

Russian-American Team: World Needs Bering Strait Tunnel!

by Rachel Douglas

Several hundred people gathered in Moscow on April 24 at a conference called “Megaprojects of Russia’s East: A Transcontinental Eurasia-America Transport Link via the Bering Strait.” News of their discussions touched off a wave of optimistic thinking in many countries, that the time has arrived for one of the greatest of great infrastructure projects, a tunnel beneath the Bering Strait between Alaska and Russia’s Chukotka Region.

The participants issued an appeal to governments of the Group of Eight member countries, to place the Bering Strait megaproject on the agenda of the G-8 summit in Heiligendamm, Germany, in June. Russia’s Ambassador to Canada Georgi Mamedov told the Toronto *Globe and Mail* that he is now optimistic that the tunnel will be built. Mamedov expects President Vladimir Putin to discuss the Bering Strait project with Canadian Prime Minister Stephen Harper, when they meet in Heiligendamm. “We need Canada aboard,” he said.

It is fitting that two American participants from the World War II generation put forward the idea that such great development projects are the path leading away from war. They were former U.S. Secretary of the Interior and Governor of Alaska Walter Hickel, a strong backer of the Bering Strait tunnel project for many years, and *EIR* founder Lyndon LaRouche, whose contribution, “The World’s Political Map Changes: Mendeleev Would Have Agreed,” was read to the gathering. LaRouche, who as early as 1978 called for a Bering Strait bridge-tunnel crossing, wrote the article in response to a request from conference organizers, for publication in connection with the event. (See both LaRouche’s and Hickel’s papers, in this section.)

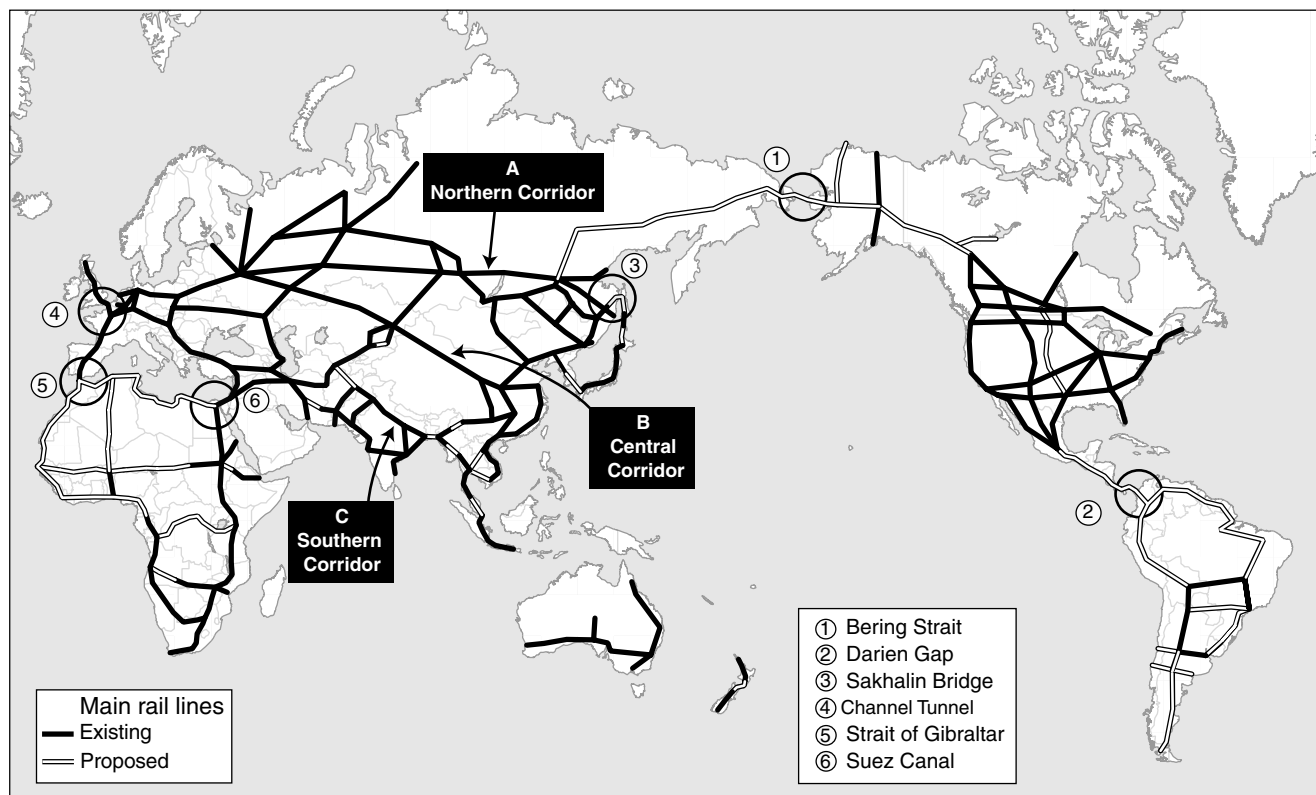
The Americans radiated confidence that *this can be done*, bringing North America into the Eurasian development perspective that is otherwise being promoted through such agencies as the Shanghai Cooperation Organization. It would be, as LaRouche said in Moscow in 2001, part of “the greatest transformation of the biosphere in history.”

High-level Russian specialists from Federal agencies, regional governments, and the Russian Academy of Sciences took part in the Bering Strait meeting, along with specialists from Japan and Korea. It was the first of a “Megaprojects of Russia’s East” conference series, organized by the Russian Academy of Sciences Council for the Study of Productive Forces (SOPS), in conjunction with the Russian Ministry of Economic Development and Trade (MERT), the Russian Ministry of Transport, the state-owned company Russian Railroads, and several regional governments in Siberia and the Russian Far East.

Victor Razbegin, who works in the MERT’s Industrial Research department, gave a press conference on April 18 with other members of the Bering Strait project group, to publicize the forthcoming conference. Their huge map of the Arctic connection, and their enthusiasm for the \$65 billion multi-modal project, with its associated long-distance rail and power lines, grabbed headlines in Russia. Over 60 stories about it appeared in press, web, and other electronic media, including a report on NTV, Russian national television Channel 2. NTV showed a dynamic map of the projected rail line from Yakutsk in East Siberia, through Nome and Fairbanks, to Fort Nelson in Canada.

Academician Alexander Granberg, head of the SOPS, described the project’s advantages, in an April 16 interview

Proposed World Land-Bridge



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for the economics website OPEC.ru. He said the road, rail, and pipeline connection would handle 3% of total world trade in physical goods. It will make it possible to harness more of eastern Russia's hydroelectric potential. It will allow development of previously inaccessible mineral resource deposits. And, said Granberg, the connection of the power systems of Siberia, the Russian Far East, and North America will create economies in electricity supply, worth \$20 billion annually.

Russia's leadership, according to Granberg, now sees the development of transportation infrastructure as essential for uplifting Russia's vast outlying regions. Demonstration of this, he said, was an April 10 presentation by Vladimir Yakunin, head of the state-owned company Russian Railways, at a meeting on rail transport, chaired by Putin. There, Yakunin laid out the construction of a 3,500-km rail line from the Lena River to the Bering Strait, as a high-priority task. The Lena is the easternmost of Siberia's three great river systems, and is the tenth longest river in the world.

Feasibility and Financing

Razbegin, like Governor Hickel, has been closely involved in efforts to secure action on the Bering Strait project, for over a decade, as our review of its history shows (see

below). Another longtime Bering Strait tunnel enthusiast is the American engineer Hal Cooper, whose overview of the scheme *EIR* published in 1994, and whose detailed work-up of its parameters has recently drawn renewed attention from Russian, as well as American promoters of a Bering Strait crossing. Cooper told *EIR* the week of the Moscow conference, that the push for the project may have reached "a real phase shift" now.

Speaking at the April 24 event, under big banners with maps of the intercontinental project, Academician Granberg said that the next step should be design and feasibility studies for the 6,000-km rail-road-pipeline-power corridor from Yakutsk to Fort Nelson, including 85-100 km of tunnel under the Bering Strait. There will really be two tunnels, Granberg pointed out, because Big Diomed Island (Russia) and Little Diomed Island (U.S.A.) lie close together in the middle of the strait. Since Japan already has built 50-km underwater tunnels between its islands, Granberg remarked, the technologies involved are proven ones.

Conference participant Louis Cerny of the American Railroad Association also presented the technical feasibility of the Bering Strait crossing, noting that the schedule for the project as a whole could be sped up by simultaneous construction of its different parts.

Many of the Russian speakers referred to recent government decisions, which make the Bering Strait project a live option. One of these is the Federal Target Program called "Development of the Far East and Transbaikalian Region" to 2013. As *EIR* reported April 13 ("The Russian Far East: A World Great Project," by Mary Burdman), Prime Minister Mikhail Fradkov has been active in launching an array of measures to address the underdevelopment and depopulation of these regions.

Dr. Jonathan Tennenbaum, a collaborator of LaRouche for many years, introduced LaRouche's paper to the confer-

ence as the work of the American economist, best known in Russia for his Science of Physical Economy and his advocacy of basic infrastructure projects. LaRouche's discussion of the legacy of chemist and national economist Dmitri Mendeleev, as well as his relating the cooperation of great nations on the Bering Strait project to the tasks of war-avoidance, were received with interest by the Russian participants.

Tennenbaum, who is known in Russia especially as a co-author of *EIR*'s 1997 Special Report *The Eurasian Land-Bridge: The 'New Silk Road'—Locomotive for Worldwide*

Putin's Annual Message Boosts Infrastructure

In the final annual Message to the Federal Assembly of his second term as Russian President, Vladimir Putin on April 26 presented economic and social programs, ranging from a second Volga-Don Canal to a national drive to rebuild Russia's library system, as vital tasks for the Russian state. Even more so than in his 2006 message, when he invoked Franklin Delano Roosevelt on the need for the government to step on the toes of selfish financial operators, in the name of the general welfare, Putin indicated breaks with some the rules of monetarism and globalization that have trapped Russia for 15 years.

The Stabilization Fund, for example, was set up in 2002, according to the monetarist dictum that Russia's oil and gas revenue must be sequestered (invested in foreign government bonds), lest its investment inside the country trigger inflation. "Today, however," Putin told the Federal Assembly, "the nature of our economic objectives requires correction of the function and structure of the Stabilization Fund, while maintaining a conservative financial policy." Now, the Stabilization Fund is to be divided into a Reserve Fund (against the eventuality of a petroleum price crash); a part to go into the Federal Budget, chiefly for social program spending; and a Future Generations Fund, "to raise the quality of life and develop the economy, for the improvement of the welfare of future generations, as well as present ones."

Putin called for physical capital investment through recently created institutions: "Some of these resources should be directed into the capitalization of development institutions, especially the Development Bank, the Investment Fund, the Russian Venture Company, and others. I propose to direct 300 billion rubles [\$11.5 billion] in this

way, already this year, and to anticipate further allocation of funds for these purposes in the future." This financing will go into "elimination of infrastructural constraints on growth," improving the efficiency of natural resources utilization, and modernization and development of high-tech industrial manufacturing.

Putin stressed that the government will not fund all of this activity directly: "Budget resources should not be the main source, but chiefly a catalyst for private investment." The state, he added, "should put its shoulder to the wheel, in cases where the risk for private investors is too great." Meanwhile, "the main role of the government should be to assist business in creating new, truly modern manufacturing."

Nuclear Power, Infrastructure

The time has come for "a second large-scale electrification of the country," said Putin. This striking formulation harks back to the famous GOELRO plan in the 1920s, which is remembered for Lenin's slogan "Soviet Power + Electrification of the Whole Country = Socialism," but was designed by the explicitly pro-American engineer (and collaborator of V.I. Vernadsky) G.M. Krzhizhanovsky.

Notably *not* stressed was the long-standing campaign by Anatoli Chubais, now CEO of the national utility Unified Energy Systems (UES), to restructure power generation on the British Commonwealth-model schemes that prioritize profit flows for shareholders. Without explicitly rejecting that, Putin chose to emphasize the physical side of power generation.

Putin said that Russia is already confronting "the lack of sufficient generating capacity for further growth." The sector's reform, he said, must increase power output by two-thirds before 2020. Combined government and private investment in new power plants and infrastructure modernization will be 12 trillion rubles (\$460 billion).

Thirty nuclear power units were built during the entire Soviet period, Putin said. "In the next 12 years, we need

Economic Development, then elaborated the concept of infrastructure corridors, and networks of intersecting such corridors. Building them in the far north is a challenge for the 21st Century, he said, which can be met by building chains of nuclear-powered cities. U.S. work on building the nuclear-powered research town, Camp Century, under the ice in northern Greenland in the 1950s, together with Russia's city-building experience in Siberia, makes this a tailor-made area for U.S.-Russian cooperation, Tennenbaum said.

Maxim Bystrov, deputy head of Russia's Federal Agency for Special Economic Zones, picked up on LaRouche's and

Tennenbaum's remarks about the enormous financial bubble that exists today, as against the potential for directing funds into productive investment like these infrastructure projects. Liquidity won't flow into long-term projects on its own, Bystrov stressed. He said that the Russian government would advocate attracting private concessionaires for the project, rather than rely solely on state funding from the countries involved. At the same time, Bystrov said that his agency was prepared to put up \$120 million for the feasibility studies.

Governor of Yakutia (Sakha Republic) Vyacheslav Shtyrov, whose paper was read to the meeting by the region's

to build 26 of them, using the most advanced technologies." He proposed a new, special corporation, bringing together the nuclear power industry, and working both within Russia and for export.

Putin noted that Russia's hydroelectric potential is currently only 20% exploited. "Construction of large hydroelectric plants must be launched, above all in Siberia and the Far East," he urged.

After mention of road, rail and air transport, Putin enumerated elements of his plan to upgrade Russia's ports and inland waterways. He challenged the government to establish an international consortium to build a second Volga-Don Canal, to "improve ship traffic between the Caspian and Black Seas." (The Volga empties into the Caspian, while the Don flows into the Black Sea.) Putin said he had already discussed this plan preliminarily with the other Caspian Sea littoral countries, and that "for Russia, this could become yet another major, economically beneficial infrastructure project."

Other economic tasks, touched on in this speech, included: Russia's processing more of its own raw materials; promotion of the "innovation economy"; investment in basic scientific research; and nanotechnologies.

Putin reviewed the status of the existing National Projects, which cover agriculture, education, and housing. The latter he presented as a national emergency: to rescue Russian people now living in substandard housing, much of which has hardly been maintained since the end of the Soviet Union in 1991. Putin said that funds from the sale of Yukos Oil Company assets could be one source for financing an urgent, \$10 billion fund to move people out of dilapidated housing.

Foreign Policy

The foreign policy sections of Putin's Message were relatively brief, but pointed. They continued what he began Feb. 10 in his speech to the Munich "Wehrkunde" Conference on Security. Putin zeroed in on the types of programs that go by the name of Project Democracy (since the found-

ing of the U.S. National Endowment for Democracy, in the 1980s):

"There are those who, making clever use of pseudo-democratic phraseology, would like to bring back the recent past: some, in order to be able to loot our national wealth with impunity, as in the past, to rob the people and the state; others, to strip our country of its economic and political independence. In addition, there is a growing influx of foreign money, used for direct interference in our internal affairs. If we look to more distant times in the past, we see that during the hey-day of colonialism, there was talk about an alleged civilizing role of the colonizing states. Today, 'democraticizing' slogans are used. But the goal is the same: to achieve unilateral advantage for one's own benefit and interests."

Putin also announced that he "considers it appropriate to declare a moratorium on Russia's adherence to the Treaty on Conventional Armed Forces in Europe (CFE)." The CFE was concluded in 1990, just before the end of the Soviet Union; many of the countries that were in the Soviet bloc at that time, are now in NATO. Putin stressed once again that some Western parties to the CFE have never ratified it, and continue to link ratification to Russia's performance on its separate, very complex agreements to withdraw forces from Georgia and Moldova.

"This gives us the basis to assert," said Putin, "that our partners are behaving improperly, seeking unilateral advantage." He said that the matter could now be discussed in the Russia-NATO Council, and that Russia reserved the right to withdraw from the CFE altogether, if there is no progress.

Putin again protested the planned placement of U.S. anti-missile facilities in Central Europe, calling them "elements of American strategic weapons systems."

The Russian President highlighted the importance for Russia, of its economic and other cooperation with its Eurasian neighbors, through the Eurasian Economic Community (EurAsEc) and the Shanghai Cooperation Organization.



An artist's conception of the proposed Bering Strait Railway Tunnel. The first in a series of Moscow conferences on "Megaprojects of Russia's East" brought this long-dreamed-of idea closer to fruition.

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representative in Moscow, discussed the enormous development potential of that East Siberian region. With a land area equal to half the size of the lower 48 U.S. states, covering three time zones and extending to the Arctic Coast, Yakutia's population is less than that of Rhode Island. Shtyrov noted that "we have all of the elements of Mendeleev's periodic table" in Yakutia, as well as enthusiasm for Mendeleev's ideas about development.

Contagious Optimism

News of the high-level Russian backing for the Bering Strait tunnel project was welcomed across Eurasia, from Sweden to Japan. *Dagens Industri*, a Swedish business newspaper, reported favorably on it in the April 25 issue. German press coverage cited enthusiastic responses from China, Korea, and Japan, including the view of some Japanese business circles that the tunnel could be built more cheaply than the estimates cited at the Moscow conference.

In Denmark, where national attention has been focussed on the Schiller Institute's program for magnetic levitation rail infrastructure, Schiller Institute leader Tom Gillesberg pointed out that Vitus Bering, for whom the strait is named, was a Dane in the service of the Russian Navy, during the time of Peter the Great in the early 18th Century.

Publication of a story about the Bering Strait project on the Saudi Arabian news website Elaph.com brought forth contagious optimism. The report said, "The cost of this gigantic transport project, \$65 billion, will be quickly paid back through the revenue, created by the transit of goods between

the countries in the region." Comments on the site, from readers in Arab countries, as well as Arab-Americans and Arab-Canadians, urged the Arab states to learn from Russia, Canada, the U.S.A., and Asia, and launch construction of a network of railroads and bridges throughout the Arab world, from the Persian Gulf to North Africa.

In Russia itself, many identify the Bering Strait project with LaRouche. The Bering Strait rail line was shown on maps in *EIR*'s 1997 Special Report on the Eurasian Land-Bridge. Academician Sergei Rogov of the Institute of the U.S.A. and Canada, and Academician Vladimir Myasnikov, then of the Far East Institute, used reproductions of *EIR*'s map, to illustrate their own articles on Eurasia's development potential, appearing in major Russian publications in the late 1990s.

Typical of the Bering Strait project's reputation as LaRouche's idea, and of the growing sense of such ideas' potential to change even the most rigid institutional attitudes, is a Russian blogger's comment, posted April 23. With reference to a recent U.S. State Department report, which pledged support for regime-change in the former Soviet region under the banner of "pro-democracy" movements, the writer commented: "This I must mentally applaud: answering the State Department's latest attack, by proposing a gigantic, joint investment project—the dream of Lyndon LaRouche, who advised the Democrats during the most recent Congressional elections; and this from the Ministry of Economic Development and Trade, no less, though it's headed by one of our dyed-in-the-wool liberals!"