

## U.S.—Russia Crosstalk

## Scrap the Green New Deal and revive industrial civilization

By Matthew Ehret

It wasn't long ago that many people found themselves rolling their eyes upon hearing officials like Mark Carney in 2015 first talk about a greening of international finance.

Reducing pollution and maybe even carbon emissions sounded great in ivory tower boardrooms, but the reality of getting the world's largest banks, insurance agencies and industries to detach themselves from cheap and abundant industrial economic practices tied to hydrocarbons upon which modern civilization is built seemed more like a pipe dream than anything achievable.

It was never a secret that windmills and solar panels are not only costly but also notoriously inefficient. (You can't manufacture a windmill using windmill energy.) Additionally, windmills produce only 33% capacity on good days and sink often below 1% when the wind just doesn't blow, as can be seen in the United Kingdom today or Texas during the big chill of February 2021.



Yet here we are, just a few years past COP21 and struggling to restart the world economy after a devastating pandemic. The effects of a high-amplitude green echo chamber have turned much of the dominant political classes of Europe and the U.S. into religious devotees of a decarbonization agenda that we are told is needed to stop the world from boiling over by 2050.

What has been the result of this decarbonization obsession?

The U.K. has led the charge by shutting down hydrocarbon energy sources while amplifying wind power, now accounting for 25% of British electricity supply. Germany's 2010 green plan has done the same with a goal of shutting down all nuclear power by 2023 and vastly amplifying windmills and solar power.

But then the wind stopped blowing and someone forgot to order sufficient reserves with storage caverns and tankers nearly empty.

Since European energy markets have an absurd mechanism tying all prices to the most expensive producer, a deadly scarcity has snowballed with vast price increases for all users. Backup supplies of coal and natural gas are being called upon to make up for the loss, ironically resulting in increased carbon dioxide emissions. Despite all of that, Britain is still committed to exiting coal by 2024, which will ensure that future crises will have no analogous remedies. Life rafts in boats are so outdated.

The obsession with decarbonization has resulted in financially prohibitive carbon credits (a form of modern sin tax) as suppliers and users of dirty backup energy increase. Meanwhile, several U.K. energy supply firms have gone bankrupt, increasing scarcity even more in this vicious feedback loop.

While the blame is put on "big bad Russia" for withholding gas supplies, the fact is that

Gazprom has increased its flow of fuel to Europe by 10% since last year.

So what is behind this crisis?

For one thing, it was once better understood that profit-obsessed speculators playing in spot and futures markets shouldn't set the price of energy. But those days of long-term planning for future generations are a distant memory for most enmeshed in the ethics of the neoliberal era.

While energy prices have not skyrocketed as much on this side of the Atlantic, it is still bad with U.S. natural gas costs up 90% since September 2020 and utility gas prices up 21% over the same period. Experts predict winter heating costs to rise by 54% if nothing changes. When tied to the breakdown of supply chains, a sixfold increase in shipping costs, rampant inflation and a 8.3% rise in producer prices, it is clear that a tsunami of pain is on the horizon.

There are solutions. Neither the U.S. nor Europe needs to sacrifice for either climate models or speculators.

Across North America, it would not be difficult to

reactivate the Keystone XL pipeline. It would be simple to bring back cheap natural gas and petroleum projects by ending the attack on fracking and sideways drilling that made the U.S. largely energy self-sufficient for the first time in generations.

Reviving nuclear power construction, which the U.S. once pioneered, would not be a bad idea either. Modern reactor designs are meltdown-proof and produce abundant, high-quality energy for decades. Many designs even produce copious hydrogen, which could become the automotive fuel of the future.

Converting some of the trillions of dollars of unpayable debts incurred by years of bailouts and useless wars abroad into the emission of bonds tied to the long-term needs of society would go far to revive a lost pre-industrial paradigm that nearly has been stamped out of our collective Western memory.

Shifting our priorities back to building real large-scale infrastructure, reviving manufacturing and thinking about international large-scale projects

with other similarly minded nations of Eurasia, Africa and Ibero-America would help us realize that many of the scarcities we find ourselves facing today are more the effects of folly and small minds than any force of objective reality.

Perhaps taking a cue from China's crackdown on commodities speculation and studying the long-term growth priorities exemplified by the New Silk Road would provide some useful lessons for the coming storm. This exercise would certainly be healthy, although it may require eating some humble pie.

Or we could double down on a decarbonized 21st-century Green New Deal as we move into COP26 and the great resetting of civilization, which I'm sure will offer many character-building experiences for the majority of people across the trans-Atlantic as they learn how to tighten their belts, live with much less and party like it's 1923 Germany.

● Matthew Ehret is the founder of the Rising Tide Foundation and author of the Clash of the Two Americas.

## The roots of Europe's gas crisis

By Edward Lozansky

The gas crisis in Europe has added yet another dimension to a global crisis, with many well-known experts predicting that the worst is still to come.

Nowadays in Washington and Brussels, practically any internal or external problem is blamed on Russia and the evil President Putin, who somehow has accumulated unprecedented superhuman powers to manipulate the world's events, including this one, to his advantage. According to Washington Post-CNN pundit Fareed Zakaria, "Russia hasn't just hacked our computer systems. It's hacked our minds." For someone who can do that, playing gas games is a trivial exercise.

Those remaining few of us whose minds are not hacked and who question the mainstream media's integrity might consider using simple logic and the laws of free market economics instead. My good friend Jack Kemp, the late congressman, explained them in two words: supply and demand.

Russia has plenty of gas, and



Qatar, Iran, Algeria, Norway and some other countries have it as well. America joined this exclusive club after its shale revolution. One would assume that any country is free to decide which gas supplier to choose. The suppliers, in turn, must compete to offer the best deal.

Not so fast. Members of the European Union must follow a long list of bureaucratic regulations reminiscent of the Soviet Union's command economy. Back in the USSR, all 15 Soviet republics had to follow orders from Moscow. Today, 27 EU countries must follow rules imposed by a Brussels bureaucracy that has miscalculated by investing a lot of money into closing coal mines and building plenty of wind turbines and other renewable energy sources to fight climate change.

Germany made that situation even worse with its decision to phase out nuclear power after the 2011 Fukushima disaster. What the smart boys and girls in EU headquarters did not realize is that a transition from fossil fuels to renewable sources takes time, and the windless weather this summer was perfect proof that rushing the process does not always make sense.

Another huge mistake was to encourage EU member states to move to gas delivery contracts based on the daily spot prices instead of negotiating fixed, long-term contracts as suggested by Russia's Gazprom. Any offer coming from Mr. Putin for consistent, stable pricing was met with suspicion and was turned down.

To summarize, Germany and other European countries need gas, and lots of it. By any elementary logic, the Nord Stream 2 (NS2) pipeline definitely could help by supplying more Russian gas.

Enter the "Kremlin stooge," Donald Trump, who wanted to sell American liquefied natural gas (LNG) instead.

With bipartisan congressional support rarely afforded him, Mr. Trump tried to sink NS2 by imposing painful sanctions on companies involved in its construction.

Although Europe definitely could use the promised American LNG, it is locked into long-term contracts mostly with Asian countries. Well, that's the free market for you. A friend in need is a friend indeed, but Mr. Putin is the villain anyway.

When some European firms involved in NS2 got scared off by the American sanctions, the Germans and Russians stood firm and finished the project, although with a two-year delay.

President Biden, who came to the White House with a pledge to restore relations with U.S. allies, decided to let it go when faced with Germany's firm determination on the almost-completed pipeline.

When Mr. Trump was president, Mr. Biden repeatedly called him Mr. Putin's puppet, but now the Swamp is accusing Mr. Biden of the same. Congress is voting for the resumption of sanctions against NS2, and National Security

Adviser Jake Sullivan rushed to Europe to lobby against it. Mr. Sullivan (who, according to John Durham's report, is one of the main culprits behind the Russiagate scandal) and other NS2 opponents have argued that the project will undermine Ukraine by making its pipelines redundant.

Here is the trick. For the U.S., the EU and NATO, the Ukraine project has little to do with democracy promotion or making the lives of Ukrainians better. The main thing is to turn Ukraine into an anti-Russia platform and have the Russians pay for it with transit fees through its pipeline. Most of the \$2.5 billion in U.S. aid to Ukraine is pumped into its military.

Never mind that this army uses openly radical nationalist and neo-Nazi battalions, which even Congress calls terrorists. Back in 2019, a congressional letter addressed to Secretary of State Mike Pompeo portrayed Azov as a part of an ultra-right-wing "global terrorist network" analogous to al Qaeda or the Islamic State group, but one bent on attacking Muslims, Jews and

people of color.

However, under Ukraine's Jewish president, Volodymyr Zelenskyy, Azov is doing well and is integrated in the regular army. Post-Maidan Ukraine is the world's only nation to have a neo-Nazi formation in its armed forces. Perhaps for some in Washington, they're now "moderates" like the U.S.-supported jihadis in Syria.

Washington does not condemn regular neo-Nazi torchlight marches in Ukrainian cities and does not care about ample evidence that a big chunk of the transit fees generated by Ukrainian pipelines fills the pockets of some questionable Ukrainian characters. According to the Pandora Papers, 38 Ukrainian politicians, including Mr. Zelenskyy, have tax-free offshore accounts. So much for fighting corruption.

Well, as it goes these days, the only course for politicians who screw up badly is to blame Mr. Putin. Why would they admit to the mess they made and try changing the course?

● Edward Lozansky is president of American University in Moscow.

## SPACE

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capabilities.

"Since about 2007, potential adversaries, specifically the Chinese and Russians, have noticed how effectively we use space in military operations, and they have begun to develop and build weapons systems that take those capabilities away from us," Gen. Thompson said.

The coming years, he said, will determine whether the U.S. holds on to the dominance it built before China's surge in capability.

"History is going to judge what we're doing right now," Gen. Thompson said. Although "that's always the case," it is particularly true in this "moment in time, given the magnitude of what we have been tasked to do by our nation and its leaders."

"We're talking about the decade of the '20s here. That is the period of concern" to make major strides in space, he said.

## 'They watch what we do'

The Chinese People's Liberation Army is building and deploying an array of space warfare tools, including anti-satellite missiles and cyberweapons, designed to achieve domination on Earth by controlling space, according to a recent U.S. Air Force report.

The report by the China Aerospace Studies Institute — a part of Air University, the professional military education university system of the U.S. Air Force — also blamed China for spreading a huge amount of space debris, mainly from a 2007 anti-satellite missile test. The test destroyed a weather satellite and

left more than 3,400 pieces of floating space junk that will threaten satellites and manned spacecraft for years, the report said.

"China's military has designated outer space as a warfighting domain — described as a 'new commanding height of war' — that China must fight for and seize if it is to win future wars," it stated. "People's Liberation Army (PLA) officers and analysts assert that space is the ultimate high ground, and that whoever controls space controls the Earth."

Others in the national security community have circulated similar warnings, asserting that China has made rapid advancements in space that are quickly coming to rival U.S. capabilities. Beijing's program has grown in scope and sophistication in recent years.

The most recent Defense Intelligence Agency report on Chinese military power warned that "the PLA's Strategic Support Force (SSF), established in December 2015, has an important role in the management of China's aero-space warfare capabilities."

"Consolidating the PLA's space, cyber, and electronic warfare capabilities into the SSF enables cross-domain synergy in 'strategic frontiers,'" the 2019 report said. "The SSF may also be responsible for research, development, testing, and fielding of certain 'new concept' weapons, such as directed energy and kinetic energy weapons."

Gen. Thompson told The Times that China's space operations increasingly mimic those of the United States. "They watch what we do in space, and they're replicating it," he said.

The number of satellites controlled by the PLA is growing from a tight

concentration generally hovering over the Western Pacific.

"So much of what's going on out there in the Western Pacific, that constellation is expanding, so that they can do [operations], eventually, globally," said Gen. Thompson.

He said China has already developed a "tremendous and exquisite capability to look from space to see, hear, track and defend."

Most important, the general said, is that China's acquisition timeline for developing and fielding new space capabilities is shortening. In essence, Beijing is approaching the ability to field new space systems in about half the time it takes the U.S. to acquire and deploy its own systems.

"Not only do they have the ability to adopt new technology and updated capabilities much more quickly, if they're almost as good as we are today — and they are almost as good as we are — they can cycle these things in very quickly [and] they become better than we are," he said.

## Advancing technologies

The key challenge facing the Space Force, Gen. Thompson said, is the need to dramatically decrease the amount of time it takes for the U.S. to move new capabilities into operation.

From the outset, the Space Force emphasized the rapid fielding of new technologies. In 2019, the Pentagon created the Space Rapid Capabilities Office to build never-fielded capabilities on highly condensed timelines.

The goal, said Gen. Thompson, has been to generate two- to three-year turnarounds for advanced space technologies rather than what had become a standard

six- to seven-year timeline.

In February, the Space Force commissioned a Space Development Agency to upgrade space-oriented U.S. military systems with a similar emphasis on quicker turnaround times.

"It's very critical that we accelerate, not just to keep pace, but to stay ahead of the threat of the capabilities the Chinese are provided," Gen. Thompson said. "We've put some processes and organizations in place to do that, and they're demonstrating early on the ability to do so."

The Space Force is having success, he said, despite operating with a lean force of roughly 6,400 uniformed members, known as guardians, and about 6,000 civilians. The Space Force is by far the smallest service, following the Marines with close to 185,000 uniformed members.

Despite early successes, Gen. Thompson said, the Space Force still has to show it can deliver.

The service came under fresh scrutiny on Capitol Hill this week after the release of The Heritage Foundation's 2022 Index of U.S. Military Strength, which asserted that the Space Force does not have the capacity to meet current or future "on-demand, operational, and tactical-live warfighter requirements" put forward by the other services.

The Heritage report gave the Space Force a score of "weak" — the second to lowest ranking on the index — in terms of capacity, capability and readiness.

Democrats, meanwhile, have remained critical for ideological reasons.

Last month, Rep. Jared Huffman of California and three other Democrats introduced the "No Militarization of

Space Act," which would have abolished the Space Force altogether, as an amendment to the House version of the annual defense policy bill.

"The long-standing neutrality of space has fostered a competitive, non-militarized age of exploration every nation and generation has valued since the first days of space travel," Mr. Huffman said upon circulating the amendment.

"Since its creation under the former Trump administration, the Space Force has threatened long-standing peace and flagrantly wasted billions of taxpayer dollars," the congressman said.

The measure failed, but it signaled ongoing skepticism among lawmakers toward the Space Force.

Gen. Thompson's comments to The Times suggest that the need to bolster American space capabilities is growing more urgent with rising competition with China.

The general's remarks coincide with tension between Washington and Beijing over China's deployment of a record number of provocative sorties into Taiwanese airspace this month, raising fears that direct conflict with China could be closer than imagined.

Given its separate and increasingly rapid development of space capabilities, including offensive capabilities to attack U.S. satellites, China may be preparing for such a conflict to start in space rather than a more conventional realm, Gen. Thompson said.

"We absolutely believe that the Chinese thinking would be if it's coming to crisis and conflict, they're going to start this conflict in space," the general said.

● Guy Taylor and Bill Gertz contributed to this report.