

APEC Summit Affirms New Focus on Pacific

by EIR Staff

Nov. 20—When Russian Prime Minister Vladimir Putin and Chinese Prime Minister Wen Jiabao met in Beijing on Oct. 13 and reached broad-ranging agreements for economic cooperation, *EIR* hailed it as “very significant,” a step toward the Four-Power alliance of those nations, plus the United States and India, that Lyndon LaRouche is calling for. Only such an alliance of the world’s largest powers could have enough clout to defeat the British empire and replace its bankrupt monetarist system with a new global credit system, American-style, LaRouche said.

The shift in policy by Russia and China was very much in evidence at the 21-nation Asia-Pacific Economic Cooperation (APEC) forum in Singapore on Nov. 12-15, and events surrounding it.

Russian President Dmitri Medvedev and Chinese President Hu Jintao met privately, and stressed to reporters afterwards the importance of the Oct. 13 agreements to build up the neighboring regions of the Russian Far East and China. “I have already given instructions on the fulfillment of the agreements,” Medvedev told his Chinese counterpart. Hu noted that Medvedev is going to China next year, and that this will be an “important event in the development of bilateral relations.”

Both Presidents addressed a gathering of business leaders on Nov. 15, and both their speeches reflected the shift in orientation of the two governments. President Medvedev emphasized that the global financial crisis has forced a structural overhaul of the national economy. Itar-Tass reported, “He believes that Russia should become a country whose prosperity will depend not so much on raw materials as on intellectual resources, high technologies, innovative products, etc.” Medvedev expanded on those points, in an article he wrote for *The Economist* on the eve of the summit, focussing on Russia’s intention to expand investment in research and development in the fields of nuclear power, space, and medicine.

As *EIR* reported last week, this had been the theme of Medvedev’s Nov. 12 State of the Federation message. “The nation’s prestige and national prosperity,” he said, “cannot rely forever on the achievements of the past... The well-being of Russia, in the near future, will depend on whether it will be successful in developing ideas, knowledge, and science; finding and supporting people who are creative; and bringing up young people to be intellectually free and active...”

“We have to begin modernization of the whole industrial base.”

The President discussed Russia’s construction of a new generation of state-of-the-art nuclear plants, and collaboration with other nations on thermonuclear fusion research.

Nation-to-Nation

The most important news at the summit took place not in the assembly halls, but on the sidelines, in bilateral discussions between national leaders:

- Chinese Foreign Minister Yang Jiechi met with U.S. Secretary of State Hillary Clinton, and invited her to visit China next year, which she accepted.

- Chinese President Hu met, in his capacity as General Secretary of the Communist Party of China Central Committee, with Lien Chan, honorary chairman of the Kuomintang (KMT), who was formerly Vice President of Taiwan. “We should continue to follow the approaches of putting aside difficult issues,” Hu said, “and making economic issues a priority in advancing cross-Strait consultation, and strive to launch the consultation process for a cross-Strait economic cooperation framework agreement within this year.”

- President Hu and Indonesian President Susilo Bambang Yudhoyono agreed in their meeting that China would continue to participate in building infrastructure in Indonesia and investing in energy projects. The *Jakarta Post* reported that the two discussed the possibility that China may help build a bridge between Java and Sumatra, across the Sunda Strait. It noted that while Western investors are staying away, China has already invested in the Suramadu Bridge connecting Java with Madura Island, and in a 10,000 megawatt power station.

- Russian President Medvedev met with Vietnamese President Nguyen Minh Triet; the latter said that Vietnam would do its utmost to promote the organization of a high-level meeting in Hanoi between Russia

and the Association of Southeast Asian Nations (ASEAN), when Vietnam assumes the ASEAN presidency next year.

- After the summit, Medvedev stayed in Singapore for a state visit, along with the large business delegation that had accompanied him. In various discussions with Singapore's leaders, he outlined Russian investment objectives in the region, while also inviting Singapore to invest in the development of the Russian Far East. "If we do not change the paradigm of our thinking," said Medvedev, "we will remain a resource appendix for many other countries, which is unacceptable in the 21st Century. We very much count on investment and help with technology from our colleagues in Singapore."

Medvedev and Singapore Prime Minister Lee Hsien Loong set up an intergovernmental commission to promote cooperation between the two countries. Included are the possibilities that Russia's Gazprom will replace BP (formerly British Petroleum) as the primary supplier of liquefied natural gas to Singapore, and that Russian investment will be done through the Singapore state investment fund, Temasek Holdings, which would expand Russian investments in the rest of Southeast Asia.

Medvedev on the Far East

After the APEC summit, Medvedev visited the Russian missile cruiser *Varyag* in Singapore on Nov. 17. A crew member asked him about the recent attention being given to the Primorye Territory (in the southeast corner of Russia, where Vladivostok is located) and other parts of the Far East. Medvedev responded:

"The development of the Far East and Eastern Siberia must be one of government's top priorities, because our country does not end at the Ural Mountains. The Far East and Siberia face problems that are known to us all. . . .

"First of all, I refer to the lack of workforce. In the 1990s, we saw a major outflow of labor, and residents in general, from the Far East. Currently, we are trying to reverse this trend. In some cases we are succeeding, but in others, quite honestly, we are having a harder time, because it is very difficult today to get people interested in staying—sometimes, even money is not a sufficient motivator. Strange as it may sound, I have been thinking about this a great deal. At the beginning of the 20th Century, when there was a mass migration

of people from the central part of the country to the Far East and to Siberia, it was sufficient to simply give out plots of land, and people would readily come.

"Our second challenge is to develop truly solid infrastructure. These challenges are related, of course. We need good highways and railroads. Without them, Russia does not have any future, because our country is enormous and, as you know, our railroad density, especially in Siberia and the Far East, is one of the lowest in the world. But if we do not have this infrastructure, then we cannot expect people to live there, and this will prevent any future development. That is our second challenge.

"Our third challenge is the development of industries, both in existing cities and in new areas. . . . So, when we were deciding where to hold the [2012] APEC summit, we specifically selected Vladivostok. Why? After all, our entire nation is considered to be part of the Asia-Pacific region. We could have held the summit anywhere, including Moscow; but that would not have been right, since Moscow, as our capital, is already the most highly developed area of our nation.

"With the APEC summit in mind, we have approved a program worth over 200 billion rubles in government investments alone, to be used for the development of infrastructure in the Far East. The infrastructure there is quite weak, and little has been done recently, and even long ago, to improve it. Indeed, this problem is not even recent; there is no point in hiding the fact that, referring to the U.S.S.R. times, not even a proper sewage treatment facility was built there, and all sewage was simply released into the sea. But now, after all, we live in the 21st Century. . . .

"We will not be able to resolve all our problems with the investments going toward the 2012 APEC summit. That is why we have large-scale programs aimed toward the Far East and Eastern Siberia. We must finance our programs, implement them, and cooperate with our neighbors. This is absolutely normal, and we cannot move forward without it. They are ready to invest their money, and we are ready to accept that money to develop our industries there. But certainly, these investments must be under the Russian government's supervision, because this is our territory and our land, and it is for us to determine the areas we would like to see grow, the areas to which we want to invite our foreign partners, and the areas that we can handle on our own."