

# President Putin Calls for New Economic Architecture

by William Jones and Rachel Douglas

It may not be the case that this year's St. Petersburg International Economic Forum, an annual gathering established by the Russian President at the beginning of his first term in office, was intended to upstage the June 6-8 Group of Eight meeting at Heiligendamm, Germany, but the contrast between the two meetings couldn't have been starker. The Heiligendamm summit did occasion President Vladimir Putin's move to outflank the Bush Administration's attempt to place missile defenses in Poland and the Czech Republic, with his surprise proposal for a joint facility in Azerbaijan, instead. And there were economic discussions of interest there, involving non-G-8 members such as China. But as far as the core question of the global economic crisis goes, the G-8 was a decidedly lackluster affair by comparison with St. Petersburg.

Putin chose the St. Petersburg Forum as the platform from which to call for a "new architecture of international economic relations." In that speech, Putin became the first head-of-state of a major power to address the global economic crisis in such terms, since President Bill Clinton declared, at the Council on Foreign Relations, in September 1998, that globalization had caused serious problems, particularly in Russia and Asia, and was forcing the issue of "adapting the international financial architecture to the 21st Century."

Putin made clear that the collapse of the U.S. dollar is no minor matter for Russia. Calling the IMF and the World Bank out-of-date, he said that, "the world financial system, essentially linked to one or two currencies and a limited number of financial centers, no longer reflects the current strategic requirements of the global economy. The fluctuations of these currencies have an adverse impact on the financial reserves of entire nations, and the development of some economic sectors worldwide."

Thus, the Russian President expressed the reality that American economist Lyndon LaRouche had talked about in his interview with Mikhail Khazin, which was aired on the Russian Orthodox Church's Spas TV channel May 18: "What happens to the Chinese assets, and economy, if the U.S. dollar collapses? Or take the Russian security investment [Stabilization Fund]. A sudden collapse of the dollar would mean a collapse in China. It would mean a crisis for the present government in Russia."

Presenting his ideas for alternatives, Putin spoke mainly in terms of currency diversification (i.e., moving out of the dollar) and the creation of regional economic institutions. He raised the possibility of denominating Russia's exports in the Russian ruble, which would be a dramatic step for one of the world's biggest oil producers and exporters.

Putin has raised the need for a "new architecture" in an atmosphere of growing general concern over the fragility of the present "bubble economy," and at a time when LaRouche's campaign for a move to a New Bretton Woods arrangement is gaining momentum.

## Shifting Centers of Growth

In St. Petersburg were gathered almost 10,000 people from over 65 nations, including nine Presidents, four Premiers, 44 ministers, and 40 ambassadors, to discuss the economic future of the world. Speaking on June 10, the last day of the Forum, Putin drew the implicit contrast with Heiligendamm, from which he had just returned.

"The world is changing before our very eyes," Putin noted. "Countries that seemed hopelessly backward only yesterday are becoming the world's fastest growing economies today. Fifty years ago, the G-7 countries accounted for 60% of



President's Press & Information Office

*Putin (center), in his address to the annual St. Petersburg International Economic Forum June 8-10, called for the establishment of a new international economic architecture, which should be oriented toward the common interests among nations.*

"I am convinced that generalities about a just distribution of resources and investments can solve nothing," Putin said. "If we want to achieve stable development, a new architecture of international economic relations must be formed—relations built upon trust and mutually beneficial integration. Therefore, without forgetting about healthy competition, we should move towards the formation of common, mutually beneficial interests and ties."

"The new architecture of economic relations implies a principally new approach to the work of international organizations," Putin continued, opening up his attack on the IMF, the World Bank, and, especially, the World Trade Organization. The Presidential denunciation of the WTO as "archaic" and "unwieldy" made a striking contrast to the interventions of the remaining neo-liberals in the

the world's GDP, but today, this situation has been reversed, and 60% of the world's GDP is now produced outside the G-7 countries. The developing countries are more and more active in establishing niches for themselves, not just in the trade of goods, but also of services. New players, including in the high-technology and science-intensive sectors, are bringing greater competition to the market."

The forum also helped consolidate the moves the Russian President has been making to re-establish the economic strength of Russia after the many lost years of the disastrous "shock therapy" policy under former President Boris Yeltsin. More importantly, Putin has established close relations with the growing economy of China and with the Central Asia countries, to re-establish Russia as a main conduit of trade between Europe and Asia, reviving the great economic development perspective of Count Sergei Witte and Dmitri Mendeleev, the founders of industrial Russia.

This latest meeting was also timed to coincide with important Eurasian diplomacy, including the heads-of-state summit of the Commonwealth of Independent States, and the board meeting of the Shanghai Cooperation Organization, which then dovetailed into the Forum itself.

## New Economic Architecture

In his speech, Putin called for the establishment of a new international economic architecture. Its fundamental principle, he said, needs to be an orientation toward common interests among nations. He fleshed this out, in terms of both his preliminary proposals in the financial area, and concrete ideas for collaboration on great infrastructure projects.

Russian cabinet, Finance Minister Alexei Kudrin and Economic Minister German Gref, who spent time in St. Petersburg lobbying the Georgian President Michael Saakashvili and the economics ministers of the Baltic countries to drop their objections to Russia's joining the WTO. According to *Moskovsky Komsomolets*, Gref even told the CIS leaders that the customs union for the CIS would be signed only after Russia, Kazakstan, and perhaps even the solidly anti-globalization Belarus join the WTO.

But Putin said, in a rather pointed understatement, "It has become increasingly apparent of late that the existing organizations are not always up to the measure in regulating global international relations and the global market. Organizations originally designed with only a small number of active players in mind sometimes look archaic, undemocratic, and unwieldy in today's conditions. They are far from taking into consideration the correlation of forces that has emerged in the world today. This means that the old decision-making methods do not always work. The World Trade Organization and the Doha Round of trade negotiations, which are proceeding with great difficulty, to put it mildly, provide a clear example in this respect."

As for the international financial organizations, i.e., the IMF and the World Bank, they "are also in need of serious restructuring and modernization," Putin said. "They were established at a time when the world looked very different, and are having difficulty adapting to the new situation of stable economic growth in the majority of developing countries and growing markets."

At that point, Putin laid out his concerns over the fluc-

tuation of the world's reserve currencies, and continued, "There is only one answer to this challenge: introduction of several world reserve currencies, and several financial centers. That is why it is today necessary to create prerequisites for the diversification of assets in the world financial system." He also suggested transforming the present fora for economic cooperation, like the SCO in Central Asia, into "free trade zones" as a more workable alternative to the WTO regime.

While the Putin proposals reflect the keen frustration felt over the failure of the world's governments to deal with the unfolding financial crisis, and could serve as a useful spur to a more general debate over the shape of a new financial system, they do not represent more than an attempt to plug a hole in the dam that is about to burst. The LaRouche proposal for a New Bretton Woods system, as he has outlined this on numerous occasions, and most recently on his visit to Moscow in May, requires a universal, not a regional, solution to the underlying problem. It requires most immediately the collaboration of the four major economic players—the United States, Russia, China, and India—in devising the fundamentals of a new international system with fixed exchange rates and a long-term commitment to infrastructure, industrial, and scientific development. With agreement between the four regarding the principles of such a system, the rest of the world can be readily brought in.

## **Eurasian Megaprojects**

The Russian government has taken a major step toward substantiating a "new international economic architecture" based on "mutual benefit," with its revival of the proposal to build a tunnel between Russia and Alaska under the Bering Strait—the crowning "megaproject" of the Eurasian Land-Bridge. The Ministry of Economics co-sponsored the April 24 conference on the Bering Strait project, to which LaRouche was invited, and where his paper "The World's Map Changes: Mendeleyev Would Have Agreed" was presented (see *EIR*, May 4, 2007).

In his St. Petersburg speech, Putin discussed Eurasian cooperation in terms of relations within the CIS, noting the emergence of Kazakhstan, Turkmenistan, and Uzbekistan as international energy suppliers. He said that Russia's most recent energy policy decisions, including on building the Northwest Gas Pipeline and the Burgas-Alexandroupolis oil pipeline, will boost "the energy security of the entire Eurasian continent."

Putin also stressed transportation, saying: "We shall also initiate projects in the area of transport, telecommunications, and logistics. These are projects that effectively unite the countries of Europe and Asia. This means the modernization of existing international transport corridors and the creation of new ones, linking Europe with Central Asia and the Far East."

He reiterated his proposal for a second, upgraded Volga-

Don Canal, giving modern cargo vessels from the Caspian Sea littoral countries an outlet to the world's oceans, through the Black Sea. Putin told the audience to stand by for the next speaker, President Nursultan Nazarbayev of Kazakhstan, to present "his own vision of this problem." Nazarbayev proceeded to outline two megaprojects: a Caspian to Black Sea direct canal, and the long-discussed diversion of water from Siberian rivers to arid Central Asia.

Nazarbayev said that the "Eurasian Canal" from the Caspian Sea to the Black Sea would be 1,000 km shorter than the Volga-Don connection, RBC.ru reported. Russia's great Volga River flows into the Caspian, while the Don empties into the Sea of Azov at the top of the Black Sea. North of the river mouths, the two rivers bend close to each other, which is where the canal is.

Nazarbayev went through the engineering calculations, and some construction, done in the 1930s, for a canal through the Manychsk Depression, the bed of an ancient strait between the two seas, in southern Russia, north of the Caucasus Mountains. According to RBC.ru, the Southern Scientific Center of the Russian Academy of Sciences, as well as the hydro-technology center and the Transportation Projects Foundation of the International Congress of Industrialists and Entrepreneurs, have assessed the feasibility of reviving this scheme. The canal would be 650 km long and is estimated to cost 15 billion euros. Opponents of the project cite ecological threats, while its backers are looking for the project to define a development corridor to uplift the southern agrarian region, plus Dagestan, Chechnya, and the rest of the North Caucasus.

Nazarbayev also raised once again, as he did last September during talks with the leadership of Uzbekistan, a revival of the idea of diverting part of the flow of Siberian rivers into Central Asia and Kazakhstan. According to Novosti and Amitel information agencies, Nazarbayev recalled that the project was previously discussed for the purpose of supplying drinking water, but now there is also the question of restoring the dried-out Aral Sea. Amitel noted that Moscow Mayor Yuri Luzhkov called, in December 2002, for a revival of the Siberian rivers project, saying that Russia should sell water from the Ob (the westernmost of Siberia's three great river systems) to buyers in Central Asia and Kazakhstan. Academician Oleg Vasilyev supported Luzhkov, pointing out that the engineering studies had been done, before the plan was stopped in the 1980s.

## **Billions in New Business**

The St. Petersburg Forum gave the lie to the idle threat of the lame duck British Prime Minister Tony Blair, who had "warned" Putin that British industries would shun Russia if it didn't continue to "reform"—especially in the wake of Moscow's cancellation of Royal Dutch Shell's Sakhalin II contract. The official reason for the cancellation was ecological violations, but Putin himself said recently that he welcomed

those violations, since the contract was a “colonial” piece of work to start with. The other British-based oil multi, BP, has the threat hanging over its head, that its Russian operation, TNK-BP, may lose the license to develop the giant Kovykta gas condensate field.

Nonetheless, the CEOs of both British petroleum giants were in St. Petersburg, along with a number of other British executives. The past winter’s session of the annual Russian Economic Forum in London, by contrast, had been a bust after the Kremlin advised Russian companies not to attend. The noisy, public anti-Russian campaign in Britain around the death of ex-spy Alexander Litvinenko continues to express a marked cooling of Moscow-London relations.

As is often the case, in between the speeches and the receptions, over \$13.5 billion in investment agreements were locked in, with \$7.5 billion worth of contracts between private companies, and an additional \$6 billion in private-and-state investments. During the conference, Russia announced it would purchase 22 airplanes from Boeing at a cost of \$3.5 billion. France’s PSA Peugeot-Citroën also signed a \$334 million deal to build an auto plant in Russia, and Sweden’s AB Volvo will invest \$334 million in a factory to produce 15,000 trucks a year.

China alone signed over \$2 billion worth of agreements with Russia. There has been a steady increase in Russo-Chinese trade since the establishment of a strategic partnership between Russia and China launched by President Putin and former Chinese President Jiang Zemin. This is slated to continue, with the launching this year of the Year of China in Russia, which will see another flurry of economic and cultural delegations from China to Russia during the course of the year.

The St. Petersburg Forum clearly indicates that the regional powers of Eurasia are intent on staking out their own path to development and are moving along it quite briskly. While the leaders at St. Petersburg were discussing the possibility of great projects, our political leaders in Washington were bogged down in a useless debate about how best to limit immigration, and fighting that old bugaboo, Al Gore’s “global warming.” While Big Al either did not accept the invitation extended to him to attend the St. Petersburg gathering or was discouraged from coming, it is unlikely that his Malthusian crusade would have gained much traction in the climate of progress being expressed in St. Petersburg.

But the proposals mooted by the Russian President in his speech to the forum deserve more serious attention from those in Washington responsible for the economic well-being of the American people. As the world economy teeters on the brink of a major financial collapse, the proposals put forward by Putin should signal the need to move promptly toward a New Bretton Woods architecture as outlined by economist and statesman Lyndon LaRouche. And that requires the involvement of the U.S.A.

## Russia, Kazakstan Reach New Agreements

by Mary Burdman

Amidst the growing strategic tensions, Eurasian nations have been putting together increasingly effective agreements for better national security and stability over the recent weeks. These are war-avoidance policies, centered on developing nuclear energy, transport, and other cooperation in Eurasia. The Presidents of two Eurasian giants—Russia’s Vladimir Putin and Kazakstan’s Nursultan Nazarbayev—have held summits twice already this year. While a lot of attention is being paid to oil and gas pipelines, the two sides, with other regional nations, are actually working on more advanced technologies, which ultimately will be much more important than trade in hydrocarbons.

Since January 2006, the Russian government has been developing a comprehensive nuclear energy program, which embodies an international “crisis-avoidance” policy. Close cooperation with uranium-rich Kazakstan will make this program a near-term reality. The principle is to enable developing nations to acquire nuclear energy, while the controversial parts of the nuclear cycle, including nuclear enrichment, fuel reprocessing, and disposal of nuclear waste, will be carried out in joint centers, with international supervision. So “transparent” a program will counter attempts to generate crises about potential nuclear weapons programs—such as those of Iran and North Korea. This could both deprive the Cheneyacs of their “Axis of Evil” propaganda, and prevent them from denying to developing nations the clean and independent energy source they so urgently need.

Putin first announced this program on Jan. 25, 2006, to the Eurasian Economic Community meeting in St. Petersburg. On Oct. 3 of last year, Nazarbayev agreed that Kazakstan would participate in creating the International Uranium Enrichment Center in Angarsk, in eastern Siberia; and on Dec. 19, Russian Federal Atomic Energy Agency head Sergei Kiriienko announced that the Angarsk facility would be launched in January 2007, based on Russian-Kazak cooperation. This program was the key issue at the two Putin-Nazarbayev summits this year—on March 19 in Moscow, and May 10 in Astana. Uranium prospecting and mining will also be developed under international cooperation, to counter the danger of private conglomerates controlling and speculating on uranium supplies. Russia is working on such agreements with many nations, including China, Mongolia, Armenia, Ukraine, Japan, Myanmar, Morocco, Canada, and Australia, and has certainly proposed it to Iran.

“We are talking about a nuclear renaissance,” Sergei Shmatko, head of Russia’s state nuclear power company At-

## The Caucasus and Central Asia



A new Eurasian rail line, linking the railways of Russia, Kazakhstan, Turkmenistan, and Iran, and providing access to Turkey and the Persian Gulf countries, is one of many "breakthrough projects" planned by the nations of the region shown on this map.

omstroyexport, said in an interview from Moscow, published June 7 in the *International Herald Tribune*. "We are certain we have a market. The world has no alternative but to develop nuclear energy." Atomstroyexport, already building seven nuclear plants outside Russia, including in China, India, Iran, and Bulgaria, hopes to win \$5-\$10 billion worth of contracts in the next two years, Shmatko said. Atomstroyexport has a new series of "mini-reactors," in the 300-600 mw range, specifically designed to be connected to the limited capacities of electricity grids in developing countries.

Russia is also working fast on building floating nuclear power plants. The *IHT* also quotes Russian First Deputy Prime Minister Sergei Ivanov on this technology: "We are, generally speaking, the absolute monopoly here. Nobody apart from us is able or knows how to build them." The foundation for the first plant was laid April 15 at Severodvinsk on the White Sea, and plans for further construction are already made. Potential sites include not only Russia's Far North and Far Northeast, but also on Russky Island, off Vladivostok, to supply the planned 2012 Asia-Pacific Economic Cooperation summit,

according to officials of Rosenergoatom, the state-run company which oversees nuclear plants.

There is also a big international demand. "Some 20 countries have shown interest in floating NPPs, including Indonesia and China," Itar-Tass quoted Rosenergoatom deputy general director Sergei Krysov on June 5. China could buy or jointly build a floating plant with Russia after 2010. "We hope that Western countries will be ready for contracts on cooperation in floating NPP projects after the prototype power unit is completed," Krysov said. A Rosenergoatom delegation visited Cape Verde, off the west coast of Africa, June 5-9 to discuss the technology. The "world's first floating nuclear power plant" was featured at the June 8-10 St. Petersburg International Economic Forum "Innovational Developments" exhibit.

### Space and Nuclear

At their Astana meeting, Putin and Nazarbayev agreed to a "Plan for the Joint Actions of Russia and Kazakhstan" for 2007-08, which, Nazarbayev announced, "concerns nuclear power, energy, regional, and humanitarian cooperation." Naz-

arbayev told Putin that “oil and gas cooperation [with Russia] is strategically important. . . . Kazakhstan is committed to transporting most of its oil, if not all of it, across Russian territory.”

The two nations will work together in space, military-technical, nuclear energy, cross-border trade, and large-scale integration projects. The two sides are building a space complex at Baikonur, Baiterek, for Angara launch vehicles capable of putting 26 metric tons of payload into low-Earth orbits. The Russian space agency rents its current space center, Baikonur, from Kazakhstan. Itar-Tass also quoted a Kremlin source on financial cooperation, saying that the “initial steps were taken to implement the first projects of the Eurasian Development Bank, which was set up on the initiative of the presidents of the two countries in 2006. The Russian Vneshekonombank is actively cooperating with its Kazak partners.”

Finally, Putin and Nazarbayev oversaw the signing of a document on final agreement to build the Angarsk center, to come onstream in 2013.

Putin said that the two sides “consider this document the first step in the implementation of our initiative to create a global nuclear energy infrastructure.” The document was signed by Kiriienko, head of the Russian Federal Agency of Nuclear Power, and Kazak Energy Minister Baktykozha Izumkhambetov. “With Kazakhstan we possess the entire technological chain—from producing uranium to achieving the final product, low-enriched uranium,” Kiriienko said. Kazakhstan has 15% of the world’s uranium reserves, and wants to produce 15,000 tons of uranium by 2010, while Russia has 45% of the world’s uranium enrichment capabilities. Kiriienko said that any country could join the project by signing a similar intergovernmental agreement. The Angarsk plant would be able to cover uranium needs over the next few years, and more such facilities could be built.

## New Turkmenistan Opening

Immediately after the Astana meeting, Putin went to Ashgabat, capital of Turkmenistan, to meet the new President Gurbanguly Berdimukhammedov, who took office in February. On May 11, Putin announced that Turkmenistan is “Russia’s strategic partner,” and said that the two nations have “big plans for joint work.” The first priority is energy cooperation, but the two sides will also “deepen cooperation in the foreign policy sphere, [and] develop interaction to ensure security in the region and in the world,” their statement said. The next day, Nazarbayev joined the other two for an energy summit held in the Caspian Sea port of Turkmenbashi. It is perhaps ironic that this city, named for the title (leader of the Turkmen) of President Saparmurat Niyazov, who died in December 2006, was the site of a meeting which broke with tendencies which could be seen as xenophobic, and brought Turkmenistan into an important regional agreement. The three countries agreed May 12 to build a new gas pipeline along the Caspian Sea, and to upgrade the old facilities for transporting gas and oil from Central Asia via Russia, to Europe. Turkmenistan, strategically located on the east bank of the Caspian Sea, and bordering Iran, has some 22 trillion cubic meters of natural gas reserves, fifth-highest in the world.

The final agreement on the new project will be signed on Sept. 1; construction should begin in late 2008. Previously, on May 9, President Islam Karimov of Uzbekistan had signed the agreement on refurbishing the existing pipelines. The new pipeline will start in Turkmenistan, run up the Kazak Caspian coast and into Russia. Putin said in Turkmenbashi, that it will be possible to increase gas shipments by 12 billion cubic meters by 2012. Both Kazakhstan and Turkmenistan are also interested in the proposed Trans-Caspian pipeline project, via the Southern Caucasus.

Also on May 12, the Presidents of Poland, Azerbaijan, Georgia, Lithuania, and Ukraine, and the Deputy Energy Minister of Kazakhstan met in Krakow, Poland. The theme of this meeting was how to decrease energy “dependence” upon Russia. Nazarbayev had been invited as the principal guest, but sent a deputy, making his priorities clear. The Krakow meeting put out a resolution on energy security, which called for extending the Ukrainian-Polish Odessa-Brody oil pipeline to Gdansk and Plock in Poland, and other projects to set up a South Caucasus energy corridor which avoids transit through Russia. More will be discussed in Lithuania in October, but little more was accomplished.

## Links to Eurasia

President Berdimukhammedov made another important proposal at Turkmenbashi, to build a proposed north-south rail link along the east coast of the Caspian Sea, which will become the first direct rail link between Turkmenistan to Kazakhstan. The most likely route would run 443 km from Turkmenbashi to Yeraliyevo, on the Kazak coast, which is already connected to Orenburg in Russia. Berdimukhammedov met Nazarbayev again, in Astana, on May 29, and the two Central Asian leaders also proposed to complete reconstruction of the existing Turkmenbashi-Astrakhan highway.

Both transport projects have big implications. Kazak Transport and Communications Minister Serik Akhmetov announced from Astana May 2 that his country is planning to develop a highway transport corridor to connect “West China to Western Europe.” Akhmetov called it a “breakthrough project” designed “to make the most of the country’s transit potential,” which would reduce shipping time for China from 45 days by sea, to just 11 days by land.

The new rail line will also be a Eurasian link. Berdimukhammedov made clear. He said that the rail line could be extended south, “if the Iranian side is interested,” to Gorgan in northern Iran, thus “linking the railways of Russia, Kazakhstan, Turkmenistan, and Iran and providing access to Turkey and the Persian Gulf countries.” In 1996, Turkmenistan and Iran finished their first rail link, which was the historic first rail line from Central Asia to Southwest Asia, by connecting Mashad in northern Iran to Ashkabad. Kazakhstan already has a rail link to China—the famous Second Euro-Asian Continental Bridge—and is building a second, more advanced connection now. Iran is also finishing a rail link to Pakistan, which will be the first rail line between the Indian Subcontinent and the rest of Eurasia.

# Bering Strait Project Featured in Russia

by Rachel Douglas

*Forum International*, a Moscow-based publication, has released a special issue on the project to link Eurasian and American infrastructure networks via a tunnel under the Bering Strait. The contents of the 80-page, color-illustrated magazine, which came out on June 6, are centered on the proceedings of the April 24 international conference on “Megaprojects of Russia’s East: An Intercontinental Eurasia-America Transport Link via the Bering Strait” (*EIR*, May 4 and 11, 2007). The transcripts and articles are provided in both Russian and English.

*Forum International* appeared as the G-8 summit opened in Heiligendamm, Germany, amid persistent reports that Russia would raise the Bering Strait rail-road-energy project there. The magazine’s opening spread is the text of an Appeal from the April 24 conference participants, addressed to the heads of state of Russia, the U.S.A., Canada, China, Korea, Japan, and the EU member countries, asking them to put the project on the G-8 agenda and to push ahead with funding for its feasibility studies.

Like the April 24 conference, this issue of *Forum International* has been sponsored by Council for the Study of Productive Forces, a Russian state research organization known by its Russian acronym, SOPS. It is a joint organization of the Russian Academy of Sciences and the Ministry of Economic Development and Trade, and is headed by Academician Alexander G. Granberg.

Included in this issue of *Forum International* is *EIR* founder Lyndon LaRouche’s contribution to the SOPS conference, titled “The World’s Political Map Changes: Mendeleyev Would Have Agreed.” It previously came out in *EIR* of May 4, 2007. LaRouche calls the Bering Strait project “the navel of a birth of a new world economy,” as against the “impulse towards new world wars.”

The theme of collaboration on great, mutually beneficial infrastructure projects as a means of war-avoidance runs throughout the special issue. It comes into focus in Schiller Institute founder Helga Zepp-LaRouche’s testimony to June 2001 Russian State Duma hearings on “Measures To Ensure the Development of Russia’s Economy Under Conditions of Global Financial Destabilization,” which is included in *Forum International*. Presenting the link between economic depressions and war, Zepp-LaRouche developed for her Russian audience, how the implementation of German economist Dr.



*The cover of Forum International shows a photo of the Bering Strait as seen from space, with the prospective rail line between Alaska and Russia’s Chukotka Region sketched in.*

Wilhelm Lautenbach’s program for productive employment could have ended the Depression and prevented the Nazis’ rise to power, had it been adopted in 1931. The Eurasian Land-Bridge today, she concluded, gives the world’s people a vision of hope that the 21st Century will be better than the 20th.

Former Alaska Gov. Walter J. Hickel’s April 24 speech is published in *Forum International* under the headline “Mega Projects Would Be an Alternative to War.”

Academician Granberg, in his contribution to the magazine, says that “multilateral infrastructure megaprojects are the only real alternative to confrontation, including military confrontation, between nations and peoples.” He calls the Bering Strait scheme “a project that may change the world, a project of joining creative energies, replacing missile defense systems with a territory of international cooperation.” Granberg is Russia’s leading expert on regional development in northern latitudes, such as those of Siberia and the Russian Far East. His call to complete the Bering Strait connection by 2027, made during recent Moscow festivities to mark Prof. Stanislav Menshikov’s 80th birthday, was published in the June 1, 2007 *EIR*.

Boris Lapidus, senior vice-president of the state-owned company Russian Railways, writing about the job-creating potential of the trans-Bering Strait railway, says in his article, “The mutual benefit for Russia, the EU, and the Asia-Pacific countries is the basis for cooperation in setting up transit corridors and makes it possible to combine national interests for the common good.”

Other contributors of articles and interviews in the special issue include board members of the non-profit Interhemispheric Bering Strait Rail and Tunnel Group, formed in 1991 to promote the project; Russian hydroelectric power executives who want to develop new capacities on Siberia’s rivers; and members of the governments of several eastern Russian regions.