

New Momentum for Asian Russia: Development Sources and Instruments

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The New
Momentum for
Asian Russia

Design of spatial policy and strategy, aimed primarily at the development of the economy and social spheres of the East of the country, taking into account the increase in connectivity of the territory and the implementation of synergetic effects.

Based on interregional investment momentum projects aimed at a significant increase in high-tech jobs and the development of the domestic market within the value chains (social value).

Relevance

- ❑ In the Soviet period when developing the eastern territories the departmental principle prevailed – the allocation of separate highly specialized industrial and economic ties.
- ❑ High growth rates of highly specialized spheres of economic activity were ensured
- ❑ On the other hand, numerous industrial ministries and departments ignored the possibilities of intersectoral horizontal interactions at certain stages of value creation
- ❑ A decrease in the possibilities of integrated development of individual territories, as well as to their weak connection with other territories
- ❑ The accumulation of social and environmental problems, as well as the substitution of the goals of balanced development with narrow departmental goals and the complexity of manageability from the point of the overall strategy
- ❑ In the modern time large companies actually replaced former industrial ministers and the problems stay the same

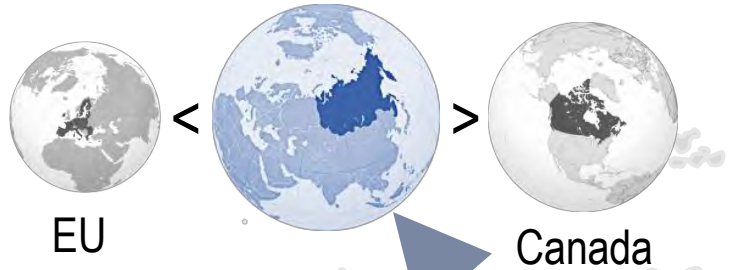
Relevance

- ❑ The rejection of healthy protectionism already during the post-Soviet development contributed to the problems as well
- ❑ Excessive specialization of the country and especially its Asian part in the production of raw materials and energy resources.
- ❑ In the new geopolitical reality, the challenges of the early formation and implementation of an economic policy that fully takes into account the development of the territory of Asian Russia are much more acute than before

Relevance: still more motivation:

- ❑ The huge potential of Asian Russia for the development of the country's economy and the world
- ❑ Its global importance in solving the problem of the climate agenda
- ❑ The regions of Siberia and the Far East, located in the zone between the markets of Europe and the Asia-Pacific region
- ❑ Have important geostrategic significance in light of the new challenges that Russia is currently facing.

Asian Russia (AsR)



- ▶ population — about 30 mill; population density — 2,3 people/sq. km (about 4 times lower, than in Russia in average)
- ▶ Forests of AsR — «Light planets»
- ▶ Energy resources: hydrocarbon resources — 90%, coal reserves — 3/4 of total in Russia
- ▶ Stocks of all categories: 73% of gold, 99% of platinoids, more than 95% of tin, 75% of diamonds, 2/3 of copper — from the total in Russia
- ▶ Unique biodiversity, including the coastal zone of the Pacific Ocean
- ▶ Scientific and educational complex: SB and FEB RAS, major universities (Novosibirsk, Krasnoyarsk, Tomsk, etc.)

«Socio-economic development of Asian Russia based on the synergy of transport accessibility, systemic knowledge of natural resource potential, expanding space of interregional interactions»

Final Result:

The fundamentals and principles of spatial policy and investment strategy have been developed, designed for large territories with diverse conditions, aimed at the development of the domestic market and the formation of spatially distributed value chains. This approach makes it possible to realize the potential of synergy of interaction and ensure the transition to the trajectory of accelerated economic development

The ideological core of the author's approach

Our author's view of the processes of socio-economic development of Asian Russia is based on the defense and promotion of the idea of solving problems of spatial development based on the policy of connectivity and synergy of interaction between different territories of the country

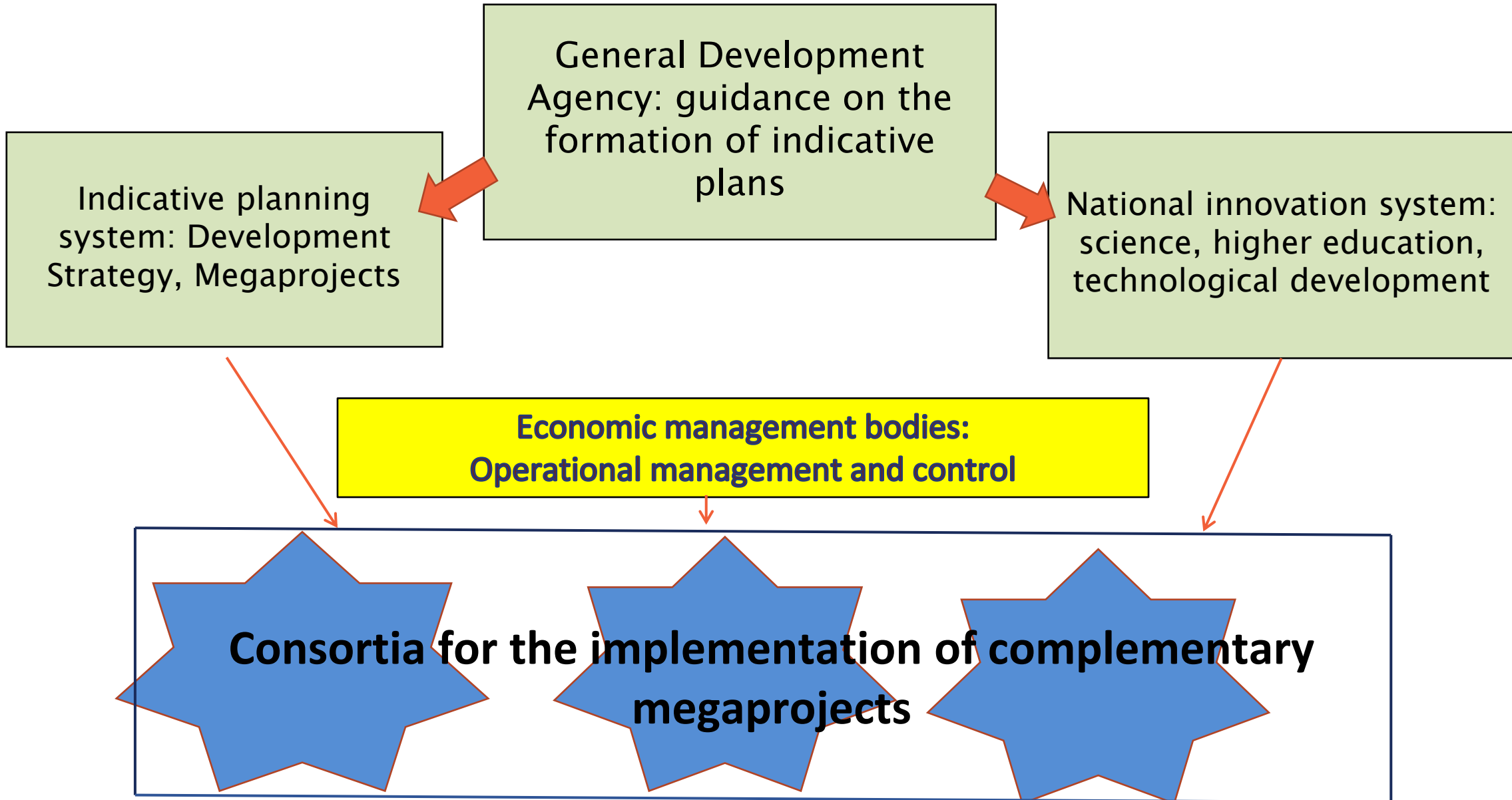
At the same time, solving the main problems of economic development of the territories of Asian Russia is impossible without creating and maintaining spatial chains of social value creation

Only on this basis it is possible to ensure the achievement of a decent standard of living for the population of the country, regardless of the place of residence

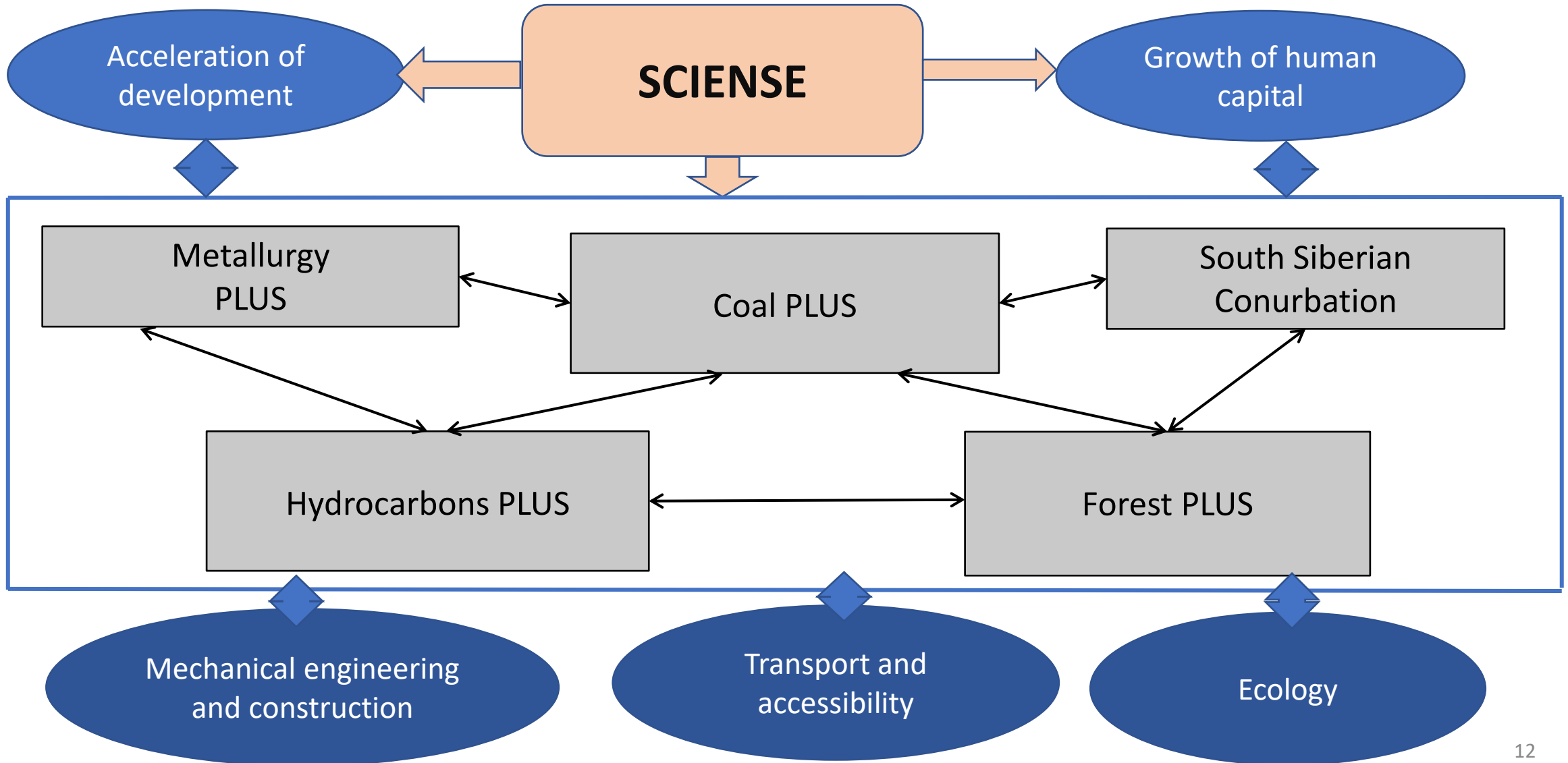
Emphasis on value creation processes: increasing complexity is the basis for the development of the Russian economy in the conditions of the sanctions storm

- Increasing the complexity of the economy should be the goal of public policy;
- Building up programs to support a complex, industrial economy (at the expense of FRP, VEB, etc. sources);
- Rapid closure of missing elements of value chains (value added) for the products for which it is appropriate;
- Additional difficulties in building vertical chains: the creation of new businesses requires parallel development of internal consumers

Acceleration of economic growth based on the formation of long chains: institutional change



Investment momentum: layered momentum projects



Target indicators of the Concept of the Strategy for the Integrated Development of Asian Russia

	Scenarios		
	1	2.	3
Russia			
Average annual GDP growth rate	2,1	3,1	4,7
The rate of accumulation of investments in GDP at the end of the forecast period	23,5	25,2	29,3
Average annual investment growth rate	3,4	5,0	7,6
Asian Russia			
Average annual GRP growth rate	2,0	3,3	5,0
Среднегодовой темп прироста инвестиций	3,0	7,0	10,0
The rate of accumulation of investments in GRP at the end of the forecast period	24,0	28,0	33,0

1 - inertial scenario; 2 – moderately optimistic scenario; 3 – optimistic scenario

Impact of the implementation of momentum projects on the economic growth of Asian Russia

Direct investments will amount to 30.4 trillion rubles in 2019 prices.

KAMIN-OMMM: lower bound

An increase in the growth rate of the value added of the AsR to the base project by 0.9-1.0 percentage points.

Cognitive model: upper bound

An increase in the growth rate of the value added of the AsR to the base project by 1.4-1.5 percentage points.

The growth rate of value added in extreme scenarios: 2.0-5.0%

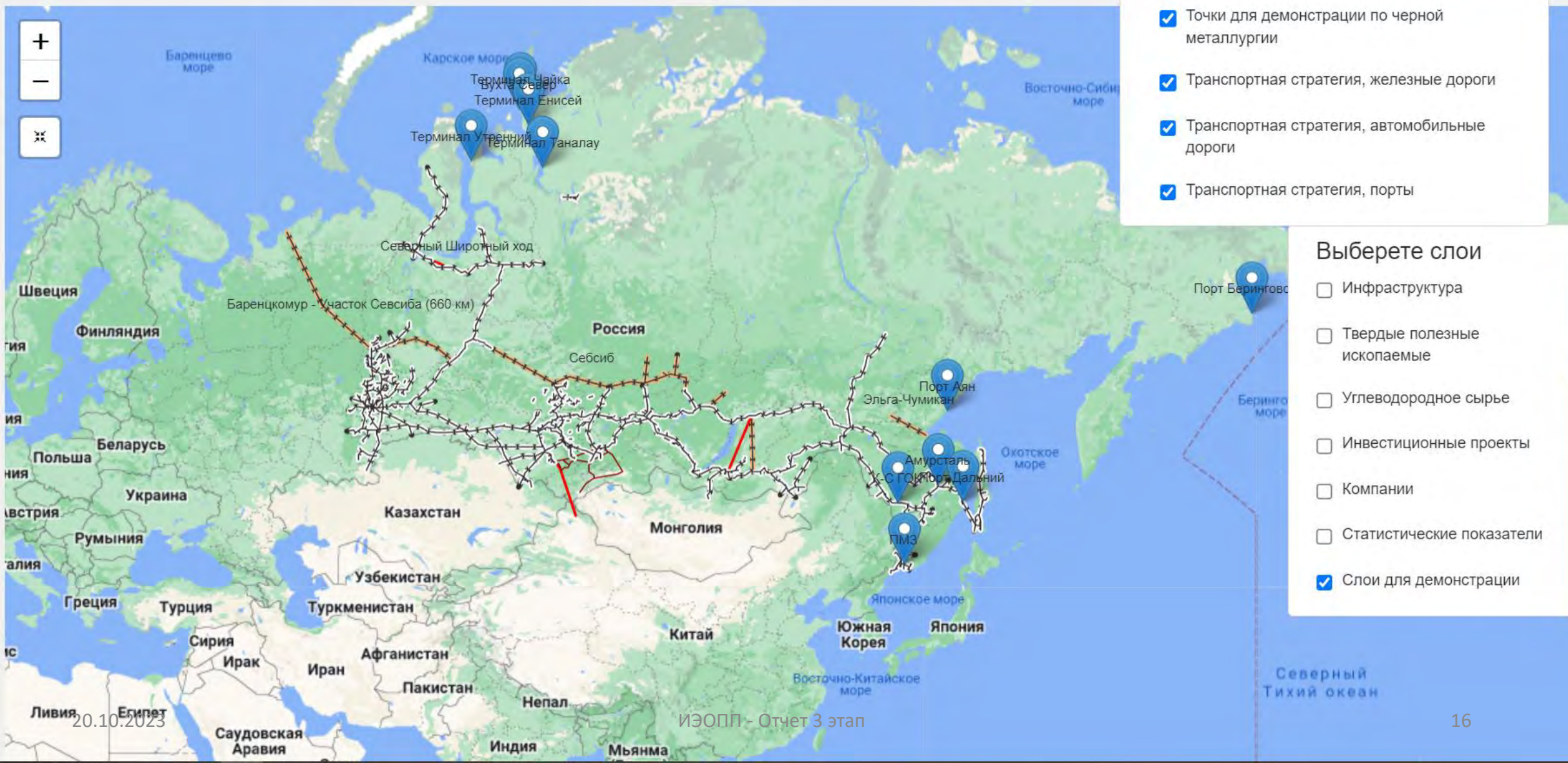
Justification of the approach to the formation of transport infrastructure

Formation of transport and communication infrastructure based on a network scheme of interconnections of all participants in the process of moving flows of goods and services; a consistent and progressive departure from the "tree" (simplified) scheme.

Large projects – more than 4700 billion rubles (282 projects)

Small projects – more than 240 billion rubles (1542 projects)

Transport strategy



Our further steps in implementing the approach we are developing will consist in promoting the formulated ideas and other results (developed platform analysis and forecasting tools) in the expert and scientific communities, in the business space, in government structures, as well as in their greater adaptation to the real needs of society in changing conditions. A fundamentally important component of our approach is the availability of effective and highly professional scientific and expert support for the constructed momentum investment projects.

We look forward to the development of our integration approach to the formation of a modern model of cross-border cooperation with the countries of North Asia. Given the changed regional priorities and the decisive reorientation of the Russian economy to the East, Russia's international cooperation in North Asia has extremely favorable prospects.



The New Momentum for Asian Russia: second edition, expanded



Analysis and evaluation of the processes of creation and development of the transport backbone network for various purposes



Complex of predictive and analytical tools for the Russian economy



Knowledge base as a tool for solving problems in the economy and social sphere

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