

The G7 Must Act with Unity for Ukraine and Free-Market Democracy

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KEY TAKEAWAYS

The G7 summit from June 26 to 28 in Germany is the most critical since the G7's establishment in 1973, as the world is being confronted by Russia and China.

The credibility and relevance of the G7 are being tested, and the G7 must pass the test in order to protect American interests.

If the G7 does not stand by its principles and instead cuts short-sighted political deals, it will forfeit its claim to leadership of free-market democracies.

This year's Group of Seven (G7) Leaders' Summit will take place from June 26 to 28 in Germany's Bavarian Alps. In light of Russia's ongoing and unprovoked war against Ukraine, as well as other interwoven global challenges stemming from China, the upcoming G7 gathering is the most critical since its establishment in 1973. If the G7 cannot make meaningful decisions, it risks irrelevance.

The five priorities on which the U.S. and the other G7 countries should concretely focus their efforts are: (1) ensuring transfer of arms and other critical supplies to Ukraine, (2) keeping up sanctions against Russia, (3) formulating a practical strategy to deal with the geopolitical linkage between Russia and China, (4) ensuring energy security through greater cooperation on nuclear energy, natural gas, and oil production to reduce reliance on Russia,

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and (5) enhancing economic governance based on the principle of economic freedom.

No More Feel-Good Photo Ops

The summit brings together the leaders of the United States, Great Britain, Canada, Japan, Germany, France, and Italy. The G7 was founded in 1973 in the midst of then-unprecedented oil price shock, stagflation, and the need for unity among the world's largest industrial democracies when the Soviet Union appeared to be winning the Cold War. The group meets annually to discuss shared global security issues and economic matters.

Today, the need for unity is far more pressing, as the world's free-market democracies are being confronted by Russia and China, which long ago decoupled themselves from the values of free-market democracy, including the rule of law, openness, and respect for human rights.

If the G7 neglects to stand by its principles and prefers instead to cut short-sighted political deals at this critical juncture, it will forfeit its claim to leadership as a group of leading free-market democracies.

Indeed, 2022 may be the most important year in global geopolitics since the end of the Cold War three decades ago. Russia's unprovoked second invasion of Ukraine on February 24 has brought new and greater urgency to the need for real cooperation between the United States and the other G7 countries. The G7 can meet the demands of this new era of conflict, in which Russia and China both pose grave and wide-ranging challenges, only if the strength of the values-driven alliance can be reinforced and amplified.

No task for the G7 is more important right now than acting with unity for Ukraine and its sovereignty. More than four months into Russia's unprovoked invasion of Ukraine, the war seems nowhere close to ending. Kevin Roberts, president of The Heritage Foundation, said it bluntly: "America has clear national security and economic interests in a Europe that is stable and secure. Providing military resources to the people of Ukraine in their fight against Russia's brutal invasion is a worthy cause that also advances those interests."¹

Those interests are shared by other G7 countries and should be furthered by continuing to supply weapons to Ukraine and expanding economic sanctions against Russia. Ukrainians are willing and capable of fighting for themselves, with a strong consensus that a free, thriving, and secure Ukraine and a rebuffed Russia benefit American and its allies' interests.

The G7 summit must ensure that Russia pays the highest possible cost for its invasion of Ukraine. Toward that end, G7 leaders should:

- **Ensure the timely delivery of a sufficient supply of arms and other critical resources to the Ukrainians.** As the war drags on, Ukrainians' need for weapons and munitions will only increase. Washington must lead the G7's efforts to set up a resilient and reliable system to deliver much-needed military equipment, ammunitions, and other non-weaponry items on a recurring basis. The G7 must work together to build the foundation for a real peace. A rush to press for ending the fighting without safeguarding Ukrainian vital security interests—or allowing Russia to obtain new territory while avoiding accountability—will increase the threat of future Russian aggression. A more proactive and determined effort can wind down the unacceptable war more effectively and ensure that it does not start up again.
- **Expand the scope and reach of economic sanctions against Russia.** The humanitarian and military situation remains dire in Ukraine, and now is not the time to keep additional sanctions in reserve. The existing unprecedented economic sanctions should be elevated and amplified to sanction—in its entirety and without exemptions—all of Russia's major economic sectors, such as energy and banking. Since economic sanctions have been implemented, tens of billions of dollars of Russian assets have been frozen in G7 and other allied and partner countries.
- **Formulate a strategy to deal with the geopolitical linkage between the Kremlin and Beijing.** Russia's and China's strategic goals are near identical. They both want a weakened and divided world that they can exploit. They both want to eclipse the U.S. and other G7 nations' partnerships with other countries so that the free world is divided and more vulnerable. The Biden Administration should continue the leadership demonstrated by the previous Administration to rally the G7 to confront and push back against the threat to Western nations and their values from the Chinese Communist Party (CCP). To deal with the CCP, G7 members and allies must demonstrate the determination to protect their vital interests for the long term and sustain this determination through multiple generations of Chinese leadership.
- **Facilitate greater practical cooperation on nuclear energy, which provides substantial cost and security benefits.** Nuclear energy offers tremendous advantages. It requires a smaller footprint and is

more consistent than solar or wind. In that context, it is notable that last year's G7 agreement pledged to accelerate progress on nuclear power in those countries opting to use it, as part of a "technology-driven transition."² As part of the G7 agenda, environment and climate ministers had also recognized nuclear energy's "potential to provide affordable low carbon energy and contribute to the security of energy supply as a baseload energy source."³ Pushing for the green agenda as a central factor in foreign policy is not the way to ensure an uninterrupted supply of reliable, affordable energy, which has been proven to be a national and economic security matter. The G7 should encourage greater and more pragmatic nuclear energy cooperation among its allies.

- **Strengthen good economic governance based on the principle of economic freedom.** As economic freedom has grown since the end of the Cold War, the global economy has more than doubled, lifting hundreds of millions of people out of poverty and helping to promote more effective democratic governance. The Heritage Foundation's annual *Index of Economic Freedom*, along with other indices, has long documented the importance of good economic governance, which is critical to levels of economic growth and prosperity, which in turn generate more opportunities and greater economic security. Free countries are prosperous due to robust and market-based economic governance. Massive government spending and controls hamper that growth. People in economically free societies enjoy longer and healthier lives. They have access to higher quality "social goods" such as education, health care, and a cleaner environment. Russia's invasion of Ukraine and challenges from China have shown that economic freedom matters more than ever.

Time for the G7 to Act

The G7 countries account for nearly 50 percent of global wealth as a combined group. They are all democracies and close U.S. treaty allies. In preparation for this year's G7 summit, German Chancellor Scholz underscored that the aim of the gathering under the German presidency is to send out a "powerful signal" demonstrating that "our strong democracies are aware of their joint global responsibility."⁴

G7 leaders must go beyond that. Now is the time to take concrete steps to "help Ukraine secure its free and democratic future, such that Ukraine can defend itself now and deter future acts of aggression."⁵

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Endnotes

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2. The White House, "Carbis Bay G7 Summit Communiqué," June 13, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/13/carbis-bay-g7-summit-communique/> (accessed June 15, 2022).
3. G7 United Kingdom 2021, "G7 Climate and Environment Ministers' Meeting Communiqué," May 20–21, 2021, <http://www.g7.utoronto.ca/environment/2021-g7-climate-environment-communique.pdf> (accessed June 15, 2022).
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5. The White House, "G7 Leaders' Statement," May 8, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/05/08/g7-leaders-statement-2/> (accessed June 15, 2022).