Russia’s leadership of the Group of Eight will be farcical

It is already possible to envisage the communiqué emanating from the Group of Eight summit at G8eagles on July 8-9. No doubt there will be congratulatory chest-beating on the progress made in debt relief for Africa and for increased pledges of foreign aid. There is sure to be some reference to the importance of dealing with global warming. We can expect the usual exhortations about completing the Doha trade negotiations, not to mention dealing with global economic imbalances. But the issue that may have more significance for the G8 itself — and hence for global economic management — has not been subject to pre-summit consultation and manoeuvring and may take up no more than a line in the final G8 document. That is the fact that at the conclusion of the summit, the chairmanship of the group will pass to Vladimir Putin’s Russia.

If ever there were a travesty of leadership by example, this is it. Two trends are changing the world for the better — freer markets and democracy. Is it too much to expect that the G8 should stand for both? But, alone among the summit members, Russia is moving in the opposite direction of what is desirable. Moscow’s leadership of the G8 reduces the credibility and the relevance of the group to zero. It also makes a mockery of the Bush administration’s push for democratic, market-oriented societies around the world. Putting Putin in charge of the G8 is akin to sending the United Nations having allowed Sudan and Liberia to play big roles in its UN Human Rights Commission — a move that resulted in the irrelevance of the commission and a subsequent plan for radical reorganisation.

The facts about Russia are well-known. Mr Putin has crushed much of the country’s free media. Earlier this month the Kremlin took another step in this direction when it was announced that Gazprom, the state-run gas monopoly, intended to buy Invesco, the respected newspaper. Russia’s president has replaced regionally elected political leaders with his own appointees, centralising power in his and his close advisers’ hands. He has moved to remanage Russia’s energy sector, creating a state-owned company with all the problems that other countries so highly dependent on oil revenues have.

Russian courts have tried Mikhail Khodorkovsky in what can only be called a political show trial, raising questions about whether the Kremlin gives a hoot about the rule of law. Mr Putin has meddled in the Ukraine elections and maintains close ties to totalitarian leaders in Belarus and other repressive former Soviet republics.

We all hope that one day Russia allows its talented citizens to build a vibrant, open society that makes a big contribution to global progress. But today this country has little to offer the world. It has no standing in global economic affairs because, aside from oil, Russia is not a player — not in monetary policy, not in trade, not in foreign aid, not in technological innovation. It has no credibility when it comes to advancing political reform; indeed, on this score it is among the most significant failures of modern governance in the post-cold-war era.

Earlier this week, we got a glimpse of Mr Putin’s top priority for his G8 chairmanship when he and Tony Blair, the British prime minister, held a joint news conference. The Russian leader wants to mobilise more aid to former Soviet republics. One tries to picture him making the rounds of western capitals, explaining why this goal is so critical, in the same way that Mr Blair so effectively lobbied for Africa. But one cringes trying to envisage him engaging his counterparts on issues of monetary stability or wrapping up World Trade Organisation negotiations when Russia is not even a member of the WTO.

Russia’s chairmanship will be a farce and the US, EU and Japan should have seen it coming. But if they did, they lacked the guts to address it. John McCain and Joseph Lieberman, the US senators, were right in proposing a Congressional resolution several months ago to make Moscow’s G8 chairmanship conditional on reforms in Russia itself, but no one wanted to listen. It is too late for that now, so here are two sets of issues that Wash-ington, Paris, Berlin and Tokyo ought to be discussing in the next few days before the summit convenes.

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First, they should insert into the communiqué some agenda items for the next year, so as not to leave the slate empty for Mr Putin. For example, the communiqué could specify that the G8 will be studying ways to anticipate and smooth out the rocky road ahead for China’s integration into the world economy — an issue that encompasses everything from trade, currency and, most recently, the global expansion of Chinese companies.

In addition, this coming year would be a good time to consider ways to restructure the G8 itself. It makes no sense for countries such as Canada and Italy to have a seat; they are simply too small and inconsequential on the world stage. Nor should Russia have membership when China, India and Brazil do not. Africa must be represented, as should the Islamic world. There needs to be closer ties to the International Monetary Fund, World Bank and WTO, as well as to business leaders.

Will any of this happen? Not a chance. The Bush administration likes a weak and fractured G8 that it can push around. European leaders are preoccupied with the future of the EU. Both, and Japan, are in any event weak-kneed when it comes to confronting Russia. The G8 summit will be as undistinguished as so many of its lacklustre predecessors. But even by the low standards that the G8 has set in the past, when the bonfire is passed to Moscow, it will have been a gigantic step backwards.

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