result and call new elections. The outcome of the new election overturns the previous result and Yushchenko becomes President.

Immediately, the new president initiates the structural reforms desired by the international financial institutions, with heavy social and economic repercussions on the entire population. In 2008, Ukraine obtains a second loan from the IMF, this time of a more significant size: 16.4 billion dollars.[4]

During his tenure, however, Yushchenko fails to fully implement the reform package indicated by the IMF, due to the opposition led by Yanukovych. In particular, in the country's economic and social disaster, the government is forced to grant increases in minimum wages and pensions, to which the IMF responds by stopping disbursements at the end of 2009.[5]

But at least on a political and cultural level, the pro-Western president intends to give the country a definitive turnaround. Before ending his term of office, on 22 January 2010, he makes one of the symbolic gestures that best describes his distancing from communism: he bestows the title of Hero of Ukraine on Stepan Bandera, a war criminal, collaborator with Nazi Germany against the Soviet Union during the Great Patriotic War (an expression by which the Soviet republics, especially those on the Western Front, have always called the Second World War).

The economic and political turn towards the new Western democratic model is interrupted, however, precisely by the electoral process. In the 2010 elections, Yanukovych wins again, this time without anyone being able to mount protests or accusations of fraud, as the entire election process takes place under the careful supervision of international observers.

Newly installed, Yanukovych has to reckon with pressure from the West, which had already helped oust him in 2004. At the same time, he seems unwilling to take the unpopular measures demanded by the EU. As a matter of fact, in July, he resumes negotiations for a third IMF loan. Among the conditions of the $15 billion loan, the Fund asks the Ukrainian government to raise cash by reforming pensions - by increasing the retirement age and the contribution period - and by abolishing state subsidies to households on natural gas - with a 50 per cent increase in prices charged to users - two issues on which Yanukovych has always expressed his firm opposition.[6]

At the same time, Yanukovych develops relations with Russia and, in 2013, intensifies trade relations with the Eurasian Customs Union: the free trade area formed by Russia, Belarus and Kazakhstan that, in the initial project blocked by the *Orange Revolution*, also included Ukraine.

The conditions set by the IMF, by the way, will never be fulfilled and, in December 2013, as NATO, the EU and the IMF increase the pressure on Ukraine, the dialogue comes to an abrupt halt, and international diplomacy is replaced by street riots.

The coup d'état of 2014

Ukraine's relations with the EU and the international financial institutions are at the centre of the events leading up to the 2014 coup. The EU presses for Ukraine to start the accession process, but sets very tough conditions: a broad agenda of economic, judicial and financial reforms, adherence to the Union's foreign and security policy, the creation of a free trade area and access to new loans from the IMF, with a heavy debt burden for the country.

Unlike the countries that generally resort to the Monetary Fund, however, Ukraine is not without alternatives. For some time, Moscow has been courting Kiev with tempting economic proposals to discourage its rapprochement with the EU and NATO. In this acceleration of Western pressure on Ukraine, accompanied by increasingly harsh conditions on the Ukrainian government, Russia plays in the opposite direction and puts increasingly generous economic proposals on the table. Thus, while the EU and NATO present a plan of social mincer and submission to external interests, Russia offers the neighbouring country an aid package worth $15 billion and a 33 per cent discount on natural gas as an entry bonus in the process of economic integration in the Eurasian area, without, moreover, meddling in income policies and privatisations which, in the Russian proposal, would remain internal Ukrainian matters.[7]

It is clear that, from an economic point of view, there is no match between the two proposals. But the West has no intention of buying Ukraine at auction. It wants it on the terms it has itself defined, those of maximum profit for US and European companies. Therefore, it does not intend to make any concessions and does not engage in any negotiations. In order to impose his own conditions, it makes not promises but threats, including the threat to interrupt the integration process with Europe, thus shifting the problem from the economic to the political terrain.

President Yanukovych, at this point, has no more hesitations either economically or politically: on 21 November 2013, he suspends the signing of the association agreement with the EU, abandons the negotiating table with the IMF and turns to Russia.

Once again, anti-government protests are immediately triggered, according to script. The protest movement takes shape in Maidan Square (Independence Square) and soon establishes itself in the media as the *EuroMaidan* movement, a term introduced by *Radio Free Europe*, one of the creations of the *Open Society* in Ukraine since 1994.

Compared to the *Orange Revolution* ten years earlier, the process of militarisation of the anti-government forces has increased greatly. Over the past ten years, the economic support of Western capitals to Ukrainian civil society has not been limited to the cultural and media sphere, but has also fostered the formation of violent groups and paramilitary squads.

Within a few days, the protests degenerate into violence, with snipers firing into the crowd and assaults on government buildings and security forces. Peaceful demonstrators are sidelined in the protests and paramilitary battalions with Nazi references appear on the streets. On 8 December, militants of *Pravi* Sector (the ‘Right Sector’, an extreme right-wing political party and paramilitary organisation) demolish the monument of Lenin in an important square in Kyev, as a symbolic gesture along the same revisionist process initiated by Yushchenko.

Demonstrations turn into armed clashes, the dead are counted in the hundreds, and finally, on 22 February 2014, Yanukovych is dismissed from his post as President.

Against the coup, Crimea and the Donbass region react promptly.

On 16 March, following a referendum won by the separatists with 97 per cent, Crimea proclaims its independence and demands annexation to the Russian Federation. Similar referendums are held also in Lugansk and Donetsk, in the Donbass, again won by the separatists with around 80 per cent of the vote, followed by the declarations of independence of the Donetsk and Lugansk People's Republics.

The anti-golpist movement, led by the Communist Party and other anti-fascist forces, also rises up in other areas of the country. Repression by fascist groups is ruthless. On 2 May 2014, violence turns into barbarism.

The Communist Party organises an initiative to unite the anti-Golpist forces in front of the Trade Union House in Odessa, a port city on the Black Sea. A horde of fascists, led by the *Pravi Sector* and *Svoboda* (an extreme right-wing political party, also inspired by Nazi ideology), decide to take action: after forcing the demonstrators to take refuge inside the House of Trade Unions, the neo-Nazis set fire to the building and shoot at those who try to save themselves. The toll is heavy: dozens of men, women and children are charred and murdered in cold blood.

In the West, the news is not even reported for days, and by the time the images of the massacre are in the public domain, thanks mainly to Russian media, Western TV and newspapers hasten to claim that it was an accident and that the fire was started by the protesters themselves, who, from inside the House of Trade Unions, allegedly attacked the squad forces with Molotov cocktails, which ended up on the building itself by mistake.[8]

Regime change

New Ukrainian elections are held on 25 May 2014 in a situation of chaos and violence. Crimea and the republics of the Donbass, which have by now declared independence (a fact implicitly recognised by the government in Kiev when counting the percentage of the vote in relation to the total electorate), are excluded. Many political activists are kidnapped, beaten and threatened by fascist squads, and candidacies are screened on political grounds, with major exclusions, even among ex-parliamentarians. Of course, all the communists and the most active trade unionists are banned.

The elections are won by Petro Poroshenko, of the European Solidarity Party (centre-right), an oligarch with major holdings in the media, manufacturing, agricultural and financial sectors. Barely a week after taking office, Poroshenko receives an IMF delegation to discuss the conditions of a new $17.5 billion loan. Among the most urgent reforms, the Fund insists on the liberalisation of agricultural land sales, in addition of course to the usual structural reforms to be borne by the population.[9]

This is a very delicate issue on which multinationals have been betting since the fall of the Soviet Union, but which becomes more and more important as Ukraine's integration into the EU materialises and as the plans of biotechnology multinationals to take over Ukrainian agriculture and penetrate the EU, where the anti-GMO legislation constitutes a serious obstacle to the development of agribusiness multinationals, develop.[10]

In the transition to capitalism, the parcelling out and redistribution of state land caused a dramatic drop in production and productivity. At the same time, this was the only way to expropriate the Ukrainian state of its lands, without going through military occupation by foreign armies. In order to prevent agricultural land from falling entirely into foreign hands, the creation of the new property rights on individual plots was accompanied by a ban on marketing them. Even the most naive free-market dreamers knew, in fact, that in a highly asymmetrical context in the distribution of wealth, the creation of a genuine land market would have implied the savage expropriation of Ukrainian land by multinationals.

Now, finally, with the liberalisation of agricultural land sales, multinationals can grab the best lands at bargain prices and take advantage of the country's special legislation to circumvent fertiliser and genetically modified organism regulations and, through integration into the EU, make their way into the whole Union.

The World Bank also joins the chorus of praise for the Ukrainian authorities' efforts to develop a comprehensive reform programme and announces an aid package of a further $3.7 billion.[11]

Finally, on 27 June, Poroshenko signs the association agreement with the EU and reaffirms his intention to join NATO.[12] In less than a month, the new president thus eliminates any ambiguity about the country's new economic course and international position.

On the economic level, the pro-European turn and the estrangement from Russia impose hard sacrifices on the Ukrainian people, starting with the 450 per cent increase in gas tariffs. First, the price discounts hitherto offered by Russia to its former Soviet sister are no longer available. Now, finally, the country is free of dependence on Russia, and the (Russian) gas and oil come to it via the EU, which has few discounts to offer and is indeed a useless intermediary in terms of the final price. Second, the new pro-Western government intends to abolish any form of direct supply or state subsidy on basic necessities, from water to energy, because in the new democratic Ukraine, goods are paid for in cash, at market prices.

Having settled economic issues, Poroshenko moves on to eminently political matters. On 15 May 2015, he initiates the decommunisation process. The new package of laws includes the removal of all symbols of communism and of the Soviet Union. Thousands of monuments are torn down, dozens of towns and villages are forced to change their names under penalty of sanctions by the government in Kiev, the Communist Party of Ukraine, the Renewed Communist Party of Ukraine and the Communist Party of Workers and Peasants are outlawed, and any party of communist ideology is banned from participating in elections.[13]

Poroshenko also vigorously rejects the declaration of independence of the Donbass republics and launches an intense military campaign in the region under the command of the ultra-nationalists of the *Azov Battalion* and *Pravi Sektor*.

The new post-coup government

The new government and the new institutional system of Ukraine are formed on the push of civil society, which from the very beginning supported the ousting of the legitimately elected president. The new Ukrainian civil society is not exactly a collection of small spontaneous associations, born in the social and cultural fabric of the country as a bottom-up push in the direction of a more participatory democracy, but a set of non-governmental organisations created by the West and financed over the years with foreign capitals, under the leadership of Soros, to convert the country to Western interests. The activity of the anti-communist philanthropist is by no means developed in the shadows. On the contrary, it is he himself who boasts of having contributed to the fall of the pro-Russian dictator and mobilised his financial army to show the way to the new government.

Ukraine is in Soros' sights since before the collapse of the Soviet Union. In 1990, Soros establishes in Ukraine *the International Renaissance Foundation* as part of *the Open Society*, by now present in more than thirty countries around the world, mainly in Central and Eastern Europe and the former Soviet Union. According to figures provided by *Renaissance*, in these thirty years, the foundation has financed more than 9,000 projects worth more than $230 million for individuals and organisations in defence of human rights, anti-government media and anti-communist culture.[14] Projects include the reform of the education system, the healthcare system, the legal system and, more generally, the dismantling of the Soviet Union's system of social services. In 2014, *Renaissance* is the most active supporter of the agreement with the EU and is actively involved in the formation of the new government and the new power structure.

According to *the Institute for New Economic Thinking*, a think tank created by Soros at the height of the 2007-2009 financial crisis, *Renaissance* 's most important achievement in Ukraine is the establishment of the National Reform Council, a governmental body founded in August 2014 by order of President Poroshenko, of which civil society is an integral part. The Council is financed by the European Bank for Reconstruction and Development, the *Renaissance Foundation* and the Swedish government. Its task is to plan, promote and monitor the reform process in practically every legal, economic and military field: from the reform of the police, anti-corruption regulations and the entire judicial system to energy, agricultural, education and health policies, from tax and pension reform to privatisation and deregulation, from the reform of the financial system to that of the defence system and national security. At the head of the Council is the former CEO of *Microsoft Ukraine*, Dmytro Shymkiv.[15]

The creation of the National Reform Council is only one of the channels through which civil society and the international community obtain formal recognition of their role in the political life of the country. In fact, in parallel, the game for seats in the new government is also at stake.

The names of the ministers of the new coup government come out of a business-like selection process conducted by two recruitment firms, *Pedersen & Partners* and *Korn Ferry*, hired, to no one's surprise, by the *Renaissance Foundation*.[16] The two selection companies first identify potential candidates among foreigners present in Kiev and members of the Ukrainian community working in Canada, the United States and the United Kingdom. Then, through interviews, they narrow down the shortlist to 24 candidates, suitable, according to the two companies, for ministerial or senior management positions.

According to the two multinationals, for the good of Ukraine, the economic ministries must go into American hands. Ukrainian-born American Natalia Jaresko, managing director of an American investment fund, is indicated for the Finance Ministry. The best political-professional figure for the Ministry of Economy is instead a Lithuanian investment banker, Aivaras Abromavicius, from the US State Department.

A third foreign minister in the government of Ukraine is Alexander Kvitashvili, a Georgian, to whom goes the Ministry of Health, a post he previously held in the government of Tbilisi. The list of foreigners also includes several people in leadership positions, albeit at a lower level than minister.

In validating the list of ministers proposed by the American selection agencies, the Poroshenko government, officially elected with the support of the nationalists, immediately offered Ukrainian citizenship to the new foreign ministers and executives.

But the foreign presence in Ukraine's internal dynamics does not only concern the men in suits but also those in camouflage. Among the most aggressive pro-government battalions, there are in fact many foreign presences that, at this point, it is better to integrate among the institutional forces. The granting of Ukrainian citizenship is therefore also extended to foreign mercenaries fighting alongside Kiev troops against separatists and Russian ‘aggressors’.

As a sign of gratitude for the cooperation, on the very day of the presentation of the new pro-Western government, the foreign ministers of the NATO countries all together announce new measures of economic and military support to Kiev and, in order to reiterate that the intervention is not a simple gesture of friendship to Ukraine but has an explicitly anti-Russian valence, they take the opportunity to accuse Moscow of wanting to prevent the transition to democracy in the neighbouring country.[17]

The Minsk Agreements

On 5 September 2014, as the Kiev army, flanked by Nazi battalions, besieges the self-proclaimed independent Donbass People's Republics, Ukrainian Vice President Kucma, Russian Ambassador Mikhail Zurabov, the head of the Donetsk People's Republic, Alexander Zakharchenko, and the head of the Lugansk People's Republic, Igor Plotnitsky, meet in Minsk, Belarus, to sign a joint protocol, mediated by the OSCE.[18]

The protocol stipulates: the immediate cessation of fire, Ukraine's respect for the ‘temporary status of local self-government in certain areas of Donetsk and Lugansk region’, monitoring of the state of the Russo-Ukrainian borders by the OSCE, the release of hostages and illegally detained persons, the enactment of a law prohibiting the continuation of war events in the Donetsk and Lugansk regions, the adoption of measures to resolve the humanitarian crisis in the Donbass, and the removal of illegal and mercenary military formations from the territory of Ukraine. Two weeks after the protocol signature, the parties also sign an implementing memorandum specifying the military details of the agreement.

Clashes, however, do not subside. On the contrary, nationalist battalions of Nazi ideology take the lead in the military operation, intensifying the attacks against the population.

On 11 February 2015, the parties meet again to sign a new protocol, the Minsk II - theoretically still in force - which provides for: an immediate bilateral ceasefire, the withdrawal of all heavy weaponry with the aim of creating a security zone between both sides, verification by the OSCE of the ceasefire and withdrawal of heavy weaponry, discussion on how to conduct local elections, amnesty for those involved in the clashes in the Donetsk and Lugansk regions, the exchange of prisoners, the distribution of humanitarian aid, full Ukrainian control of the state border along the entire conflict zone, the withdrawal of all foreign armed formations, including mercenaries, the disarmament of illegal groups, the adoption of a new constitution providing a special status for the autonomous areas of Donetsk and Lugansk, and the right to linguistic self-determination.[19]

Even this protocol, however, remains totally disregarded, with the exception of the prisoner exchange occurred in 2019.

Two formal problems, in particular, remain unresolved: first, no agreement is reached on the electoral modalities in the republics of Donetsk and Lugansk (where, moreover, the results of the 2014 referendums, not recognised by Kiev, leave little doubt as to the will of the people); second, on the language issue, in May 2019, Poroshenko signs a law stipulating Ukrainian as the only state language and imposing its use in all institutions, schools, hospitals and the service sector in general. In a country where entire regions are Russian-speaking (in some areas as the only language), this creates a deep social divide, fuelled precisely by government forces.

In the meantime, in the Donbass territories and in many areas of the country, the real problem is the Nazi onslaught, which expresses itself both through the paramilitary battalions at the forefront of the offensive in the Donbass and through a wave of violence against the population.

Since the beginning of the coup, the number of dead is around 14,000 and the number of injured 40,000, mostly civilians from the Donbass.

The stalemate

The formal problems on which no agreement can be found are certainly not insurmountable. Blocking any possibility of compromise are not internal disagreements within Ukraine but external relations with the West and, in particular, with the United States.

For the US, Ukraine is part of a broader plan, concerning relations with Europe, intended to increase military tensions in the region. The US cannot allow the parties formally involved to come to an agreement and instead wants to bring the weight of its military force into European economic processes.

At the NATO summit in Warsaw in 2016, the United States outlined to the allies its plan to reinforce militarily the eastern front of the now not really Atlantic Alliance, in an explicitly anti-Russian key.[20] The formal reason is to prepare for Russia's belligerence, made evident by the 2014 annexation of Crimea, deemed illegal by the Atlantic Pact countries.

In addition to supporting Ukraine directly, NATO therefore prepares for a military containment action, through encirclement, of Russia. In Ukraine, it intensifies the dispatch of means, men and weapons, especially from the United States. On the Russian borders, on the other hand, it intensifies military drills.

In the north, the main one is called ‘Cold Response’ and takes place in Norway every two years. In the first exercise, in 2006, 11 NATO countries participate, deploying 10,000 soldiers. The number of men and vehicles grows significantly from 2012 onwards as its role in the overall strategy of encirclement of Russia grows. In the last exercise, Cold Response 2022, held in the midst of the Russo-Ukrainian conflict, 30,000 troops were deployed from 27 NATO countries, with the addition of Sweden and Finland.[21]

Also in Norway, in 2018, NATO carries out its largest military exercise since the 1980s, the so-called ‘Trident Juncture 18’, involving more than 50,000 troops from 31 different countries and a massive deployment of vehicles, ships and warplanes.[22]

In 2017, NATO also forms four multinational combat-ready Battlegroups in Estonia, Latvia, Lithuania and Poland, led by the UK, Canada, Germany and the United States respectively, institutionalising a process started in previous years, with operations ‘Atlantic Resolve’, initiated in 2014, and ‘Anaconda 16’, held in 2016, in response to Russia's annexation of Crimea.[23]

As a further act of intimidation, or perhaps as a concrete step towards the war, on 2 February 2019, the United States notifies its intention to withdraw from the Intermediate-Range Nuclear Forces Treaty, signed in 1987 together with the Soviet Union. In the official communiqué, without providing details, Secretary of State Michael Pompeo states that Russia is solely responsible for the end of the treaty, having violated it repeatedly since the mid-2000s.[24]

Predictably, the US decision to leave the treaty produces strong reactions from Russia and China. But the die is now cast and the exit process is completed in August.

NATO obviously supports the US decision and no member state in Europe dares to contradict the alliance leader. Only German Foreign Minister Heiko Maas timidly raises his voice by publicly noting what is obvious to all: ‘a piece of Europe's security has been lost’.[25]

Immediately afterwards, still in August 2019, the US starts testing new missiles that exceed the treaty's range limits. And since it knows that China is winking at Russia to attract it into its economic sphere, through the mouth of Defence Secretary Mark Esper, it makes it clear that the target of the new nuclear framework is not only Europe but also the Pacific area.[26]

A few months later, NATO announces another series of large annual military exercises, involving some 20,000 American soldiers, ‘to protect Europe’.

While half of Europe is under confinement because of the coronavirus, in early 2020, the US military thus conducts the largest military exercise in the last 25 years, significantly baptised ‘Defender Europe 20’, to remind allies that there is not only the covid to defend against: there is also Putin.[27]

In September, NATO is the protagonist of two explicit provocations against Russia: on 4 September, three US B-52 strategic bombers enter Ukrainian airspace and carry out a long reconnaissance flight along the borders of the Crimean peninsula;[28] on 25 September, US aircraft stage a mock attack on Kaliningrad, the Russian enclave between Poland and Lithuania, as a test bed to neutralise Russian missile systems.[29]

In 2021, to complete the display of muscles on Russia's borders, NATO further strengthens ‘Defender Europe 21’ in the north and, in the south, kicks off ‘Steadfast Defender 2021’, another large military drill in the Balkans and the Black Sea basin, in which an additional 10,000 US troops participate.[30]

Russia does not stand idly by. The American exercises are too reminiscent of the annual ‘REFORGER’ (‘Return of Forces to Germany’) exercises held by NATO during the Cold War and only ending in 1993, after the fall of the Berlin Wall and the Soviet Union, and therefor responds by moving its troops into the border areas with NATO's eastern vanguards.[31]

Internationally, Russia relies mainly on Belarus, with which it has been conducting joint military exercises since 2013, under the name ‘Zapad’ (meaning ‘west’ in Russian), echoing the name of the largest Soviet exercise Zapad-81, held in 1981 as an anti-NATO exercise.[32]

In the post-Soviet era, Russia held two other Zapad exercises, in 1999 and 2009: the first, to test the ability to respond to a possible NATO aggression, after the disruption of the defence system caused by the dissolution of the Warsaw Pact, a test that showed the weakness of the Russian defence system and the need to accept a series of economic-military conditions in Europe; the second, to simulate the consequences of an attack from Poland and the Russian army's counteroffensive capabilities.

As strategically important as they are, the Zapad missions do not have the demonstrative effect in terms of the volume of troops and means mobilised of the Soviet-era exercises, nor of those of the NATO exercises. In 2021, however, Russia impresses an accelerator stroke. While maintaining an essentially defensive character, and with a smaller deployment of air and naval assets than the NATO exercises, Zapad 2021 is undoubtedly the largest European exercise in terms of personnel deployed: over 200,000 Russian and Belarusian men and women.

For lovers of strategy games, the match can now begin: the tanks are lined up on the Risk board, the cards are distributed and the general tests are completed. Now all that needs to be done is to push one player to roll the dice ‘first’.

The President in camouflage

As the skirmish between NATO and Russia grows, the internal balance in Ukraine evolves as well. On 31 March and 21 April 2019, Ukrainian people vote to elect a new President.

In the race there are only pro-Westerners. The main contenders are three: President Poroshenko; Yulia Tymoshenko, the historic leader of the 2004 *Orange Revolution*, defeated in the 2010 presidential elections by her lifelong enemy Yanukovych, prime minister under Yushenko's presidency, sentenced in 2011 to seven years in prison for abuse of office, released from prison during the *EuroMaidan* movement in 2014, expected to be the President's great challenger; and Volodymyr Zelensky, a last-minute candidate, unknown in the political world but known to the general public as the star of a successful television series in which the character he plays, by fortuitous circumstances, becomes President of Ukraine.

As in the script, Zelensky wins, defeating the outgoing president in the runoff.

The TV series starring Zelensky is entitled *Servant of the People* and tells the story of a high school teacher, unfamiliar with politics, who, thanks to a video posted by his students on social networks, which captures his outburst against the oligarchies, becomes popular, stands for election and wins. The series debuts in October 2015 and the last episode airs in March 2019, one month before the elections, on channel *1+1*, the second Ukrainian channel by geographical coverage, belonging to *1+1 Media Group* (in the West, the rights are owned by *Netflix*).

Unlike the fictional protagonist, the President of Ukraine is not an ordinary citizen who earns his bread by teaching in a high school, but a businessman who profits tens of millions of dollars from billion-dollar operations on offshore companies, including *Kvartal 95*, a television company founded by him. In March 2018, the lawyer of *Kvartal 95* registers a new party at the Ministry of Justice: *Servant of the People*. The party has no venue for meetings, no members, everything is played out on television, where also Zelensky's announcement of his candidacy for president takes place during the New Year's Eve show on *1+1 TV*. And a few months later, once the fiction has turned into reality, Zelensky assigns the men of *Kvartal 95* important positions of power, including the direction of the Ukrainian secret police.[33]

Behind Zelensky is Ihor Kolomoisky, one of the biggest Ukrainian oligarchs, one of those who made his fortune with the transition to capitalism, and who now controls, among other things, the *1+1 Media Group* and finances *Kvartal 95*. In 1992, he is one of the founders of *PrivatBank*, which will later be nationalised in 2016, following accusations against him of large-scale fraud.

Jewish, with triple citizenship, Ukrainian, Israeli and Cypriot, Kolomoisky plays a leading role in the Jewish community: in 1998, he is elected President of the United Jewish Community of Ukraine and, in 2010, he is appointed President of the European Council of Jewish Communities. Local media describe him as the second richest man in Ukraine and *Forbes* includes him among the three most influential people in the country.[34]

Politically, in addition to his visceral aversion to communism, he is an old opponent of Yanukovych, a supporter of Yuschenko and a financier of philanthropic activities. With the regime change following *EuroMaidan*, the new president Poroshenko appoints him governor of the Dnipropetrovsk region on the borders of the Donbass, where he is very active in the repression of the Russian separatist movement.

He creates the Dnipro battalion, in the capital of the region he administers, considered by many to be his own private army, and finances the Aidar and Azov battalions, of Nazi ideology. His aversion to Russia and any kind of separatism is not only political in nature. Kolomoisky has in fact badly digested the seizure and nationalisation of his assets in Crimea, after its annexation by Russia, and he would like to go and get them back *manu militari*.

In 2015, however, Kolomoisky enters into conflict with Poroshenko. The President wants to limit the autonomy of the 'volunteer' battalions, which are at the centre of scandals for serious violence and abuse, causing embarrassment in the Western media.[35] With the regime change, the West would like to accelerate the process of economic reforms defined by the IMF in what it presents as the new democratic Ukraine, and the explicit hype of Nazism does not play well in the dialogue with Western democracies. On 25 March 2015, the pro-Western president therefore removes Kolomoisky from office.

The United States has nothing against Ukrainian oligarchs who like Nazism and Poroshenko's presidency is the proof. The problem, if anything, concerns the degrees of freedom they should be given, and the US, as we know, likes to conduct the orchestra. The oligarchs who promote and finance the change are more useful in the phase of destabilising the country than in the phase of aligning with the interests of the West. Kolomoisky clearly has too much autonomy and power and it is better that he step aside.

The problem is that the Ukrainian oligarch does not agree at all, he plays at home and already has a plan. On 16 November 2015, the first episode of *Servant of the People* is aired and in three and a half years one of his men is President. To be sure, while his plan airs on his TV, following the *PrivatBank* scandal, in 2017, Kolomoisky leaves the country and goes to Switzerland and Israel, from which he returns after Zelensky's election in 2019, with due guarantees of impunity for the charges against him.

Zelensky is a product of the local oligarchies opposed to the United States. In the election campaign, he presents no real political programme and plays everything on populism and the fight against corruption. In international relations, he presents himself as a clear supporter of the West but avoids taking explicit positions on Russia and suggests that the issue of NATO membership should be resolved through a referendum. According to the polls, while Poroshenko's electorate is compactly in favour of EU and NATO membership, Zelensky's voters are more heterogeneous: the majority is pro-Western but more than a third would like to re-establish friendly relations with Russia and, on the issue of war, 30 per cent of Zelensky's voters would be ready to accept peace with Russia, whatever the conditions.[36]

After also winning the parliamentary elections, on 9 December 2019, Zelensky is expected in Paris for his first meeting with Putin, in the presence of Emmanuel Macron and Angela Merkel: an important moment to understand the new president's real intentions. A month before the meeting, Kolomoisky - who, moreover, claims that FBI political manoeuvring is behind the crimes he is accused of - discovers his game. His stay abroad, the attention he received from the United States and his innate sense of business have evidently led the old anti-Russian oligarch to revise his positions.

In an interview with the New York Times, he states that the US is simply using Ukraine to weaken its geopolitical rival: ‘people want peace, a good life, they don't want war. And you (the US) are forcing us to go to war, without even giving us the money to do it'. Ties with Russia must be rebuilt for the country's economic survival. Zelensky should default on the Monetary Fund loans and accept $100 billion from Russia. ‘What is the fastest way to solve the problems and restore relations? Money.’[37]

At this point the US demands clarity and loyalty from Zelensky. It is up to him to free himself from the leash of Kolomoisky and all the oligarchs he had promised to fight. Zelensky quickly realises that *Servant of the People* has now a new director. By now he no longer needs local TV, TVs from all over the world are waiting for him. The fourth series of the reality show thus debuts with the passing of the so-called anti-Kolomoisky law, which, among other things, prohibits former owners from recovering nationalised assets (the reference is obviously to *PrivatBank*, to which Kolomoisky claims rights). At the same time, as part of the initiation rite required by the United States, he expels all men close to Kolomoisky from the party and the government.[38]

In order to push Zelensky to go all the way, on 5 March 2021, reviving the corruption allegations that emerged in 2015, the US State Department imposes sanctions against Kolomoisky, who, at this point, conveniently leaves the scene.[39] Zelensky is finally free to act, in the sole interests of the West.

Unfortunately, he also ends up caught up in Kolomoisky's offshore operations scandal. Indeed, on 3 October 2021, the two appear in the Pandora Papers, a huge journalistic investigation into tax havens, money laundering, corruption, tax evasion and avoidance. The investigation reveals the existence of a complex network of offshore companies belonging to the circle of Kolomoisky and Zelensky, with billion-dollar money transfers since 2012.[40]

For those who had believed that the servant of the people would free Ukraine from the oligarchs, this is quite a disappointment. For the US, instead, a hot dossier always in evidence on the President's desk is a convenient way of reminding him that the interests to be served first are those of the West.

Washington certainly does not need the Pandora Papers to know about the financial manoeuvres of the Ukrainian President and his entourage. Quite simply, as usual, the US gives the oligarchs a free hand when they fuel orange revolutions, arm military battalions and say they want to fight corruption, but dumps them at the first divergence of interests.

In the break with Kolomoisky, Zelensky not only loses the support of the media industry that created his consensus, he also loses much of the consensus itself. The regime change that was supposed to bring democracy and Western prosperity has only brought war and destruction. The people are tired and the war until the last man does not please any Ukrainian. Many Ukrainians really feel the same way as Kolomoisky: they have had enough of the war, the workers would like to go back to work and the entrepreneurs to do business. By now the servant of the people no longer serves either the Ukrainian people or the financial circles he comes from. His only referents are the United States and the NATO powers.

2. THE ECONOMIC CONSEQUENCES OF THE WAR

The military developments of the relations between Ukraine and Russia and, above all, between NATO and Russia are only one dimension of the problem in the US imperialist strategy. The real war that the United States intends to wage against Russia, at least for the time being, is in fact mainly economic in nature. Moreover, it is now clear that, in the sights of the United States, more than Russia, there is the EU. Let us therefore analyse the Russian military intervention and the economic consequences it unleashes, trying to identify the winners and losers of the economic war.

The Russian military operation

Russia's armed intervention against Ukraine occurs without any casus belli. Everyone knows it is coming. For months already, Zelensky has been accusing Putin of plotting a coup against his government and has been clamouring for preventive action against Russia from NATO countries.[41] The US obviously knows in real time the movements of Russian troops on the border with Ukraine and the EU passively waits for the course of events, as if they were inevitable.

The military operation starts on 24 February 2022, three days after Moscow's official recognition of the two independent republics of the Donbass. There are two terms that Russia insists on in justifying the intervention: demilitarising and denazifying the neighbouring territories.

The first term obviously refers to the problem of the militarisation of Ukraine and the aggression in the Donbass. In fact, the militarisation of the country through NATO-trained paramilitary groups and mercenaries was the preparatory act of the coup d'état and then intensified in the phase of repression of the anti-fascist forces. The possibility of Ukraine explicitly hosting NATO armaments or receiving indirect military aid from NATO constitutes an objective threat to Russia's national security, especially after NATO itself declared Russia a hostile power.

The militarisation that worries Moscow, however, does not only concern Ukraine but the entire area. The escalation leading to armed intervention has more to do with the Ministry of Defence's concerns about the ever-increasing presence of NATO troops moving along Russia's borders than with the people of the Donbass, who have been under bombs for eight years now.

The term ‘denazification’ is also significant: in fact, it explicitly responds to the ‘decommunisation’ process initiated by Poroshenko and developed by the *post-EuroMaidan* coup government, which, as we have seen, bans communism in all its real and symbolic forms.

Russia has distanced itself from communism long ago and is well integrated in economic relations with the major capitalist powers. But the memory of Nazism, in the country that stopped it, is still present. And to stop it, like it or not, everyone knows it in Russia: it was the communists.

This display of historical pride against the Nazification of Ukraine is part of a more general process of Russia's reconsideration of its Soviet past. From the President's official speeches to military parades, many aspects of real socialism, including communist symbolism, are re-evaluated, certainly not for the political content it still expresses today, but to vindicate before the world the historical role played by the Soviet Union.

With the collapse of the Soviet Union, Russia was humiliated politically and economically: it had to repudiate communism and sell off the country's wealth to western capitals as a condition for being integrated into relations with the West. Now, in the face of an increasingly aggressive NATO, which also uses Nazi fighters and would like to revive Cold War patterns, President Putin's references to the greatness of the Soviet Union and the Red Army become a response with historical, more than political, significance. If Europe pretends to be anti-fascist while, in obedience to the United States, it arms the Nazis, Russia responds by remembering who really defeated Nazism in Europe and who raised the Flag of Victory on the Reichstag.

Militarily, unlike the NATO wars, conducted with massive missile launches and carpet bombing, the Russian advance in the Donbass is relatively slow. When it can, the army avoids confrontation to the death, instead trying to push the enemy to surrender, and avoids attacking the most populated areas.

Investigating Russian attacks in a number of cities in the Donbass, Amnesty International instead uncovers the use of infamous war tactics by the Ukrainian army, repudiated even by international conventions, such as launching attacks from inside residential areas and using human shields to protect the military, in schools in residential buildings and in hospitals.[42] There are also many videos circulating of Ukrainian tanks hiding near populated areas and murderers of civilians trying to get to safety through the humanitarian corridors.

From the point of view of international law, military aid from the United States and other NATO countries (or even direct armed intervention) also raises several problems, both because Ukraine is not a member of the Atlantic Pact, nor does it have any particular defence agreements with individual NATO countries, and because most European countries repudiate (at least formally) war as a means of settling international disputes.

With the entry of the Russian army into Ukrainian territory, another embarrassing aspect of the United States' military strategies comes into the spotlight, in the midst of the post-pandemic context. On 10 March 2022, visibly embarrassed, Victoria Nuland, US Undersecretary of State - filmed on world TV in 2014 at EuroMaydan while, with a bag full of bread, she addresses the protesters saying ‘We're here from America, would you like some bread?’ - is being heard in the Senate to give an account of developments on the ground. From triumphalist tones, she suddenly changes expression when she is asked about the biological laboratories in Ukraine: the Undersecretary of State confirms their existence and says she is worried that 'research material' will end up in Russian hands, reassuring however that everything is under control.[43]

If she is forced into this public admission, it is because the Russians already have plenty of evidence of the biological warfare waged by the United States. It is of no help to hastily destroy the laboratories to try to erase the traces. In fact, the commander of the Russian radioactive, chemical and biological defence forces, Igor Kirillov, has already spoken publicly of a network of about thirty Pentagon biological laboratories in Ukraine, a fact confirmed by the spokesman for the Chinese Foreign Ministry, Zhao Lijian, who points out that this is the tip of an iceberg made up of 336 US laboratories located in 30 different countries.[44]

Ms Nuland will be best remembered, however, for another episode, in which her diplomatic arts flew free, without the formalities of parliamentary halls. In a phone call with the US ambassador to Ukraine Geoffrey Pyatt, leaked on YouTube in 2014, the two Americans discuss the formation of the new Ukrainian government and the divergence of interests between the US and the EU: the EU is playing a long-term economic game with Ukraine, while the US wants an escalation against Russia, a delicate issue, to be tackled with the utmost diplomacy, on which the Under Secretary of State says her piece succinctly, explicitly and effectively: 'Fuck the EU!'.[45]

The sanctions against Russia

The reaction of the US, EU and NATO countries to the Russian attack is all-out. Militarily, they intensify the deployment of arms, means and men; economically and financially, they brutally tighten sanctions in order to isolate Russia economically and push it towards state default (the sanctions process actually started in 2014, in the aftermath of the coup in Ukraine and the Russian reaction in Crimea). Finally, a campaign of discrimination and censorship is unleashed against everything that has to do with Russia, including culture, information, science, art and sport. Russian civilisation is banned and, through a syllogism that has been anachronistic for at least thirty years, the opportunity is taken to decommunise a bit the West as well, by removing the symbols of communism or even the statues of Karl Marx, who was not exactly Russian and who died some thirty years before the October Revolution.

The first measure of a financial nature against Moscow is the freezing of the Russian Central Bank's funds. The figure is unspecified: the Russian authorities refer to a seizure of 300 billion dollars, about half of the Central Bank's total reserves; lower international estimates speak instead of about 630 billion dollars and, according to the French economy minister Bruno Le Maire, it would even be 1,000 billion euros. Without pretence, Le Maire declares: 'We will provoke the collapse of the Russian economy![46]

In any case, this is an unprecedented figure against a legitimate and sovereign institution. Immediately afterwards, following a protocol already tried and tested during the seizure of Libyan and Afghan sovereign funds, German Finance Minister Christian Lindner suggests that the freezing be changed to confiscation, in order to be able to freely dispose of the funds during the reconstruction phase.[47]

A second significant measure follows: the exclusion of major Russian financial institutions from the Swift international financial exchange system, the world's leading platform for international payments. This materially blocks major international transactions with Russia through the banking system.

The US then takes a third decisive step, especially for the allies: it bans imports of Russian oil and gas, insisting that all do likewise. The problem is that European countries are not objectively in a position to do so. For the US, it is easy, since, as of 2019, they do not import a single cubic metre of gas from Russia and Russian oil constitutes only 3 per cent of the country's total oil imports.[48] For the European allies, things are different: the EU imports 40 per cent of its total gas and 25 per cent of its oil needs from Russia.[49]

In order for the EU to take this bold step to bend the Russian economy, at least so it is claimed, the US promises to increase liquid gas exports to Europe and to maintain these increases until at least 2030.

The UK immediately joins the US appeal, pledging to rapidly eliminate Russian oil imports by the end of 2022. The EU follows the implementation of sanctions more formally than actually, given its dependence on Russian energy. At the same time, it mainly entrusts the US with the task of reconsidering relations with oil-producing countries, including the US itself.

German companies are the ones paying the highest price for the sanctions: Chancellor Olaf Scholtz must in fact block the start of activity of the Nord Stream 2 gas pipeline, completed in 2021, the longest gas pipeline in the world, connecting Russia to Germany via the Baltic Sea, and which was supposed to be a major source of energy supply for the entire EU. A drastic and costly choice, which nullifies long-term strategic investments, taken in a few days under US pressure, obviously with the intention of striking Russia. The first to fall, however, is the Swiss company Nord Stream 2 AG, operator of the pipeline, which declared bankruptcy in the aftermath of the German decision.[50]

Russian countermeasures

Russia responds to the sanctions with a multifaceted strategy based on careful coordination between the Central Bank and the government. The Central Bank takes three actions of a financial nature. The government moves in parallel with two types of political-financial actions.

The first two moves are by the Central Bank. As soon as sanctions are triggered, the Central Bank raises the discount rate from 9.5 per cent to 20 per cent and introduces controls on capital movements in order to defend the currency and prevent capital flight.[51]

Subsequently, again in defence of the national currency, the government stipulates that gas exports to hostile countries will be settled in roubles (more precisely, the scheme requires European countries to open an account with GazpromBank - the financial arm of Gazprom - and pay their invoices in euros, to be automatically converted into roubles). Although in the political and media debate, the issue focuses on the formal aspect of the currency with which to pay for gas and oil, Russia's financial move is one of substance. Through this scheme, Russia in fact sends a very clear message to those who would speculate against the rouble: it is not the Russian Central Bank that will defend the rouble, but European gas and oil demand.

If towards Europe, the Moscow government had to show strength, it shows a very different attitude towards the Asian countries that have not joined the US call, offering them a 25 per cent discount on gas and oil. This is the second move by the Russian government, which from defence switches to counter-attack. The increase in Asian exports not only plays a tactical role as a further element in strengthening the rouble in the short term, but also constitutes an important strategic factor in the redefinition of the global economic and political framework.

Finally, on 25 March 2022, the Central Bank introduces, albeit only temporarily, fixed gold convertibility at a price of 5,000 roubles per gram.[52] At the current exchange rate with the dollar, this implies a discount in the price of gold in roubles, compared to that in dollars. Arbitrage on the currency market - hindered but in fact not completely prevented by sanctions - thus quickly leads to the rouble strengthening against the dollar and other major currencies. Russia is also the world's second largest gold producer behind China, which reinforces the rouble's credibility as an international currency, having behind it not just central bank payment promises but gold and oil reserves.

With this package of countermeasures, the Russian authorities quickly regain the credibility they had temporarily lost in the currency market. While in the days following the start of the conflict the rouble had plummeted by over 50 per cent, the effect of these countermeasures is to bring it back to pre-crisis levels.

For the past two years, the exchange rate with the dollar had remained stable at around 75 roubles per dollar. With the start of sanctions, the rouble depreciated rapidly and hit a low on 10 March 2022, at 135 roubles per dollar. From there, the rapid recovery begins: by the end of April, the rouble has already returned to 75 against the dollar and, as European countries accept the new scheme for the purchase of gas and oil proposed by Russia, it strengthens further.

Once the financial attack has been neutralised, with the rouble solidly positioned on the currency markets, the Russian Central Bank returns to the convertibility of the rouble into gold at a variable price and, in April, lowers the discount rate twice by three percentage points, first to 17 per cent and then to 14 per cent, without any sign of the rouble's weakening.

In short, the economic and financial sanctions, which were supposed to bend Russia and quickly bring it to the brink of collapse, only take effect in the very short term. Within two months, the rouble regains strength on the markets and credibility in financial circles. Despite the declarations of the most powerful Western financial institutions, Russia's default is no longer on the agenda.

On the contrary, just as the United States starts raising interest rates (the first intervention is in mid-March 2022), causing a strong appreciation of the dollar against the major currencies, the rouble still gains against the dollar. In May, it trades now at 58 roubles per dollar, prompting Bloomberg, the leading American media and financial company, to award the rouble the title of most profitable currency of the year.[53]

At this point, on 26 May, to prevent an excessive appreciation of the rouble, which has now reached 51 dollars, the Russian Central Bank lowers the discount rate by a further three percentage points to 11 per cent.

Conversely, if there is one currency that has certainly weakened over the course of the sanctions, it is the euro. Against the dollar, between the end of February and May, it slips from 1.12 to 1.05 (-6.3 per cent) and in September drops below parity. Against the rouble, instead, it is a real collapse: from 90 roubles per euro in February - after a high of 148, reached on 7 March - it plummets to 60 in May (-33.3 per cent from the pre-sanctions period).

Also in the long term, the effects of the sanctions are likely to prove vain or even counterproductive: the development of trade in roubles and the strengthening of the rouble's gold and oil base - which until now have played an eminently defensive role - in fact join the economic-financial rapprochement with China and the development of relations between the Brics (Brazil, Russia, India, China and South Africa) in the process of downsizing the hegemony of the dollar and, in parallel, the role of the euro.

The fate of Ukraine

In trying to identify the winners and losers of the economic-military war, one thing is certain: the only country defeated at the start is Ukraine. It has sold its hide to the West and now, as Marx would say, has nothing to expect but — a hiding.[54] The Ukrainian state is on a path of insolvency. It can never repay the debts it has incurred. President Zelensky has no plan for the post-war period other than to offer the country to foreign capital for reconstruction.

Henry Kissinger, ninety-nine years old, with some experience in strategic matters, describes Zelensky as follows: ‘He has not expressed himself about what the world will look like after the war with the same clarity and conviction with which he has led the pursuit of the war. But I consider him a great figure.[55] And, in fact, that is what the US needs in Ukraine: a great figurehead, a mere actor with no decision-making power, to carry on the war, keep tensions high with Russia and sell out the country in exchange for weapons, while preparing for the final bankruptcy.

The future of Ukraine - the real formal reason for the whole anti-Russian operation - is not even discussed. For the West, the only possible future for the Ukrainian people lies in the handouts granted by the Western corporations that will go to exploit them at the end of the war. And the only possible present is to continue to finance and arm it in order to send it off to die in the war against its militarily superior former sister Russia.
NATO countries compete to send money and weapons through loans and gifts, trying to comply with President Zelensky's continuous war demands. However, no country, party or solidarity group addresses the question of how the Ukrainian people, devastated by war and civil war, will repay the debts.

According to World Bank forecasts, Ukraine's gross domestic product will contract by 45 per cent in 2022 compared to 2021.[56] The European Bank for Reconstruction and Development is more cautious and estimates that the fall in production will 'only' be 30 per cent, pointing out, however, that between 30 and 50 per cent of the companies have already stopped their activities completely, with the loss of around half of the jobs.[57] Cash withdrawals are restricted and international transactions are controlled by government authorities. The fiscal hole caused by the fall in tax revenues and the explosion in arms spending is estimated at around $5 billion per month.[58] Financially speaking, Ukraine is already technically in default.

From January 2021 to January 2022, the Ukrainian central bank raised the discount rate six consecutive times from 6 per cent to 10 per cent in an attempt to curb inflation and defend the exchange rate.[59] A policy that, to say the least, ran against the grain at a time when the US and the EU were flooding the monetary system with liquidity in response to the financial and economic crisis triggered by the anti-pandemic strategy. However, it is with the Russian intervention, or more precisely with the Western sanctions against Russia, that Ukraine's financial picture plummets.

Initially, the central bank is reluctant to further monetary tightening and relies mainly on external aids. Which, however, postpones the problem without solving it and, on the contrary, ends up aggravating it. Continuing to borrow money, while the war effort prevails over the productive one, with a public debt already out of control makes it possible to avoid default in the immediate term but precludes any possible consolidation of public accounts in the future.

In the absence of a credible recovery plan, the financial markets impose increasingly onerous financial conditions on Ukraine. In the space of a few months, while everyone is looking to Russia and the supposed financial crisis that is supposed to give it the coup de grace, the Ukrainian central bank is forced to change its strategy.

Faced with the increasing weakness of the hryvnia - the national currency - on 2 June 2022, the central bank increases the discount rate by as much as 15 percentage points to 25 per cent, a level Ukraine has not known since 2015, which crushes investment in a country where more is destroyed than produced.

But it is no use: the problem is not merely financial, it is the fundamentals of the economy that are in free fall. Finally, on 21 July 2022, the central bank announces the devaluation of the hryvnia by 25 per cent against the dollar: from 29.25 to 36.57 hryvnias per dollar.[60]

Before the February 2014 coup, the Ukrainian currency was stable at around 8 hryvnias per dollar. The first post-coup year marks the ruin of the hryvnia, which, in February 2015, plummets to 27 against the dollar, only to stabilise in the following years in a range of 23-27 hryvnias per dollar, thanks to international aids. With this latest devaluation, the hryvnia's loss in value since 2014 is 350 per cent. Concretely, for the Ukrainian people, it means paying more for everything, from medicines to weapons: what used to cost 1, now costs 4.5.

For a country heavily dependent on foreign trade, a devaluation of this magnitude means that the time for bankruptcy is near. Ukraine has - or, rather, had - Russia as its second import partner (behind China) and as its third export destination (behind China and Poland).[61] The economic war, even before the military one, is simply unsustainable for Ukraine.

Having renounced the trade advantages and price discounts offered by Russia, especially in the energy sector, Ukraine now imports Russian oil and gas through Western allies: instead of a 30 per cent discount on the market price (which in the absence of political tensions would be roughly half of the actually prevailing price), the would-be EU/NATO country buys at the now skyrocketing current prices, on which it also pays a brokerage commission to Western countries and, as if that were not enough, pays everything four and a half times more expensive due to the devaluation of the hryvnia.

A barrel of oil, which in normal times would cost $50 on the international markets, would have cost Ukraine $35 on Russian conditions, i.e. 280 hryvnias, at the exchange rate of 8 hryvnias per dollar (35 for 8). Now, instead, oil stands at $100 and the exchange rate at 36.57 hryvnias per dollar, and, disregarding the additional costs of passing through a third country, that same barrel of oil costs Ukraine 3,657 hryvnias (100 per 36.57). With such a cost burden and the interest rate at 25 per cent, no economic activity can be profitable in Ukraine, apart from the war industry.

Recession, inflation, devaluation and debt are not the best arguments to present on the financial markets to ask for more aid. Ukraine's financial credibility is now non-existent and these extreme measures prove it. It is no longer a question of price but when. Financially, Ukrainian debt securities are waste paper. If their price does not go straight to zero, it is only thanks to politics.

Indeed, while institutional creditors - Western countries in the first place - are at this stage ready to do anything to avoid default by the Ukrainian state, private investors are not of the same opinion at all. Thus, while the group of creditors - comprising the United States, Canada, the United Kingdom, Germany, France and Japan - agrees to postpone the collection of interest on the debt, the private companies instead claim immediate payment of what is due.[62]

Basically, it is therefore the public capital of western states that allows Ukraine to repay the debts contracted with private (western) investors, postponing the default to a date to be defined. And, at the time of default, which is financially inevitable, it will again be the states that bear the costs, leaving private capitals with the benefits. But the real datum, known to all

- states, banks, companies and international organisations - is that Ukraine has no money to pay back and will have none.

Meanwhile, Ukrainians (and Russians) fleeing Nazi violence who had taken refuge in EU countries over the years have had their regularisation procedures blocked, to make way for the new first-class immigrants. In the Ukraine, on the other hand, hundreds of children born through surrogacy are parked in clinics, waiting to meet their parents, and hundreds of women pregnant with other people's children, who have fled conflict zones, do not know where to give birth, for fear of finding themselves mothers even legally, against their intentions, if the birth does not take place in a clinic provided for in the contract. While Europe toasts to couples of all sexual assortments and their right to have children, Ukraine is among the countries where wombs for rent cost the least: it hosts 50 reproductive clinics, churning out 2,500 children a year, destined to foreign couples. Unfortunately, with the war, everything has become more dangerous: from the production to the delivery of the commodity.[63]

Confronted with the drama of the Ukrainian situation, the Beton - a more or less unknown punk band from Kiev - have enjoyed great media success for their anti-Putin reinterpretation of the Clash's famous song, *London calling*, transformed into *Kyiv calling*. In the song, the British-inspired Ukrainian trio calls for military aid and weapons for Ukraine and replaces the British band's ending ‘And after all this, won't you give me a smile?’ with ‘And after all this, won't you give me an airforce?’. The President of the European Commission, Ursula von der Leyen, who also vaunts a punk past, rewarded Beton's creativity by guaranteeing Ukraine weapons and money. Even if the only refrain playing in her head since she has been dealing with Ukraine is not by the Clash but by the Sex Pistols: ‘No future, no future for you!’

Winners and losers on the Eastern Front

The implicit code of international operations is that the spoils of war - from reconstruction to privatisation including political appointments - are shared out in proportion to the aid given in war. In a case like this, where the asymmetry of strength and interests between the US and the EU is obvious, there are legitimate doubts that this will be the case. But the EU has chosen all the same to stand united behind the lead country and bear the full price of the sanctions. Although burdened with debts, European countries therefore go ahead with loans to Ukraine and sanctions on Russia, knowing that the former cannot be repaid and that the latter have serious economic effects on the EU itself.

For Washington, and in return for the EU, the problem has never been to build a future for Ukraine but to leave Russia without prospects. The problem is that, especially for the EU, antagonising Russia is not exactly a secondary issue.

Russia is the largest country in the world: its surface area is almost twice that of Canada, or China, or the United States, and almost three times that of non-Russian Europe (the European part of Russia alone covers about one third of European soil). In 2020, it was the world's largest exporter of gas, wheat, semi-finished iron, frozen fish, raw nickel and pig iron. It is also rich in important raw materials - not only hydrocarbons - and is technologically advanced in many strategic sectors. It functioned for decades by rationalising trade within a planned economy and lived with the hostility of the West throughout all the Soviet period.

Economically, it is the world's eleventh largest economy by gross domestic product and is now fully integrated into world trade. Its first trading partner is the EU, to which 37.9 per cent of total exports go and from which 40 per cent of imports come. Looking at countries individually, the top destination country for Russian exports is China, followed by Germany and the Netherlands, while the ranking of countries from which Russia sources its supplies sees China, the UK and Germany at the top.[64]

Financially, Russia is solid: the rouble is considered a reliable currency and the public finance figures are absolutely enviable. Public debt is 17.7 per cent of GDP, the ninth lowest in the world, compared to 90.0 per cent in the EU, 97.2 per cent in the eurozone, 128.0 per cent in the US and 93.9 per cent in the UK.[65]

Embargoing such a country is economically costly and dangerous. Though not for everyone in the same way of course: for the United States, the costs and risks are negligible; for the EU, they are prohibitive. Not to mention the risk that economic war turns into a direct armed clash because the theatre of confrontation is in Europe, not in the United States.

Geographical and macroeconomic data are not state secrets. The sanctions have simply had the effect that was expected, foreseeable and predicted by all players involved: the EU has seen the price of gas and oil double but, unable to do without it, continues to import it at a higher price. Russia, for its part, while dealing with the Europeans according to the laws of the market so dear to them, offers discounts to non-hostile countries and expands mainly in Asia.

The result: while Ukraine is sent to the dogs militarily and economically and the EU struggles to find new sources of energy supply, Asia doubles its imports of Russian gas and oil compared to pre-Russian attack levels, becoming Russia's first outlet ahead of Europe. On the currency side, the attempt to sink the rouble ends with the Russian currency skyrocketing and the euro in free fall. Meanwhile, the profits of Western companies doing business with Russia plummet.

In short, having discarded the objective that the West, after destabilising the area and triggering the coup, was suddenly interested in the fate of the Ukrainian people, the objective of weakening Russia also falls by the wayside. Or at least if this was really the ultimate goal, the result is far from being achieved and the whole US-EU strategy appears a bit harebrained. If, on the other hand, one looks at the expansion strategies of US capitals in Europe, the historical subservience of the EU to the United States, and the opposing interests within the EU, things become more coherent.

Winners and losers on the Western Front

Let us consider the internal relations on the Western front. The first to impose the embargo on Russian gas and oil is the US, hot on the heels of the Russian invasion. Immediately afterwards, they pressure the EU to take similar measures.

After militarily and economically attacking the historical energy providers from which Europe was supplied (Iran, Iraq, Libya, Venezuela), the United States is now picking on Russia. This is not the first time they involve European allies in economic and military campaigns of dubious interest for the EU's security and its trade relations. This time, however, for the countries of the Union, the embargo on Russia is a real economic suicide: Russia is now by far Europe's largest supplier and without Russian energy, the European economy simply shuts down.

The US, however, does not want the economic death of Europe at all. They want to do business with the EU and make money from it. That is why, while imposing on the EU a problem it did not have, they also provide it with the solution: no more Russian gas and doors opened for American gas.

If the costs of hostility to Russia are asymmetrical among the Atlantic Pact countries, the benefits are truly unidirectional and all go to the other side of the ocean. The EU pays and the US gains. The EU changes importers, paying more for a lower quality commodity, the US gains a market for its gas, which would have not been able to sell otherwise.

Replacing gas imports from Russia to the United States is a long and costly process, which adds new expenses to the transformation and distribution process, all of which are borne by the EU: tanker transport, loading and unloading terminals, storage infrastructure, regasification and connection to traditional pipelines. The construction of these infrastructures cannot be improvised. On the contrary, it requires multi-year investments, which will burden the final energy price.

If this is the picture, then the rise in energy prices, now linked to speculation and uncertainty in the international political framework, should by no means be considered temporary. On the contrary, Europe has to get used to living with rising energy prices for the simple reason that it is excluding the largest and cheapest supplier from its list of commercial partners.

According to estimates, the increase in gas imports from the United States would moreover not be sufficient to replace gas imports from Russia. For the EU, in short, the problem is not only one of price but also of quantity: rising prices and insufficient energy availability.

The truth is that Washington's strategic aims towards the EU on the energy front have a long history. After the financial crisis of 2007-2009, the US invested heavily in the energy sector: between 2011 and 2014, US production of liquefied natural gas increased by 70 per cent and, in 2018, the US became the world's leading oil producer, overtaking Russia and Saudi Arabia.[66] This rapid growth in production obviously needs outlets, and the US has its sights set on Europe. In 2021, before the Russian invasion of Ukraine, US liquefied gas exports to the EU had already increased by 37 per cent year-on-year.

In order to impose this impressive increase in energy production on world markets, the US cannot use the simple economic lever of mutual advantage and therefore moves, as usual, through political and diplomatic channels. On a strictly economic level, American liquefied gas cannot in fact compete with Russian gas, being more expensive, of poorer quality, and obtained with far more polluting technologies.

During the construction of the Nord Stream 2 gas pipeline connecting Russia to Western Europe, the United States opposed the project in every way. From a legal point of view, there are no rules allowing a country to scrutinise a project undertaken on another continent, by perfectly legal companies, within agreements between sovereign states. From an economic point of view, however, it is clear to everyone - states and private investors - that the United States defends the interests of its oil companies without territorial limits. In the end, in order to give the project the go-ahead, they required Germany to build a regasification platform for US-produced liquefied gas.

In the energy field, moreover, Germany is not only one of the European countries most dependent on Russia but also plays an important role in the transit and redirection of Russian energy to the rest of Europe.

With regard to allies and enemies alike, Washington's design is the same: to conquer a new important outlet market for US oil companies and to prevent the development of relations between Russia and the EU, weakening both. What remains to be clarified, and will not be clear until the perspective of analysis is broadened to the global imperialist framework, is the EU's strategy, which so far appears contradictory to say the least.

International financial defaults

The economic-financial war against Russia assigns an important role, at least in the media narrative, to the problem of Russian public debt, which as we have seen is practically non-existent.

Against Russian debt, the world's three big ‘independent’ rating agencies - Moody's, Fitch and Standard and Poor - move first. Hot on the heels of the Russian invasion, in March 2022, all three agencies downgrade Russian bonds by many points, down to the so-called ‘junk’ level.[67]

It is only in June, however, that the US succeeds in obtaining Russia's technical default. This actually made headlines in the political newspapers but not in the financial markets: the technical default was in fact caused by the US decision to exclude Russia from the international payments system, which technically prevents interest payments to North American creditors.

The only real effect of the default is therefore paid for by US savers. But Russia's credibility is not even dented: because the default does not stem from Russia's financial incapacity or lack of political will to honour its debts, but from the technical impossibility of doing so, because of the creditor's decisions.

So nothing really happens on the markets: no financial panic and no flight from the rouble or Russian stocks. The headlines in the newspapers sound more like political propaganda than a warning to investors. They carry the same weight as President Putin's supposedly poor health and the heroic Ukrainian resistance, which would succeed in defeating the invader, if only it could get a little help from its friends, as in the Beatles' song: 'Oh, I get by with a little help from my friends', with Zelensky as Ringo Starr and the leaders of the NATO countries doing the chorus as John Lennon, Paul McCarteny and George Harrison

The Kremlin does not really panic, and its spokesman Dmitry Peskov replies, with the simplicity of a child: ‘the payment in foreign currency was made, the fact that the funds were not transferred to the recipients is not our problem’.[68]

Moreover, the Russian authorities denounced from the outset the illegitimacy of the seizure of hundreds of billions of dollars of Russian Central Bank property, equating it to a de facto default by the United States, the United Kingdom and the EU on Russia. However, precisely because of the low burden of public debt on the state budget, Russia preferred to continue to honour its debts, at least as long as technically possible.

The real problem that the Americans and Europeans do not want to face is that at some point Russia might change its attitude on the economic-financial as well as the military level. In fact, the Russian central bank does not need to wait for any technical default if it decides to hit Anglo-Saxon or European creditors. It can simply tell them: ‘get your governments to reimburse you with the funds they have illegally seized from us’.

In terms of international law, this would be a coherent and consequential response to the seizure of the Russian Central Bank's funds. On the economic-financial level, however, the Russian monetary authorities are able to do their calculations well. One does not stake one's international financial credibility on a few government debt securities.

Developments in the economic war

At a strategic level, the United States has no interest in a quick resolution of the conflict. It is necessary for European countries to embark on energy and trade trajectories that distance them from Russia with no way back. In the energy field and beyond. This is the long-term goal.

Meanwhile, the energy embargo against Russia opens wide the doors of the European market to US liquefied natural gas. For the time being, through the more intensive use of existing facilities. In time, through the reorganisation of the entire energy supply system of the old continent.

The costs of the transition are borne entirely by the European countries: it is they who must provide for the construction of a new infrastructure network suitable for processing and distributing American gas.

In addition to the costs of the transition, there is also the higher outlay for the purchase of energy once the new infrastructure network is completed, since in the new scenario without Russian energy, higher costs will correspond to higher prices.

Then there is a third problem, which we have just mentioned: so far, the EU has apparently mainly listened to the voice of the United States - which, in this conflict, has very little to lose - without caring too much about its commitments to Russia. Yet it is clear that, throughout the transition period, as long as Europe continues to be dependent on Russian gas and violates international agreements (the seizure of funds of sovereign national institutions is a rather serious violation of international law), European countries remain exposed to possible retaliatory measures by Russia.

That is why, while the West throws petrol on the fire in its relations with Russia, at the same time, it maximises oil and gas stocks on both sides of the Atlantic. Both in Washington and Brussels know, in fact, that if Russia really decides to turn off the gas taps to hostile countries, Europe will not get through the winter.

The destabilising effect of a Russian counter-embargo on the very resilience of the EU would be immediate. Certainly the risks of a military escalation, with an uncertain outcome, would further increase. But from the point of view of economic warfare, it is clear that Russia has the most powerful weapons in its hands and, even politically, is not an easy enemy to bend.

From Russia's point of view, however, relations with the West are only one aspect of the problem. Precisely because it is forced to by the US and the EU, the Russian government is working on carving out its international economic space and building its financial reputation. Even in the mid-long term, the Western strategy against Russia therefore runs the risk of turning into a boomerang: by dint of putting up barriers against countries that are as big as continents, the West ends up isolating itself economically and accelerating its decline in relation to the antagonistic blocs that it itself contributes to strengthening.

In the real economy, the latest dynamics see the role of the Brics group growing: indeed, in response to US policy, on 27 June 2022, Iran and Argentina also apply to join the group.

In the financial field, next to propaganda moves, as we have seen, the decision that substantially changes the numbers in the balance sheets of Russian and Western public and private institutions is the seizure of the Russian central bank's funds. Again, however, this is a move with double-edged consequences for the US. On the one hand, the US shows the world that they still have the levers of finance. On the other, this very display of arrogance and power shows the backwardness of US finance in the international processes of financial disciplining increasingly based on robbery instead of market laws.

From the war in Libya onwards, the United States has embarked on a new protocol of economic warfare that begins precisely with the seizure of the central bank funds of the sovereign states declared enemies. In the immediate term, these acts with no international legal basis, based solely on economic-military bullying, cause serious damage to the targeted country: hundreds of billions of dollars, equivalent to years of exports, invested in the financial centres considered most reliable, gone forever, with a stroke of pen with no legal validity. In the long run, however, these abuses undermine the credibility of the banking and financial institutions that carry them out.

Although the most developed and attractive financial centres are in the West, many central banks and international financial institutions are reviewing their strategies for allocating currency reserves. By now, when an international investor considers whether to invest in the US, he has to calculate the risk premium associated with the possible freezing of funds. It is no coincidence that in 2021, for the first time since 2010, China's exposure to US government debt securities fell below $1 trillion, down $100 billion from the previous year.[69]

The development of new economic and currency areas that may compete with the dollar and the redefinition of the international financial balance are processes that are far from being written and there are many risk factors in the US strategy. But it is a calculated risk.

From a financial point of view, the hegemony of the dollar is certainly on the wane, but there is still a long way to go. The American financial centres remain the most important and it is no coincidence that, although aware of the political risks, the financial institutions, including the central banks, all get caught out when sanctions are triggered.

The dollar, for the time being, cannot be dislodged. This was clearly seen with the financial crisis of March 2020, when the Federal reserve (Fed, central bank of the United States) had to rush to the rescue of all the world's central banks (leaving only the Chinese central bank out) so that they could save their respective banking systems, with huge swap operations to refinance themselves in dollars. All over the world, dollars are needed in trade and the prices of commodities on international markets are fixed in dollars. The strengthening of the rouble may be a political success for Russia, but it is certainly not a financial problem for the dollar.

Moreover, from the point of view of Russian finances, the appreciation of the exchange rate is an effective response to the economic war unleashed by the West, but it also means directing export earnings to currency strengthening instead of the development of the real economy. In the immediate term, it is an almost obligatory response. In the long run, it risks being more problematic. Russia may win a game but the US pulls the strings.

Indeed, on closer inspection, in their effectiveness, the Russian responses are textbook political economy, they come as no surprise to anyone, at least in the strategic centres of the actors involved. Moreover, Russia would have preferred to continue doing business with Europe while gradually carving out its spaces in Asia, instead of finding itself in an economic-military war against the world's leading economic-military power and all its allies. And if it really wanted to be the one to declare war on the West, it certainly would not have waited until the end of winter to launch its military campaign and energy war.

The truth is that all these potentially contradictory tendencies have been set in motion by the United States, which, at the strategic level, certainly does not improvise. The confrontation with Russia is in fact part of the global imperialist clash over the control of new technologies, which flared up with the advent of the pandemic, exacerbating tensions between the US and China. At stake are not only the old political hostilities and plans for military conquests defined in the aftermath of the collapse of the Soviet Union, but the establishment, throughout the world, of a new model of economic and social relations, centred on new technologies.

3. THE RUSSO-UKRAINIAN CLASH IN THE POST-PANDEMIC CONTEXT

The war between Russia and Ukraine is not simply part of the NATO expansion process, but is part of a very specific context of imperialist clash between capitalist blocs of different nationalities, operating in different sectors of the economy.

The package of economic and social measures adopted on a planetary scale, in the name of fighting the pandemic, is part of the strategies through which these capitalist blocs coordinate and clash. In this process, Russia and Ukraine are certainly not protagonists.

Behind the strategy of fighting covid, there are in fact strong economic interests on the part of international capital. And it is precisely by making these interests explicit - rather than by trying to portray Russia as an imperialist power with belligerent expansionist aims - that one can better understand the strategic importance of forcing Russia into military intervention in Ukraine.

This analysis also highlights the importance of Europe as a conquering ground for the most technologically advanced North American and Chinese sectors. This is by no means to say that Europe is a passive player suffering the processes established in Washington and, to some extent, Beijing. In Europe, as on every continent, there are capitals large and strong enough to ally themselves or compete with the American and Chinese giants. It is these capitals operating in high-tech sectors - which include renewable energies - that drive the EU's policies of technological and ecological reconversion. And it is precisely these capitals that stand to gain the most from the economic consequences of the pandemic and the war.

From this perspective, behind the apparent irrationality of the EU's strategy towards Russia, which is certainly disastrous in an overall logic, a more coherent picture emerges: quite simply, some sectors - and some companies in particular - reap the benefits, and other sectors and other companies, as well as the population as a whole, pay the costs.

This asymmetry in relations between sectors has repercussions in relations between states. Within the EU, the technologically more advanced countries have much to gain in these processes, the more backward ones are instead destined to suffer most of the consequences.

Overall, the EU's degrees of freedom remain limited by its political and military subordination to the United States and, from this point of view, the boomerang effect of energy sanctions is only part of a more general process.

Compared to other more advanced economic areas, the EU also has a historical structural problem, an original sin that it has carried with it since its birth: the EU is not a nation, it has no fiscal system and no army. The highest degree of integration is commercial and financial and concerns the eurozone, an important currency area in the global framework, which, however, relies on quite different national economies with, in some cases, opposing problems.

The pandemic crisis at a glance

The official version of the pandemic, it is well known, is that with the advent of the new coronavirus at the end of 2019, governments around the world suddenly, in unison, realise the importance of health, and sacrifice certain secondary freedoms at the altar of this supreme value (which has always been trampled on by the state and capital in the name of the logic of profit). For the first time in the history of capitalism, countries with very different historical traditions and cultural values - ranging from the exaltation of individual freedoms to authoritarianism - adopt a common moral sphere, according to which collective health is sacred and takes priority over individual freedom and social rights.

Starting from this new conception of health and society, with the help of international organisations, all countries mobilise to stem the pandemic, adopting economic and legal measures that were until recently unfeasible or even unthinkable. From the introduction of instruments of control and repression to the freezing of production activities and subsequent recovery plans, in just a few months, the pandemic revolutionised economic and social relations worldwide.

This is not the place for a systematic critique of this narrative. Instead, for the purposes of our analysis, it is more useful to reconstruct the interests and strategies of the actors at play, looking at the economic consequences of what they do rather than the moral values of what they say.

In short, the story I tell is this: in the midst of a global economic crisis, a war between capitalist blocs, mainly led by the US and China, was unleashed, aimed at accelerating the ongoing technological transformation and reshaping social and international relations. The coronavirus crisis is in fact part of a pre-existing global crisis, which monetary and fiscal policies had failed to resolve.

The global macroeconomic picture before the advent of the pandemic is anything but rosy. In 2019, the IMF and World Bank had warned of the risk of an imminent global recession. Already at the end of 2018, uncertainties about the consequences of Brexit, the US trade war with China and the launch of a new tariff policy against Europe had rattled the markets.

The so-called 'subprime crisis' of 2007 left its marks: in the EU, the crisis developed as a sovereign debt crisis and, somewhat worldwide, the austerity measures imposed by governments of all political colours not only burdened the conditions of workers, but also slowed down growth and international trade.

Despite the favourable levels of interest rates, investments have remained squeezed by low growth expectations and the difficult patrimonial situations of companies, whose debt rises from 84 per cent of global GDP in 2009 to 92 per cent in 2019, increasing the overall fragility of the industrial system and its dependence on financial markets.

A significant technical data point for economists is provided by the inversion of the US yield curve in April 2019: yields on long-term debt securities fall below those on short-term securities, a phenomenon that experts interpret as a sign of an impending crisis (since it indicates a lasting deterioration in growth forecasts).

On the labour market, the reduction of wages and loss of rights, in a context of widespread precariousness, has not produced any growth-expanding effects at all - as promised by neo-liberal recipes - but, on the contrary, has further reduced demand through the fall in consumption.

As a result, by the end of 2019, many advanced capitalist countries are already in recession.

China and the United States, typically portrayed as rival economies, actually have a broad compatibility of interests in these processes. The trade war initiated by the administration of Donald Trump in 2018 triggers symmetrical measures on the part of the People's Republic: duties and tariffs affect some $550 billion of Chinese exports to the US and $185 billion of US exports to China.[70] The United States and China do not want international competition to be played out at home. At the same time, however, the two economic superpowers are both aiming for technological leadership and are both targeting world markets on which to impose their new economic model based on high technology. The overall growth of the technology sector is clearly a common goal. Especially if the game is played away from home.

The EU, which many see as a third contender, is actually a heterogeneous entity with opposing interests within it. As we will see in more detail in the next chapter, contrary to the idea of a third imperialist pole, the EU is born and develops precisely with the support of the United States, which constitutes its political, economic, financial and military referent. Within it, the positions of Germany, France and the technologically more advanced and financially stronger Nordic countries prevail at the expense of the peripheral countries. With the worsening of the crisis, following the ‘anti-pandemic’ measures, it is above all Germany and France that make the greatest efforts to recompose the internal contrasts within the EU, in order to initiate the recovery plans, from which the technologically more advanced countries have much to gain.

The clash within financial capital is driven by the high-tech sectors (aerospace, arms, finance, electronics, IT, media, pharmaceuticals, green economy) to the detriment of the traditional sectors (oil-gas-coal, transport, tourism, agriculture, manufacturing, real estate, food, textiles). The aim is to force the spread of new technologies, penetrate every sector and take advantage of the coronavirus crisis (or rather, the crisis resulting from the restrictive measures taken against the pandemic) to restructure them according to the new technological paradigm. In this process, it is not only the reorganisation of the entire industrial apparatus that is at stake, but also the redefinition of social relations consistent with the new model of global exploitation.

The actors in the field

The global process of technological and ecological transition requires a strong degree of international coordination and active collaboration between three main players: states, international organisations and large private capitals.

1. THE STATES. The role of the (capitalist) states is twofold. First, the state is called upon to bear the overheads of the operation through the recovery plan, theoretically justified by the pandemic. This is money that is not there and that the state has to borrow, even though it knows it will face insolvency within a few years. Second, it has the task of imposing the social conditions appropriate to the new model of exploitation, through extraordinary measures of surveillance, control and repression that disarticulate the working class's capacity for resistance and opposition, depriving it of its instruments of struggle. The subsequent insolvency of the states will then be the weapon to transfer all power directly to the creditors (the banks, now in crisis), who will define the structural reforms that the states will have to implement against their peoples to atone for the sin of having got into too much debt.

2. INTERNATIONAL ORGANISATIONS. The role of international organisations is to direct and coordinate this global transformation of the economy and society. On the strictly health level, the World Health Organisation plays a key role ever since the decision to declare a pandemic, bringing to light the economic and political interference to which this body is subject. On a military level, the main coordination structure of the western capitalist countries is obviously the NATO, whose US leadership is not in question. The very choice of many Western countries to declare a state of emergency is not even imaginable without careful US and NATO supervision. On the economic level, the health emergency has finally allowed the World Bank, the IMF, the EU and other regional economic organisations to direct the process of technological reconversion by allocating new funds that states will have to spend in accordance with the strategic indications of the international organisations themselves. In fact, the money borrowed by states for recovery plans is by no means intended for solving the social and health problems caused by the pandemic, but goes to digitalisation, the green economy and the development of new technologies. In the midst of an economic crisis, with states on the verge of bankruptcy and a health crisis biting, the international economic organisations thus transfer the costs of capitalist restructuring onto the states.

3. FINANCE CAPITAL. Behind the strategies of states and international organisations lie the interests of big capitals. The control room of these processes is located in the decision-making centres of multinational corporations. There are many circles of high finance in which strategies between big capitals are coordinated and it is the concentration process of capital itself that creates them. The Bilderberg Group and the World Economic Forum (WEF) are certainly among the most powerful organisations in this respect. Their meetings are held behind closed doors and are attended by exponents of the financial, business, political and media worlds co-opted according to the general strategies of the leaders of these organisations and the specific objectives set from time to time. It is in these institutional fora, expression of financial capital, that the process of coordination between the actors in the field takes shape, that the role of the media, science, politics, the state and public and private investment is defined. Ideological oppositions are resolved elsewhere. That is why the Chinese techno-financial giants can sit comfortably next to US-made multinationals, without any need to discuss about communism and capitalism. It is in one of these venues that the

general rehearsals on how to behave in the event of a pandemic were held just a few months before its outbreak: Event 201, organised by the Johns Hopkins Center for health security, the WEF and the Bill and Melinda Gates Foundation in October 2019. Obviously, then, behind these formal fora for the coordination of financial capital are the big financial capitals themselves, the big investment companies, such as Blackrock, Vaguard and State Street, hegemonic in practically all world markets and capable of driving, through their financial strategies, the economic development and contraction among the different productive sectors, in the different geographical areas of the planet.

From the pandemic to the war in Ukraine

With respect to the goals of the technology transition, the pandemic is a unique opportunity to get everyone around the table and work together. The results are there for all to see. Indeed, the pandemic strategy has had important economic, political, social and cultural effects.

From an economic point of view, two years of 'anti-pandemic' measures have left their mark. The economic sectors that have suffered most are the traditional ones: agriculture, industry, transport, tourism, commerce, culture, sport and leisure have paid dearly for the confinement, the physical and social distancing and the restrictions on social life. The technology and green sectors, by contrast, not only have multiplied their profits during the pandemic, but also reap 90 per cent of state allocations in the Recovery and Resilience Plans, the new name for public intervention programmes in the post-pandemic era.

These plans, both in the US and in the EU, do not even address the structural deficiencies in the health system, which the pandemic has made evident. The only interventions in the health sector concern vaccination, digitalisation and telemedicine. The priorities indicated by Washington and Brussels insist instead on the development of the green economy and new technologies. For example, in Italy, the first European country to be hit by the pandemic and to adopt radical economic and social measures, the funds earmarked for health care in the strict sense (i.e. those actually aimed at the health of citizens, not at the efficiency of the IT system or the development of technologies that make it possible to get rid of patients without examining them) amount to hundreds of millions of euro, out of an overall plan of more than 200 billion euro in favour of digitalisation and the technological and ecological transition.

In the United States, the challenge between Joe Biden and Trump has developed, from the beginning, as a clash between the new and the old economy. Trump incorporates opposing interests to the green turn. He is the man of traditional industries and energies and jokes that global warming is a hoax invented by the Chinese to damage the American economy. In 2017, he announces the withdrawal of the United States from the Paris Climate Agreement (which will formally take place in 2019) and, on the campaign trail, proposes the removal of restrictions on fossil fuel extraction. Biden, on the other hand, is for decarbonisation and renewable energy and promises a $2 trillion plan to tackle climate change and reduce the use of fossil fuels.[71]

The clash between the two candidates obviously covers various issues: immigration, abortion, race relations. But the economic battle is this one. Both sides know it, which is why Biden's election is immediately interpreted by financial markets as the victory of the green sector against the traditional economy.

In international relations, the internal clash of US capital influences the Russo-Ukrainian context in two ways: first, by accelerating the process of penetration of green and technological capital into Europe; second, by offering an outlet to the US oil sector, which is struggling on the domestic front after Trump's electoral defeat. In the Pentagon's military and economic warfare strategies, an acceleration of tensions in Ukraine actually pleases both sides: on the one hand, it allows green multinationals to conquer the European market; on the other hand, it gives oil companies the opportunity to make up abroad for their defeat at home.

The pandemic also has important consequences on the very principles of economic policy. After decades of spending restraint policies, states can at last start spending again. Finally, there is a return to that fine Keynesianism, which spends a lot and spends in debt, always useful when one has to move from privatising profits to socialising costs.

Allocating funds to the war in times of fiscal austerity would arouse economic and political controversy; doing so in the context of an ultra-expansive fiscal policy is a different matter: a little for one doesn't hurt anyone (and then under a whisper we count the zeros in the various expenditure chapters). The political debate can thus focus on the highest values, such as health and life in the community, or the preservation of peace and the defence of the weakest (to whom 1 goes). Even if in fact the pharmaceutical companies, the high-tech sector and the war (which receive 1,000) are financed.

About money to be paid back for now, there is no discussion. Yet in a few years the public debt securities with which the technological transition is generously financed will come due, and the states that today spend in favour of big capital will be forced to capitulate in the face of big creditors. Capital's pincer has two arms: one in the real economy, the other in the financial economy.

There are then class relations: two years of emergency anti-pandemic management have forced workers to jump back decades in terms of rights and working and pay conditions. The population as a whole has been subjected to unprecedented measures of control and discipline. The right to study has been transformed into a duty to learn - remotely or in presence, it matters little - and the student movement has been deprived of its space to act. The struggle capacity of the labour and social movements has been reduced to zero.

Imagine how it could be possible for an anti-war mobilisation to develop! At most, one can discuss about the common good or an abstract pacifist morality but certainly not about the concrete economic interests of the working class, which has never gained anything good from the war.

Finally, the fight against the pandemic has left its mark on culture: from the single thought, constructed in the media, politics and official culture, there has been a shift to a ban on expressing any opinion against the mainstream. There is only one truth and it is established by official national and international bodies or by the managers of social networks. Criticism, once considered, at least formally, an essential part of democratic relations and scientific progress has been banned and replaced by censorship. Non-aligned information, for the common good, has been blacked out.

Here again, the cultural conditions bequeathed by the anti-pandemic policy, the result, of course, of long processes that began in the past, are excellent for preparing to go to war. From the outset, the methods of information and propaganda in the fight against covid have been those typical of warring regimes. It is now simply a matter of moving from narrative to facts. No longer a symbolic war against a virus, but a real war against a country.

If earlier it was necessary to silence the ‘’negationists‘’ and ‘’conspiracists‘’, now, out of prudence and for the sake of the Western peoples, it is the Russian or supposedly pro-Russian news channels, which are very active in debunking the Western press, that must be obscured.

Disputing a press organ, in normal times, is the job of the press, not of governments. Even a child knows that in war it is better to know the enemy's side of the story, and those who really wage war use all channels to find out how things are going in the opposing camp. But in the West, from covid onwards, there is room for only one truth, established directly by the scientific committees of the Holy Inquisition. It is they who establish, by decree, who is right and who can speak.

Without a proper media campaign, it is doubtful that, having just emerged from two years of pandemic, the peoples of Europe would have allowed themselves to be drawn into a conflict for which they only pay the bill. But there you have it: Putin is equated with a tsar (elected, to tell the truth, by a very large majority) who would like to rebuild the empire, subjugate the peoples and go who knows where in Europe. To have established that this is indeed the case is the new president of the United States, elected by a handful of votes, amidst fraud, contestations and sham coups, in a state where, by institutional construction, the financial lobbies rule. One head, one vote, in the voting booths; one dollar, one vote, in political decisions. This is the democracy that the United States intends to export to Europe and the rest of the world.

The effects of the war on the imperialist clash

The relationship between the pandemic crisis and the Russo-Ukrainian conflict is bi-directional. We have just seen how the anti-pandemic strategy objectively contributes to defining the conditions that enable and facilitate the deflagration of the Russo-Ukrainian conflict. Let us now consider the reverse relationship: the effects of the war in Ukraine on the imperialist strategies at stake in the so-called covid struggle.

With the attack on Russian oil, the United States achieves a twofold objective, both tactical and strategic: firstly, US oil companies penetrate and become hegemonic in the European gas market, an achievement that would have been impossible by playing solely on mutual economic convenience, and that now becomes possible through the political force exerted on the ‘allies’, thanks to the war emergency (an important result in the medium term but destined to be scaled down over time with the development of alternative energy sources); secondly, the higher costs for traditional energies increase the competitiveness of the green economy and renewable energies in which the United States is in the lead.

This second objective is the strategic one, the one that drives the global imperialist strategies of the United States. More than Russia, the United States in fact looks to China and Europe: the former, as the main rival producer in the development of the green and technology sector; the latter, as the main market in which to sell green and high-tech products and services.

The central problem in the development of the green economy and renewable energies has always been that, at current prices, they are not economically profitable: without government incentives, which have been going on for years, there is no wind or solar energy that can compete with gas, oil and coal, and the new thermal insulation and energy performance products would all remain in manufacturers' warehouses if end buyers really had to pay for them at market prices.

From this point of view, the tensions in Ukraine - or rather the sanctions against Russia - make a decisive contribution to the industrial reconversion process. The resulting increase in energy prices, which is bound to remain as long as the conflict lasts, increases the competitiveness of new technology sectors and renewable energies. In parallel, the process of energy import substitution from Russia, imposed on the EU by the United States, amplifies and chronicles the increase in energy prices.

The main problem in technological paradigm shift processes is dictated by timing. When large investments are involved, for projects to be concretely viable, they have to be relatively quick. In the initial period, in which costs are incurred with a view to future revenues, companies find themselves financially exposed. In an unstable financial environment, the risk is then that projects do not reach maturity and have to stop before they really begin to generate profits. Even the most profitable project on paper is in fact unfeasible without the necessary cash flows and the simultaneous transformation of the economic environment.

The large coordination operation between states, international organisations and big capitals provides the necessary guarantee for this. The increase in competing energies and technologies reduces the risk inherent in the transition process and increases the competitiveness of new green technologies and energies.

The West's own interest in Ukraine, apart from geopolitical reasons, stems from the leading role assumed by the technology sectors in US and EU policies. From the very beginning, those pressing for Ukraine's entry into the EU are companies with interests in renewable energy, infrastructure and agro-industry.

The race to grab Ukrainian farmland by biotech companies, although important for the development of GMOs and their entry into the EU, is only part of a more general strategy to transform the entire European and global economy. New technologies must not only grow at the expense of old ones. They must also take over traditional sectors and convert them to the new technological paradigm.

The match is by no means limited to the application of high technology to millions of hectares of land taken from Ukraine by multinationals. Instead, it concerns the technological transformation of the entire European space, in every country and in every economic sector, and the consequent transformation of the entire system of social and labour relations necessary for the development of this new model of global exploitation.

The green economy

The development of new technologies and the green economy is one of the main economic forces driving international capital relations and takes on decisive importance with the advent of the pandemic.

The green economy is a development model aimed at promoting economic growth while respecting the environment and the ecosystem. It encompasses different technological trajectories and different research and investment plans: the so-called circular economy (based on recycling, reconditioning of materials and waste reduction), renewable energies, new technologies and materials aimed at improving energy and pollution performance, the transformation of the building stock according to new energy efficiency standards, the unification of the electricity grids of the five continents, the conversion of public and private transport to electric vehicles and the overall reduction of carbon dioxide emissions.[72]

In the public debate, this new ecological conception develops within the climate warming controversy in the early 2000s and grows in importance as investments in the high-tech sector, to which green is intimately linked, grow.

In 2007, with the outbreak of the financial crisis, the idea of a Green new deal takes shape in the United States: a massive investment plan in the style of the New Deal of the 1930s but in an environmentally sustainable direction. With the New deal, President Franklin Delano Roosevelt intended to lift the United States out of the Great Depression that followed the stock market crash of 1929; with the Green new deal it is now a matter of lifting the United States out of the Great Recession that began with the stock market crash of 2007.

In 2008, the project develops in the UK, with the establishment of the Green new deal group, and becomes an integral part of the United Nations Environment Programme, which launches the Global green new deal.

An important step in this process is the Paris Agreement on climate change. This is the world's first legally binding agreement, signed on 22 April 2016 and entered into force on 4 November. The aim is to force technological change in a green direction, to the detriment of traditional sectors, and at the same time force poorer and less developed countries to undertake costly technological reconversion projects, opening the way for new green multinationals.[73]

Quickly, also on a cultural level, ecology and climate issues become priority topics, on which there can be no hesitation. Green is progress, it pleases men and women, the elderly and children, it is good for the rich as well as the poor, in advanced and backward countries. After decades of battles, there is finally unanimity on green. Of course, it cannot be said that this political-cultural turning point is really the fruit of the struggles of militant ecologists (who are generally arrested when they oppose the commodification of the planet, as in Italy, in the now 30-year-long No-Tav protest). On the contrary, it is the product of media campaigns organised and financed at the highest world institutional levels.

The most striking case is undoubtedly the ‘Greta phenomenon’: while press interest in environmental issues grows, the strong powers turn a 15-year-old girl with diagnosed autism, Greta Thunberg, into a freak show.

Three months after she started a lone protest in front of the Swedish parliament, the young environmentalist with difficulties in social relations, suffering from selective mutism, finds herself catapulted into the highest seats of world power: she is heard at the UN, she is a guest at the Davos WEF, she makes speeches before the French, British and European parliaments and even meets Pope Francis, who, no doubt interpreting the voice of the Lord, instead of praying for her and protecting her from the strong powers, encourages her to go on.

In between one lecture and another, the new green icon, who considers compulsory schooling a pure option, also finds time to write a couple of books.[74]

‘You say you love your children above all else, and yet you are stealing their future in front of their very eyes. ... We have not come here to beg world leaders to care. … We have run out of excuses, and we are running out of time’. With these words Thunberg conquers the world from the UN headquarters.[75]

In this new conception, environmental struggles are not born as a collective push from below of social actors opposing on the ground the capitalist transformation of the environment. They are born in the head of an autistic child who, without contacts or experience, steps out of the fray and becomes a star. In the world of knock-out fairy tales, self-made-men and superheroes, there also needed to be a self-made-girl to be given the title of environmental superheroine: once upon a time there was a little girl who, one day, instead of going to school, decided to change the world! So begins Greta's fairytale.

When it comes to the environment, there are no longer left and right, social movements and opposing economic interests, but only Greta and her ‘haters’, as the media refer to those who criticise the ideas of the young environmentalist. The green economy is not an option (which suits some capitalist groups), it is a necessity, for the good of the planet. Anyone who disagrees is a hater. The new environmentalism, raised on the funding of tech giants, is above class and power relations. It is good against evil. Only the purity of an innocent child could reach the heart of the new progressives.

Throughout all this process, it has not occurred to any environmentalist or progressive, man or woman, elder or child, right-wing or left-wing, lover or hater of Greta, that perhaps a little girl suffering from Asperger's syndrome would have been better integrated into her community by attending school with her classmates, instead of running from one seat of the power to another, without even knowing its role or history. Little Greta, the sacrificial victim of the most spectacular media operation, surrounded and pampered by the strong powers, known and loved all over the world, fed to finance by her own parents as she tried to get out of her autism, is now truly alone. This, from a human point of view, is the Greta phenomenon: the instrumentalisation of children turned into a fight for progress, under the applause of public opinion. And of green investors.

But, back indeed to investments. With the outbreak of the pandemic in 2020, the Green new deal finally finds the funding to take off in the US and EU's recovery plans. By now the global clash has started, to be left behind would be unforgivable.

In parallel, an element considered central to green conversion concerns digital transformation. In digitisation, interests of a very different nature converge: economic, military and public order. If in the military and law and order field, police and intelligence services benefit from it for the purposes of control and surveillance, from an economic point of view, it is the technological giants of information technology and information and exchange platforms that stand to gain the most from this process.

The fact is that, worldwide, green and digitisation go hand in hand when it comes to investment. In the case of the EU, the *European Green new deal* and *A digitally-ready Europe* are the first two priorities of the European Commission for the five-year period 2019-24.[76]

The technological clash and the control of information

The main game in the green-coloured technological transformation is played in the first world. Only the most technologically and economically advanced countries have the potential to make this quantum leap towards the ‘fourth industrial revolution’, as WEF founder Klaus Schwab calls it:[77] from the technological point of view, a sufficient degree of development in infrastructure and technological goods and services is necessary in order to build a truly integrated high-tech system; from the economic point of view, the new high-tech goods and services have prices that are not accessible to low-income countries and instead appeal, at least in the first instance, to richer countries. Compared to other forms of imperialist confrontation, in which the contention concerns the technologically more backward and economically poorer countries, this time the objective is the conquest of Europe!

Of course, the Chinese and American markets are also among the first recipients of the new technological model. But these are two markets that are sufficiently protected by their governments and the margins of penetration of foreign capital are in fact reduced. The case of the Chinese telephone, social network and media companies banned from the US market on charges of engaging in political espionage on behalf of the Chinese Communist Party is significant.

The rule is simple: internally, the two economic superpowers encourage the development of their own technological sectors; in international relations, they accompany their companies in conquering new markets. With the difference being that China plays essentially on the terrain of economic competitiveness to penetrate all sectors, the United States does not hesitate to use force in sectors where it loses the economic race.

In this confrontation - as indeed in the Russo-Ukrainian conflict - the EU seems to be moving without a real strategy. Its choices appear devoid of economic rationality: why accept this acceleration in technological competition, on its own territories, when it is starting from a disadvantageous position? Moreover, the question does not only concern the economic dimension but also the risk of entrusting foreign capital with the management of information flows, networks and new technological products and services in the new high-tech world.

The US government's accusations against Chinese companies actually have a double significance: firstly, as we said, of an economic nature, in order to eliminate an inconvenient competitor from the American and possibly the European market; secondly, of a political nature, since it is known to all that the control of technological infrastructures offers great possibilities to influence their functioning and contents.

The control of information flows is a central aspect of the economic and political espionage policy of the United States. Between the end of the 1990s and the early 2000s, the European institutions were confronted with the Echelon case: an integrated system of worldwide espionage, secret and illegal, aimed at controlling every telematic communication, managed by the National Security Agency (NSA), the body that, together with the CIA and the FBI, deals with the national security of the United States, with the collaboration of the intelligence and espionage agencies of Great Britain, Canada, Australia and New Zealand.

On that occasion, the European institutions were content to conclude that there was no evidence that the system was used for military or political purposes against the EU and instead had only economic purposes: to turn over sensitive information to American companies.[78]

Since then, the NSA's information monitoring system has made a qualitative leap forward through metadata analysis, artificial intelligence and cybernetics. In 2013, Edward Snowden - a former technician at the CIA and at an information technology company that consults for the NSA - reveals the existence of the NSA's mass surveillance programme *Prism* (a program for electronic surveillance, cyberwarfare and signal interception) and similar systems developed by British intelligence, in collaboration with the NSA, including *Temporal* and *Muscular*. The computer technician also produces evidence that these systems have been used against Chinese, EU and G-20 companies, politicians and diplomats, and against millions of US and European citizens..[79] The harsh comment of German Chancellor Merkel, who also ended up under the prying eyes of Anglo-American spies, shows well the real relationship of brotherhood and subservience between allies: ‘Spying on friends is absolutely not acceptable!’ Then President Barack Obama calls her on the phone, reassuring her that from now on she will no longer be spied on, and again friends as before.[80]

The picture that emerges is unambiguous. US strategies to control information and communication demonstrate a clearly hostile attitude even towards military and economic allies. Enemies or allies, it makes little difference: America first!

In the case of the EU, the problem is that its very birth and development occur under the influence of the United States and it is not possible to judge its rationality if one abstracts from this historical fact, which is not exactly secondary. Military presence on European territory, economic strength and financial supremacy frame the policies of surveillance and control, but they are the result of a long process that began at the end of the Second World War.

4. THE US STRATEGY IN EUROPE

The US strategy to establish itself as the world's hegemonic financial power is presented at the Bretton Woods conference in July 1944, while the war is still going on, after the Soviet Union has repulsed the Nazis and turned the tide of the world conflict.

The agreements provide for a fixed exchange rate system, centred on the convertibility of the dollar into gold, with world currencies pegged to the dollar. In the real economy, the Marshall Plan is the central pillar through which the United States finances European reconstruction. This second pillar could not exist without the first, of a financial nature: an organic plan for Europe, in all sectors and in all countries removed from the influence of the Soviet Union, would not even be imaginable in the jungle of independently moving exchange rates. It is in this context that the process of European economic unification develops.

The process of economic unification

The process of European economic unification formally begins in 1951 with the establishment of the European Coal and Steel Community and has as its first goal the creation of the single European market, a market free of constraints for all goods. The process is long and needs decades to fully unfold.

Pushing in this direction is first and foremost the United States: it is in this market that US companies pour their commodities (US funds for European reconstruction are indeed earmarked for this) and bring their capitals in search of cheap labour and low-cost acquisitions. A bit like the Europeans would now like to do with the Africans, the Americans help the Europeans at home by placing for safety a few military bases ‘in their defence’.

The strong exports of US capital to Europe lead US and European capital to link up in various ways, both financially and in production relations, at a time when the balance of power is in favour of US investors. The latter appear as benefactors who bring investments but, in fact, also become the new owners of the European capital. Thus begins the penetration of US capital into Europe.

The United States is also the strongest supporter of an orderly exchange rate regime in Europe, pegged to the dollar. Initially, as we have said, through the Bretton Woods currency agreements. Later, when they have had enough and, in 1971, unilaterally decree its end - the biggest default in the history of capitalism - they immediately press for Europe to adopt stable exchange rate systems centred on the Deutschmark, entrusting the Bundesbank with the task of transmitting the Federal Reserve's decisions to Europe. Thus was born the European currency snake and the European monetary system (EMS) in anticipation of more rigid forms of European exchange rates.

It is through these processes that Germany, after the most resounding defeat in its history, is once again at the ‘helm’ of Europe, both from the industrial point of view and from the monetary and financial one: through the penetration of US capitals into German ones, as much in the industrial sector as in the banking-financial one. A role similar to that assigned in the Pacific area to Japan - the other great loser of the world conflict - as a regional power completely subordinate to US economic and military interests.

With the fall of the Berlin Wall on 9 November 1989, a new phase of US strategy in Europe begins. The United States intends to capitalise on its victory in the Cold War over the post-socialist countries and exploit the profit opportunities offered by privatisations and liberalisations, as well as the abundant cheap skilled labour. Economically, capitalist Europe and the United States are already among the most integrated regions in the world. It is now a matter of dividing up Eastern Europe, respecting the hierarchies on the ground. The EU and NATO, from this point of view, define a decidedly favourable institutional framework through which US capital goes to the conquest of Europe.

The first spoils of war is the German Democratic Republic, which is annexed to the Federal Republic of Germany on 3 October 1990.

After German reunification, the relative flexibility of the EMS, with frequent adjustments in the central parities of exchange rates, becomes an obstacle and pressure to move towards truly fixed exchange rates increases. With regard to Eastern Europe, the adoption of the single currency and the subsequent enlargement process of the EU and the euro, under the aegis of NATO, favour the expansion of Western capitals and the conquest of the new markets freed from communism. Domestically, meanwhile, the single currency acts as an instrument of fiscal and social discipline, preventing countries with higher inflation from using competitive devaluations to get back on track, and forcing them to engage in inflation containment through wage compression, a terrain in which reunified Germany has an absolute advantage.

The end of the EMS and convergence to the euro

The EMS effectively ended in September 1992, with the speculative attacks against the British pound and the Italian lira, led by the omnipresent Soros, with the acquiescence of the Bundesbank.

The German central bank could easily rescue the EMS and inflict colossal losses on speculators by simply selling Marks (which it can print unlimitedly) and other valuable currencies in exchange for pounds and liras, as the agreements provided for (although in fact, the Bundesbank always demanded that it was up to the weak currencies to defend the parity or demand a realignment).

The country deviating from the agreed exchange rate parities, moreover, is indeed Germany, which, by raising interest rates in order to attract capital to invest in the economic annexation of East Germany, has blown up the whole exchange rate parity system, exposing the currencies of the countries with higher inflation to speculative attacks.

The Governor of the Bank of Italy, Carlo Azeglio Ciampi - who had actually accumulated some experience of devaluations since 1979 - therefore decides to play the lone hero and defend the lira alone against the international speculation. The outcome is obvious: what Bankitalia loses (a large part of the country's currency reserves), Soros & co gain.

In fact, as stipulated in the Maastricht agreements, signed a few months before the currency crisis, there are several stages that must be gone through to create the single currency. The states must first prove that they can meet the economic and financial conditions necessary for the transition to a fixed exchange rate regime.

In Italy, this opens the season of technical governments and ‘ restoration plans’, i.e. restrictive manoeuvres and anti-social plans to be adopted as a constraint to enter the EU. On the strength of the technical qualities he demonstrated at the helm of the issuing institution, Ciampi also plays a leading role in this process and, after draining the country's currency reserves, he also drains the workers' salaries. In 1993, he leaves the Bank of Italy and assumes the Presidency of the Council of Ministers, the first non-parliamentary Prime Minister in the history of the Republic. From here, he dictates the new rules on concertation, wage restraint and public deficit containment, with a view to convergence with the euro. Finally, in 1999, a few months after the launch of the euro, he is elected President of the Republic.

The process is similar throughout Europe. The 1990s are not years of political debate but of convergence to the euro. It does not matter who goes to the government. The important thing is to quickly align to Germany's fiscal and financial standards.

Germany's central role in the institutions of the EU and the euro stems from this US-led historical process, which begins with the conquest of East Germany by West Germany and the establishment of European convergence criteria calibrated on German public finance austerity parameters to protect the value of the single currency.

The European Central Bank is modelled on the Bundesbank and, given the context in which it was created, it is entrusted with a single objective: the containment of inflation, in contrast to the statutes of the world's major central banks, which, at least formally, also pursue growth in output and the fight against unemployment.

At the same time, again with an anti-inflationary perspective, EU countries are committed to the Stability and Growth Pact, which imposes restrictive measures on public accounts and demand restraint.

In the new institutional context, states completely lose their monetary autonomy and part of their fiscal autonomy, to the benefit of centralised institutions at supranational level, with asymmetric monetary and fiscal policy rules biased in a restrictive direction, forcing euro countries into a race to the bottom on wages as a condition to be competitive in the single market.

This brief reconstruction is certainly not meant to minimise the political role of European states and the economic weight of European capitals in the construction of the single market and the single currency. But the direction of these processes is on the other side of the ocean, in the country that entered the war against Nazism last and has always fought communism.

At the end of the war, the US is the country that suffered the least human and material losses, the only one with an abundance of capital. With post-war reconstruction and currency agreements, the dollar becomes the hegemonic currency and US capitals penetrate capitalist Europe. The end of the Cold War now allows US capitals to expand into the post-socialist countries. This is the picture of US-EU relations. The birth of the EU and the euro are by no means a challenge to US capital and the hegemony of the dollar. On the contrary, they are part of the strategies of conquest of the post-socialist countries by US capitals, now well integrated with European ones.

The internal quarrels within the European Union

In the euro area, three groups of countries with different economic conditions, decision weights and objectives coexist. The first consists of the most financially sound and technologically advanced countries: Austria, Belgium, Finland, France, Germany, Luxembourg and the Netherlands.

The second group is the so-called Pigs or Piigs, with higher inflation and financially weaker countries: Portugal, Italy, Greece and Spain, later joined by Ireland. Apart from Greece, which adopted the euro on 1 January 2001, all of these countries have been founding members of the euro since 1999.

Finally, the third group consists of the successive annexations, starting in 2007. These are countries, objectively less able to influence euro policy, which were incorporated into the eurozone in the process of expansion to the east: Slovenia, Cyprus, Malta, Slovakia, Estonia, Latvia, Lithuania and Croatia.

Since the launch of the euro, the countries with the lowest inflation, those in the first group, have increased their competitiveness and their weight in the European single market, with positive effects on the trade balance. The exact opposite has happened for the countries in the second group.

The transition to the single currency has also shifted all financial imbalances onto interest rates. In countries with higher inflation, the financial tensions - which, in a system of flexible exchange rates, would be resolved by realigning exchange rates - are in fact unloaded on interest rate differentials vis-à-vis Germany, making debt financing increasingly burdensome. In this system, the financial crisis, whatever its cause, is expressed as a crisis in the public debt of peripheral countries.

Both economically and financially, what happened corresponds to the letter of what international economics textbooks predict in the transition from flexible to fixed exchange rates. For Germany and the low-inflation countries, the euro is the instrument for growth and expansion in Europe. For the high-inflation countries, conversely, the only incentive to adopt the euro is of an internal nature, as an instrument for disciplining labour, which shuts down wage claims in the name of international competition. That is why even if the countries in the second group are pigs, it is the countries in the first group that keep them alive: so as not to blow up the whole pigsty in which they make profits.

In the history of the euro, the problem of the Piigs is that, although they form a group with similar public finance problems, they do not operate as a group. On the contrary, they are forced to move individually, moreover at the moment of each one's greatest weakness. Instead, the troika - consisting of the IMF, ECB and European Commission - acts as one and the Piigs, one after the other, with the exception of Italy (at least for now), have had to accept its adjustment programmes, made up of privatisations, austerity and cuts in social spending.

With the outbreak of the pandemic, the EU falters. Europe cannot tackle the debt problem while international competition accelerates. The Piigs problem can wait. Now, investments are needed. The EU must change its strategy. On 20 March 2020, for the first time in the Union's history, the Commission President von der Leyen announces the suspension of the Stability and Growth Pact. From the columns of the Financial Times, former ECB governor Mario Draghi urges the EU states to get into debt.[81] After years of restrictive measures, international pacts to curb spending, deficits and debt, spread blackmail and structural plans for those who get out of line, from one day to the next, the sacred principles of budgetary rigour are overturned to allow all states to embark on the largest public investment plan in support of private technological capital.

Historically, Germany and the Nordic countries have always opposed debt mutualisation. Now, faced with the risk of seeing the euro and the EU blow up just as the match for technological transition is played out, they must renounce this sacred principle. The mediation within the EU is conducted by the Franco-German axis, and the compromise is indeed in the interest of the Nordic countries.

In order to finance the European recovery plans - Next Generation EU - the European Commission is authorised to raise up to 750 billion euros on the financial markets on behalf of the European Union, to be passed on to the requesting states, which must spend it according to the priorities set by the Commission itself.

On the one hand, the most indebted states thus gain access to advantageous interest rates compared to market rates. On the other hand, financially stronger states assert their interests by defining the target sectors and the criteria for spending the borrowed funds.

The latter, which enjoy lower interest rates than European bonds, obviously have no reason to resort to European funds. Germany, for example, enjoys negative interest rates: the German state sees its debt automatically reduced year by year without having to take any restrictive measures. Not only do these countries not need European bonds, but they also do not look favourably on having to contribute as collateral for loans to the Piigs. Furthermore, technically, on the bond markets, the issuance of European bonds enters into competition with German bunds in the safer bond sector, causing German bonds to lose part of their risk premium as safe haven securities.

Alongside the loans, the Commission provides grants, the receipt of which is conditional on the submission of the National Recovery and Resilience Plan by the Member States. In the cost-benefit calculation of each country, even those with lower interest rates, this pushes for compliance with the Commission's priorities.

Overall, the result is that all EU countries have an incentive to get into debt, either through their own channels or through European facilities, in order to facilitate the technological transition.

The transformation to a green economy is a long process. Now, as the US and China escalate the confrontation, Europe must also accelerate. This is not the time to pick on the Piigs, there is the high-tech market to share. The debt problem will be addressed in the future.

The monetary tightening

Among Western countries, the US is the first to return to pre-crisis production levels after the lockdown shock. This occurs in the second quarter of 2021, while European countries still lag behind. The real winner of the stop-and-go from confinement, however, is China, which stopped first, in early 2020, and restarted immediately without a hitch. Thanks to planning, within one quarter it has practically absorbed the blow and by the third quarter of 2020 it already runs at full speed again.[82]

The recovery of the economy in the US and Europe is slower and is accompanied by a rapid rise in prices. There are two main causes for this, namely monetary conditions and supply-side bottlenecks.

From the monetary point of view, the new expansion initiated during the 2020 tapering does not produce any immediate inflationary effects precisely because the economy is forced to run at a sluggish pace. The liquidity injected into the banking system thus spills over entirely into financial markets, inflating stock and bond prices, which fly to all-time highs. In 2021, however, with production activities picking up again, the increased liquidity also finds partial outlet in the real economy, driving up prices.

On the supply side, moreover, the recovery has to cope with the disruptions in the global production chain caused by the lockdown and the resulting scarcity of goods and services needed for production. Prices rise not because everyone wants to buy more (given, moreover, the fall in incomes of large sections of the population as a result of the anti-pandemic measures) but because in these conditions it costs more to produce.

2021 is a black year for US inflation: from 1.4 per cent in January, it rises to 7.0 per cent in December.[83] With a nominal interest rate of zero, 7 per cent inflation means a real interest rate of -7 per cent (the real interest rate is equal to the difference between the nominal interest rate and the inflation rate). Negative real rates of these values were not even seen during the lows of 1974 and 1980, following the oil crises, and one has to go back to the period between 1947 and 1951 to encounter such low values.[84]

With negative real rates, banks lose, not gain. A bank that lends 100 dollars at a nominal interest rate of 2 per cent receives 102 dollars after one year. However, if in the meantime the price of bananas has risen from $1 to $1.07 (7 per cent inflation rate), with that $102 the bank can no longer buy 100 bananas, as it did at the time of the loan, but only $95.3 ($102 divided by $1.07). In nominal terms, the bank has gained two dollars; in real terms, it has lost five bananas.

The Federal Reserve cannot do anything else: it has to raise key interest rates and it has to do it decisively. Not so much because this can really reverse the course of inflation in the short term, which is the effect of past monetary decisions and supply problems, which remain unchanged regardless of the action on demand. But because it is the only way to raise the real interest rate: the nominal interest rate must rise faster than inflation. It is a matter of arithmetic before economics.

The policy u-turn is announced at the beginning of January 2022, when no Russian tanks have crossed the borders of Ukraine, and immediately the US and European financial markets reverse the trend, which until then was decidedly upward.

Monetary tightening starts on 17 March 2022, with an initial hike of the reference interest rate, the federal funds rate, by 25 basis points, followed in May by a further 50 basis points hike, and three interventions of 75 points each, in June, July and September, moving from the 0-0.25 per cent range to the 3.0-3.25 per cent range.[85]

In the press conferences following Fed decisions, where the Governor's words make the Nasdaq move in real time, Jerome Powell talks about defending families and small savers, and blames inflation on covid and Russia. So far the markets stand still. It is when he comments on the Federal Reserve's balance sheet downsizing strategy, after years of quantitative easing (the central bank's massive bond-buying programmes), and the need to bring interest rates into the restrictive zone, as a condition for beating inflation in the race to the top, that markets react vigorously

The last time the Fed implemented such an aggressive interest rate policy was in the 1980s. From 1979 to 1987, the governor is Paul Volcker, remembered as the man who defeated inflation. His motto was ‘No pain, no gain’ (also taken up by Arnold Schwarzenegger), the former of course being for the capitalists and bankers and the latter for the workers. The monetary squeeze was in fact coordinated with the class attack initiated by Ronald Reagan and Margaret Thatcher in the name of the free market.

There, too, a major paradigm shift was at stake: the worldwide transition to the neo-liberal paradigm, with its associated social and cultural changes. These processes, for those who know the history of capitalism, are always violent and entail high and asymmetrical social costs, which hit particularly the least protected sections of the population.

But back to the present. While the Fed closes the credit spigots, US inflation peaks at 9.1 per cent, in June 2022, and then falls back to 8.5 per cent in July and 8.3 per cent in August.[86]

The European picture is similar. In most of the EU, the restart is slower than in the US and so is inflation. The eurozone comes from negative inflation rates in the second half of the 2020s: the lockdown has had disastrous economic effects in Europe and deflation is the consequence.

Here too, the recovery encounters the same problems of money overhang and bottlenecks in the production chain. Inflation only starts to rise more significantly in the last quarter of 2021, explodes in March 2022 with the sanctions on Russia, surpasses that of the US in July 2022, at 8.9 per cent, and rises again in August, to 9.1 per cent.[87]

Also the ECB must therefore join the monetary tightening, now underway in all countries of the dollar area. Of course, after the euro countries started their recovery plans, entirely on debt, when interest rates were at zero.

Against this background, the annual Symposium in Jackson Hole in August 2022, where central bankers, politicians and economists from around the world, at the invitation of the Federal reserve of Kansas city, can take note of Governor Powell's indications on how central banks should coordinate in managing monetary tightening, takes on special significance. Indeed, the united states are concerned that a domestic interest rate hike, if not accompanied by similar measures by other central banks, might lead to an excessive appreciation of the dollar and reduce the competitiveness of US companies in international markets. This is how, on 8 September 2022, the ECB starts the new phase of credit restriction with a first hike in key interest rates by 75 basis points, bringing the rate on main refinancing operations to 1.25 per cent.[88]

The effects of global monetary tightening are easy to predict. On the capital front, the rise in interest rates tends to deflate financial markets, cleanse the market from distressed companies, especially in traditional sectors, and favour the process of centralisation to the benefit of larger and more solid financial capitals.

On the labour front, unemployment, firings and precarious jobs tend to increase, forcing workers to adapt quickly to the new technological paradigm. From this point of view, the refinement of the means of control and social discipline deployed in the fight against the pandemic, from which derives the further fragmentation of the workers' movement - divided by now even according to a vaccine or a green pass - define a framework of social relations objectively favourable to capital, intended to shift the entire burden of the transition onto the working class.

Finally, on the sovereign debt front, rising rates bring closer the moment of the sovereign debt crisis and the transfer of economic powers from indebted states to international financial institutions.

Public debt

One of the most significant indicators of the financial soundness of a state is the debt-to-GDP ratio. The size of GDP provides indeed a measure of the state's ability to repay debts through taxation.

A high debt level accompanied by high tax revenues or, more generally, the ability to generate large budget surpluses (e.g. through cuts in public spending or privatisation) does not worry creditors. Conversely, that same level of debt, in a small economy, means technical default for the state and, consequently, for the creditor banks: banks that make a profit by lending money to countries with a high debt/GDP ratio (from which they draw advantageous interest rates) are doomed to bankruptcy if they are left holding the bag when the state is forced to stop making payments.

For years, the public debt problem has remained confined to the Piigs, characterised precisely by a high debt/GDP ratio. However, the slowdown in growth and the debt-driven economic recovery plans have now turned it into a general problem. On the one hand, the recovery plans have increased the numerator of the debt ratio in the US and across Europe; on the other hand, the deepening economic crisis, following the anti-pandemic measures and the economic war on Russia, has sharply contracted the denominator. The debt/GDP ratio has shot up.

The rising interest rate now gives the coup de grace to indebted states. Indeed, rising interest expenditure tends to make debt dynamics explosive, in a context in which states must nevertheless continue to borrow to support the technological transition and the economic war on Russia. At the same time, in the denominator, the monetary squeeze dampens economic growth, in a climate of uncertainty in which entrepreneurs in many sectors are questioning whether to close their businesses definitively, rather than whether to develop them with new investments. The debt/GDP ratio takes off.

The problem now is not the Piigs, it is systemic. The expansion of debt, in a context of economic crisis and rising interest rates, reduces the room for manoeuvre of even the historically more financially sound economies.

The banking system, which has never recovered from the banking crisis that started in the US in 2007, is at great risk in this process. One thing is to deal with the losses associated with the default of one country at a time, with marginal economic weight within the EU; quite another thing is to deal with the simultaneous default of several countries, some of them of significant economic size.

Not to mention the hypothesis - which fortunately for capital is not really contemplated by the major political forces - that a state of a certain economic calibre might repudiate the debt en bloc, as a political act. In economic warfare, that would be a real nuclear bomb on the banking system.

The truth is that the banking system is in crisis since many years. In 2008, the start of quantitative easing and zero interest rate policies, first in the US and then in Europe, has nothing to do with assessments on the real economy. It only serves to bail out the banks stuck in the subprime crisis, which in Europe takes the form of a sovereign debt crisis.

In 2021, while many banks are still struggling with that problem, the bomb of negative real interest rates explodes, affecting the entire banking system. Again, the central banks have to come to the rescue, this time by raising the interest rate steeply: certainly not by looking at the demand for investment (which, in the post-pandemic context, is in fact still low), but only at the inflation rate, that damned number that the interest rate has to chase and surpass, to bring the real rate back into the positive zone.

Pumping and draining money, however, is of no use if the economic conditions from which the banks make profit do not change. What is needed is a deep economic crisis, one that affects traditional sectors first, produces unemployment, and increases the general rate of labour exploitation. Powell himself says this between the lines, when he talks about the wage-price spiral: inflation is fought by reducing wages.

In this way, the crisis passes from the banks to the workers, with the contribution of the state. The banks are in fact the main creditors of the states. They are in crisis since long and states and central banks do everything to save them. But when financial speculation attacks the indebted states and forces them into a controlled default, it is they, the banks, through the troika, who dictate the structural reforms to squeeze the workers.

In this process of power redistribution, the state is left with the coercive and repressive functions towards its people and limited economic powers. The latter are in fact assumed directly by international creditors. Workers instead are left with nothing but to work harder, under worse conditions, for lower wages, as a condition for repaying the debts that the state has contracted in their name. Of course, in defence of their health and democracy in Europe.

CONCLUSIONS

The most evident thing about the Russo-Ukrainian conflict is that the whole process does not start at all from Russia, in order to expand its sphere of economic and geopolitical interests, nor even less from Ukraine, according to the Western narrative, the scene of a spontaneous movement of a people ready to do anything to join the EU, brutally repressed (eight years after the pro-Western coup d'état) by Russian military intervention.

It starts instead in the United States, as an economic attack against the EU in the post-pandemic context and as a further development of the overall process of capitalising, economically and militarily, on the victory against the Soviet Union in the Cold War. The fall of the Berlin Wall marks the final outcome of the conflict and, year after year, country after country, the US demands the defeated to pay the bill.

From a military standpoint, Ukraine is a strategic piece in NATO's expansion towards Russia. The process of Ukraine's destabilisation is a long one: it starts with the dissolution of the Soviet Union and, passing through the disruption of a couple of popular elections and a coup d'état, leads to the establishment of a pro-United States government, accompanied by the rise of Nazism, also fomented and financed by Soros' civil society and NATO's secret arms. Ukraine's margins of autonomy in economic, political and military choices are now reduced to zero. Ukraine is merely NATO's military outpost against Russia, with no real autonomy.

From an economic perspective, Ukraine plays an important role in the process of the penetration of US capitals into Europe, initiated in the aftermath of World War II in the Western bloc countries and developed in the East with the fall of real socialism. Indeed, it constitutes a key country for imposing high-technology commodities produced by US corporations on the EU and for expanding US economic dominance in Eastern Europe.

Since the 1990s, the US has only one concern in the expansion process of the German-led EU: that Germany and Russia develop privileged economic relations that would inevitably weaken the leading role of US capitals in Europe.

The destabilisation of Ukraine allows the United States a lunge against the Russo-German economic axis, with all-round instruments: from meddling in economic affairs between the two countries - the blockade of the Nord Stream 2 gas pipeline, prior to Russian military intervention, is a striking example - to political-military pressure to bring the EU into war with Russia.

But in the imperialist stage of capitalism, states are not everything. Behind national and international policies are competing capitals, sometimes seeking agreements, sometimes in open conflict with each other. Germany, like every country, has capital of various natures within it. And it is this competition between capitals, rather than the clash between states, that explains the economic and military strategies - apparently suicidal from the states' point of view - of the individual EU member states and the EU as a whole.

This is by no means pure political servility to the United States. European capitals also have much to gain in these processes. In particular, the most advanced technology companies, especially from Germany, France and the Nordic countries, benefit from the development of the new sectors and grow at the expense of the companies operating in the old ones. This is the logic of imperialism: national interests are subordinated to those of the biggest and strongest corporations. For Germany, France and every European country, the tightening of relations with Russia has disastrous economic consequences on the country-system. For German, French or other advanced technology and renewable energy companies, it is instead a new source of profits.

The accelerating international competition between technological capitals, especially from the US and China, leaves no room of manoeuvre to the EU. It is not conceivable, at this stage, to blow up the Union. It is now necessary to support European capitals in their alliances with North American capitals and limit the penetration of Chinese capitals (which, moreover, had made their way into Europe also through agreements and joint projects with European companies, which had evidently underestimated the political risk of doing business with China in NATO-controlled territories).

The US attacks Russia economically but has China in its sights. The EU, from this point of view, is just a tool of US imperialist policy and a terrain to be defended against Chinese economic expansion. The days when China only exported cheap textiles and low-tech products are long gone. Today China exports everything, commodities and capitals, is a leading country in broad branches of the high-tech sectors, and has a unique economic strength behind it, thanks to state planning under the leadership of the party. The US still retains financial and military superiority. But China is now a real competitor, an economic superpower with global trade aims, which is certainly not playing defensively in the match for technological transition.

If Washington now hastily tries to make peace with Brussels by removing the tariffs imposed in the Trump era and endeavouring to find new energy suppliers to the EU (as well as, of course, giving it its own surplus production at inflated prices), it is only because otherwise the EU would blow up. It would be a big problem for US corporations to have to compete in Europe on a purely economic basis, without the political-military support of their government, with Chinese companies ready to invest and crush the competition precisely in the key sectors of technological transition.

As after the Second World War, the United States is therefore ready to help Europe, on condition that Europe binds itself more and more to overseas capitals, explicitly accepting its role as an economic power subordinated to the centre of the US financial empire. But now as then, both militarily and economically, the United States relates to its European allies according to the same logic with which it relates to its Russian and Chinese enemies, according to the only logic that the world imperialist centre has ever conceived and which we have already recalled: America first!

Russian military intervention takes place in a practically forced geopolitical context. Clearly, Russia would have preferred to pursue its strategy of consolidating and expanding relations with the EU, on the one hand, and with China, other Asian countries and the Brics, on the other. Russia did not attack, it reacted. But just as clearly, Russia's economic and national security strategy has long contemplated the military option in Ukraine and economic warfare with the NATO bloc.

Although defensive in nature, Russia's strategy in the economic war unleashed by the US and EU is not a sign of weakness. On the contrary, Russia knows that the path it has taken is one of no return and is already looking at its long-term reputation: it is looking at all those countries that, for one reason or another, are or could be at loggerheads with the United States. The Russians do not show their muscles, nor do they make threats. When they turn off the gas taps to Europe, they say that, unfortunately, a pipeline has to be repaired. To Americans who buy government debt securities, they return every last cent (despite the fact that the US Treasury has illicitly appropriated Russian central bank reserves). And to those who do not act as enemies, they discount gas and propose alternative currency deals to the dollar.

Economically, we are moving towards progressive closure in relations between international blocs. The trade war, by way of tariffs and restrictions, initiated by the United States in 2018, first against China, then against the EU, is only the first step. The economic war on Russia, with the consequent strengthening of a world bloc alternative to the Western one, continues along this direction and paves the way for a higher-level clash between heavily concentrated international capitals, competing with each other on economic grounds, and divided into opposing blocs on geopolitical grounds.

On the trade side, the energy issue is at the heart of the US policy of closure towards China. US exports of gas, oil and coal to China have dropped sharply in the aftermath of the Russo-Ukrainian conflict: the US diverts energy sales to European allies and China intensifies imports from Russia.

But trade closures are also increasingly affecting other economic sectors, including agriculture, manufacturing and semiconductors.[89] In the new global context where trade is increasingly based on disjointed geopolitical blocs, inflation is inevitable. Everything costs more as this trajectory of trade closure progresses. The surge in inflation in the US and Europe is the natural consequence of these processes, which are anything but transitory. The post-pandemic recovery with rising prices is only the beginning.

In this context, monetary tightening is a necessity rather than a choice. The US and European banks are in crisis because it is the real economy that is in crisis. Mother Fed cannot do miracles. Capitalism has its own economic laws. Profit is made by exploiting workers and the real interest rate simply expresses the banks' share of the profits. If it has now turned negative, it is not because bank capital and industrial capital cannot agree on the division of the cake but because, as the crisis progresses, the size of the cake shrinks.

Flooding the financial system with money for fifteen years served to (partially) clean the banks' balance sheets from the toxic securities that had grown out of control during the so-called subprime crisis and to support share prices that would otherwise have collapsed. Monetary tightening now serves to save the banks from losses resulting from negative real interest rates.

Monetary authorities are forced to intervene now in one direction and now in the other, in an attempt to save the banking system from a crisis that can be postponed but not avoided, and the problem is that the longer it is postponed, the more its explosive charge increases at the moment of detonation. At the Fed, they know full well that there is no getting out of this problem by pulling the sheet now on one side, now on the other. Powell, who increasingly cites his old predecessor Volcker, must now show the working class Schwarzenegger's biceps if, in addition to bringing the real interest rate back into the positive area, he really wants to lift the economy's overall profit rate. Because the profit rate only rises with the tightening of the workers' exploitation rate.

In concluding this work, in which - while not concealing my positions - I have developed my reasoning on economic grounds, historical facts and objective data, I allow myself a few comments of a political nature on the one-two punch that capital has inflicted on the working class through the fight against covid and the war on Putin.

To many, the coronavirus crisis appears as a bolt out of the blue and as a highly contradictory process. Taken in every single dimension, the strategy to combat covid seems suicidal. The ineffectiveness and contradictory nature of the health policy, the economic irrationality of the lockdown, the disproportionate repressive wave, the overturning of journalistic and information rules, with the banning of any critical opinion, do not seem to find a convincing explanation.

On a purely economic level, the production stoppage imposed as a measure against the pandemic is a real own goal for the capitalist economy. Not even in times of war, does production come to a halt. And in terms of health, a general confinement of the population is unprecedented. In an economic system that is already in crisis, these measures deliver the coup de grace to large economic sectors worldwide. But at the same time, they provide a golden opportunity for the most advanced capitalist sectors to conquer the sectors in crisis at bargain prices.

While half the world is still licking its wounds from this tragedy, which is more economic than health-related, war officially breaks out in the heart of Europe. Again, the world is stunned. No one apparently expected it and the only explanation given in unison by the mainstream media is that of the sudden awakening of the expansionist nationalism of the new Tsar Putin.

From one emergency to another, the peoples of Europe are forced to pay for extreme political choices, incomprehensible to many, with disastrous economic consequences. However, if these processes are set within the framework of the confrontation/clash between imperialist blocs, this economic, social, health and military crisis, with its corollaries in the fields of information and repression, shows a high degree of consistency.

This formidable mix of new forms of disciplining through high technology and renewed state interventionism has little to do with a flu virus or Russian expansionism. The truth is that international capital does not care about health, just as it does not care about the Ukrainian people, nor the Russian, European or American ones. By its very nature, capital seeks only maximum profit. Not profit in general, its own profit. Hence the clash between capital of different sectors and nationalities.

But the truth is also that this aggressive strategy of particular capitalist blocs on social relations and international relations is the consequence of a deep crisis of capital as a whole. This is nothing new in the history of capitalism: competition between capitals produces agreements and peaceful relations as long as it is a question of sharing profits, but it flares up when capital as a whole goes into crisis, turning into, in Marx's words, 'a fight among hostile brothers': brothers in exploiting workers, hostile in sharing profits.[90]

While capitals fight each other, capital in general has only one way out of the crisis, the way it has always had: make the workers pay for everything. For the purposes of the general profit rate, the pandemic, war and the accompanying chain of economic, social and cultural changes are of no use if they do not result in increasing exploitation.

However, the fear of a virus and the defence of democracy in Ukraine do not have the same persuasive effect on the working class sent to the slaughter.

Being infected with an unknown virus or infecting one's loved ones, the breathlessness, the isolation and the fear of death have truly terrified half the world, even those who, after all, were not running any risk. Thanks also to an effective media campaign, many accepted with conviction the imposition of restrictive and coercive measures. Even when those measures actually prevented those who live only by their work from going out to earn their bread.

Sending weapons while there are no hospital beds, financing the war when there is no money for schools, lending money at zero interest to Ukraine (knowing, moreover, that it will never be paid back) while getting into debt at increasing rates, helping big capitals while cutting wages and pensions are blatant contradictions, there for all to see. The peoples of Europe cannot be asked to suffer the cold in order to help Ukraine wage war.

And even these new A-list immigrants, whom everyone should love and respect, in reality, nobody likes. In Europe, immigration is disliked even in those countries from which the migratory flows once started, which now defend their borders with the army and the navy. Ukrainian women have until now been welcome in the West only because they came to look after the elderly with some savings. No European is willing to tighten his/her belt for them. If one produces racism, one cannot expect solidarity.

The media-political missiles of mystification and manipulation hit the jackpot when it came to generating panic over a flu virus, but they risk exploding in the air, due to their own internal contradictions, now that they would like to shoulder the cost of economic and military warfare to the people.

Even on green, the volte-face is blatant. During the most colossal technological transition project in the name of green, after years of media bombardment in defence of clean energies, we are suddenly back to coal and anything that burns. In the blind alley it has got itself into, the EU risks not passing the winter. Greta can take a break and take advantage of it to fill in some gaps accumulated during her compulsory school years, while she was running around lecturing the powerful of the planet. The king is naked.

Tensions are rising, the economic war is getting tougher and the risks of a military escalation are just around the corner. But the mystifying veil begins to peel away. The squares fill up again even if mainstream media do not show them. Against covid restrictions, people shouted Freedom and Resistance, now they demand higher wages and better working conditions.

The main force behind these processes is objective: the interests of the social actors who pay the price for these clashes between capitals inevitably come to the fore. The subjective ability to guide them politically, however, is another matter.

Reconstructing the interests at stake, explaining the strategies of the main actors, whether in the spotlight or in the shadows, finding the rationale behind apparently irrational choices is my way of scientifically contributing to this process of demystification, without which no truly conscious subjectivity can ever exist. This, ultimately, is the goal of this book.

Media-political mystification obscures but does not erase the truth. Being impossibilitated to work because of a virus, not making ends meet because of economic war, risking atomic war because of capital's interests are the objective conditions in which working people live. But the economic war, for which the workers have to pay the price, is actually a war between capitals in crisis. A wave of strikes in all sectors and in all countries is the only rational response the working class can offer to this clash of capitals. Of course, the subjective starting conditions are not favourable after decades of individualisation and atomisation of the workers' movement and society as a whole. But this is the only war that capital, of all sectors and nationalities, is truly afraid of: class war.

ABBREVIATIONS

EU: European Union
Fed: Federal reserve (central bank of the USA)
IMF: International Monetary Fund
NATO: North Atlantic Treaty Organisation
OSCE: Organisation for Security and Cooperation in Europe
UN: United Nations
WEF: World Economic Forum

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