

Energy producers and consumers should stop being egoists, senator says

Washington, 24 March, RIA Novosti, Maria Tabak

Energy producing and energy consuming countries should drop one-sided policies and shift to cooperative relations, Andrey Vavilov, member of the Committee for Budget Issues of the Russian Federation Council and former deputy finance minister said in a statement at the roundtable on global financial and energy security at the Brookings Institution, Washington.

“In the energy countries, such as Russia and Arab countries, there is a point of view that if you have energy resources and if you control their distribution, if you control the level of sales on the world market, you can get more preferences compared to the countries which don’t have energy resources. And I am sure that it’s not right,” Mr. Vavilov said.

He said that there are a lot of different factors which could lead to ‘overall inefficiency’ in case unilateral efforts are taken. “Decisions will not be optimal not only for other countries, but including the country which has energy resources,” stated the senator.

On the other hand, Mr. Vavilov maintained, the consumers of energy resources also go ahead with their actions which are not good for the cooperation between them and the countries who produce energy.

“If producers’ one-sided efforts can be called resource nationalism, we can talk about the new behavior of the consumer countries, the financial protectionism. And the action of the countries which do not allow other countries to diversify their portfolio leads to an inefficient solution for all countries,” he said.

Vavilov believes that the most prosperous way of action can be efficient only in the framework of the global cooperation.

“If the United States or Western Europe needed a stable provider of energy resources, it’s not enough just to pay money for the resources. Probably providers have to get something else, for example, a new technology or the participation in the common projects,” he argued.

The senator added that each participant of the energy market, whether it is Russia or other countries, should be viewed as a country that has many different functions rather than a country with one function.

“If the country produces energy and it assures the guarantee for the supply of energy, which provides the capital in all the other countries to work in an efficient way, so in order to get the market price for oil, this country has to get something else in addition, like the equal participation of the process of the economic growth,” emphasized the senator.