

# DIARY

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Pulkovo airport is built along Stalinist lines. It is a square concrete building with lino floors crowded by passengers waiting in long queues for slow service. I have arrived in St Petersburg. It occurs to me that cut-price airlines might be sending their staff here for training. Leaving the airport for the city centre we drive past the man himself — Vladimir Ilyich Lenin — looking down from an imposing height in one of those bronze statues where his coat is flying out behind to show how he is a man of action. The Soviets loved to portray Lenin in a hurry. Time was short and the world had to be remade. Or perhaps they realised their grand experiment was going to catch up with them and one day it would all be over.

Suddenly the Soviet apartment blocks give way to the grand and elegant city built by the Romanovs. Magnificent palaces line the broad Neva River and the canals that connect to it. The Romanovs knew a thing or two about architecture. We are staying at the Kempinski Hotel, built as a palace in 1853. It is around the corner from the Winter Palace, stormed by the Bolsheviks in October 1917. These days the Winter Palace and the museum connected to it — the Hermitage — are stormed by German and American tourists who come ashore on day leave from their cruise ships. I am truly moved by the beauty of the collection. An Australian tourist hurries across to greet me warmly and gives me the AFL football scores: Australian culture comes to the Hermitage.

At this time of year St Petersburg has the 'white nights'. It never gets dark. But I wonder if the Russians are getting enough sleep. To go weeks without darkness — just as they go weeks without daylight in winter — could play around with your system. It is the kind of thing that could lead to vodka binges or writing heroic novels or writing heroic novels under the influence of vodka. Extremes of light and temperature might explain the mercurial Russian temperament.

This is not my first visit to St Petersburg. I came here in 2006 to address a meeting of the G8 finance



ministers. After travelling 36 hours from Australia we were taken, direct from the airport, to a special performance of *Swan Lake* at the Mariinsky Theatre. Try staying awake for two hours of ballet after flying for two straight days! After the ballet there was a State Dinner of seven or eight courses. Then there was a fireworks display. About 1.30 a.m. the Prima Ballerina arrived to meet the ten or so ministers at the dinner. It was a great honour, but I saw an opening and headed for the exit. My Russian host saw me. Concerned that I might miss the rest of the music and folk dancing and hours of fun he asked the US Treasury Secretary to fetch me and bring me back. He found me alright and whisked me into his car which headed straight to the hotel. 'It's hard to find people in Russia so I'm going back to the hotel to look for you,' he said. 'And when I don't find you it wouldn't be right to return and interrupt the dinner'. It was the act of a kind ally. That was how I came to be rescued by the Americans in Russia.

This time I have flown in from America to take part in a forum on the global economy: commodity prices and the dangers of Greek debt. Without jet lag I am much better prepared for the ballet



*'Just wait until the man who may be your father pending a DNA test gets home!'*

and folk singing and art treasures at the end of the working day. From the Romanovs to today the Russians have been connoisseurs of high culture. But in between, the country took leave of its senses under the fantasy and brutality of communism. This interregnum is hardly spoken of. With commodity prices soaring, Russia is beginning to look like a boom economy: Australia on steroids. Not surprisingly, the Russians have no intention of handicapping themselves with a carbon tax!

I can confidently say that when I was in Europe I did not read of any other country being so moved by our government's new tax on carbon dioxide as to embrace measures to harm their own industries. At the meetings I had with investment managers in the US no one seemed to think there was any chance the US would adopt a cap-and-trade or emissions trading scheme. I caught up separately with Condoleezza Rice and Sandy Berger (National Security Advisors in opposing administrations). Neither thought there was any chance of their party going down a path like that!

So I was blissfully ignorant of political issues back in Australia until I received calls from both sides looking for support for their candidate in the contest to be elected president of the Liberal party. I was a member of the federal executive of the Liberal party for nearly 14 years. I still haven't figured out what it actually does. When I retired I was told I would receive a letter to thank me for my service, but after four years it still hasn't arrived. One of the jobs for a new president could be to run the mail down to the Post Office. But as far as I know no one was campaigning on that platform. I thought about sending a statement from St Petersburg to intervene in the Presidential contest — some kind of Molotov letter — but I just couldn't get motivated. It strikes me as strange that the Liberal party would waste time on a non-issue when so much is going wrong in Australia. I hope that the current government proves to be an interregnum in what has generally been a successfully governed country.