

### III. Economics

# Russia's Eastern Economic Forum Heralds a New Architecture for the Region and the World

by William Jones

Sept. 10—The Ninth Annual Eastern Economic Forum (EEF), held over Sept. 3-6 in Vladivostok, brought together more than 7,000 guests from 75 countries, primarily high-level officials and business people. 258 agreements were signed, amounting to 5.4 trillion rubles (\$59.7 billion). The EEF has become one of the most important annual Russian foreign and economic policy venues. Central to it is the development of the vast expanse of Siberia and the Far East, which has been on

the agenda since the renowned 17th Century German philosopher and mathematician Gottfried Leibniz (1646-1716) urged Tsar Peter to begin expeditions to explore the region.

The dream of Russian Finance Minister Sergei Witte (1849-1915), who initiated the Siberian development program with the construction of the Trans-Siberian Railroad at the beginning of the 20th Century, will now come to fruition, in a world that Witte could only have imagined. While Witte's vision was only able to develop in fits and starts during the last century, thanks to Great Britain's fomenting of the Russo-Japanese War, it has now become a matter of necessity under the ruthless attempt by NATO and



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*Malaysian President Anwar Ibrahim (left) at the 9th Eastern Economic Forum plenary session with Russian President Vladimir Putin.*

the West to reduce Russia to a minor power through its proxy war in Ukraine. What British-style pundits like Fiona Hill and Clifford Gaddy labeled the “Siberian Curse” has now become the Siberian “lifeline” for Russia to maintain its status as a major power.

Between the development of China to the south and Russia's ports in the east, Siberia is surrounded by a significant environment of increasing trade and investment among the fastest-growing economies of the Asia-Pacific region and beyond. At the same time, the nations of the Global South, wary of Anglo-American “geopolitics,” are prepared to strengthen their relationship with Russia. The presence of Chinese Vice President Han Zheng and Malaysian



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*Count Sergei Witte initiated Siberian development, building most of the 9,289 km Trans-Siberian Railroad.*

Prime Minister Anwar Ibrahim at the EEF is a clear indication of the interest of the Global South in Russia.

In his keynote speech to the Forum, Russian President Vladimir Putin underlined that the development of the Russian Far East has been placed at the top of Russia's agenda:

The significance and correctness of that decision have been confirmed by life itself, the challenges we have recently encountered and, most importantly, the objective trends that are gaining momentum in the global economy, when the main business ties, trade routes and the overall development are increasingly shifting towards the East and the Global South.

Our Far Eastern regions offer direct access to these growing emerging markets, helping us overcome the barriers which some Western elites are trying to create worldwide. The most important thing, as I have already mentioned, is that the Far East is a huge area for implementing business initiatives, launching complex projects, and creating whole new industries. The Far East has become a crucial factor for strengthening Russia's standing in the world and our flagship in the new global economic reality. The further development of the Far East will largely determine the future of our country as a whole.

### **The Importance of Transportation Networks**

A primary element in this policy is upgrading the railroad connections between European Russia and the Far East, and the establishment of both rail and highway connections within the region. This will comprise what the Russians are calling the Eastern Polygon. In addition to the Trans-Siberian Railroad, Russia built another rail connection to the Far East in the 1930s—the Baikal-Amur Mainline (BAM). Given the increased freight traffic in the region, both the BAM



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*Diesel locomotive with freight train on the Baikal-Amur Mainline.*

and the Trans-Siberian lines will be upgraded. Work on a second BAM line is already in progress, and the lines will also be electrified. In terms of the local road grid, Putin, in a meeting on infrastructure Sept. 4, urged that 85 percent of the road network in metropolitan areas and at least half of regional roads must be brought up to code by the end of this year:

In the past ten years, more than 2,000 km of railway tracks have been built and more than 5,000 km have been renovated on the Trans-Siberian Railway and the Baikal-Amur Mainline. We have built and renovated more than 100 bridges and tunnels, including those across the Lena, Bureya and Selenga Rivers. By the end of this year, the carrying capacity of the Eastern Operating Domain railway network is expected to reach 180 million tons.

In addition to freight traffic and the electrification of rail lines, Russia is also looking at developing high-speed rail. The first high-speed line will be built between Moscow and St. Petersburg. While China had offered to build the line, given its advanced experience in this area, Moscow declined, interested in developing its own capabilities. In addition to the Moscow-St. Petersburg project, Russia also envisions a high-speed

rail line between Moscow and Minsk, the capital of Belarus. Further down the road, there is thought of building high-speed rail in an eastward direction toward Kazan and Yekaterinburg, and toward the south to Adler on the Black Sea.

Attention is also being paid to road construction in the new republics of Donetsk and Lugansk. This is partially to reconstruct from the devastation caused by the fighting in the region, but it also involves improving the poor quality of the roads built while the region was under the domination of the Kiev regime.

The energy requirements of the region will also increase as a result of these projects. Putin broached this issue in his Sept. 4 meeting with officials in Vladivostok on the infrastructure development of the region:

Overall, I can say that we must build 2.6 gigawatts of capacity in Russia's Far East by 2030.... Priority projects include building the Yuzhno-Yakutskaya Thermal Power Plant, as well as almost quadrupling capacity at the Svobodnenskaya Thermal Power Plant in the Amur Region. In addition to this, there is a need to upgrade 270 diesel power plants, including in Yakutia and Kamchatka. At the same time, we need to look beyond this horizon and to draft plans for a longer period.

In that respect, Putin also focused on the possibility of building new nuclear power plants (NPPs) in the Far East region. "Why not?" he asked. "This is a promising sector. If we can build so many NPPs abroad—I cannot even remember the exact number; about 20, right?—and provide funding for most of these projects, this means that we can also execute our plans to expand nuclear power generation within the country."

The Northern Sea Route, which has become one of the quickest thoroughfares between Europe and the Far East, is now largely ice-free for most of the year. The Arctic port cities along the route are also the target of further investment and infrastructure. Here also, one can implement energy provision using floating nuclear plants. One floating NPP, the *Akademik Lomonosov*, is already located in the port of Pevek, providing energy for this important port city.

## Nurturing the Human Resources of the Region

As with the original plan under Witte, the government will give support to those who wish to come, work, and live in the region, with provisions for adequate housing, schools, and top-level medical services. Airline traffic will be increased to facilitate rapid movement within the region. President Putin has spent much time during the year ensuring funding for improving the living conditions in the region. Medical personnel have been given financial incentives to come to the region and set up shop. Teachers have also been encouraged to make their homes in the East.

Given the demographic decline of the Russian



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*Russian President Vladimir Putin*

population, President Putin has also underlined the importance of increased support to families with children. This is even more pronounced for those families in the underpopulated eastern regions of the country.

To create the future domestic human resources in the region, the role of education is of crucial importance. The Far Eastern University in Vladivostok will be expanded and new university campuses will be set up in other cities of the region. Work is already ongoing to build university campuses in Yuzhno-Sakhalinsk and in Khabarovsk. In addition, at the Forum, Putin proposed building additional campuses in Ulan-Ude, Chita, and Petropavlovsk-Kamchatsky in order to provide tomorrow's engineers and scientists for the region and the nation.

While there will be a continued effort on expanding the industries of the future in the region, including nuclear science, space, AI, and biotechnology, there will also be a renewed effort in studying the geology of this immensely rich region, which contains most of the elements of Mendeleev's Periodic Table and can be a prime source of value for Russia and for the world. A new national program for geological exploration has been initiated, entitled "Geology: The Revival of a Legend." This bears a similarity to Vladimir Vernadsky's 1915 proposal for the creation of a Commission for the Study of the Natural Productive Forces of Russia. In 1915, when Russia was cut off from the West because of the First World War, recourse was also sought in the unlimited resources of Siberia.



*President of Malaysia Anwar Ibrahim*

### **Enhancing Russia's Global Role**

The Forum was also an opportunity for foreign leaders to express their views on the development of this important region. Most enthusiastic was Malaysian Prime Minister Anwar Ibrahim:

Russia is not just a strategic and economic reality that commands attention. Indeed, as a cultural, intellectual, and scientific force, Russia's prominence on the global stage transcends the confines of commerce and geopolitics, reaching deep into the very fabric of human history and thought. Russia's pre-eminence stems not from military might or economic leverage, crucial as that may be, but from the enduring power of ideas, the beauty of artistic expression and an unwavering pursuit of knowledge. These achievements form the bedrock of the remarkable soft power earning Russia a place of global respect and admiration, influencing the hearts and minds of peoples around the world....

In its pivotal role in advancing human knowledge through science and technology, Russia has consistently pushed the boundaries of possibility, from pioneering efforts in space exploration to groundbreaking work in nuclear physics and cybernetics. As you have heard it yourself, the

vision and the plan as expounded by the President covers a comprehensive area which is developmental as much as it is human. These contributions reflect a deep-seated commitment to understanding and mastering the natural world, underscoring Russia's importance in the collective progress of humanity.

Anwar was also very clear with regard to the way the world is moving from a Western-dominated structure to a world in which the Global South would now have a voice:

We are witnessing a troubling trend of protectionism that threatens to fragment the global economy. The rise of tariffs, trade barriers and restrictions on technological exchange constitute troubling developments. In this regard, the rise of the Global South does not signify merely a shift of economic power, but a reconfiguration of global influence, encompassing countries across Asia. China, India, Africa and Latin America—the Global South is on a trajectory to play a pivotal role in reshaping the future of the world economy.

The Prime Minister was also invited by President Putin to attend the upcoming October BRICS summit in Kazan, which Malaysia is interested in joining.

Chinese Vice President Han Zheng also underlined the importance of the role of China and the China-Russia relationship in the formation of this new global governance:

The Chinese-Russian relations of comprehensive partnership and strategic interaction are growing sustainably in the new age under the strategic guidance of President Xi Jinping and President Putin. This year, our heads of state met in Beijing and Astana, where they set out the plans and parameters of the further development of our bilateral relations and multifaceted cooperation, with the 75th anniversary of our diplomatic relations as a new reference point.

Our two countries have joined efforts to overcome all difficulties in this volatile international situation. We are moving steadfastly on our own path and tackling our problems in order to bring practical benefits to our people and to contribute to the revival and growth of the global economy.

Currently, China's Northeast is comprehensively cultivating a new frontier of China's openness to the outside world, which is in line with Russia's Far East development strategy. The leaders of our two countries attach great importance to cooperation between China's Northeast and the Russian Far East, and pay personal attention to it.

It is clear that, regardless of the futile attempt by the British, with the complete support of the American political elites, Russia is not going to be reduced to some minor power. The EEF not only demonstrates Russia's ability to survive and prevail under pressure and sanctions from Western nations, it also shows that the entire realm of global governance is now shifting in the direction of those countries which have hitherto been relegated to the role of victims of an unfair system. In the aftermath of the death and destruction wrought by the Anglosphere, a new world is in the process of formation, and, short of nuclear war, which remains a threat because of NATO's determination to weaken Russia, it will make its appearance.

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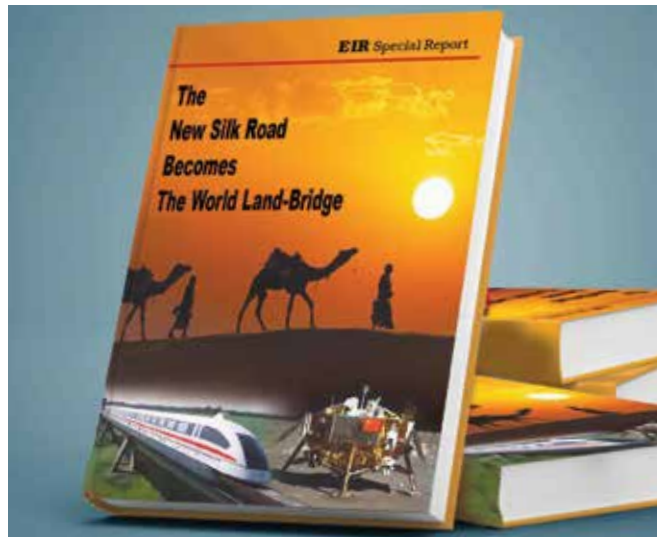
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