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INTERVIEW

When it comes to fighting corruption, few investigators are more feared than World Bank's Leonard McCarthy, telling NE: "I'm going to get the big guys"

·Page 9



ENERGY

Nabucco, ITGI and TAP struggle for Azerbaijan's gas because it's the only gas available to be produced and exported in the short term

·Page 17



EU, RUSSIA SECURE FUTURE FOR EUROPE

On Occasion of the conference "A Common Energy Platform - Basis of a Secure Future for Europe: Agenda for Russia and the European Union" held at the European Parliament in September, Vladimir Zaznabin, a professor at St Petersburg State University of Russia, writes an innovative analysis discussing the price-list invariant in credit and finance system

·Pages 4,5

IN THIS ISSUE

EU Policy

Post Congress Outreach to North Korea: Making EU Global | Page 8

EU-World

Campaigners urge Commission to re-think EU-India FTA | Page 13

Energy & Climate

UN climate delegates struggle for common ground | Page 15
Greece calls for Green Development in Black Sea | Page 16
Gazprom to bid for Algerian fields, TNK-BP eyes BP assets | Page 17

Country news

Rail unions warn Sarkozy to abandon pension reform plan | Page 23
British government to cut back universal welfare benefits | Page 24
Greece's government focuses on illegal migration | Page 31
Kiev, Paris ink road map agreement for 2011-2012 | Page 36
Putin: Russian economy to avoid stagnation | Page 39

Editorial & Opinion

Why California may need support | Page 4
Yanukovich's Opportunity | Page 6
The concert of Eurasia | Page 8
Getting Drunk with Power | Page 12

ARTS & CULTURE



The Drawings of a Genius

Page 18

East Asia stands firm

China refuses to discuss currency issues



Chinese Prime Minister Wen Jiabao, European Council President Herman Van Rompuy (C) and European Commission President Jose Manuel Barroso (R) toast after the signature of an agreement at the end of a EU China Summit in Brussels, 6 October | ANA/EPA/OLIVIER HOSLET

"Oh, East is East, and West is West, and never the twain shall meet, Till Earth and Sky stand presently at God's great Judgment Seat," Rudyard Kipling, the British poet of empire, would be impressed by the number of times East and West met in Brussels last week. It seems, however, that his verses still hold much truth, because East Asia and the EU found little in common except mere trade. No politics, no economic fundamentals were on the table. In the meetings between the two continents, it was Europe who looked the less impressive. Commercial issue dominated the discussions, but the post Lisbon EU appeared unimpressive, compared to the economic and political might of China, who remained

polite, but unmoved by requests to revalue their currency. Chinese Premier Wen Jiabao told the EU leaders to, "Do not work to pressure us on the renminbi rate."

The fair competition issue however is not a strong argument that the West could use vis-à-vis China. In the aftermaths of the great credit meltdown of 2008 government intervention in the west was the main policy instrument. Still a large number of major western banks continue to be under state. If markets were let to function freely they would have ended up in a major default of the entire Atlantic financial sector, with devastating repercussion on the real economy. Then who can accuse Beijing of excessive government interven-

tion in the economy?

In any case the EU China Summit in Brussels last week ended with a whimper. The traditional end of meeting press conference was cancelled, officially for scheduling reasons, but others suggested it was either down to the differences between the two sides or an unwillingness to face awkward questions from the press. Wen was able to continue his European tour, signing agreements as he went. There were, once again, questions over the preparation of the summit and the Chinese, and many observers were wondering why the EU High Representative, Baroness Catherine Ashton failed to appear.

·Pages 2,3