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Lukashenko: Investing in Belarus Twice as Effective as Investing in Russia

By The Moscow Times

October 17, 2014



Belarus' President Alexander Lukashenko greets his Russian counterpart Vladimir Putin at a meeting during a summit of the Commonwealth of Independent States in Minsk, Oct. 10.

Investment in Belarus yields twice the result of investing in Russia and the notion that Belarus is leeching off its former Soviet big brother is risible, Belarussian President Alexander Lukashenko told Russian reporters in Minsk on Friday.

"You Russians have a saying — that Belarus milks Russia, but I say if you invest one ruble in support of the Belarussian economy, you'll get twice the effect you would if you invested it in Russia," newspaper Vedomosti quoted Lukashenko as saying.

Backing up the point, Lukashenko stressed the quality of his country's goods: "Belarussian sausage doesn't contain toilet paper and soy — unlike Russian sausage."

Heavy set and mustachioed, Lukashenko, a collective farm manager in Soviet days, has

presided over Belarus since 1994 and maintained broad state control over the country's rickety economy. Russia has frequently been tapped to provide financial aid, in return for which Lukashenko has mostly been a solid ally.

"Don't think that Belarus scrounges off Russia ... if we get something [from Moscow], that means we are providing some service to Russia," he said.

In recent months Belarus has received $2 billion in loans from Russia, as well as customs duty exemptions on oil and petroleum products worth $700 million annually — granted by Moscow to lure Minsk into its Eurasian Union project with a group of ex-Soviet nations.

Commenting on the loan negotiations with Russian President Vladimir Putin, Lukashenko claims to have held no punches.

"I told Putin: c'mon, why are you digging your heals in? Give us this measly $2 billion, you're just going to sink it into your own economy anyway. The Belorusian economy ... has been and will be the assembly shop of Russia," Lukashenko said, adding, "If our factories stop, what will you do?"

In Lukashenko's words, Putin responded simply: "Yes, you're right."

As for other benefits Russia gleans from the relationship, Lukashenko reminded Russians that Belarus is an excellent security partner: "We are two airbases that have been given to you essentially for free, even though this costs money."

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