

Russia's Glazyev: 'On the Brink of World War'

April 5—Academician Sergei Glazyev, an advisor to Russian President Vladimir Putin on Eurasian integration, yesterday warned of national bankruptcy for several European countries, a blow-out of the banking system, and a “game on the brink of world war,” if full-scale economic sanctions against Russia were to be pushed through. His interview with the Russian-language service of RT was also distributed by RIA Novosti.

“If the Americans try to implement the model used in the case of Iran,” said the Russian economist, “meaning virtually total disconnection of the country from the world financial system, that is, from its dollar and euro segment, then our calculations show that losses in the European Union could reach EU1 trillion. If our payments are blocked, the European banks will feel it very palpably, because hundreds of billions of liabilities will be frozen.” If such measures were to be pushed further by the United States, destabilizing the entire European financial system, in parallel with attempts to hurt Russia, he added, “then this would turn out to be a big geopolitical game, on the brink of world war.”

Glazyev noted that while potential damage to Germany's economy from total sanctions against Russia may be estimated at up to EU200 billion, “the strongest damage, in relative terms, strange as this might seem, would be felt by Ukraine—whose interests they're so concerned about—and the Baltic countries, which have behaved the most aggressively. Losses for the Baltic countries would be almost equivalent to their GDP, since the economies of these countries are almost entirely involved with transit services to and from Russia. Thus, for Europe the sanctions are economic suicide. European businessmen understand this very well. But I'm struck by how much the European media are like a branch of the American, or, rather, not even of the American, but of some very vicious hawks.”