

Russian Far East: A World Great Project

by Mary Burdman

Russia and China have many joint perspectives for cooperation, as the Joint Statement signed by Chinese President Hu Jintao and Russian President Vladimir Putin in Moscow on March 26 lays out (see *EIR*, April 6). The two nations highlighted the role of Central Asia and the Shanghai Cooperation Organization; “broader trilateral cooperation among China, Russia and India”; and, finally, the potential for “increasing interactions” among Brazil, Russia, India, and China (the so-called BRIC) in the world economy.

Likely because relations of both Russia and China to the United States are so important—and so complex—these were not touched on in the statement. Earlier joint documents by these two governments have repeatedly stressed that their cooperation is not aimed at any other nation. But just one aspect of the potential for development, were the United States to lead a New Bretton Woods initiative with Russia, China, and India, is the vast, resource-rich area of far eastern Russia, to which Moscow has been turning a lot of attention lately. The U.S. counterpart—Alaska—and northwest Canada have very similar potential, and challenges.

It is worth recalling, that during the high point of U.S.-Soviet economic cooperation—during World War II, when the magnificent U.S. industrial mobilization gave the Soviet Red Army its phenomenal mobility against the German Wehrmacht—the bulk of the supplies from U.S. industry and farms reached Russia via its Pacific ports and the Trans-Siberian Railroad. This is a perspective which should be put back on the table. Russia and China also have an important history of development cooperation in this region, especially during the post-war period until the Sino-Soviet split of 1962.

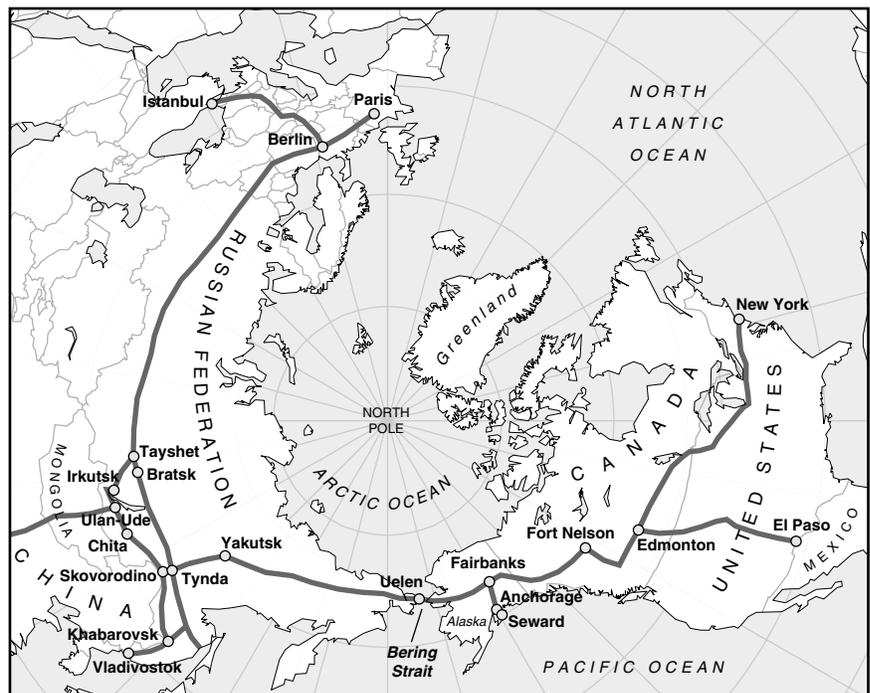
In Moscow, Hu Jintao and Putin agreed that “the two countries should strengthen coordination in implementing their respective strategies to revitalize the old industrial bases in the

northeastern region of China and to promote development in the far eastern and eastern Siberian regions of Russia, and work out a plan of cooperation in this area.” There are problems which are being worked on—Russian concern about Chinese immigration; final demarcation of the eastern section of their border, to be completed this year; responsibility for transnational rivers. But economic development is the critical issue for this region.

Russia has been paying more attention to the Far East recently. President Putin was in Vladivostok at the end of January, and has set up a state commission for the development of the Russian Far East and the Trans-Baikal area. It is headed by Russian Prime Minister Mikhail Fradkov, who has visited the Far East three times in the past month, saying, at one point, that Moscow has decided that this region should not be turned into a vast “national park.” To revive far eastern Russia, two things are essential: population and infrastructure, especially transport and energy.

In Vladivostok March 1, Fradkov announced development plans worth trillions of rubles for the region. He had just been in Japan, bringing a letter from Putin to Japanese Prime Minister Shinzo Abe calling for a “qualitative build-up of trade and economic interaction, increase in investments, including in the regions of the Urals, Siberia, and the Russian Far East.” Nuclear energy development, and possible Japa-

Future Global Rail Connections, as Seen From North Pole



The Trans-Siberian Railroad stretches from Vladivostok to Moscow, but technological upgrades are needed to make freight transport cost-effective—including linking up to rail lines in western Europe.

nese investment in a Russian rail and road tunnel to link Sakhalin Island to the Russian mainland—a project first proposed by Joseph Stalin in the 1950s—were also on the agenda. Russian Transport Minister Igor Levitin said in Tokyo that Russia would allocate huge state funds to develop the transport infrastructure in the Far East, and Japan could participate.

In mid-March, Fradkov was in the city of Yakutsk, where he called the development of the transport infrastructure of the Yakutia region a strategic issue for all of far eastern Russia. Yakutia, or the Sakha Republic, is a vast area in Northeast Siberia. Fradkov discussed construction of the Berkakit-Tommot-Yakutsk railway and of a railway and automobile bridge across the Lena River. Yakutia's President Vyacheslav Shtyrov announced that "the construction of the Berkakit-Tommot-Yakutsk railway is the key task to link the republic with the Baikal-Amur railway and Russia's other roads." This would finally create year-round transport links of Yakutia to the rest of Russia.

These projects are to be built before 2013, which would bring almost half of Yakutia's territory into a year-round cargo delivery zone.

On April 3-5, Fradkov was again in the Far East, at Putin's request, this time in Chukotka, the 737,000-square-kilometer region of far northeastern Russia—and across the Bering Strait from Alaska. Here, he said that Moscow endorses a strategy for "vigorous" development, and increasing production of natural resources. "I think that an active position has no alternative," Fradkov said, dismissing the various proposals for turning Chukotka into a national park. Instead, it requires simultaneous development of transport, mining, fishing, and energy. Fradkov approved the proposal by Chukotka Gov. Roman Abramovich for some \$2 billion worth of state investment until 2020.

In the port city of Magadan, on the Sea of Okhotsk off the northwestern Pacific, Fradkov said that labor is a critical problem. "One should not forget that an outflow of labor resources, primarily from Magadan Region, is serious. The region's population of 168,000 is very small," he said. "Our plans must be closely linked with the policy of providing labour resources to implement the development plans."

Duma vice-speaker Vladimir Pekhtin, a member of the development commission, was with Fradkov. He told Itar-Tass news service on April 5 that Russia needs "a national program for the development of the power industry," and modernization of transport hubs overall, to support revitalization of the Far East and Siberia.

The final, vital link would be completion of the Trans-Korean railway, still not joined between South and North Korea, and connecting it to the Trans-Siberian. This project, which would finally link South Korea, and potentially Japan, remains at the mercy of the tensions over North Korea's nuclear program. A determination for an international New Bretton Woods, led by the United States, Russia, China, and India, could create the impetus to peaceably resolve these issues.