

Funding the Future

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Not for the first time in history Russia is exposing tensions in the west. I make the point in that way deliberately.

Stand back for a moment and ask what Putin is likely to be seeking to achieve with his belligerence towards the West even if to do so it's easier to say what he is not seeking to do first.

There are territorial issues, without doubt; Russia has always been insecure about its borders. Nothing has changed now. But major territorial expansion that threatens the West is not on the cards. That's not to dismiss the threat to others: it is to say that the threat is limited. I think that important to remember.

And Russia is not planning a Trotskyite revolution: it has no dogma to promote.

Nor is it really seeking foreign policy influence. The days when the world could be aligned on a Moscow / Washington axis of influence have gone: Beijing has supplanted Russia's role, and it knows it.

So what is Putin seeking to do? The answer would seem to be petty. He is seeking to maintain his power. I struggle find a motive far beyond that.

I doubt it is chance that publicity is being created as he seeks re-election.

Nor do I think Putin really left the election to chance: the power he seeks is deeply old fashioned in the desire for dominance that he displays. This dominance does not brook criticism.

And in that context there should be little surprise that he might seek to undermine the UK. This is because it is simultaneously the home of many of his critics and the active promoter of the conduits for many of the money flows that those around him would appear to direct.

Putin can exploit the UK because we have left ourselves open to exploitation. As a host of corruption that is actively supported and even sanctioned through the network of tax havens that are, in effect, the branch offices of the City of London and its financial

services sector we render ourselves unable to respond in any effective way to the challenge Putin poses without having to face up to the fact that we too are purveyors of corruption, albeit somewhat more genteel disguised than Putin might manage.

I am, of course, aware that I am simplifying arguments. But let me go back to my opening sentence. What Putin is doing is exposing tensions in the West. Whether current actions in destabilising elections, murdering opponents and directing funds are actually under the control of the Kremlin or not (and I assume it wise to think Putin does not think it omnipotent or he would not feel threatened) does not greatly matter.

What does matter is that Putin and others think the West so conflicted that they can happily sow confusion with very limited risk to themselves in the interests of securing their domestic power base.

And what also matters is that we are not facing up to the fact that this is the consequence of our own lack of conviction in democracy, fair markets and transparency that might expose corruption before it becomes pernicious.

The whiff of panic that pervades our elite on this issue smacks very strongly of the sweat of the person who knows that at the very least they have been rumbled, and more likely is the odour of guilt by association, if only by the tacit grant of permission for this situation to exist.

So what can be done? I have already signalled the way in my post '[To Russia, with love](#)'. We must eliminate the mechanisms that can be used to deliver the corruption that will, inevitably, undermine western mixed-economy, market-based democracies if permitted to continue. We have no choice: it is that or face our own failure as the markets we believe co-exist to deliver prosperity alongside the state collapse under the assault of corruption of all sorts.

And we must act to support our democracies. Whilst they fail to represent opinion and do represent the power of money they provide a model for a veneer of respectability that the likes of Putin are all too willing to copy.

Put bluntly, Putin is, in the pursuit of domestic power in a state that has lived in almost perpetual fear of aggression from the West, seeking to sow discord in the West to distract attention from all that he might do domestically, and our own lack of faith in what the West now stands for provides him with all the opportunity he needs to do so.

This is an unedifying spectacle.

It is also deeply worrying. Putin is undertaking existential warfare on the West and our own states are so compromised by corruption that we have no real idea how to respond. As a tool he has found something far more powerful than a nuclear warhead. All he needs do is keep pushing the West's 'self destruct' button every now and again

to expose our own inability, as a consequence of the divisions within western democracy, to effectively respond to any challenge he currently poses.

Only the restoration of confidence in the western, democratic, mixed economy that is intolerant of corruption in the pursuit of equality and fair markets can restore the balance of power. Right now we are instead falling into his trap by delivering responses that simply justify his own more extreme approaches.

Our lack of confidence in who and what we are is all Putin needs to keep the West at arm's length and out of his domestic arena, which is what he really desires. And he's winning that war right now. It gives me no pleasure to say so.