

The Week the New Global Reality Showed Itself

by George Friedman - May 11, 2026

Last week, **I wrote about the phone call Russian President Vladimir Putin made to U.S. President Donald Trump**, during which he proposed a new economic relationship with the United States. By itself, it indicated a shift in Russian policy, as did the telling cancellation of the full ceremonies of the May 9 celebration of the end of World War II. Pressure is growing in Russia for Putin to end the war in Ukraine, given that the battle lines are essentially frozen and that the Russian economy has become extremely weak.

It would seem the internal pressure is working. On May 9, Putin announced that the war in Ukraine is coming to a settlement, and that he wants a new relationship with Europe. (Toward that end, he will meet with Ukrainian President Volodymyr Zelenskyy.) Specifically, he said he wants the war to end via negotiations involving the Europeans, along with possible new security arrangements. His preference is to negotiate through Gerhard Schroeder, a German ex-chancellor with whom Putin had been close and who was from 2017 to 2022 the chairman of Russian energy giant Rosneft. Schroeder's chancellorship began in 1998, not many years after the collapse of the Soviet Union, when it seemed possible that Russia would become not just a liberal democracy but a part of Europe. Now is a totally different geopolitical environment, and it's unclear whether Putin can simply choose his European interlocutor. However, this indicates something very important: Putin wants to return to the period in which Russia seemed to be preparing for a role within the European system.

Recall that Putin has maintained all along that the Ukraine war began when the West, he claims, violated its promise not to expand NATO into the areas that had been part of the Soviet Union. This triggered Putin's later concern about Western intentions and culminated in an invasion that sought to make Ukraine a buffer state between Russia and NATO.

There are two shifts, then, in Putin's position: that the war is nearing an end, and that it will end with European negotiation and with a European who was in power when the future of the Russian-European relationship was far more promising. Whether Europe sends Schroeder, who was born in 1944, to lead the negotiation is questionable, given not only his age but the divisions in Europe itself. The significant deterioration of Russo-European ties is not important; what's important is that Putin asked to turn the clock back because there is massive domestic opposition to the war in Russia, because the economy is reeling and because there are rumors that the FSB, Russia's intelligence

service, has turned against him.

The geopolitical reality is that Russia cannot continue the war given its military limits, the state of the economy and the emerging opposition to Putin. At the same time, the relationship between Europe (specifically, NATO) and the U.S. has deteriorated to a point where a new geopolitical system must emerge. Russia's becoming, to whatever degree, a part of the European system would give Europe access to Russian natural resources and would give Russia access to European capital. There is a logic for Europe to seek accommodation with Russia and perhaps use Schroeder as a negotiator. But that is a side issue. What is clear is that Putin has little choice but to seek an end to the war on the best terms he can get, which necessarily involves Europe.

Central to all this is the summit, slated for May 14, that could redefine the relationship between the U.S. and China. (This has been long in the works.) Importantly, negotiations between U.S. and Chinese officials have continued throughout the war in Iran, obviously intended to work out the details of a new relationship and, they hope, to be blessed by the two presidents later this week.

To be sure, at no point has the Iran war intruded on these negotiations. In fact, Beijing invited the Iranian foreign minister to China for talks on subjects not revealed publicly but that presumably were both a channel between Iran and the U.S. and a source of pressure on Iran to reach an understanding. China operates differently from Russia. It seeks economic influence in other nations but is trying to minimize its military obligations in exerting that influence. China has a security treaty with Iran, but there has been no indication of major Chinese involvement in the war.

This is reasonable because China badly needs an economic relationship with the United States, its largest importer of Chinese goods. China is the second-largest economy in the world. Yet it ranks 71st in per capita gross domestic product. That means its own economy cannot absorb the sheer amount of goods it produces, and that it relies overwhelmingly on exports. It cannot afford hostile relations with Washington. The U.S. benefits from Chinese imports because they are more affordable to consumers at a time of rising inflation. And neither China nor the U.S. wants, or actually can go to, war with the other, given their economic interconnection and the broader geographic constraints.

There has been much discussion leading up to this summit, which was postponed from March to May due to the Iran war. China wants the war to end because it imports massive amounts of oil through the Strait of Hormuz. The U.S. wants it to end because ultimately the only way to fight it is on the ground, and Trump vowed to end those kinds of conflicts.

There is no indication that the summit will be canceled, and it would not be taking place unless both sides had reached an understanding on all major issues. China's announcement on May 10 that its vice premier will lead a delegation to South Korea for trade discussions with U.S. counterparts on May 12-13, following up on prior agreements between the two presidents a day before Trump and President Xi Jinping meet in Beijing, confirms preparations for the summit on May 14. Summits are for blessing agreements, not negotiating them in detail.

The deal will cover economic and military issues, with methods put in place to increase economic involvement and to decrease the threat of military confrontation, including an understanding on Taiwan, perhaps making it formally part of China, even as Washington guarantees its internal autonomy. China wants Taiwanese microchips just as badly as the U.S. does.

If all this happens, it would be the beginning of a new global geopolitical system, replacing the one based on the Cold War and the collapse of the European colonial system. How it will look in detail matters greatly, as does the potential Russo-European and U.S.-China ententes.

There are, of course, fundamental internal political issues for all involved. Xi clearly had a challenge from the Chinese military and has fired or imprisoned many of his senior military commanders. Trump's poll numbers in the U.S. indicate great dissatisfaction. The question of Putin's future is not at all clear. Europe's future political system is far from settled.

But internal politics can shape international realities only to a limited extent. Nations will do what they must, and internal politics in critical matters evolves as it will. Personalities do not define economic systems, nor do political leaders get to define the global reality.

To a great extent, we are now at the pivot between the end of the system that began in 1945 and a new one 20 or so years in the making. Now that system, in principle if not in detail, is revealing itself.

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