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The British Example Is Worth a Look

By Konstantin Sonin

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The most interesting job for the wide-spectrum economic observer -- unlike the jobs of his colleagues in business and sector-specific economics -- involves discussing impossible scenarios. Imagine that things worked out as desired by those people who think Russia should use its oil and gas reserves as a geopolitical weapon: You get something like the Soviet Union, but instead of nuclear weapons and a huge land army you have a valve on a gas pipeline. It would be then, in fact, that those powers working for the dismemberment of Russia -- which to that point had existed only in the imagination of professional propagandists -- would finally actually appear. Our country would be drawn into a new arms race, spending more and more money not on its citizenry but on the weaponry needed to defend these very people's natural resources.

What to do? Different countries take different approaches. What, for example, are U.S. military bases defending Qatar against, only its neighbors? This is not to say that we should let U.S. bases onto our territory or that we should not carry out military reforms and the rearmament of our forces. I say don't let them in, carry out the reforms and develop and buy the latest weaponry. Nevertheless, as we do these things we should take care not to project a threat, either in military or in energy terms.

In October of last year, Thomas Schelling received the Nobel Prize in economics for a book written in 1960 (and not yet translated into Russian) titled "The Strategy of Conflict." Schelling discussed the simplest theories of international relations. For example, how important, in a strategic sense, the limitation of your own arsenals is. If Russia, let us say, were to demonstrate the ability to supply energy without reference to things political, then the volume of anti-Russian activity would be noticeably lower. That is the task here: While preserving and developing its potential as a supplier of energy resources for the leading nations of the world, Russia must convince all involved that it will not use these resources as geopolitical armaments.

The first step, no doubt, is to set realistic goals: The country should not become a new Soviet Union (or even worse, re-establish the old one). I would recommend the example of Britain, which during the 1940s survived both the collapse of a huge empire and the loss of the status of a leading world power -- and yet remained a beautiful, rich and powerful nation. It would be interesting if Ukraine became the most powerful economy in the world and Russia remained simply the Mother Country of this new great power, as Britain was to the United States.

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