

require plants and machines, they can still dwell in one country while selling their products in another. One can develop a code for a program in Bangalore, or in Dubna, or in the Silicon Valley and sell it globally. Creative people live wherever they like and if an authoritarian regime of tough or mild types cramp their work, they will simply leave.

There are two scenarios for further development. The first is that a reasonable statesman offers to produce energy-saving lamps, for example, and compete with China. Obviously, energy-saving lamps have already been invented and we cannot do this again. Moreover, it's absolutely clear that China will be able to do it for cheaper. To go through with this proposal would be a mistake. Another proposition is to create opportunities for business development in Russia. That is to say, to allow business itself find its own basis. Conventionally speaking, somebody will invent an energy-saving lamp that will reduce energy consumption by five times. Moreover, due to the attraction of capital that employs intellectual resources to solve the problems, new marketable goods will appear. There is no other way.

Neither in America, nor in China, nor in Brazil does the government rule industrial companies and force them to produce something, except in the case of the defense industry. These governments never aim for scientific technical developments. And while they are prepared to subsidize researchers in the field of, say, energy-saving, the results are never easy to predict.

Focal modernization has no chances of success. The amount of resources the Russian economy and society will spend on attempts to create 'a sun-city' will just add us to the list of countries that have already fallen into such a trap. It will cost us considerable time and vast financial resources. Perhaps it will result in the construction of some plants, but the country will still be behind. While there have been plenty of successful non-focal modernizations, such as in Chile, China, Brazil, Poland, Indonesia, Malaysia, Thailand, Vietnam, there have never been any episodes of successful focal modernization. ■

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PROGRESS ON THE BLACK SEA REPRESENTS SERIOUS POLITICAL PROGRESS



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Despite the fact that the Black Sea region has ceased being a sore point in terms of world politics, as was the case a century ago, it still remains a region of enormous importance. Let's take the conflict between Georgia and Russia as a case in point. There remains a risk that the conflict will continue. It is also worth bringing up the situation with respect to Ukraine. **It is unlikely that the recently-signed agreement with Russia has diminished the many years of tension between the countries.** Instead, it might have worsened this situation. Just imagine what might happen now in this country as a result of the enormous divisions and antagonisms that exist regarding the Black Sea fleet in Sevastopol. What will happen if the opposition should eventually come to power in Ukraine and try to rescind the new agreement about the extension of the term for renting the base for the Black Sea fleet. Such a scenario may even be interpreted by Moscow as a *casus belli*.

On top of that, another ever-growing issue which is of increasing importance is the supply of oil, since the Black Sea is a critical zone of the transit of such energy resources. In this context, this is a region that is very important, and it has arguably become more important over the past decade.

The Black Sea still remains a border for the European

Union, but the EU also participates in the politics surrounding this region. Indeed, one must not forget that both Bulgaria and Romania are manifestly Black Sea countries in the most literal, geographical sense, are that they are members not only of the European Union, but of NATO. Romania puts forward a very clear definition of EU and NATO interests, and, on many key points, its perspective differs quite substantially from the regional perspective of a powerhouse like Russia, for instance. It should be kept in mind that the EU remains to be highly attractive for countries that have not yet become members of this union. The EU also has a number of explicit initiatives and programs specific to the Black Sea region.

To this day, the Black Sea continues to be a potential zone for emerging conflicts and the EU will not be able to sideline such a situation. Let's keep in mind that there exists serious conflicts in areas that are in close proximity to this region. The current war in Iraq and the potential for future conflict with Iran may result in profound changes in this region. The war in Iraq has effectively led to the radicalisation of Turkey. Thus, there is a strong chance that the development of other external developments that are on the periphery of the Black Sea region may profoundly affect the balance of forces within this region itself. ■