# From Russia with Love – A Manifesto for Self-Governance & Self-Preservation for the Indigenes of the Niger Area

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#### PEOPLE OF BLACK ORIGIN AND RUSSIA



Figure 1 - Picture of **Alexander Pushkin** in 1799 – a celebrated Black Russian poet

Yes... that's right! Alexander Pushkin, the father of modern Russian literature, was in reality Black. His great-grandfather was actually an African slave, Abram Petrovich Gannibal, who later became a general to "Peter the Great". He lived a life entirely based on his favourite quote:

"Live by the pen, die by the sword." He lived a very provocative life and was a real playboy. He died in a duel.

The birth of Alexander Pushkin in 1799 is celebrated on this da

te. He was a Black Russian poet and the great-grandson of Abram Hannibal, a Black African general and friend of Peter the Great. As a child, Alexander Sergeyevich Pushkin displayed a talent for writing poetry. In 1818, he was appointed to Russia's ministry of foreign affairs. By day, he worked for the government; at night, he wrote poetry. Pushkin eventually became Russia's poet laureate. Political freedom was the subject of two of his most famous poems, Noel and Ode to Freedom, which critiqued the government. As a result, Pushkin was banished into exile, during which he continued to write and became the first Russian to earn a living as a poet.



Figure 2 - Black Youth in Russia

https://www.theguardian.com/world/2016/feb/15/black-in-the-ussr-whats-life-like-for-a-russian-of-colour



Figure 3 - **George Padmore** and **Kwame Nkrumah** in Ghana.

NB: Padmore was a Socialist, deputy of the Moscow soviet, Pan-Africanist, journalist, and author.

I am one of those known as a "Comrade++ agitator" for change. BTW, the Comrade++ designation is bestowed on someone who understands the issues from both sides of the left/right divide, takes on-board a cacophony of opinion samples from socialist comrades, from IPOB/Oduduwa (self-determination) agitators and still manages to have an informed clear-eyed opinion about substantive issues of social importance.

Some examples of such people who this paper has in mind when providing perspectives are Putin, Simon Ekpa, Femi Falana, Chris Okotie to name but a few. I specifically call out these particular individuals based on the controversy their deep insight into the issues at hand have recently generated across the nation.

Whilst reflecting on a plausible nexus to connect the existence of the average citizen of Nigeria with the controversial and maybe even cantankerous topic I will be speaking on today, I came across a perfect answer in the form of a retort to a question on a news show by one of the people I know that truly deserves the Comrade++ label – Mr Femi Falana (SAN).

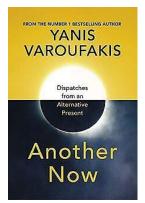
- Play video of the retort by Femi Falana. Click <u>here</u> or watch on <u>YouTube</u>.
- Link to original https://youtu.be/Jrjw4 7gA1w (20:05 21:59)

## WHAT WOULD A PUTIN ALLY DO TO MOVE NIGERIA FORWARD?

For full disclosure, we have attempted to engage this topic from the perspective of an individual looking for a real change in Nigeria, someone who has taken time out to engage the perspectives that have been written down by the true agitators within the Nigerian space (currently), and seeks to consciously articulate a view that has a common denominator across the divide created by the various perspectives of a possible future for the nation states within Nigeria.

The key perspectives I considered are as follows;

- <a href="https://img1.wsimg.com/blobby/go/e4e6163f-6a01-4f42-8bb0-320770bbcbfc/A-Power-Sharing-Constitution-for-Nigeria.pdf">https://img1.wsimg.com/blobby/go/e4e6163f-6a01-4f42-8bb0-320770bbcbfc/A-Power-Sharing-Constitution-for-Nigeria.pdf</a> Union of the Orange Constitution
- <a href="http://www.biafraland.com/BGIE/Biafra%20Charter.htm">http://www.biafraland.com/BGIE/Biafra%20Charter.htm</a> Biafra Charter
- https://img1.wsimg.com/blobby/go/e4e6163f-6a01-4f42-8bb0-320770bbcbfc/21.8.15%20-%20Proposed%20Constitution%20-%20Yoruba%20Natio.pdf – Oduduwa Constitution
- <a href="https://aacparty.org/african-action-congress-manifesto/">https://aacparty.org/african-action-congress-manifesto/</a> 2019 AAC Manifesto
- <a href="https://www.amazon.co.uk/Another-Now-Dispatches-Alternative-Present/dp/1847925634">https://www.amazon.co.uk/Another-Now-Dispatches-Alternative-Present/dp/1847925634</a> Another Now fiction on an alternative Political Economy
- https://link.springer.com/chapter/10.1007/978-3-030-42855-6 3 E-Government in Russia



It would be interesting to be one of the

Protagonists in the book **Another Now**..!

World Imperialism can be divided into two main camps:

"The Haves," those who possess colonies, and the "Have-Nots," those who seek to possess.

Figure 4 - Another Now

NB: The book Another Now might be fiction but note that Xi Jing Ping of China just pivoted his country back towards Marxism during the last Communist party elections (2022), where he was given a fresh new 5-year mandate to steer the ship of state.

As someone who was educated in Eastern Europe during the Perestroika period (where the focus in engineering school was to study progress, not what you are encumbered with by the system that is looking for a particular outcome), I believe Putin has moved on from Communist bashing and has rightly made the dream of ushering in a new multipolar world his life ambition. It is perhaps the best vindication the Communists could ever have dreamed of, given the conspiracy that constantly undermined their efforts to better the lot of their peoples - not unlike the plight the peoples of Cuba and Venezuela are currently experiencing.

In the world of IT, we would say the Nigerian OS is completely infested with virus and malware (the Russians are known to be good at AV and antimalware), and needs to be either treated with antivirus (antimalware) software or reformatted and rebuilt with a clean new Operating System (OS). The reason why Russia is the template we are using to attempt to straighten out the critically bent Nigeria, is because it is perhaps the only jungle that those from the garden were unable to subjugate (unlike the fate that befell China and India) – using the language of Josep Borrell of the EU.

# PRELUDE; THE MAGNITSKY ACT AND THE LIKES OF KASPAROV....

Vladimir Putin assumed the Presidency in 2000, and at first Browder was an ardent supporter. At the time, one of the most attractive investments for Western funds and banks operating in Russia was Gazprom, the state-owned natural-gas behemoth. Regulators had instituted a dual price structure for the company's shares: one class of shares, priced relatively cheaply, could be held only by Russian citizens and firms; the second class, priced much higher, could be purchased by anyone.

Enter Bill Brother of the Magnitsky Act fame – at the time living in Russia. A close friend of his is meant to have said the following:

"If there has been a consistent passion in Bill's life over the last twenty or thirty years, it is not wanting to pay taxes."

His firm Hermitage got the cheaper price offered by the regulators by buying Gazprom stock through companies it registered in Russia. Furthermore, the government, in an effort to stimulate regional investment, had established a special zone in Kalmykia, a republic north of the Caucasus that offered a lower tax rate. The rate went down even more if disabled workers made up a majority of a company's employees. To take advantage of this, Hermitage hired disabled people for its companies in Kalmykia

"Business was going well for Browder until one day in November 2005, when Russia's border guards denied him entry at Moscow's Sheremetyevo International Airport. He was told that his Russian visa had been annulled on national-security grounds."

Browder instructed his Hermitage colleagues to sell off the firm's Russian assets and moved key staff to London. From then on Putin became his mortal enemy and a Satan on earth for him. The rest they say is history.

https://www.newyorker.com/magazine/2018/08/20/how-bill-browder-became-russias-most-wanted-man

# **SECURITY**



Figure 5 - Putin and Transport Plane

These days, the foreign and domestic dimensions of security should be viewed essentially as two sides of the same coin. The number one problem in Nigeria today is security of lives and property.

Focusing on the Russian experience, the ideological challenges posed to Russia by extremist groups, particularly by Islamic radicals that choose terrorism as a mode of operation, such as their attempts to use or, rather, misuse Islam in its radical form as an ideological basis for terrorism, proves that the war against terror should be waged holistically and remorselessly. The concept of "universal autonomous jihad," popularized by ISIS ideologists, today continues to exist on the Internet almost independently of the Caliphate. Terrorist attacks and kidnappings in Nigeria have in most cases been committed by completely autonomous ISIS/Boko Haram supporters who did not coordinate their actions with their wider terrorist organizations.

By analysing the main events of the Chechen Wars, it is possible to identify similarities between Russia's experiences with Chechnya and how their eventual success can be incorporated into the realm of domestic regional security policy within the nation states in Nigeria. Partnership with Russia via Proxy is currently the most important step the Indigenous Peoples of the Nigerian state can take to move themselves away from the precipice of a catastrophic state failure that can consume them. By leveraging upon the experience of Russia in the various terrorist type insurrections it has been confronted with, the nation states can quickly stem the existing very dangerous tide of events. Now, "strategic empathy" is a unique quality, grounded in education and awareness that allows for one state to better approach issues related to another state by acknowledging and understanding the perspectives of the other state. Practicing strategic empathy allows for the identification and pursuit of common objectives. The Chechen conflicts provided Russia with an awareness of terrorism's unique threat to their nation state.

It is envisaged that for the sake of improved security for all, the individual regional security outfits would work in unison. Acting in unison with allies (and institutions) and forming alliances have always been a critical aspect of fighting insecurity, as alliances allow nation states to combine resources and influence, thereby utilizing them in a more impactful way. With immediate effect, the various Nigerian regions should immediately setup regional Guards structures whose primary

function would be to maintain public order and regional security. In the case of Russia, since the creation of the National Guard in 2016, there has been considerable stability in Russia's law enforcement agencies, despite the various threats they have been confronted with. The idea would be to split the country into 18 security regions whilst still keeping to the 8 geopolitical regions. The Wagner PMC group would then be contracted on a regional basis to bring in military trainers and retired military engineers. They will implement Border Force training for each region. Their working model would include a bringing together Communists, local Community leaders, local vigilante group representatives, representatives of any local self-determination groups, local religious leaders (pastor/imam/chief) etc. to form ward level terrorist hunting groups to bring swift justice to any marauders involved in kidnapping and wanton killings. The idea is to make sure all their MO is domesticated and filtered for compatibility with the local context.



Figure 6 - Wagner Recruitment Drive

It is worth noting that this approach of using a PMC is not new. A significant involvement of private military forces in Nigeria occurred in early 2015 when Nigerian President Goodluck Jonathan hired contractors to perform offensive operations supporting counterinsurgency efforts against Boko Haram (coinciding with the lead up to an election), which may have included Russian PMCs. Between March and May 2015, men purportedly from Ukraine, Russia, and Israel were sighted working as military trainers in Nigeria.

Overall: Achieve objectives for the Russian Federation, its allies, and financial interests as a force multiplier while minimizing both political and military costs				
Strategic:  Political Insulation Regime Stability/ Protection Deterrence Control Grey Zones Zones Zones of Artificial Stability Keep Russia Involved in Conflict w/Low Commitment Deception	In Combat:  Infantry (incl. Mechanized)  Forward Advisers  Sappers  Coord. Fire and Movement  Forward Air Controllers  Reconnaissance in Force  Mine Clearance  Armored Troops  Artillery Units	Outside of Combat: Includes uses typical of PSCs  • Security Advisers  • Armed Security  • Transport Convoys  • Training (of military, law enf.)  • Personal Protection  • Targeted Assassination*  • Kidnapping*  • Sabotage*  • Subversion*		
	Information	Blackmail*		

Figure 7 - Roles of a PMC

The newly instituted Regional Guard has a specific mission over and above simply supporting the regular paramilitary forces in territorial defence, and it would have war gamed operations against insurgents backed by foreign special forces. The various roles the PMC would be expected to get involved in would be as follows;

#### **Paramilitary**

PMCs train, equip, assist, and enable nation state security operatives for battlefield operations.

#### Combat

➤ PMC specialists will provide key tactical capabilities for specialized tasks, such as sniping, fire support, anti-air, and direct action.

#### Intelligence

➤ PMC operatives will recruit human intelligence sources, guide intelligence, surveillance, and reconnaissance (ISR) assets, and conduct political warfare, sabotage, and other covert action missions.

#### Propaganda and Disinformation

> PMC will help to disseminate messages and narratives to key online audiences while also building field organizations such as "patriotic youth camps" on the ground.





Figure 8 - PMCs in Africa

#### The value proposition of PMCs is as follows;

Using PMCs is cheaper than potentially using conventional Russian forces. PMCs require less logistical support, and the combination of public and private motives means PMCs often can sustain their presence through private financial ventures. The history behind the PMCs is that during the 1990s, Russia experienced an increase in internal demand for security services, which resulted in the growth of a large domestic private protection industry. The fall of the USSR left many former soldiers, members of elite Special Forces, and intelligence professionals jobless; many of these former soldiers formed associations with veterans of their old units and created new private security companies. Gradually, these firms and associations began to look internationally for business and Africa has been a location where their services have been highly sort after. As part of their operations, Russian PMCs leverage a range of surveillance-, cyber-, and intelligence-related capabilities—which appear to be growing in number. PMC units also "recruit human intelligence sources, guide [intelligence, surveillance, and reconnaissance] platforms and systems, collect signals intelligence, and analyse intelligence and open-source information," If things do get tough, especially in the case of offensive cyber capabilities, it would be an option for the PMCs to partner with Russian private companies or state labs working as proxies for Russian military and intelligence organizations.



Figure 9 - Wagner Group New Headquarters

Politics is about symbolism and intent. "The goal of 21st- century wars will not be the capture of territories, but rather the subjugation of the political machinery and the formation of a system of external control over people living in these territories," and "any colour revolution is a stagemanaged action intended to effect a coup d'état."

#### **Technocrats versus Securocrats**

Moving forward there should be the setup of a process of training those involved in the administration of the local wards to make a distinction between senior figures who could best be described as technocrats and securocrats. While the former will likely be interested in personal and institutional advancement, they are essentially motivated by their formal role, to do their job, and do it well. Conversely, the securocrats are less concerned with procedure in its own right and more with the security aspect of their mission; securocrats "see everything, from politics to economics, as warfighting."

#### **Security Summary**

State Security has long been a craft the Russians appear to have mastered, going as far back as 1480 when the Grand Duchy of Moscow stopped paying tribute to the Mongols and took full control of its own sovereignty under Ivan the Great.

To confront the multifaceted existential security challenges being faced in Nigeria today, the security of lives and property should be immediately handed over to local security structures based on the 18 national regions that are known to exist within Nigeria.

Each of the 18 designated security regions would then engage in the creation of a top-level hierarchy of operational staff comprised of Technocrats and Securocrats. The Technocrats would be involved in looking into issues of improvement of the welfare and wellbeing of those in the region, whilst the securocrats will focus on working with the Russian Wagner PMC group to bring in military trainers and retired military engineers, who will be tasked will training locals and providing all the infrastructure required to prosecute a sustained campaign to flush out terrorist elements. One of their key objectives would be to implement Border Security Force type training for each region in order to systematically stop the unrestricted spread of stateless terrorist elements from the Northern parts of Nigeria to the southern parts of the country. Their working model would involve bringing together seasoned communist/socialist group members, local community leaders, local vigilante group representatives (e.g., Amotekun, ESN), representatives of any local self-determination groups (e.g., Oduduwa, IPOB), local religious leaders (pastor/imam/chief) etc., to form multiple ward level terrorist hunting groups to bring swift justice to any marauders involved in kidnappings and wanton killings.

On a national level, as was done by Russia in Chechnya, the central government should immediately release all political prisoners and bring in the Russian diplomats and mediators who helped to shape the post Chechen war policies in Russia to help with the implementation of options that would alleviate any aspects of the security concerns that are openly harboured by the various groups that are agitating for self-determination. As security does not exist in a vacuum, the technocrats should work with Russian regional developmental agencies to pick up on finding immediate tactical solutions to issues that cause insecurity to fester.

On a separate note, in a world that rightly now requires strict adherence to human right principles, in order to keep things in balance, the Russians will be approached for them to provide access to retired communist administrators along with say Orthodox religious officials, who together are known to have a lot of experience in the cohesive planning and running of the operations of various aspects of closely integrated institutions. It is anticipated that the technocrats would be in charge of the various elements of defence in depth of their catchment area including the deployment of surveillance drones, the repair of road sections that offer marauders the opportunity to carry out kidnappings, the setup of technical solutions for tracking unusual movement of funds (either via cash or physical transfer) within the local banking/financial system, amongst other things.

Lastly, as part of their real world training, and as a way of improving the usefulness of the expert ideas being provided by the Russian specialists, some representatives of the technocrats should be sent to areas of Russia like Mariupol currently being restored after devastation, whilst representatives of the securocrats should be sent to Chechnya, and say Enagodar where they can pick up expert operational advice from Russian security advisers currently enmeshed in counterterrorist security operations.

## RESTRUCTURING

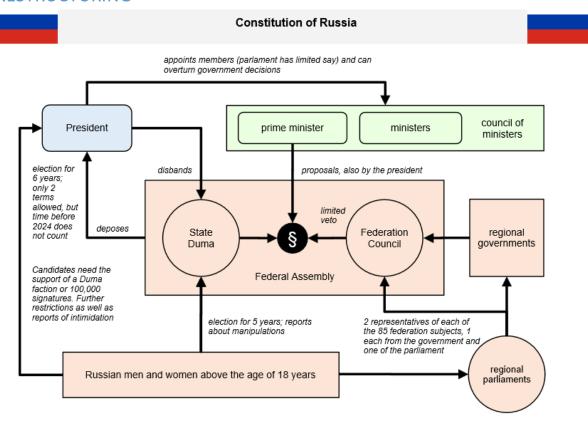


Figure 10 - Russian Constitution

We, the multinational people of the Russian Federation, united by a common fate on our land, establishing human rights and freedoms, civic peace and accord, preserving the historically established state unity, proceeding from the universally recognized principles of equality and self-determination of peoples, revering the memory of ancestors who have conveyed to us the love for the Fatherland, belief in the good and justice, reviving the sovereign statehood of Russia and asserting the firmness of its democratic basic, striving to ensure the well-being and prosperity of Russia, proceeding from the responsibility for our Fatherland before the present and future generations, recognizing ourselves as part of the world community, adopt the CONSTITUTION OF THE RUSSIAN FEDERATION.



Figure 11 - President of Russia and Government of Russia

Dmitry Medvedev takes the presidential oath with his right hand resting on the Constitution, 7 May 2008.

The Constitution of the Russian Federation specifies that the President is the Russian head of state, setting domestic and foreign policy and representing Russia both within the country and internationally [Article 80].[6] . Below are some choice articles related to self-governance.

## Article 130

- 1. Local self-government in the Russian Federation shall ensure the independent solution by the population of the issues of local importance, of possession, use and disposal of municipal property.
- 2. Local self-government shall be exercised by citizens through a referendum, election, and other forms of direct expression of the will of the people, through elected and other bodies of local self-government.

#### Article 132

- 1. The local self-government bodies shall independently manage municipal property, form, adopt and implement the local budgets, introduce local taxes and dues, ensure the protection of public order, and also solve other issues of local importance.
- 2. The local self-government bodies may be vested by law with certain state powers and receive the necessary material and financial resources for their implementation. The implementation of the delegated powers shall be controlled by the State.

The legislature is the Federal Assembly of Russia, which consists of two chambers: the State Duma (the lower house) and the Federation Council (the upper house). The two chambers possess different powers and responsibilities: the State Duma is of more significance, as it carries the main responsibility for passing federal laws. Three courts are delineated: Constitution Court of the Russian Federation, the Supreme Court of the Russian Federation, and the Higher Arbitration Court; each court is "appointed by the Council of the Federation upon the proposals by the President."[9] The Constitution requires 19 judges for the Constitution Court,[9] but does not specify the number of justices for the other courts. Under Putin's state capitalism, the responsibility for modernisation has, over the last 15 years, been in the hands of organisations that the Russian media often calls 'state corporations. In Russia the level of autarchy plays a decisive role in determining the ability to act, and this applies not only to political agencies (Gel'man 2016) but also to economic organisations like state-owned companies. Autarchy can be high, low or moderate.

Russia is divided into twelve economic regions (Russian: экономи́ческие райо́ны, ekonomicheskiye rayony, sing. ekonomichesky rayon)—groups of federal subjects sharing the following characteristics:

- Common economic and social goals and participation in development programs;
- Relatively similar economic conditions and potential;
- Similar climatic, ecological, and geological conditions;
- Similar methods of technical inspection of new construction;
- Similar methods of conducting customs oversight;
- Overall similar living conditions of the population.

The municipal divisions in Russia, also called municipal formations (Russian: муниципальные образования, munitsipalnye obrazovaniya), are territorial divisions of the Russian Federation which are formally granted the authority to manage local affairs through local self-government.[2] As of January 1, 2020, there are 20,846 municipal divisions in Russia, including 1,673 municipal districts, 635 urban okrugs, and 33 municipal okrugs.[1]



Figure 12 - Economic Regions of Russia

Economic region	Population (2020)	Area (km2)
Central	32,310,000	482,300
Central Black Earth	7,123,000	167,900
East Siberian	6,119,000	3,371,800
Far Eastern	6,122,000	6,952,600
Kaliningrad	1,013,000	15,100
North Caucasus	22,629,000	381,600

Economic region	Population (2020)	Area (km2)
<u>Northern</u>	4,473,000	1,476,600
<u>Northwestern</u>	8,497,000	195,200
<u>Ural</u>	18,699,000	823,300
Volga	15,807,000	539,800
Volga-Vyatka	7,153,000	264,800
West Siberian	14,756,000	2,454,000

Table 1 - List and composition of the economic regions

The following is the list and composition of the economic regions, sorted by population.

- Central Black Earth (Центрально-Чернозёмный, Tsentralno-Chernozyomny)
  - 1. Belgorod Oblast
  - 2. Kursk Oblast
  - 3. Lipetsk Oblast
  - 4. Tambov Oblast
  - 5. Voronezh Oblast
- Central (Центральный, Tsentralny)
  - 1. Bryansk Oblast
  - 2. Ivanovo Oblast
  - 3. Kaluga Oblast
  - 4. Kostroma Oblast
  - 5. Moscow (federal city)
  - 6. Moscow Oblast
  - 7. Oryol Oblast
  - 8. Ryazan Oblast
  - 9. Smolensk Oblast
  - 10. Tula Oblast
  - 11. Tver Oblast

- 12. Vladimir Oblast
- 13. Yaroslavl Oblast
- East Siberian (Восточно-Сибирский, Vostochno-Sibirsky)
  - 1. Irkutsk Oblast
  - 2. Khakassia
  - 3. Krasnoyarsk Krai
  - 4. Tuva Republic
- Far Eastern (Дальневосточный, Dalnevostochny)
  - 1. Amur Oblast
  - 2. Buryat Republic
  - 3. Chukotka Autonomous Okrug
  - 4. Jewish Autonomous Oblast
  - 5. Kamchatka Krai
  - 6. Khabarovsk Krai
  - 7. Magadan Oblast
  - 8. Primorsky Krai
  - 9. Sakha
  - 10. Sakhalin Oblast
  - 11. Zabaykalsky Krai
- Kaliningrad (Калининградский, Kaliningradsky)
  - 1. Kaliningrad Oblast
- North Caucasus (Северо-Кавказский, Severo-Kavkazsky)
  - 1. Adygea
  - 2. Chechen Republic
  - 3. Crimea
  - 4. Dagestan
  - 5. Ingushetia
  - 6. Kabardino-Balkar Republic
  - 7. Karachay-Cherkess Republic
  - 8. Krasnodar Krai
  - 9. North Ossetia-Alania
  - 10. Rostov Oblast
  - 11. Sevastopol (federal city)
  - 12. Stavropol Krai
- Northern (Северный, Severny)
  - 1. Arkhangelsk Oblast
  - 2. Karelia
  - 3. Komi Republic
  - 4. Murmansk Oblast

- 5. Nenets Autonomous Okrug
- 6. Vologda Oblast
- Northwestern (Северо-Западный, Severo-Zapadny)
  - 1. Leningrad Oblast
  - 2. Novgorod Oblast
  - 3. Pskov Oblast
  - 4. Saint Petersburg (federal city)
- Ural (Уральский, Uralsky)
  - 1. Bashkortostan
  - 2. Chelyabinsk Oblast
  - 3. Kurgan Oblast
  - 4. Orenburg Oblast
  - 5. Perm Krai
  - 6. Sverdlovsk Oblast
  - 7. Udmurt Republic
- Volga (Поволжский, Povolzhsky), the traditional name of the region, meaning "the area by the Volga River"
  - 1. Astrakhan Oblast
  - 2. Kalmykia
  - 3. Penza Oblast
  - 4. Samara Oblast
  - 5. Saratov Oblast
  - 6. Tatarstan
  - 7. Ulyanovsk Oblast
  - 8. Volgograd Oblast
- Volga-Vyatka (Волго-Вятский, Volgo-Vyatsky)
  - 1. Chuvash Republic
  - 2. Kirov Oblast
  - 3. Mari El Republic
  - 4. Mordovia
  - 5. Nizhny Novgorod Oblast
- West Siberian (Западно-Сибирский, Zapadno-Sibirsky)
  - 1. Altai Krai
  - 2. Altai Republic
  - 3. Kemerovo Oblast
  - 4. Khanty-Mansi Autonomous Okrug
  - 5. Novosibirsk Oblast
  - 6. Omsk Oblast
  - 7. Tomsk Oblast

- 8. Tyumen Oblast
- 9. Yamalo-Nenets Autonomous Okrug

There are 6 types of federal subjects—24 republics, 9 krais, 48 oblasts, 3 federal cities, 1 autonomous oblast, and 4 autonomous okrugs.



Figure 13 - Federal Oblasts

#### **Federal districts**



Figure 14 - federal districts

All of the federal subjects are grouped into eight federal districts,[11] each administered by an envoy appointed by the President of Russia. Federal districts' envoys serve as liaisons between the federal subjects and the federal government and are primarily responsible for overseeing the compliance of the federal subjects with the federal laws.

#### **Economic regions**



Figure 15 - Economic regions of Russia

For economic and statistical purposes the federal subjects are grouped into twelve economic regions.[12] Economic regions and their parts sharing common economic trends are in turn grouped into economic zones and macrozones.

## **Military districts**



Figure 16 - Military districts of Russia

In order for the Armed Forces to provide an efficient management of military units, their training, and other operational activities, the federal subjects are grouped into five military districts.[13] Each military district operates under the command of the district headquarters, headed by the district commander, and is subordinated to the General Staff of the Armed Forces of the Russian

The federal subjects of Russia, also referred to as the subjects of the Russian Federation (Russian: субъекты Российской Федерации, romanized: subyekty Rossiyskoy Federatsii) or simply as the subjects of the federation (Russian: субъекты федерации, romanized: subyekty federatsii), are the constituent entities of Russia, its top-level political divisions according to the Constitution of Russia.[1] Kaliningrad Oblast is the only federal subject geographically separated from the rest of the Russian Federation by other countries.

According to the Russian Constitution, the Russian Federation consists of republics, krais, oblasts, cities of federal importance, an autonomous oblast and autonomous okrugs, all of which are equal subjects of the Russian Federation.[1] Three Russian cities of federal importance (Moscow, Saint Petersburg, and Sevastopol) have a status of both city and separate federal subject which comprises other cities and towns (Zelenograd, Troitsk, Kronstadt, Kolpino, etc.) within each federal city. In 2022, during the 2022 Russian invasion of Ukraine, four Ukrainian oblasts were annexed by Russia, however they remain internationally recognized as part of Ukraine and are only partially occupied by Russia. Every federal subject has its own head, a parliament, and a constitutional court. Each federal subject has its own constitution or charter and legislation, although the authority of these organs differs. Subjects have equal rights in relations with federal government bodies.[1] The federal subjects have equal representation—two delegates each—in the Federation Council, the upper house of the Federal Assembly. They do, however, differ in the degree of autonomy they enjoy; republics are offered more autonomy.



Figure 17 - Federal subjects

Each federal subject belongs to one of the following types.

Legend <sup>[2]</sup>	Description
46 oblasts	The most common type, with a governor and locally elected legislature.  Commonly named after their administrative centres.
22 republics	Nominally autonomous, [9][10] each with its own constitution, language, and legislature, but represented by the federal government in international affairs. Each is home to a specific ethnic minority (or group of minorities, in the cases of Dagestan and Mordovia); exceptions to this are Donetsk and Lugansk.
9 krais	For all intents and purposes, krais are legally identical to oblasts. The title "krai" ("frontier" or "territory") is historic, related to geographic (frontier) position in a certain period of history. The current krais are not related to frontiers.
4 autonomous okrugs	Occasionally referred to as "autonomous district", "autonomous area", or "autonomous region", each with a substantial or predominant ethnic minority. With the exception of Chukotka, each of the autonomous okrugs are a part of another oblast (Arkhangelsk and Tyumen), as well as its own federal subject.
3 federal cities	Major cities that function as separate regions.
1 autonomous oblast	The only one is the Jewish Autonomous Oblast.

Table 2 - federal subject types

"Putin proposed a referendum on a package of constitutional changes, which would reshape the balance of power in the country's political system," Andrius Tursa, Central & Eastern Europe Advisor at Teneo Intelligence, said in a note late Wednesday. "The key suggested amendments would curb the extensive presidential influence by extending the role of Duma and regional governors, while the mandate of the largely symbolic State Council would be specified (and potentially strengthened) in the constitution." All this suggests that Putin is not intending to remain in power after his second term in office expires in 2024, Tursa said;

- "These developments should be seen in the context of the "2024 problem"—the question of what will happen at the end of Putin's current presidential term," analysts at Eurasia Group said in a note late Wednesday.
- "The planned changes to the constitution add to our conviction that Putin intends to step down as president in 2024. But by clipping the wings of his successor, Putin is providing scope for himself to retain influence for himself after he leaves office."
- "I would say that he's (Putin's) trying to ensure that no one ever comes in who is more powerful than he was," Gina Sanchez, chief executive of Chantico Global, told CNBC's Squawk Box Europe.
- ➤ "So, he's weakening the presidency. The Russian presidency is one of the strongest in the world that has powers that can be unchecked so he is creating these checks (on power), but in many ways he's actually simply ensuring that, post his 2024 departure, that he can

- maintain a voice in the government and have a weak presidency that cannot overshadow that voice."
- "He's weakening the presidency and no one can argue that that's a bad reform, but he's doing it for the purposes of ensuring his own legacy," she added.

#### **Review of proposed Nigerian Orange Constitution**

Restructuring is an issue that many Nigerians are passionate about. To love something is to seek to make it better. Those who fear to restructure, are concerned that it will be a prelude to the dismemberment of the Nigerian nation. However, it is our fervent belief that the majority of those who seek for changes to be made to the structural makeup of our nation, do not seek Nigeria's end, but its strengthening. They want to see fairness and equity for all Nigerians.

Furthermore, going by the spirit of the latest and most well-considered and researched publicly available iteration of a suitable grundnorm for the very basis of restructuring (a new constitution), we suggest the revised name label, "the Union of Nigeria" be used in place of the Federal Republic of Nigeria, to symbolize a new beginning, a befitting appellation that would truly draw out the essence of the kind of union wilfully negotiated by our forebears who midwifed the delivery of the country as presently constituted - at least geographically. To buttress this subtle but important change in name, the nations that preceded the formation of Nigeria should henceforth be recognised as the partners in the Union. The central idea is that these ancient identities that are God-given, cannot, need not, and should not be wished away, simply because we have acquired another identity as "Nigerians" or "Africans". It turns out that the only way the nationalities can be kept together over the long term is by their free will to stay together for mutual benefit. Again the constitution of Russia, a country whose norms and practices this paper is seeking to interrogate and glean from, does exactly that. It gives the disparate regions that constitute its federal a lot of powers to govern themselves in their space in a very natural, intuitive and sustainable way.

Citizenship of the Union is complementary to citizenship of the component nationalities, and not a replacement for those natural allegiances. In this way we come into line with countries like Britain, where the citizens proudly celebrate their individual identities as English, Welsh, Scottish, and Irish alongside their shared identity as Britons. The provision that each nationality and sub-nationality may have its own flag follows from the same consideration that our diversity is an asset to be managed rather than a liability to be buried. Again, we borrow from the example of the nations of Britain with their distinct English, Welsh, Scottish and Irish flags but who then also share the Union Jack. The new Union will be a Federation of Constituent Nationalities in which the Nationalities are to be grouped into regions. Each Region will itself be a federation. The underlying principle of the federation is that only those matters that the Regions agree to should be dealt with at the centre should be dealt with by the Union.

Each Region will have its own Constitution in which the division of responsibilities between the Regional Government and the lower tier governments will be spelled out. Where a Region consists of a single Nationality, its federating units are to be the contiguous component Sub-Nationalities of that Nationality. Where a Region consists of multiple Nationalities, its federating units are to be the contiguous component Nationalities of the Region. A Nationality or Sub-Nationality cannot form, or be part of, more than one Region. In the present Nigerian context, there are several nationalities that cut across the national regions e.g.: Ijaw (mainly South-South, but also in Southwest); Yoruba (mainly South West, but also North Central); Tiv (mainly North Central, but also North East); Igbo

(mainly South East, but also South South). The combined criteria for the creation or recognition of a Region is for both of the following to be true:

- (i) Adequate Economic Resources (i.e., viability of the area concerned with regard to the scope of regional powers and functions);
- (ii) Adequate Human Resources (i.e., combined population of not less than one million people living within the area concerned)

This combined criterion underlines the belief that neither size nor resources of themselves can be the single determining factor as to which Nationalities can constitute Regions by themselves. Nationalities that start out as part of a Region can decide to become Regions in their own right when they are able to satisfy the criteria. The overriding principle is that all the Nationalities, regardless of size, are autonomous federating units of equal value to the whole. Each Region as well as each Nationality within a Region will have its own internal Constitution. The federating Sub-Nationalities of a Mono-Nationality Region are to be designated "Provinces" and will have specified territorial powers which will be greater than those of local government councils but will be less than those of a Region. The federating Nationalities of a Multi-Nationality Region are to be designated "Associated Territories" and will each have (or they may choose to share with neighbouring Nationalities) autonomy in a range of subjects (chieftaincy, cultural affairs, primary education, language development).

The total number of regions should be 18 (it is impossible to state with any certainty the number of Regions we will end up with until the consultation process has run its course) of which 12 will be Mono-Nationality Regions and 6 will be Multi-Nationality Regions. It should be clearly stated that ultimate authority at all times lies with the federating units and that all exercises of that authority by law makers is on behalf of the nationalities and the people. The Constitution is an act of the people and not an ordinary law of Parliament that may be amended by Parliament as it wishes. The authority conferred on any person by or through the Constitution is the authority of an agent only and not an absolute authority. The exercise of that authority is, therefore, unconstitutional if it cannot be shown to be for the protection and well-being of the people. The owner of land owns all that is on the land and beneath it. Provision is made for the owners of the land to receive appropriate compensation for their good fortune and to participate in the fruits of the exploitation of their natural resources. The identity of the owner of the land is to be determined according to the laws and customs of the people of the land.

As Nigerians we must agree to a common code of minimum values and standards of conduct. If citizens, residents and visitors are to move freely throughout the Union, they need to be sure of the basic rights that are guaranteed to them wherever they may be. The Regions are free to grant more rights in their respective constitutions but may not grant less. The use of our indigenous languages at the regional level will be encouraged, as we believe that no meaningful development can take place in the long term except on the basis of our heritage. To keep the size of the government machinery at the centre to a minimum, it is necessary that the Union Government can look to the apparatus of the Regional Governments to give effect to its laws. We recommend the system of parliamentary government as a more cost effective and inclusive system of government that is better suited to our ethnic and sub-ethnic complexity. We recommend a collegiate executive based on the Parliamentary system of government to guard against the over-personalisation of the executive power of the Union Government.

The business of the defence of our liberties cannot be left to professional soldiers alone. It is foolhardy and reckless for the people of Nigeria to leave the responsibility entirely in the hands of professional soldiers. It is this over-delegation of the task of national defence that leads to the "them and us" attitude and mutual suspicion between the soldiers and the people they are supposed to protect. The people must remain involved in the matter of their defence through a popular militia. It is important that the size of the professional army to the militia should be kept proportionate at all times as a constitutional check. The Regions should have some say in the use of the forces particularly in peacetime. We therefore propose that the use of the forces in peacetime should be subject to the agreement of the representatives of the Region in the centre. Localise policing and the security services to make them part of the community. A policeman who is of the community he is policing, is less likely to be trigger happy in the discharge of the duties of his office and is more likely to be able to enlist the support of the community for his work.

The Union Government should look to its own resources as provided by the Constitution to fund its activities. Provision has been made for it to have a share of the revenues from natural resources in addition to the limited taxing powers alluded to here. To minimise conflict, express provision has to be made for the funding of the Regional Government in a Multi-Nationality Region, since like the Union Government, this unit of governance is owned collectively. It is to be expected, that in view of the major political restructuring that this constitution envisages, there will be calls for changes as the experiment unfolds. It is important that the constitution should contain a ready mechanism for such demands to be accommodated.

#### Restructure of the mind of the polity

An engaging socialist "vision" is what contemporary socialist revolutionaries have lacked for a long time. What we revolutionaries need, is a new socialism with attractive, basic transformative goals. The point is rather and finally to transfer power into the hands of the change-making workers themselves. Power here refers to more than politics. It refers to the social power at the economic base of society, in the workplaces producing the goods and services upon which social life depends.

Today Socialism is now focused on the campaign to establish and build a sizable worker co-op sector within the legacy economic environment. What we are after is Collective consumption (free education, medical care, subsidised housing, transport, etc.) along with rapid industrial development and the widespread provision of social safety nets. What we are absolutely not interested in is; making macro-level social changes, tampering with private property, distribution of resources, or control of market exchange. Furthermore, this brand of socialism does NOT entail government-owned-and-operated enterprises and/or government central planning as the distribution system.

This new socialist vision is very unlike that of the last century where focus was on the state's macro-economic intervention, state enterprises, state central planning, etc. This new socialism is at home with both private enterprise and "free" markets, focusing its evolutionary assault less on the macro-economic and more on the micro-economic dimensions. In worker Co-op enterprises, all workers are equal members of a democratically run production operation. They debate and decide what, how and where to produce and how to utilise the net revenues. Worker co-op enterprises exist alongside traditional enterprises. They are eligible for and should ideally benefit from tax considerations, subsidies and state support. The worker co-op sector of an economy will have to decide what mix of market and planning mechanisms to utilise for the distribution of its resources

and products. The relationships -- both competitive and cooperative -- between the two sectors of each economy (traditional and worker co-op) will have to be determined by negotiations between them. Socialist revolutionary groups and Worker Co-ops are natural allies and partners. The revolutionary groups need widely dispersed localised bases to build support, identify and mobilise activists, raise funds, etc. The Worker Co-ops need a revolutionary organisation strong enough to help advocate for and advance the use of Worker Co-ops across various sectors of the economy. To that end, socialist revolutionary groups can work for new or revised laws and regulations, repeal of old ones, etc. All to further the cause of the Worker Co-op model of arranging the local economy, at a microeconomic level. An alliance of Worker Co-ops and socialist revolutionaries is needed to secure and grow both within societies whose "establishments" will resist that.

Put another way, the way forward for Nigeria is One Country - two systems.

Worker cooperatives – where workers organize, manage and direct their workplace division of labour democratically represent a stark alternative to the undemocratic, hierarchical organization of past enterprises. However, the ideal approach as is being proposed, is to keep macro-economic structures the same and only use Worker Cooperatives at the micro-economic level. This is actually not unlike the system currently being practiced in China. Worker Co-ops make each worker both an individual wage-earner and an equal member of the collective of workers functioning as the employer (as in a corporate board of directors). They thus require and develop within each worker abilities, tastes, and demands for participation in all workplace decisions (and in other aspects of the society as well). Worker Co-ops convert workplaces into genuine, democratic communities. Individually, each is an employee. Collectively, all employees comprise the employer. Each employee/employer has an equal voice in democratic business decisions governing what, how, and where production occurs and what is done with the net revenues.

As the democratic, worker base of a social economy starts to be put up on top of Cooperatives, such worker-directed enterprises could go far in remedying the democratic deficiencies of the presently highly financialised party structures. In such a social economy based on worker cooperatives, the state would no longer be subject to the conflicting influences of employers vs employees. Instead, its chief goal would be to reproduce the worker-cooperative organization of enterprises. To that end, it would coordinate relationships among worker coops, individual workers, and individual consumers. Regular assembly, majority decision, recall, and associated measures to ensure democratic decision-making would be part of the constitution of such a worker cooperative-based social economy. The state would develop long and short-term development plans and arbitrate disputes among enterprises and individuals. Worker Co-ops offer even greater potential to strengthen socialist revolutionary groups working inside traditional societies. In addition to providing an attractive vision of a cooperative society, worker coops could give socialist revolutionary groups a strong economic and political base.

Making the transition to Worker Co-ops a central part of socialist objectives brings the reality of socialism to the immediate micro-level of every working person's daily life on the job. Socialism is then no longer a matter of changing from private to government ownership, or from market to planning, or any other such macro-level changes quite removed from individual workers' daily lives.

A worker coop organisation of factories, offices, and stores will alter every aspect of workplace life and relationships, making new demands while offering new responsibilities and powers to most workers. Workers' engagements with socialism will thus involve a daily process of building, safeguarding, and reproducing the democratic cooperative organization of their workplaces and thereby transforming themselves. This makes socialism immediately relevant and powerful in an

ongoing way. Ultimately, the state becomes dependent on masses of workers who democratically control Worker Co-ops, leading to better prospects for genuine (as opposed to merely formal) political democracy that is much enhanced, compared to the status quo. Finally, what is not wanted is social change that gives power to some far-away government apparatus.

#### Restructuring of Citizen Advocacy, Public Engagement and Accountability

Transparency offers the potential to end the opacity of public transactions and allows the Public to acquire information about what is going on thereby opening institutions up to public scrutiny. The Nigerian June 12 Shadow Cabinet is all about TNT: Transparency and Transformation. It is a body within a think-tank that will be used as an instrument for changing the transactional political landscape in Nigeria. It will operate as the equivalent of the Shadow government in the UK. The primary aim is to review and assess every government policy at every stage in order to make sure it is in line with the interest of the citizens. Another critical aim is to better understand the roles and actual power distributions at work between government institutions. One of the basic principles of democratic control is that people have the right to know how and why their elected representatives and public officials make decisions, particularly on issues that affect them. In fact, access to information on the work and the decision-making processes of public bodies is at the heart of accountable governance.

This cabinet will be constituted by soliciting a broad and open scientific dialogue with economists and critics with a view to bring matters to the consciousness of the mainstream public and debate the weaknesses and shortcomings of government policies. The cabinet will (amongst other things), help government technocracies to leave their institutional bubble, their codes of communications and get other plain perspectives thereby opening them up to diverse and balanced views. Online platforms are very helpful to make transparency happen. They say democracy is the art of finding good compromises between conflicting interests. Articulating one's interest and trying to influence decision-making in one's own favour - whether in an individual or collective capacity - is, therefore, an integral part of the political process. However, if some interest groups get privileged access to decision-makers and decision-making processes - be it through the resources they can mobilise, through personal contacts or because they are in the position to offer personal and/or political favours - that will be a dent to the prestige of any democratic space. Lobbying and stakeholder representation on the global level is a serious concern. We have to ensure that acts of bribery of public officials in the nation are not assisted by our tax laws. We also have to take safeguards against the meddling of corporations and state actors in the elections. Private companies should also be subject to transparency in certain aspects.

Technological sovereignty in our definition means the right and capacity of citizens and democratic institutions to make self-determined choices on technologies and innovation because technology affects us all, and all of us, not just a powerful few. It is clear that without the introduction of technological sovereignty through the democratization of technology, democracy itself is no longer possible. We see monopolistic digital platform providers with tremendous powers to shape what we see, who we hear from, or how we think, without any democratic accountability for that power. We become subject to automated decision-making, wrongly labelled "artificial intelligence", functioning as a black box without any transparency or accountability. But there is more. We see how the costs of technology's development and its usage are socialized, but the

benefits are privatized to an exceedingly small group. We see how decisions on technological development are made by powerful, unaccountable private actors, and kept away from transparent and public debate. Research and innovation must be beneficial for society and the prosperity of humankind. We are convinced that technological sovereignty through the democratization of technology is an absolute necessity for real equality in the technological era.

Technological messianism is not the right approach. Technology is a tool that can help to solve technical problems. Justice, equality, fairness, or the lack thereof, will not be solved by technology alone. Without human and moral guidance, technology has as much opportunity to make problems worse as to make them better. Digital technologies can help to create new and more democratic organizational forms for economic activity and for governing infrastructures. Very promising ideas and developments are ongoing in the movement for platform cooperatives where the aim is to make workers, users and other stakeholders the owners of platforms that coordinate economic activities, e.g., taxi drivers owning and operating their own digital platform to constrain the dominance of platform monopolies. There is an urgent need to find ways to democratize the economy and to foster more decentralised economic arrangements, collective decision-making and structures for shared responsibilities. Such a platform needs to contain a crowdfunding system that allows citizens to allocate public money, through their decisions on the platform. Innovation starts with problems that should be solved. Who defines the problems is a major issue in every innovation journey? In a democratic society, citizens should define the problems that innovations should help to solve citizens need "Crowdsourcing". Therefore, the platform should also enable citizens to identify problems to be freely submitted, and then democratically ranked for implementation.

Every technological development is the result of choices. No technology is God-given or given by the "invisible hand of the market", and no technology is neutral: it is always value laden. The way we fund, adopt, use and regulate technology, or not, reflects society's choice of its values and priorities.

Knowledge is power. If we want to democratize technology and start the debate around how society determines which technologies are developed, which are supported, how they are regulated, and whether some should be banned, we need to ensure that informed debate is a priority. Leaving everything to the experts is not a solution, the political views of technical experts should be viewed with normal democratic scepticism. Their expertise always comes imbued with opinions and values, containing an implicit view of society and how it should function – in other words, with a political view. Decisions are never without value. But in order to be able to judge the values that are applied in decisions on technology, it is often necessary to understand, at least to a certain extent, the technology concerned.

For more information on restructuring, follow the link below;

https://enterbiafra.life/about

#### **Restructuring Summary**

Just like Russia is divided into twelve economic regions, Nigeria should be divided into 8 economic regions/zones. Under the eight-zone arrangement, the North and the South will each have four zones. Whilst the North will include the Northwest, North Central, Northeast and the Middle Belt; the South shall have the Southwest, Southeast, South-South and the Midwest. Each of these economic zones will also map to a geopolitical region that has its own constitution or charter and legislation, although the mode of authority of their organs of power delivery might differ, based on the peculiarities of each region. To be more specific, the authority will differ based on the fact that some regions might be mono-ethnic, whilst most of the regions will turn out to be multi-ethnic in composition.

The Nigerian economic regions would be created broadly based on sharing the following characteristics:

Common economic and social goals and participation in development programs; relatively similar economic conditions and potential; Similar climatic, ecological, and geological conditions; similar methods of technical inspection of new construction; similar methods of conducting customs oversight; overall similar living conditions of the population. In order for the security of lives and property to be quickly brought under control, Nigeria will need to have 18 security districts (zones). Each security district operates under the command of the district headquarters, headed by the district commander. The commander will be fully in charge of any security issues that affect areas within their geographic land area. Abuja and Lagos will be granted the status of cities of federal importance, just like the three Russian cities (Moscow, Saint Petersburg, and Sevastopol) are of federal importance and have a status of both city and separate federal subject in Russia. As we hurtle towards the approaching elections, amendments to curb the current extensive presidential influence, should be initiated by regional groupings made up of senators, house of representative members, regional governors, and the new technocrats and securocrats having come together to form a new symbolic State Council under the existing interim constitution, as the first step in the journey of ushering in the "Orange Constitution".

Leaving no stones unturned, and no avenues for good unexploited, changes should be made to the existing, now "interim constitution", to "clip the wings" of any successor to Buhari in the year 2023 by weakening the presidency. The drive is to provide scope for the regions to gain some influence in the shaping of a new dawn, as processes are triggered to usher in a new constitution. One of the stated objectives would be to ensure that no one ever comes in who is anywhere as powerful as Buhari was, to the extent of leading the country to the brink of destruction, as he has done. Like the Russians make heavy use of their municipal divisions for all service delivery to their citizenry, regional governments in Nigeria should create LG structures that ensure the following;

- Ensure the independent and local creation of solutions by the population for the issues of local importance like the possession, use and disposal of municipal property.
- ➤ Local self-government shall be exercised by citizens through a referendum, election, and other forms of direct expression of the will of the people, through elected officials and other members of bodies dedicated to local self-government.
- Independently manage municipal property, form, adopt and implement the local budgets, introduce local taxes and dues, ensure the protection of public order, and also solve other issues of local importance.
- ➤ Be vested by law with certain state powers and receive the necessary material and financial resources for their implementation.

# **INFRASTRUCTURE**



Figure 18 - Rail Transportation Infrastructure

#### **Rail Transportation**

Transportation infrastructure is crucial to the economy of any country. At its most elemental level, an economy is a network of goods and services moving from one set of hands to the next. Roads, railways, airports, and ports greatly increase the number of hands that can be reached. This boosts competition and usually increases efficiency. Russia's Transport Strategy stated the intention to expand railway capacity by laying tracks, increasing the number of freight wagons and, most importantly for the RFE (Russian Far East), expanding the Trans-Siberian Railway in the east. The railways upgrade programme targets high-speed passenger trains on the one hand and increasing the freight capacity of Russia's key railway routes – North-South, West-East (including BAM and Transsib) and Europe-West China – on the other. Projects like the Northern Latitude Railway are a part of the Northeast Passage, and the Moscow Transport Hub is an initiative under the drive for connecting centres of economic growth.



Figure 19 - Rail track map of Russia – The Orange dotted line is a distance of around 7500 km

NB: Russia's population and transport networks are unevenly distributed. A dense railway and road network exists in the west of the country, but a much sparser network serves the Russian Far East (RFE). This lack of capacity is problematic for the Kremlin's stated goal of turning the RFE into a trade and investment hub linking Asia with Europe.

#### **Railways and Economic Hubs**

Russia has shown that is serious about connecting its major cities into larger economic hubs. Russian Railways has set out an ambitious plan for expansion, including acquiring more rolling stock, building and updating railway, and creating high-speed lines. Rolling stock, or the locomotives and carriages used on railways, is especially an issue, because Russia currently does not have enough and cannot acquire more fast enough. This is a particularly important issue given that one of Russia's major growth industries right now is agriculture, an industry that relies heavily on efficient transport to move its product to market in limited time periods. Roughly 90 percent of commercial haulage is rail-based and insufficiently integrated into world transport systems. The Russian trucking industry is only minimally developed, and roads are not designed to carry heavy and long-distance truck traffic. The Russian railway system includes a total of 150,000 kilometres (93,210 miles) of broad-gauge rail, making it one of the most extensive railway systems in the world. One of the major ongoing projects is the plan to extend the original 707-kilometer Northern Latitudinal Railway in the Yamal-Nenets autonomous district, linking western Siberia to the Arctic coast. The railway would transport deliveries to gas extraction projects in the Yamal and Gydan peninsulas, as well as bring natural gas shipments to the Northern Sea Route.



Figure 20 - Port Infrastructure (reconstruction of two of the port's berths)

#### **Water Transportation**

A country's transport infrastructure typically begins with its rivers. These naturally occurring transport and communication networks allow an economy and society to develop to a point where the construction and maintenance of man-made infrastructure is affordable for additional growth and development. Russia's major rivers flow mostly from north to south, while its population—and therefore much of the economic activity—is distributed from west to east. Furthermore, Russia's relative lack of mountains means that many rivers don't have enough force and direction to be commercially navigable. They are often not deep enough, wide enough, or straight enough to be efficient enough for commercial shipping.

The Russian waterways system is an important component of the transportation infrastructure. Total navigable routes in general use by the Russian River Fleet amount to 101,000 kilometres (62,761 miles). Among Russia's most important ports are Arkhangelsk, Kaliningrad, Kazan, Krasnoyarsk, Moscow, Murmansk, Novorossiysk, St. Petersburg, Rostov, Sochi, Vladivostok, Volgograd, and Vyborg. The Russian merchant marine includes some 700 ocean-going vessels, but its fleet is twice as old as the global average. The plan to develop waterways targets a capacity increase of 30% at sea ports. Taman on the Black Sea is the largest greenfield, while a number of smaller coal terminals are to be built in the Russian Far East as well. The plan also envisages the development of inland waterways, with port capacity to increase 70%. The third part of the waterways plan is to develop the Northeast Passage, with the aim being to triple traffic. In order to reach this target, several ports are to be expanded and a new fleet of nuclear ships built.



Figure 21 - Air Transport Hubs

#### **Air Transport**

Russia has some 630 improved airport facilities, 50 of which are capable of accommodating international flights. The country also has an extensive oil and gas pipeline system, with some 48,000 kilometres (29,827 miles) of pipelines for crude petroleum, 15,000 kilometres (9,321 miles) designed for shipment of refined petroleum products, and 140,000 kilometres (86,996 miles) designed for shipment of natural gas. Chukotka, which lies in the Russian Far East, is mostly roadless and can only be reached by air. The autonomous region is rich in natural resources, including oil, coal and gold. Russia's infrastructure plan includes a total budget of 267.5 billion rubles for developing regional airports. Incidentally, the last part of the ongoing infrastructure investment plan is to improve inter-regional air communication to increase the share of non-Moscow traffic from 37% to 51%. In order to reach this level, the plan is to rebuild 48 regional airports and 20 infrastructure support facilities.



Figure 22 - Long Range Aviation

Improving regional airports would help to link companies that operate in inaccessible environments to road, rail and shipping routes. However, work on airport renovations is progressing slowly.

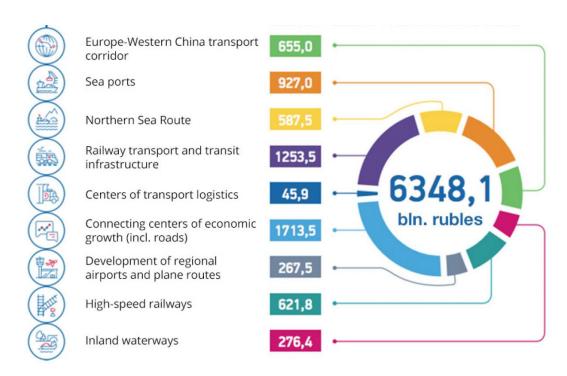


Figure 23 - Spending on Transportation (£1 = 73 rubles)

As part of this development strategy, special economic zones (SEZs) were set up in locations such as Russkiy Island in Vladivostok. In 2014 the government also introduced 'advanced development zones' (ADZs, or territorii operezhaiyushevo razvitiya) in various locations, including in the RFE. SEZs and ADZs offer investors advantages such as exemptions from certain profit taxes or reduced social contribution rates. The government also began to offer to provide business infrastructure in these areas, including assistance with opening new premises. Although the RFE has often been overlooked by Russia's policymakers as a domestic backwater, this seems likely to change. As recent constitutional reforms indicate, Russia's regions are likely to become increasingly important as key implementers of Putin's national projects, which are designed to stimulate economic growth and are in many ways intended as one of his main legacies. Aside from its importance in linking the RFE to Asia, if regional connectivity is not addressed as a priority, then Putin's legacy could be under threat.

Russian federal and regional authorities alike are becoming increasingly engaged in the development of PPPs. At the federal level, Russia's lower chamber of parliament (the State Duma) operates a PPP council. The Ministry of Economic Development is the government body responsible for PPP policy in Russia. Several federal ministries also manage PPP councils, including the Ministry of Culture, the Ministry of Public Health, the Ministry of Finance and the Ministry of Construction, Housing and Utilities (the latter two Ministries have been especially active in recent years). At the regional level, most regions have adopted their own PPP laws which will remain in effect until 2025, notwithstanding the adoption of the federal PPP law. The trend over recent year's shows that Russian authorities view the PPP sector as a leading tool for infrastructure development and for attracting private (both domestic and foreign) investment. Even though some regional authorities with little experience in the PPPs remain sceptical, the federal Government is actively advocating this instrument, including situations in which the Government declines to provide co-financing for regional infrastructure, unless it is a PPP.

It is worth noting that infrastructure developments cost a good deal more for Russia than for many other countries, measured as a percentage of gross domestic product (GDP). However, Russia still achieves a respectable economic multiplier from investments made. This metric holds that each unit of GDP invested into infrastructure should results in additional GDP growth. It usually holds true. Russia's infrastructure economic multiplier for 1995-2016 was 2.3, nearly equal to Western Europe or Australia, which both averaged about 2.4. The economic multiplier is what makes the announcement that Russia will soon be pouring money into infrastructure cause for hope that Russia might be able to spread development to more of its vast territory and large population. Recently, reporting on the plans have been focused on two of its most massive projects. One of these is a new expressway along the Black Sea coast due to cost some \$19 billion. The road will link Russia's resort areas with a beautiful seaside drive meant to be a tourist attraction in itself. Passing through the Caucasus Mountains, the project will require no less than 43 bridges and overpasses, as well as 27 tunnels. It is a lot of work for a relatively small stretch of road, making it quite likely that additional concerns such as providing military access to the sensitive North Caucasus region and providing that region with increased funding and development played roles in the decision to go ahead with the project.

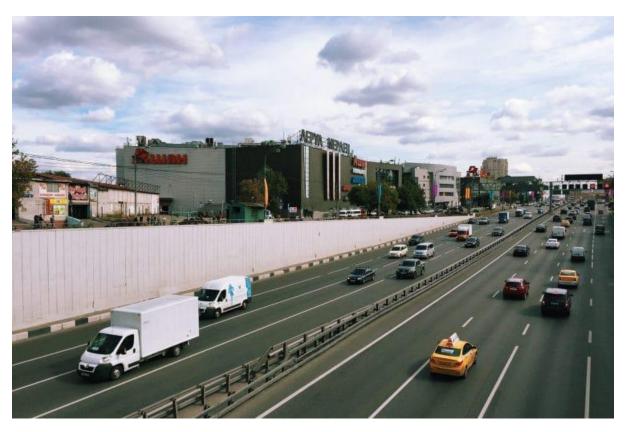


Figure 24 - highway

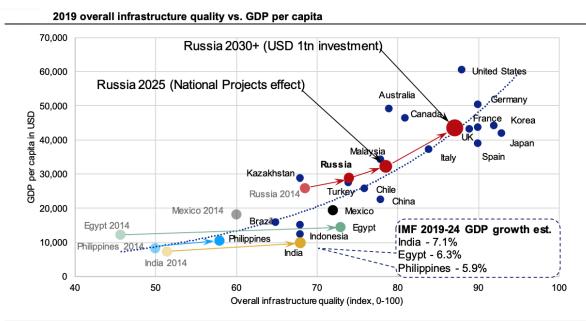
## **Road Transport Infrastructure**

The Russian highway system includes a total of 948,000 kilometres (589,087 miles) of road including 416,000 kilometres (258,502 miles) that serve specific industries or farms and are not maintained by governmental highway maintenance departments. Of the total road system, only 336,000 kilometres (208,790 miles) are paved. Russia's great territorial expanses and rugged terrain have hindered the development of a nation-wide highway. Investment into roads includes transforming regional roads to "safe and quality" roads, or upgrading 41,000km out of the total 511,000km road network, which will cost \$64bn, or 35% of the total spent on roads. At the same time links between cities will be improved by constructing some 2,300km of high-speed motorways.

Roads in the RFE region are especially vulnerable to the elements, as poorly constructed road surfaces tend to break up easily under the highly changeable weather conditions of the RFE. During winter, many roads in the RFE are impassable. Communities beyond the major cities are sometimes entirely cut off. These practical difficulties increase the financial burden on construction companies, which are unwilling to take on projects that are logistically challenging, such as most of those in the RFE. To improve connectivity, another ambitious new highway will run from the Kazakh to the Belarusian border. Known as the Meridian Highway, it will connect with Chinese projects meant to run between China and Europe. Russia's section of the project will cover 2000 kilometres of Russian territory (equal to about three quarters of the width of the United States). Russia hopes to profit from the customs duties on cargo and the tolls collected by the road in addition to spurring the economy of surrounding regions by creating jobs and easing transport.

#### **Russian PPP environment**

The Russian authorities have adopted several programmes aimed at modernising infrastructure, including roads, railways, airports, power generation plants, as well as healthcare and social infrastructure. The Government provides support to private investors in order to attract foreign investment. For instance, it co-finances and/or guarantees PPP projects. It also provides tax credits and other benefits prescribed for special economic zones.



Source: WEF - Global Competitiveness Report 2014-19, IMF WEO, VTB Capital Research

Figure 25 - Investment in Infrastructure

#### **Water Supply**

Municipalities are a leading source of water pollution in Russia, discharging 52 percent of noncompliant wastewater to the environment. Sixty-nine percent of wastewater systems lack capacity to treat the volume and type of current flows. In 1997 only about 10 percent of wastewater requiring purification was treated to standard by municipal and industrial facilities. Surface waters also are degraded by non-point sources--agriculture and livestock operations and urban and suburban development. The explosion in unregulated residential and dacha community development to the west of Moscow, for example, has threatened the city's principal watershed.

Most rivers, lakes, and reservoirs do not comply with Russian ambient water quality standards. Principal pollutants include biological contamination, nutrients, petroleum products, and heavy metals. Two-thirds of drinking water supplies come from surface sources, so water pollution has a significant impact on drinking water quality and public health. Groundwater supplies, in general, are cleaner, although many regions relying on groundwater (Samara, Penza, Tula, Rostov, Primorye) have reported problems. According to the Russian environment agency, Arkhangelsk, Kemerovo, Murmansk, Karelia, Primorye, Dagestan, and Sakha-Yakutia are the regions with the worst drinking water quality problems. The Russian public health service reported that approximately 20 percent of samples taken from public water supplies in 1997 failed to meet health norms for physical-chemical

criteria, and 10 percent failed biological criteria (as compared with 20 and 16 percent, respectively, in 1991). Substandard drinking water contributes to an estimated ten percent elevation in gastro-intestinal illness, and the 1990s witnessed an increase in reported cases of gastroenteritis, hepatitis A, and bacterial dysentery. According to one estimate using 1994 data and published by the Russian environment agency, water pollution imposed a cost of about one percent of official GDP, or about \$13 billion.

Improving drinking water quality does not require capacity expansions, as commonly called for in development plans. Systemwide water loss is estimated to be on the order of 50 percent, according to the World Bank; Russia's environment agency has reported that leaky faucets alone waste about 20 percent of the supply. Experience in Central Europe and the Baltics suggests that higher tariffs can reduce demand by 20-30 percent or more. Reducing water consumption will help ease treatment burdens and pollution loads. Communal infrastructure and services have been undermined by economic decentralization and dislocation.

Going back in time, in the Soviet era, municipal water supply, sewage and wastewater treatment, solid waste disposal, and street cleaning and snow removal were funded largely by central budgets. Industries often provided such services free of charge to the communities around them. Responsibility for these services has now shifted to local governments and public utilities which lack the revenue-generating capacity, know-how, or political will to adequately operate and maintain systems in Russia's new environment. Metering and volumetric billing for water use and wastewater discharge typically cover only larger users. Tariffs are relatively high (an effort to soak those with deep pockets) but firms and public entities (schools, hospitals, and the military) enjoying the support of officials often skip payments or resort to barter. Residential consumers are charged a modest flat fee. The bottom line is that Russia's utilities cannot cover their operating costs (e.g., reagents and electricity) and have deferred maintenance and capital investment. Bringing Russia's water and sanitation systems up to the standards of the European Union would likely cost hundreds of billions of dollars. Not surprisingly, system performance generally has not improved, even in the wake of the 1998 financial crisis, when demand for water and pollutant loads fell due to the drop-in industrial activity.



Figure 26 - Construction Sites

#### **Housing**

While housing in the Soviet context constituted a legal right for citizens its socio-cultural importance has received little attention thus far. Housing constitutes an 'intimate infrastructure', if not the most intimate one, because it provides the material, social and symbolic base for family life, marriage, social reproduction and home-making. Furthermore, although being embedded in a new political and economic context, housing after privatization maintained its crucial relevance as it became 'the chief source of household wealth' (Zavisca, 2012, p. 1) for the majority of urban residents. In light of the uncertain labour market and low salaries, housing constitutes the most important element of financial security for the future, and the major form of capital for new homeowners with which to profitably engage in the housing market.

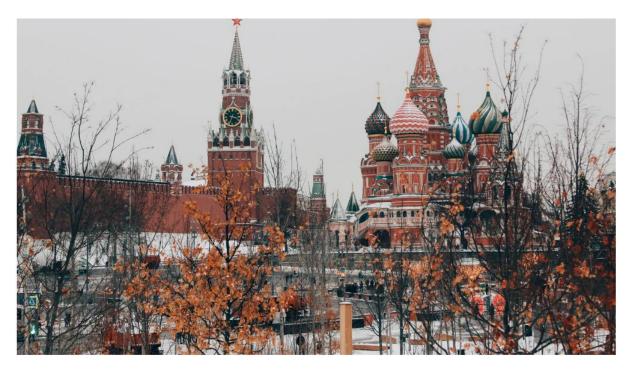


Figure 27 - A classic building that evokes strong religious and ancestral emotions

The meaning of infrastructure goes far beyond its technical functioning because it conveys powerful images of civilizational progress. Speaking about the 'politics and poetics of infrastructure', anthropologist Brian Larkin argues for an analysis of infrastructures 'as concrete semiotic and aesthetic vehicles oriented to addressees. They emerge out of and store within them forms of desire and fantasy and can take on fetish-like aspects that sometimes can be wholly autonomous from their technical function' (Larkin, 2013, p. 329).

#### A leap of technological faith

Technology transfer to China on a large scale from the Western world began during the middle of the 19th century and went through several different stages. One of the important stages was from the 1950s to the early 1960s, when the Union of Soviet Socialist Republics (USSR) was involved in a comprehensive program of technology transfer to China. This program included three parts: one was to transfer industrial technology by aiding the construction of industrial projects; another was to develop Chinese capacity in science and technology through various forms of cooperation; and the

third was educational and involved helping China adjust and construct technology colleges, as well as recruiting a large number of Chinese students to study in the USSR. As part of these assistance and cooperative projects, the USSR sent thousands of experts or consultants to China.

Stepping back slightly, it is important to understand the specific international and local environments that surrounded the transfer of technology from the Soviet Union to China in the period 1950 to 1966. After World War II, a bipolar international order emerged, dominated by the confrontation and competition between blocs headed by the United States and the Soviet Union. During the Chinese civil war, ultimately won by the Communist Party of China (CPC), the U.S. government supported the Kuomintang with military, economic, and political assistance. From the winter of 1948 and again during the Korean conflict, the U.S. government refused to recognize the communist government in Beijing and imposed export regulations. At the same time, the Soviet Union kept expanding its own socialist bloc in Eastern Europe and with other developing nations.

The CPC had adopted ideals and goals quite similar to those of the Soviet Union, including the political concept of communism. This connection provided an important ideological basis for cooperation between the People's Republic China and the Soviet Union. However, ideological similarities could not always overcome political considerations related to the achievement of national benefits. After the World War II, for example, Stalin sought to acquire an ice-free port on the Pacific Ocean and looked covetously at China. The Soviet Union also obtained special benefits in northeast China, and cooperated with the Kuomintang government of the Republic of China. At the same time, the Soviets wanted to restrict the Kuomintang government and confront the United States through an alliance with the Chinese Communist

When the CPC gained its military triumph in the late 1940s, Soviet officials hoped that Communist China would join the Soviet bloc. Simultaneously, leaders of CPC were eager for help from the Soviet Union. From the end of January to the beginning of February 1949, they discussed the reconstruction of China and Soviet assistance with Анастас Иванович Микоян (Mikoyan), a representative of the Soviet Union, during that summer, when a delegation headed by Shaoqi Liu secretly visited Moscow, Zedong Mao, the chairman of the Chinese Communist Party, declared his

policy of "leaning to the side of Soviet Union" in a newspaper article (Mao, 1967a, pp. 1362–64). In December 1949, Zedong Mao himself visited Moscow to negotiate a treaty with Soviet Union advancing Chinese national security and economic reconstruction (Luan, 2003b).

On 14 February 1950, in Moscow, Chinese Prime Minister Enlai Zhou and Soviet leaders signed The Treaty of Amity, Alliance and Mutual Aid between Soviet Union and China and The Convention on Soviet Union's Granting a Loan to the People's Republic of China of 30 years' duration. Henceforth, a series of economic trade agreements were endorsed between China and the USSR. The Soviet government mobilized manpower and material resources to help China launch a 5-year plan of national economic development (1953–1957) and organize a planned economic system with industrial projects. The USSR also pledged to provide equipment and technology, and sent consultants and experts to China. The Soviet Union swiftly became China's largest external trading partner

The Chinese foreign policy of "leaning to the side of Soviet Union" increased its exclusion and hostility from the United States and the developed countries of Western Europe. Western countries joined the United States in isolating China, launched an economic blockade, and made it impossible for China to buy material, machinery, and technology directly from the West. China was forced to

restrict its foreign trade relationships to the Soviet Union and the socialist countries in East Europe.

With the United States as a common opponent, the Soviet Union and China shared similar concerns about national security. The American policy on China, the tension in the Taiwan straits, and the eventual conflict in Korea all appeared to Chinese leaders as threats to the security of Communist China. Chinese involvement in the Korean War came at a heavy economic price. Most of the loans provided by the Soviet Union were used to purchase Soviet weapons. At the same time, Chinese entry into the Korean conflict eased Stalin's suspicions and apprehensions about China, leading him to expand cooperation with China in other directions (Li,2002).

Soviet assistance to Chinese industrial projects took several forms, including the transfer of entire designs; shipment of manufacturing technology and equipment; deployment of experts to instruct Chinese during construction, installation, and debugging of equipment; and training and instruction of Chinese technical and administrative cadres and workers during trial production. Thus, the Soviet Union provided China with designs and manufacturing or processing technology for such industries as alloy steel and petroleum products, heavy machinery, machine tools, measuring and cutting tools, power plants, electric generators, mining machines, oil extracting and oil refining devices, trucks, caterpillar tractors, locomotives, instruments, bearings, switches, rectifiers, films, heavy artilleries, tanks, tank engines, fighter jets, airplane engines, and rockets. Eastern European countries provided product designs and manufacturing technology for instruments and wireless components. China had not manufactured most of these products; if it had, Chinese products were substandard.

But now China sought to acquire the design of accessories and equipment that Chinese factories could manufacture. Complete equipment transfers. Exporting complete sets of equipment was one of the most important means of providing assistance to China. The machines the Soviet Union and Eastern European countries provided equipped collieries; power plants; steel smelting and processing factories; nonferrous and rare metal factories and mines; chemical plants; machine tool factories; heavy machine plants; car, truck, tractor, and tank manufacturing plants; locomotive works; airplane factories; electric generator factories; mining and petroleum machinery manufacturing plants; electrical equipment and radio plants; special paper-producing factories; sugar refineries; pharmacy production; and many others.

Truck building TECHNOLOGY TRANSFER from the USSR to the PR of CHINA helped it before it developed its own design, the Dong Feng truck. Through practice and the acquisition of technical data from the Soviet Union, Chinese enterprises and design institutions developed the capacity to design important products. In 1956, Enlai Zhou said, "As a result of learning from Soviet Union, our engineering circles have mastered a lot about how to design and construct modern factories, mines, bridges, and water conservation. And we have improved a lot on the design of large machines, locomotives, and ships" (Zhonggong Zhongyang Wenxian Yanjiushi, 1994, p. 19). By 1957, Chinese design institutions already could design and construct large projects with more complicated technology (Guojia Tongjiju, 1959, p. 8). For example, in 1957, engineers at the Harbin Electrical Machinery Plants designed hydroelectric equipment capable of generating 10,000 kilowatts, and those at the Dalian Rolling Stock Plant designed a large freight locomotive (1-5-1 type).

China embarked on its first 5-year economic plan in 1953. Realizing the importance of science and technology in carrying out that plan, in February 1953, Zedong Mao called on all Chinese to learn Soviet advanced science and technology to develop China (Zhonggong Zhongyang Wenxian Yanjiushi, 1993a, pp. 45–46). To this end, a delegation of the CAS visited Moscow in March.

Can we learn anything by comparing this massive exercise in technology transfer from the Soviet Union with other large-scale transfer programs? It is certainly significant that China's main partner in this effort during the 1950s had itself relied extensively on transferred technology to help make its own big leap toward modern industrial technology after 1925. Especially intensive transfer activities occurred in the USSR between 1928 and 1937 (Sutton, 1973; Holliday, 1979). Technology introduced from the West accelerated the Soviet economy and began closing the gap with developed Western countries. The technology transfer program from the Soviet Union to China, on the other hand, was a large-scale venture within the socialist family. Beyond that, there are a number of other differences, as well as a few similarities in the two technology transfer efforts. By the early 1950s, the United States and other Western capitalist nations had agreed to prohibit the transfer of strategic goods, materials, and technology to the Soviet Union as well as to China. But because this program limited the markets (and thus the profits) of private corporations in the West, internal opposition frequently surfaced. Often companies sought to influence their governments' decision making in ways that allowed trade with the Soviet Union, and thus the transfer of technology.

China and Soviet Union also experienced different problems in the areas of patents and intellectual property. When the Soviet Union copied Western products, Western countries always complained that the Soviet had pirated the design. In the end, however, the West had to accept such behaviour if they wished to maintain commercial ties (Sutton, 1980, pp. 442–44). However, China had no patent problems because its relations with Soviet technology suppliers had been solved by treaty from the beginning. While selling technology and equipment, the Soviet Union also transferred related immaterial knowledge—the right to use a particular technology, its design, technical experience, educational and training methods, and managerial knowledge. The Soviet Academy of Sciences transferred not only their computing technology, but also the experience about establishing an institute to the CAS without any strings attached; they also supplied their newest computer for China to study and imitate. This allowed China to launch an independent initiative concerning an entirely new technology.

China generally, help give to China was labelled "technical assistance." In fact, it involved compensation from China, so that the terms technology exports, technological trade, and technical cooperation more accurately describe the process. The history of technology transfer from Soviet Union to China showed three dominant approaches. One involved the transfer of industrial technology by aiding in the construction of industrial projects; a second called for helping China to develop science and technology through scientific and technical cooperation. The third approach was to help China to reform and construct technical colleges as well as recruiting large number of Chinese students to study in the Soviet Union. Similarly, Soviet officials detected a waste of professional effort during the transfer of Western technology to the Soviet Union because of a lack of trained technicians and prepared managers (Sutton, 1980, pp. 417–419). Therefore, when transferring Soviet technology to China, Soviet specialists and consultants emphasized the importance of training professionals. The Chinese responded to their lack of industrial professionals by adjusting and reforming schools and university departments, bringing them into line with the Soviet model of higher education.

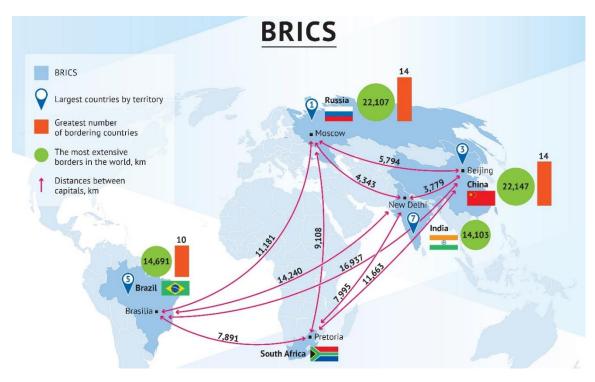


Figure 28 - BRICS Trade

### BRICS = Brazil - Russia - India - China - South Africa

China was not the only nation to receive a significant amount of technology from the Soviet Union.

NB: Nigeria should seek to join the BRICS as soon as possible. Whilst waiting for acceptance, it should request for technology transfer from the BRICS countries as well seek to align with their developmental and governance structures.

India also was a beneficiary of Soviet transfer and assistance programs and therefore provides an interesting comparison to events in China. After achieving independence, India's leaders adopted a policy of nonalignment in international relations. When Khrushchev became the most important Soviet leader, he adjusted Soviet foreign policy and emphasized peaceful coexistence to reduce East—West tensions. Soviet officials considered India's stance of nonalignment a positive force in world affairs. But they also began to provide India with technological and economic assistance to weaken and perhaps supplant the Western influence in India (Stein, 1969, pp. xi, 37). As had been the case in China, Soviet assistance focused on the development of industrial capacity through visiting specialists, the acceptance of Indian students, and scientific cooperation projects. The Soviet Union started its assistance to India with a steel plant and gradually expanded into other fields (Stein, 1969, pp. 42, 45, 269–270).

As the Soviet–Sino rift widened and Soviet specialists and consultants were withdrawn from China in 1960, relations between India and China also deteriorated and an Indian–Sino border conflict developed. The Soviet Union apparently increased both technological and economic assistance to India in response, and even provided military technological assistance (Stein, 1969, pp. 125–126, 153, 271). The Soviet aim was to keep China within limits. Nevertheless, the scale and scope of Soviet aid to India was much smaller than had been afforded China. Implanting and developing technology from any outside source requires the existence of supportive social systems, values, and conditions. Soviet technology, which originated from the West during the 1930s, was transferred to China systematically, and on a large scale. It laid a foundation for modern technology and industry in China, and helped to establish a more comprehensive system of modern technology and industry,

resulting in the development of deep scientific research. It also exerted a far-reaching influence on Chinese social and economic development during the second half of the 20th century. While introducing Soviet technology, China also built a social system similar to that in the Soviet Union, including a planned economic system, a scientific and technical system, and an educational system.

These institutions accommodated Soviet technology transfer and enabled the Chinese to assimilate Soviet technology relatively quickly. By way of contrast, there were many differences in terms of politics, economics, and scientific, technological, and higher education systems between India and Soviet Union. When India borrowed or copied technology from the Soviets, she did not change her system as obviously (Stein, 1969, p. 257)—perhaps because the assistance was of a smaller scale. On the one hand, the difference in social systems meant that the technological ties to India were never as deep, nor as invested with meaning, as those between China and the USSR. Ironically, however, the very depth and geopolitical significance of Sino–Soviet ties meant that the connections between the two countries involved much more than a narrowly defined business or economic relationship. It was these intricate social and political linkages that guided and shaped many of the outcomes of this important case study in technology transfer from one country to another.

#### **Affordable Housing**

Mass Housing Project - Option 1

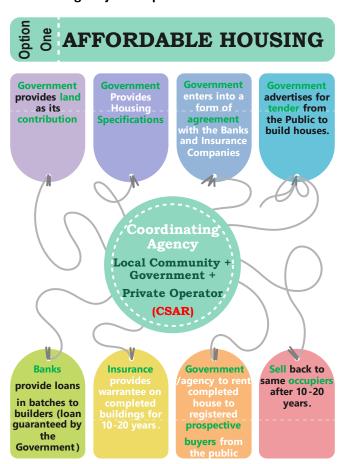


Figure 29 - Affordable Housing - Option 1

- Government provides land as its contribution.
- Government Provides Housing Specifications.
- Government enters into a form of agreement with the Banks and Insurance companies.
- Government advertises for tender from the Public to build houses.
- Banks provide loans in batches to builders (loan guaranteed by the Government).
- Insurance provides warrantee on completed buildings for 10-20 years.
- Government or Approved agency to rent completed house to all registered prospective members of the public under strict guidance.
- Sell back to same occupiers after 10-20 years.

NB: A Cooperative can also take on-board the role of the government - for projects that are on a smaller scale.

### Mass Housing Project – Option 2

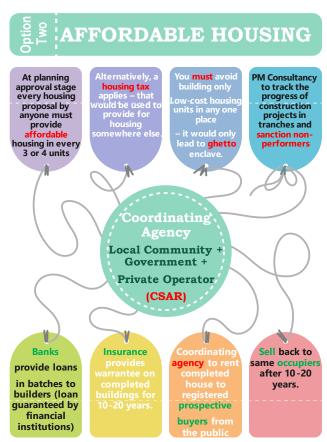


Figure 30 - Affordable Housing - Option 2

- At planning approval stage, every housing proposal by anyone must provide affordable housing in every 3 or 4 units. For example, if you are building 4 flats – one must be designated for registered affordable rent, based on consensus agreed between stakeholders like the government, the local community leaders, the estate developer etc. This approach ultimately also helps stem the tide of gentrification.
- Failing conformance with the approach of proportional housing units above (or as an alternative method to it), a housing tax is applied. This would be used to provide for affordable housing somewhere else.

• We will avoid building only low-cost housing in any one place – it would only lead to a ghetto enclave taking hold.

#### Value Proposition

- There will be an exponential growth of the supply chain industry that sits at the heart of the construction industry especially around materials engineering and small-scale manufacturing. Examples of such industries are timber treatment plants, kilns for making bricks, prefabricated walls, roofing systems etc.
- The public are allowed to invest/build and make a bit of guaranteed profit.
- Corruption is forced out of the system by the creation of an agency comprised of all stakeholders.
- A huge amount of Employment is afforded by every aspect of the construction process.
- More houses will be built within a relatively short time because many of the capable members of the public will get involved.
- It will not cost the government any upfront financial implication.
- Insurance companies, banks and financial institutions will make a bit of profit.
- Registration for affordable housing schemes to be worked out by the coordinating agency and a team comprising of government, public workers, local community stakeholders etc.
- Operational Guidelines and Legal arbitration semantics to be deliberately and extensively engineered to remove the "Nigerian factor".

For an example of tools for improving infrastructure, follow the link below;

https://fixmyarea4us.org/

#### Infrastructure Summary

What do nearly all the BRICS (Brazil – Russia – India – China – South Africa) nations have in common? Technological solidarity from Russia is the simple and straightforward answer. The history of technology transfer from the Soviet Union to China showed three dominant approaches. Transfer of industrial technology by aiding in the construction of industrial projects; helping China to develop science and technology through scientific and technical cooperation; and helping China to reform and construct technical colleges and taking in students to study in the Soviet Union.

India was also a beneficiary of Soviet technology transfer and assistance programs. Soviet assistance focused on the development of industrial capacity through visiting specialists, the acceptance of Indian students, and scientific cooperation projects. The Soviet Union started its assistance to India with a steel plant and gradually expanded into other fields.

The CCCP financially and militarily supported SWAPO and MPLA South African freedom fighters.

Based on the experience of both China and India, Nigeria should seek to join the BRICS as soon as possible. Whilst waiting for acceptance, it should request for technology transfer from the BRICS countries as well as seek to align with their developmental and governance structures. The idea would be to plug Nigerian engineers and entrepreneurs into the vast heavy industry manufacturing base available in Russia, just like the Americans have plugged Afro beat into the world via their music industry. Used machines for construction, heavy engineering tools, tools fabrication etc., should start being advertised/shipped for sale to industrial hubs in Nigeria. They should look to customise the existing tools for use for solving local engineering issues in places like Nnewi, Aba, Ladipo etc.

Going back in time, in the Soviet era, municipal water supply, sewage and wastewater treatment, solid waste disposal, and street cleaning and snow removal were funded largely by central budgets and run by centralised integrated teams. This priceless integrated knowledge and planning experience acquired from running such services is readily available in Russia. The approach will be to create partnership pair relationships between a city in Nigeria with a Russian city of similar size, and similar development level (preferably in the Russian Far East), where the level of development might be ever so slightly closer to what would typically be obtainable in the Nigerian context. Such partnerships can also happen at the level of regions, but no higher in order to reduce the bureaucracy burden that will be required to drive the relationship forward. Using experience gleaned from Chinese rail lines meant to run between China and Europe, Russia will hopefully help with modelling and providing equipment and training that will help integrated local road services providers to profit from the customs duties on cargo and the tolls collected for use of the tolled roads in addition to spurring the economy of nearby regions by creating jobs and easing transport.

As part of this development strategy, special economic zones (SEZs) will be set up in existing established industrial zones across the country (such as was done on the Russkiy Island in Vladivostok). Also, 'advanced development zones' (ADZs, or territorii operezhaiyushevo razvitiya) will be setup in various locations within each of the regional economic zones that had previously been deindustrialised to mirror the work done in the RFE (Russian Far East). SEZs and ADZs will offer investors advantages such as exemptions from certain profit taxes or reduced social contribution rates. The regional governments will also provide business infrastructure in these areas. Russia will share policy information and implementation details on how the previously underdeveloped RFE was refocused on, with the ongoing plans to rebuild 48 regional airports. Russia will also engage their track building, maintenance and equipment manufacturing companies using funding guaranties so they can take up the repairs and rehabilitation of existing rail tracks in Nigeria for the express purpose of making them operational and suitable for commercial use all can then profit from.

## **POWER**

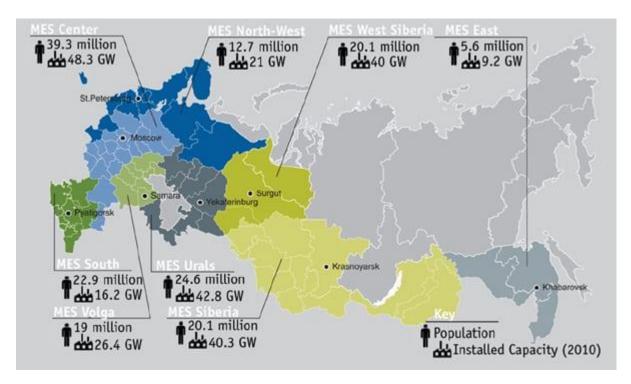


Figure 31 - Power Transmission in Russia

Russia's national grid is referred to as the "Unified National Electric Grid in Russia" because it comprises 73 Russian regions that are divided into zones, each falling under the control of one of the company's "backbone" electric grid branches of seven MES zonal power systems: Northwest, Central, Middle Volga, North Caucasus, Urals, Siberian, and Far Eastern—which is not linked to an integrated grid (Figure 31). The bulk is owned by the state-controlled Federal Grid Co. (RAO FGC), which oversees Russia's 118,000-km high-voltage transmission grid and invested \$14.5 billion between 2010 and 2013 to modernize it. Projects under way include a unification of the Russian and the West European transmission networks. Russia's power story was moulded by the country's political condition. It formally began just after the genesis of the Soviet socialist republic in 1918 and grew after the country's brutal civil war that culminated in Russia's union with five other republics to form the Union of Soviet Socialist Republics (USSR). The understanding of the power industry as a totality of processes of generation, conversion, distribution, and use by consumers of energy resources, such as fuels, hydropower, wind power, solar energy, and all kinds of energy [4], and the energy balance as a method of a comprehensive quantitative and qualitative characterization of the generation and application of fuel and all kinds of energy in the national economy on the whole and in its branches and the regions of the country [4]. The main tasks of the theory of system studies into the development of the power industry were;

- 1. Structuring the power economy of the country in the form of systems according to the production (branches, enterprises, etc.) and geographic (republics, economic regions, etc.) attributes.
- 2. Developing the methodology and the methods for coordinating the optimal development plans through the entire system hierarchy.

3. Determining the set of basic properties of the different-level systems and the intensity of their manifestation as well as the development of the methods for considering the above properties for the optimal development of the power industry.

In the late 1980s, using system analysis methods, the Soviet Union's Complex Program of Scientific and Technological Progress (Section "Fuel and Energy Sector") was developed in which the targeted greenhouse gas emissions caused by the power industry were minimized and the survivability of large energy systems under conditions of a large-scale war was investigated [36].

		Evolution stages of system studies			
Aspects and scope of work		Planned economy	State capitalism	Information society (2035–2050)	
		(Soviet Union, 1980– 1991)	(Russia, 2000– 2020)	mobilization	liberal
Stages and tools of planning	Plan development depth	Up to the enterprises	Country, ministry	Planning up to the households	No plan
	Use of mathematical models	State Planning Com- mittee, ministries	From the country to the enterprises	System of power industry development models and/or artifi- cial intelligence	Agent-based models of the power industry and economy agents
	Use of computing machines	_	Same		
	Communication means in use	Mail, telephone	Mail, telephone + Internet	Superinternet	Superinternet
	Coordination of deci- sion-making in the power industry	Country, ministry, enterprises	Country, ministry	From the country level to the households	Simulation of the operation of the markets under lack of information
	Consideration of the interactions between the power industry and the economy	Ministry (in detail)	Ministry (in out- line)	Integration of the power industry into the economy	
	Adoption of plan deci- sions	Ministry. Below, plan targets	Country, enter- prises	Upper management level	Decentralized
Information sources	From allied industries In outline from the upper level Internal forecasts	To a lesser degree Ministry To a lesser degree	To a lesser degree Ministry + state- owned companies Most enterprises	Integral databases on power industry, allied industries, and consumers	Formed when simulating the operation of the market
Results of planning	Directive plan	In general	-	Optimized plans of the development of the enterprises and power consump- tion regulation	Market partici-
	Taxes	State	State		pants take their
	Prices	"	State (partially)		plan decisions
	Investment projects of enterprises	Ministry	Ministry for state- owned companies		and accept development risks
	Rules of economic management	State	State	State	Economic Counsel
	Planning improvement	"	"	"	Same

<sup>\*</sup> In bold type, the aspects of the planning activity are highlighted that apply system study tools.

Figure 32 - Russian Power Roadmap

Based on the above, the responsible authorities take decisions that are automatically transformed into detailed production and investment plans, prices and taxes for the enterprises, and rates of consumption for people.

#### A Communist vision for Power - V. I. Lenin

"Communism is Soviet power plus electrification of the whole country" was iconic revolutionary Vladimir Illyich Lenin's famous formula. It was first declared in 1920 as the newly formed State Electrification Commission (or GOELRO, as it is abbreviated in Russian) presented the first 10-year plan to electrify the country via construction of a network of regional thermal, hydropower power, and combined heat and power stations to the Eighth Congress of Soviets in Moscow (see sidebar "Illyich's Lamp"). During the fiscal year 1927-28 production of electrical energy in the Soviet Union amounted to 3,000,000,000 kilowatt hours, triple the pre-war figure. In 1926-27 the production was

4,112,000,000-kilowatt hours and in 1925-26 it was 3,248,000,000. Capacity of electric power plants in the country October 1, 1928, was 1,700,000 kilowatts. Without a plan of electrification, we cannot undertake any real constructive work. When we discuss the restoration of agriculture, industry and transport, and their harmonious coordination, we are obliged to discuss a broad economic plan. We must adopt a definite plan. Of course, it will be a plan adopted as a first approximation. This Party program will not be as invariable as our real Party program is, which can be modified by Party congresses alone. No, day by day this program will be improved, elaborated, perfected and modified, in every workshop and in every volost. We need it as a first draft, which will be submitted to the whole of Russia as a great economic plan designed for a period of not less than ten years and indicating how Russia is to be placed on the real economic basis required for communism.

We must see to it that every factory and every electric power station becomes a centre of enlightenment; if Russia is covered with a dense network of electric power stations and powerful technical installations, our communist economic development will become a model for a future socialist Europe and Asia. It should, however, be realized and remembered that we cannot carry out electrification with the illiterates we have. Our commission will endeavour to stamp out illiteracy-but that is not enough. It has done a good deal compared with the past, but it has done little compared with what has to be done. Besides literacy, we need cultured, enlightened and educated working people; the majority of the peasants must be made fully aware of the tasks awaiting us. This program of the Party must be a basic book to be used in every school. You will find in it, in addition to the general plan of electrification, separate plans for every district of Russia.

Without electrification, the country will remain a small-peasant country, we must clearly realize that. We are weaker than capitalism, not only on the world scale, but also within the country. That is common knowledge. We have realized it, and we shall see to it that the economic basis is transformed from a small-peasant basis into a large-scale industrial basis. Only when the country has been electrified, and industry, agriculture and transport have been placed on the technical basis of modern large-scale industry, only then shall we be fully victorious. We have already drawn up a preliminary plan for the electrification of the country; two hundred of our best scientific and technical men have worked on it. We have a plan which gives us estimates of materials and finances covering a long period of years, not less than a decade. This plan indicates how many million barrels of cement and how many million bricks we shall require for the purpose of electrification. To accomplish the task of electrification from the financial point of view, the estimates are between 1,000 and 1,200 million gold rubles. Our best men, our economic experts, have accomplished the task we set them of drawing up a plan for the electrification of Russia and the restoration of her economy. We must now see to it that the workers and peasants should realize how great and difficult this task is, how it must be approached and tackled.



Figure 33 - Power Barge in Africa

Floating a heavy-duty gas plant – Above is a Siemens' SCC5-8000H SeaFloat power plant. It has an SGT-8000H gas turbine on board. It could deliver up to 1.3 GW with a plant efficiency of more than 61% in a two-unit combined cycle configuration.

#### <u>Portable Power – Power Barges</u>

Power barges stand out for their unparalleled versatility. Installation can take little under a month. Once in place, the vessels can float as an independent power supply for well over a decade. Their low draft means they have no need to dock into a harbour, and can therefore be moored upriver or wherever they are most needed. Their flexibility makes power barges well suited to providing power for developing countries, or areas with a desperate need for interim electricity. Despite their advantages, only in recent years have power barges become attractive investment opportunities. Once operational, significant returns can take from 3-4 years; afterwards they can be sold at a high percentage of their original value. Not bad, considering most infrastructure returns can take 10 or more years to materialise. Even when building a brand new power barge, from signing of contracts, the typical build time can be as little as 18 months, including the installation at site.



Figure 34 - Power Barge Connected to fuel Supply

Power barges are not for every generation application, but can offer certain advantages over land-based plants:

Manufacture of the floating barge structure and installation of the generation equipment can be conducted at most shipyards and marine construction facilities.

Advantages: attractive prices, high productivity, regional financing incentives and relatively short lead times.

A well designed power barge utilises established technology and is a low-risk mobile asset, easily financed with little or no stranded costs. Once a Power Purchase Agreement (PPA) has terminated, the barge can be removed and relocated to another site.

Advantages: extremely high asset value, minimum impact on local environments and the option to relocate or trade.

➤ A power barge can be rapidly delivered and moored in sheltered coastal areas, river estuaries, on existing docks or at a primitive sheet piled wharf, independent of local resources, unsatisfactory infrastructure or poor soil conditions. Barges can also be floated

into dredged-out areas and back-filled to form virtual land-based plants that can be removed at some point in the future.

Advantages: fast and stabile power to remote areas and the ability to install despite poor infrastructure or soil conditions.

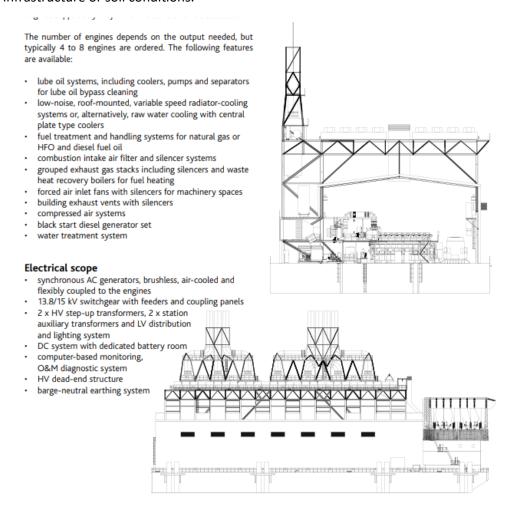


Figure 35 - Schematic Diagram of Power Barge Plant

Rosatom plan to order five floating nuclear powered barge units with a total capacity of 500MW at the Baltic Shipyard. It added that this would have "a significant socio-economic effect on the Russian economy" by enhancing Russia's nuclear and shipbuilding industries and creating a future export market for low-power floating reactors. It would also capitalise on the lessons learned from the first floating reactor project, the Akademik Lomonosov, which was developed over some 14 years.

Karpowership is the owner, operator and builder of the only Powership<sup>™</sup> (floating power plant) fleet in the world and plays an active role in medium to long-term investments; providing access to fast-track, affordable and reliable electricity. Currently, Karpowership owns and operates 33 Powerships with an installed capacity of 6,000 MW and an active construction pipeline.



Figure 36 - Floating Power Barge

#### **Market Leaders**

**Powerships** have a range starting from 30 MW up to 470 MW and they are delivered ready to operate in less than 60 days. Starting from the design, and ending with delivery of electricity, Karpowership fully executes all activities in-house including construction, site preparation, commissioning, and fuel supply.

Wärtsilä supplied a barge-mounted power plant to serve a mining operation in Papua New Guinea. The customer is Lihir Gold Limited, a leading global gold mining company, and the power plant provided electricity to its Lihir Island mine. The barge-mounted plant is based on Wärtsilä 20V32 engines operating on heavy fuel oil. Since the plant was planned as being an interim solution to the company's power needs for the site, it was decided to mount the power plant on a barge so that it can be later moved to another location when no longer needed at Lihir Island.

**MAN Energy Solutions** supplies the components necessary to develop efficient power barge solutions. They are available with all diesel and gas engines from our portfolio.

#### **Diesel Power Barges:**

MAN B&W Power Barges (6 power barges): 124 MW MAN B&W medium speed diesels 70 MW MAN B&W medium speed diesels 60 MW MAN B&W medium speed diesels 40 MW MAN B&W medium speed diesels 100 MW B&W slow speed diesels 100 MW B&W slow speed diesels

Wartsila Power Barges (16 power barges): 149 MW Wartsila medium speed diesels 120 MW Wartsila medium speed diesels 72 MW Wartsila medium speed diesels 72 MW Wartsila medium speed diesels 66 MW Wartsila medium speed diesels 57 MW Wartsila medium speed diesels 55 MW Wartsila medium speed diesels 52 MW Wartsila medium speed diesels 40 MW Wartsila medium speed diesels 36 MW Wartsila medium speed diesels 36 MW Wartsila medium speed diesels 30 MW Wartsila medium speed diesels 9 MW Wartsila medium speed diesels

#### **Gas Turbine Power Barges:**

General Electric Power Barges (25 power barges):
800 MW 32X8 General Electric Frame 5 simple cycle gas turbines
290 MW 9X9 General Electric Frame 6B simple cycle gas turbines
220 MW 4X1 General Electric LM6000 combined cycle gas turbines
185 MW 1X2 General Electric Frame 7 combined cycle gas turbines
70 MW 2X2 General Electric Frame 6 simple cycle gas turbines
56 MW 2X1 General Electric LM5000 simple cycle gas turbines
56 MW 2X1 General Electric LM5000 simple cycle gas turbines
40 MW 2X1 General Electric LM2500 simple cycle gas turbines

Siemens Westinghouse Power Barges (6 power barges):
123 MW 2X1 Siemens Westinghouse V64A simple cycle gas turbines
115 MW 1X1Westinghouse 501D5A simple cycle gas turbine
105 MW 1X1Westinghouse 501D5 simple cycle gas turbine
98 MW 2X1 Westinghouse 251 simple cycle gas turbines
98 MW 2X1 Westinghouse 251B12 simple cycle gas turbines
48 MW 1X1Westinghouse 251 simple cycle gas turbine

### Miscellaneous Power Barges:

52 MW Caterpillar high speed diesel engines 52 MW Caterpillar high speed diesel engines 88 MW 4X1 Pratt Whitney FT 4simple cycle gas turbines 150 MW 2X2 thermal power 20 MW nuclear power barge



Figure 37 - Complete Barge Power Plant Infrastructure

When it comes to the delivery of the barge power plant package, in some instances, existing ships can be converted into FPP's (floating power plant). There are cost advantages, which are overshadowed by longer construction timeframes. Converting a bulk carrier into a power station is a major undertaking and involves among other extensive works placing several generators into the cargo hold. Surveyors verify the conversion process, trials and testing phase, which enables them to deliver certification to applicable classification rules. FPP lifespans are generally between 25 and 50 years with between 4- and 12-years payback period. Financially, they provide reasonable returns to owners. In general, FPP's are more expensive than other forms of electrical generation, hence cost per kWh is usually not their strong point. However, in certain instances, it is far cheaper than building large power stations in remotely accessed areas, specifically where either short term or immediate solutions are needed.

Russia is today one of the world's top producers and consumers of electric power, with more than 220 GW of installed capacity (for comparison, U.S. installed capacity is approximately 1,000 GW). In 2009, the country consumed 849 TWh, a number that has been forecast to increase to 946 TWh by 2014 to accommodate plans for export to countries like China, Finland, Turkey, and Poland and, later, possibly to Pakistan and Afghanistan. Russia's population of 143.2 million pales in comparison with China's 1.3 billion. Even Indonesia, Pakistan, Bangladesh, and Nigeria have more citizens. But with the ninth-largest economy in the world by nominal value, it is home to the fourth-largest electricity market globally (after the U.S., China, and Japan), a massive network that includes 118,045 km of transmission lines, and more than 600 power plants with a capacity of over 5 MW each.

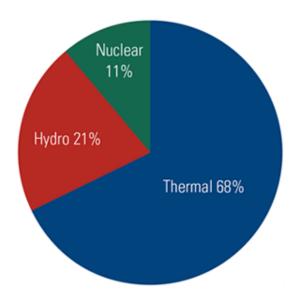


Figure 38 - Types of Power Plants

Its fleet primarily consists of about 440 thermal plants, mostly fired by natural gas; only about 77 are coal plants. Thermal generators account for roughly 68% of total capacity, followed by hydropower (at 21%), and nuclear power (11%), according to statistics from the Russian Ministry of Energy.

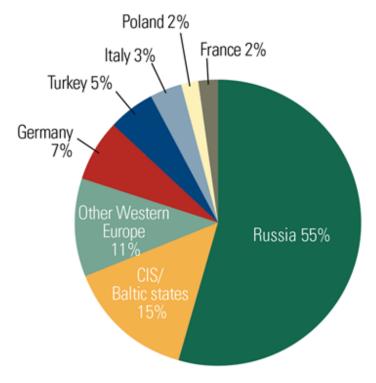


Figure 39 - Gas Supply Metrics

#### Russia's Gas Realm

Starting in the mid-1940s and continuing through the 1960s, the Soviet Union penetrated the Iron Curtain and developed a network to deliver natural gas first to Poland, then to Czechoslovakia, and finally to Western Europe, steeling a dependency—and interdependency—with more than 30 countries for decades (Figure 39). Gazprom still exports a significant amount of gas to those countries, and in recent years it has (through its subsidiary Gazexport) also begun exporting liquefied natural gas (LNG) to serve the rising demand in Japan and other Asian countries. AO NOVATEK is the largest independent natural gas producer in Russia. The company is engaged in the exploration, production, processing and sale of natural gas and liquid hydrocarbons and has more than twenty years of experience in the Russian oil and gas industry.



Figure 40 - The Ural Turbine Plant UTZ was founded on October 2, 1938

Closer to home in Africa, power generation is arguably the biggest problem holding the continent back in its quest for growth and development, resulting in a vicious cycle of low investment, little public spending, poor growth, little job creation resulting a low tax base for governments to attract further investment. In general, power generation capacity in Africa is small, and with numerous problems caused by old and ageing infrastructure as well as large maintenance backlogs. These issues continually result in power supply interruptions which damage GDP and therefore hinder economic development. Part of the problem in increasing capacity is time to get power projects producing power; delays in land acquisition, approvals, environmental challenges and host of others result in low power generation capacity.

- 1. Difficulties in acquiring suitable land for land-based plants
- 2. Short term and rapid increase in power demand
- 3. Short term and rapid decrease in power supply
- 4. Secure, cheap and long term fuel source.

In Nigeria, Investment in the sector will likely also hinge on the development of enough skilled labour. Qualified staff left the sector during the slump in the 1990s, and the next-generation

workforce is critically lacking, with control unit engineers and maintenance specialists particularly in demand, industry experts report. Partnering with Russia as they attempt to reflate their once-buoyant domestic power technology sector, which shrank during the transition period after the fall of the Soviet bloc is the way to go. Especially given that the ongoing war has triggered the need to meet surging demand for equipment. Of particular interest in Africa would be the approach the Russians take to the recovery of the Ukrainian energy system they are currently busy destroying.

The template would be very much applicable in a place like Nigeria where power infrastructure components are in a state of repair or are unable to cope with the transmission of power currently stranded at various NPPs.

Although major energy equipment firms like Siemens, GE, Alstom, ABB, Skoda Power, Schneider Electric, Westinghouse, and Mitsubishi Heavy Industries have already entered the Russian market and established a firm footing, the approach in the case of the power issue in Nigeria, would be to enter direct partnership with local Russian manufacturers of specialised power equipment parts and equipment. They would be given the required specifications to manufacture what components are required to get the old, dilapidated equipment in live service in Nigeria back to productive use.

#### **Russian Power Equipment Manufacturers** Over 100,000 products Production and supply of materials for power supply systems, electric lighting and low-voltage systems at facilities of any Европейская +7 (800) 600-71-18 Электротехника **Completed projects** Activities Products Industry directions Contacts OBO **□ DKC Фмек**а SYSTEM kabeltec **PRYSMIAN** REKA ELETIROTEK MARKE HELUKABEL 3₹3 Draka PANDUIT<sup>®</sup> СЕВКАБЕЛЬ Рыбинсккабель Hyperline ITS **AVAHLE ТОМСККАБЕЛЬ © LAPPKABEL** M NAPUTET (ОО) КАВКАЗКАБЕЛЬ **ES-SYSTEM** ZUMTOBEL III microlights Световые Технологии siteco БЕЛЫЙ СВЕТ iGuzzini Abacus Lumistec THORN VARTON OSRAM **SIEMENS DEVI** Raychem<sup>\*</sup> **5**KBT FAT-N Li legrand 311

Figure 41 - Partners of European Electronics

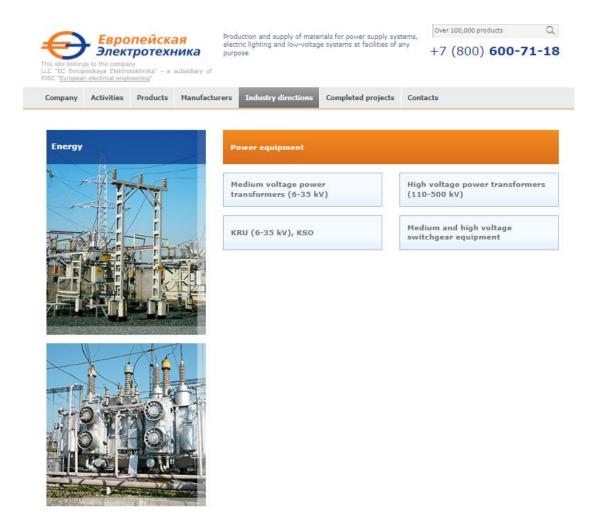


Figure 42 – Equipment by European Electronics



Figure 43 - Cheboksary electrical apparatus plant

#### **Power Distribution Network Equipment by Russian Manufacturers**

- 1. Turnkey contracts for substations up to 110 kV
- 2. Designing of substation up to 110 kV
  - Protection systems
  - Telecontrol, substation automation, communications
  - Automated system for electric power fiscal accounting
  - Primary diagrams of 110/35/10 kV substations
  - 110/35/10 kV switchyard, indoor switchgear
  - Station service, operating current
  - Ground loop, lightning protection

A wide range of equipment can be supplied:

Compact secondary/transformer substations

- 110/35 kV Compact transformer substations
- 10/0,4 kV Indoor compact transformer substations
- 6(10)/0,4 kV Modular outdoor transformer substations

#### Modular buildings

- 6(10)/0,4 kV Modular outdoor transformer substations
- 6(10) kV indoor switchgear
- 6(10)/35/110 kV Substation control rooms

#### Switchgear

- Modular switchboards, front open (KSO 306, 306 SHVV)
- Modular switchboards, front open (KSO 307)
- Modular switchboards, front open (KSO 202V, 202 VM)
- Modular switchboards, front open (KSO 207V)
- KSV-10 Switchgear
- KNV-10 Switchgear
- Outdoor switchgear (KSON 202V)
- Outdoor switchgear (KRUN KNV-10)

## Low voltage switchboard

- Pre-fabricated transformer substations for station service (RUSN 0.4)
- AC station service cabinets for substations up to 750 kV (SHSN8300)
- Station service cabinets (SHE8350)
- AC station service panel (PSN1100V)
- Operating DC panel (SHOTV)
- DC distribution panels (SHTE (SHSE) 8700)
- DC station service panels (PSN1200V)
- KUES system: low voltage switchgear and control gear with draw out units
- Switchgear for supply of valve drives and motors up to 28 kW (RTZO-88M, RTZO-88B, RTZO-88SE, RTZO-88BSO)

- Control gear of fuel system drives (URSN-50M, URSN-600M)
- Unified system Modul-X, subsystem HKY-CT
  - Switchgear (SHR11V)
  - Distribution panels (VRU1V)
  - Control boxes (YA5000)
  - Control and distribution boxes (RUSMV)
- Distribution point, light panels, pushbuttons and controller stations
  - o points (switchgear)
  - boxes
  - controller stations

#### Relay protection and automation

#### 6-35 kV bay protection

- BEMP 1 relay protection devices
- BEMP RU relay protection devices

#### Electromechanical and electronic relays for 0,4 - 1150 kV

- current relays
- voltage relays
- time delay relay
- intermediate relays
- power monitoring relays
- relays, protection and alarm devices for earth faults in 6-10 kV networks

#### Protection and automation units, sets and devices

- BEMP relay protection devices
- generator, transformer and line protection units, sets and devices
- · power supply, charging, testing and filter units

#### Protection and automation systems

## SHM and PM panels with BEMP units

- Line protection panels and breakers control automation for 110-220 kV (SHMZL/PMZL);
- Phase differential protection panels for 110-220 kV lines (SHMDFZ/PMDFZ);
- Transformer protection panels and breakers control automation (SHMZT/PMZT);
- Tap changer panels (SHMRN/PMRN)
- Busbar protection panels (SHMZSH/PMZSH);
- 6-35 kV bay protection panels (SHM35/PM35);
- Central alarm panel (SHMCS/PMCS);
- Load shedding and automation panels (SHMCHR)
- Interlocking panels (SHMOB);

#### Protection panels with electromechanical and electronic devices

- Line protection panels
- Transformer and autotransformer protection panels

- Busbar protection panels
- Automation panels
- Breaker failure protection panels
- Automatic reclosing panel
- Alarm panel

## Installation and commissioning

### **Customer Site References:**

- MRSK Volgi Chuvashenergo (Interregional Distribution Grid Company of Volga)
- 110/6kV Pervomaiskaya Substation
- Volgogradenergo, OAO
- 110/10 kV Bytkha Substation
- MRSK Centra Vladimirenergo (Interregional Distribution Grid Company of Centre)
- NURENERGO, OAO



Figure 44 - Gas Turbine in Production Service



Figure 45 - Gas Turbine Housing



Figure 46 - Power Plant Control Room

#### **Power Summary**

Communism is Soviet power plus electrification of the whole country". Otherwise, the country will remain a small-peasant country, and we must clearly realize that. Without a plan of electrification, we cannot undertake any real constructive work. These statements were first declared in 1920 (over a century ago now) as the famous formula for industrialisation and rapid development by the iconic and revolutionary Communist leader Vladimir Lenin and his team, when they presented their first 10-year plan to electrify the country via construction of a network of regional thermal, hydropower power, and combined heat and power stations.

Today, Russia's national grid is comprised of 73 individual regions that are divided into zones, each falling under the control of one of the top "backbone" electric grid branches of seven MES zonal power systems: Northwest, Central, Middle Volga, North Caucasus, Urals, Siberian, and Far Eastern. The power generation capacity consists of about 440 thermal plants, mostly fired by natural gas; only about 77 are coal plants. Thermal generators account for roughly 68% of total capacity.

All aspects of the Nigerian power grid should be handed over to the regional economic zones for management. The existing players in the electricity industry (generation, distribution, transmission, bulk purchaser, settlement etc.) should all be split into units that work under the rules, regulations and policy directives put forward by the administrative units running each region. The operators of the regional power system units within Russia will be directly paired with the authorities within the economic regions in Nigeria to help drive the operations of the private companies that are currently running the systems. The first area of cooperation should be the introduction of the technical players within the individual regional power industries to Russia equipment manufacturers and component manufacturers that can help to source or fabricate any faulty components that need to be repaired to get any existing equipment that are already deployed into operational use.

To inject extra capacity into the existing power generation mix, a power barge can be rapidly delivered and moored in sheltered coastal areas, river estuaries, on existing docks or at a primitive sheet piled wharf, independent of local resources, unsatisfactory infrastructure or poor soil conditions. Barges can also be floated into dredged-out areas and back-filled to form virtual land-based plants that can be removed at some point in the future. The Russians have experience in the use of Power barge-based units from the likes of large power equipment companies like Powerships, Wärtsilä, Caterpillar etc., producing power outputs from 9 MW - 800 MW. Furthermore, existing ships can be converted into FPP's (floating power plants), although converting a bulk carrier into a power station by placing several generators into the cargo hold is a major undertaking.

In order to power gas and heavy fuel powered generator units, the expertise for moving the relevant fuel around to the location of the power units will be required. Gazprom exports a significant amount of gas over large distances to several countries, and in recent years it has (through its subsidiary Gazexport) also begun exporting liquefied natural gas (LNG). The approach would be to setup regional joint ventures between the specialist companies within Gazprom that provide the technical expertise with the individual economic regions. The initial objective would be to repair existing gas or heavy fuel pipelines, improve on their pumping capacity, build pipelines required to connect the barges to nearby networks for gas/heavy fuel supply, bring online modular LNG processing units and setup the transportation networks and equipment required for the timely delivery of fuel to existing power generation units that are currently not within the immediate vicinity of piped fuel networks. Russia based subsidiaries of the likes of Siemens, GE, Alstom, ABB, Skoda Power, Schneider Electric, Westinghouse, and Mitsubishi Heavy Industries will provide transformer substations, Line protection panels and breakers control automation for 110-220 kV etc.

## **HEALTHCARE**



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Figure 47 - Classic Russian Hospital Setting

Healthcare in Russia is composed of four systems: public, parallel, private and NGO.

- > The public system is the biggest, with federal, regional and municipal authorities managing polyclinics, hospitals and research centres.
- > The parallel system, which is operated separately, is for ministerial personnel and their families as well as those covered by voluntary insurance. It is also available to the public on a paid access basis.
- The private system is small and is primarily concentrated in urban areas. Likewise, there is a voluntary health insurance system, which operates in large cities, that is purchased mainly by employers and provides access to top level facilities.
- ➤ The NGO system primarily focuses on advocacy; however, it also plays a role in direct care in collaboration with the Government and international organisations including the Global Fund to Fight AIDS, Tuberculosis and Malaria.

Prior to the Revolution of 1917 Russian healthcare system was virtually non-existent in the sense that its systematized provision to the vast majority of the population outside of a few urban centres, was virtually non-existent. If you were living in rural areas, you'd be extremely lucky to have access to a trained doctor - most of the services in those places were provided either by people with no formal training (or very little), or members of the clergy. With the establishment of the Soviet Union, the state started the creation of a completely socialized healthcare system. At its core, it was a centralized system with the government providing state-funded health care to all citizens (at first it

was to all *employed* citizens). The right to health was officially enshrined in the Soviet constitution, making Soviet Union one of the first countries that promised universal free cradle to grave healthcare coverage, sometimes called the Semashenko system (after Nikolai Semashenko, one of its creators). The system was tiered around the district health board and the district physician. Accordingly, all health personnel on all levels were employed by the state.

In 1918, the Soviet Union became the first country to promise universal "cradle-to-grave" healthcare coverage, to be accomplished through the complete socialization of medicine. The "right to health" became a "constitutional right" of Soviet citizen. The proclaimed advantages of this system were that it would "reduce costs" and eliminate the "waste" that stemmed from "unnecessary duplication and parallelism" — i.e., competition. These goals were similar to the ones declared by Mr. Obama and Ms. Pelosi — attractive and humane goals of universal coverage and low costs. What's not to like? In the first three or four decades of Soviet rule this system was indeed a major improvement over what was previously available, leading to drastic decreases in infant mortality and increases in life expectancy (though this is largely masked by the destructive effects of the Second World War and the preceding famine), as well as decreases in the rates of various infectious diseases, such as cholera, typhus, and tuberculosis. The Soviet government generally understood the complexity of the tasks that lay before it. The country's infrastructural base made any sort of "advanced" healthcare provisions virtually impossible outside of its largest cities and, as such, a conscious decision had been made to prioritize preventative treatment aimed at prophylactics of scores of common infectious and epidemic diseases, as well as universal vaccination and immunization.

The modern Russian healthcare system has its roots in the early 1990s and the collapse of the Soviet Union. The constitution of the Russian Federation, which was adopted in 1993, gave citizens the right to state-funded healthcare. The constitution also introduced a number of changes to how state healthcare in Russia was managed and paid for. The idea was to replace the centrally funded Soviet era Semashko model, which was a multitier network of service providers connected by a referral network, with a system of compulsory insurance. The compulsory insurance system was funded through payroll taxes and budgetary contributions from regional and local government. The financing reforms coincided with a decade of economic instability that saw healthcare spending decline. The period also saw male life expectancy fall, various diseases re-emerge and the suspension of immunisation programmes in various parts of the country. The next decade saw the introduction of a number of reforms designed to address these problems. In 2006, the Government introduced the National Priority Project – Health (NPPH) in a bid to tweak the system through improved funding and infrastructure.

The Russian pharmaceutical reimbursement system consists of several programmes, including the 'vital and essential drugs list', which includes products whose price is fixed at the federal level, and the Seven Neologies Program for expensive medicines. Just under 40% of the pharmaceuticals used in Russia were imported, representing 70.2% of the market in value terms. The leading suppliers were Sanofi, Novartis and Bayer. However, the Russian manufacturers OTCharm, Pharmstandard and Biocad were among the top 20 suppliers in revenue terms. The Russian market is dominated by generic drugs. Only 14.4% of medicines sold in the country in 2018 were 'original drugs', equivalent to 38.7% of the total market value. Online pharmaceutical sales may also be a factor in Russia in the next few years. In 2018, politicians started discussing draft laws designed to govern the retail sale of medicines by 'remote means'. According to DSM Group: "Market experts agree that the online sale of over-the-counter drugs should be legalised, but there should be a clear definition of control over trading platforms." Discussions are ongoing.

Looking forward, healthcare in Russia looks set to continue to evolve as it strives to improve access, develop primary healthcare and increase healthcare staffing levels. Since 1996, Russia's constitution has provided citizens and residents with the right to free healthcare. This is provided by the state through the Federal Compulsory Medical Insurance Fund (also called the OMI or Obligatory Medical Insurance). It is funded through payroll and employer contributions. Every Russian citizen and working resident receive free public health insurance through Russia's Obligatory Medical Insurance (OMI). Of course, free isn't really free. Employers pay about 2% to 3% of salaries into a social tax, part of which is used to fund the healthcare system. In general, healthcare in Russia is underfunded. The country spends between 5% and 6% of its annual GDP on healthcare. This is well below the global average, which sits at about 10%, and puts Russia close to the bottom of all European countries.

Despite these gaps in care, it's not common for Russians to have private insurance (or "voluntary" insurance as it's often known.) Only an estimated 5% of Russians hold private supplemental insurance, though that number is higher in cities like Moscow where the number is closer to 20%. Many Russians earn too small an income to afford supplemental insurance. However, the worlds of private and public healthcare are starting to gradually mix. In Moscow, a chain of medical clinics called Doktor Ryadom ("Doctor Next Door") is rapidly growing. Half the patients are treated under the public healthcare system and half are treated under a privatized model.

Russia's public healthcare system is struggling to keep pace with an aging population, aging infrastructure, and challenging political history. At the end of the Soviet Union, Russian healthcare was a mix of state of private systems, with nearly four times the doctors and hospital beds per capita. A period of funding cuts devastated the public system and gave the private sector space to grow. Gradually, things turned the other way and by 2013, public healthcare allotments per person increased tenfold. Sadly, this period of growth was short-lived, and Russia's financial crisis of 2014 brought drastic cuts once again. As such, there hasn't been a sustained period of growth and investment that has allowed the public healthcare system to thrive.

Russian health care has inherited the Semashko model of health care organization. Its main distinction is state-centred financing, regulation, and provision of health care. The model has specific forms of provider organization, for example, outpatient clinics (polyclinics) with a large number of various specialists, the separation of care for adults and children, and large highly specialized hospitals [4]. The Soviet and post-Soviet health systems have been underfunded. Public health funding in the 1990s dropped almost by one third in real terms [5]. The organization of medical care in the 1990s did not change significantly relative to Soviet times, and the system has adapted through the reduction in the volume of services and increased payments by patients, frequently informal [6]. The surge in oil prices after 2000 allowed health funding to increase and while encouraging noticeable changes in service delivery. In the 2000s, the priority of prevention campaigns was revitalized in the form of a national prophylactic medical examination program (Prophylactic Program, called Dispanserization) that is a set of health check-ups and screenings. The major expectation from this Prophylactic Program is the same as in European HCS [27].

To supplement the analysis of the Prophylactic Program, we analysed the evidence base for the components of the program and interviewed leading specialists of the federal Ministry of Health on the criteria for the inclusion of the components into the program. We found that some screenings were not evidence based and effect on the population health and/or health of participants is small [28]. The screening package of the dispanserization was expanded and reduced couple of times, but still a number of ineffective screenings are included in the package (electrocardiography (ECG)

screening of healthy subjects, prostate specific antigen (PSA) screening of middle age and adult men, urinalysis and routine blood tests, mammography from age 40 etc.).

Since the 1990s, some regions have started replacing district doctors and paediatricians with general practitioners. But this initiative has not been supported by the federal Ministry of Health, therefore the institution of a general practitioner is not accepted throughout the country. Currently, the share of general practitioners in the total number of generalists serving a catchment area is only 15% (Fig. 1). The model of general practice is used only in some regions. The main part of the primary care in the country is provided by district doctors and paediatricians, whose task profile remains narrower than that of general practitioners. The division of primary care for children and adults is preserved. The family is not a whole object of medical care. This division is actively defended by Russian paediatricians with references to specific methods of managing child diseases.

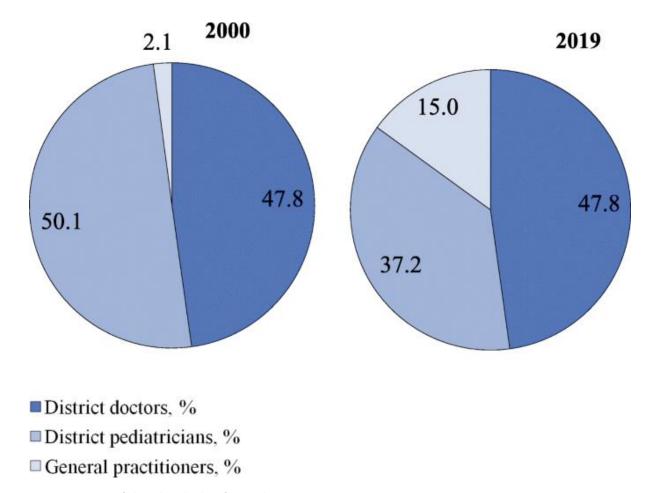


Figure 48 - Types of Clinical Medical Professionals

Russian health care, whose genetic basis was the Soviet Semashko model, after a difficult 'survival' period in the 1990s, underwent significant structural changes over the next two decades. To a large extent, the directions of these changes have coincided with European trends. The prevention and the early detection of diseases have developed intensively. The reduction in hospital bed capacity and inpatient care was accompanied by an intensification of inpatient treatment and a decrease in the average length of stay. Russia has intensively implemented vertical health care programs to develop the priority activities, but still significantly lags in the level of development of horizontal ties among services providers.

Specific structural changes in Russia are rooted in the organization and governance of service delivery. The interests of federal and regional bureaucracies, which act as the main drivers of changes, are pushing them to prioritize the changes in volumes of medical care and organizational structure of health care providers and not spend a lot of effort on improving their functionality and modes of interaction between providers of medical care. An important role is also played by the low capacity of primary care units to provide quality care. To respond effectively to modern global challenges, reduce mortality, and improve the health of the population, structural transformations in Russian health care must be intensified with the focus on strengthening primary care, the further integration of care, and an accelerated development of new structures that mitigate the dependence on inpatient care.

# **Polyclinics**



Moskva agency

Figure 49 - Patient Consultation

Polyclinics were (and are) responsible for around 70 to 80% of all patient care and treatment. Usual catchment areas for urban clinics hovered around 30.000 to 50.000 people, who were seen to by around 20 to 30 general practitioners, who were supported by various teams of specialists, such as surgeons, radiologists, cardiologists, endocrinologists, rheumatologists, neurologists, and so on. Again, noting the preventative emphasis of the Soviet healthcare system, they were often supplemented by specialists responsible for ailments and injuries caused by common (and uncommon) hazards, such as pollution experts and toxicologists. Most of the polyclinics had an alcoholic centre, and most of the larger ones also had a gynaecological department, but dermatological, psychiatric, physiological, dental, and paediatric care were provided separately.

They did do house calls, and a lot of them at that. Partially it was due to the low availability of hospital beds, so in some cases ailments that would have ordinarily called for a hospitalization were treated at home, with predictable effects for quality. You could get one by dialling "03" from any

landline phone, and specify your situation (whether it's an emergency, and what sort of a treatment you required). This service was considered to be one of the most important in the Soviet health care system. Until 1960 there was very little in the way of on-house treatment though. In 1960 the Soviet Ministry of Health issued a decree on further improvements in ambulatory health, which stipulated that all children suspected of having developed respiratory illnesses or have been in contact with people who have developed respiratory illnesses should only be treated at home, and it sort of snowballed from there. By the 1980s the Soviets were treated at home at around 5 times the rates of West Europeans. Even though the wait times would balloon as well (getting a house-call done would normally take around 3 times as long as a consultation at your local polyclinic), sometimes upwards of two hours for it to arrive (and a lot more if you lived in a rural area), this remained a highly in-demand staple of the Soviet health care system.

In Russia, medical care is provided free to all groups of the population and is funded through social contributions to the national budget. The bulk of polyclinics and hospitals are state-owned. The system itself was created during the Soviet period and is similar to the current healthcare model in Great Britain. To take advantage of all the services of the state system today, you will need to have a compulsory medical insurance policy - they can be obtained at the nearest polyclinic practically as soon as you are born (children's and adult medical establishments are separate, but all of them are covered by the policy). Also, the country has a wide range of private medical institutions nowadays, ranging from ordinary polyclinics and dental practices to multidisciplinary medical centres that can perform operations of varying complexity.

So-called polyclinics are the first port of call in the Russian national healthcare system. These institutions have family physicians (general practitioners in Great Britain), as well as specialist doctors, such as surgical specialists, ophthalmologists, neurologists, cardiologists, etc. You need to register with a polyclinic by submitting a written application, and you can change polyclinic but not more than once a year, unless your job involves constant travelling. Polyclinics also provide the population with immunization and periodic check-ups (a preventative examination by all types of specialists once every three years). The main drawbacks of state polyclinics are the long waiting times to see a specialist, the mere 15 minutes a specialist can devote to one patient per appointment, and the elderly babushkas in line. Despite the inevitable complaints, the polyclinic system is trying to respond to people's concerns and improve patient convenience. "The first time I had a preventative medical examination was more than 10 years ago, before I went to university, and it took me a week. I had to line up for two hours to see each specialist," says Daria from Moscow. Now you can have a check-up not just at your polyclinic, but also in an ordinary public park, she exclaims. "This year I had a preventative medical examination at a Healthy Moscow pavilion, which was located in a park! Doctors check your height and weight, do a quick test for glucose and cholesterol, a general blood test and an ECG, check your blood pressure and carry out a fluorography examination."

In the event of emergencies in Russia, you need to call the emergency medical service, which is also absolutely free, even if a person is not a Russian national. A lot of work has been done in recent years to improve it, and in major cities, an ambulance usually arrives very quickly. Russia has very good state hospitals with excellent doctors, equipment and care. But it also has medium quality and very poor hospitals. Even if you live in Moscow or St. Petersburg, you may end up in any one of these three categories of hospital. You either have to be lucky or, as many people do, you can try to influence the decision made by the ambulance service or the doctor at your polyclinic. Also, you can have scheduled surgery in practically any state hospital without being referred - for payment in cash. But for the majority of the population, it is too expensive. In addition to general hospitals, there are

also specialist research centres that deal with complex cases, diseases and operations, and they are usually only located in major cities

## First aid stations



Alexander Kondratyuk/Sputnik

Figure 50 - Getting Local Medical Care

Practically all population centres in Russia have 24-hour first aid stations. You can go there without being referred if you have received an injury that doesn't require hospitalization - for example, if you have broken or dislocated your arm, or badly hurt or cut yourself. These stations have doctors and all necessary diagnostic equipment to provide first aid. Russia's economic and political transitions of the early 1990s triggered one of the biggest collapses in healthcare outcome collapses ever seen outside war or pandemic situations. Government health care expenditures declined by one-third in the 1990s. Many secondary and rural facilities that were tied to old Soviet enterprises were closed and service discontinued, increasing utilization of costly hospital services. Health facilities were forced to charge fees while households incurred large OOP expenditures or had to forego care. Public spending only reached above pre-transition levels in real terms in 2006 with the infusion of resources from the 2006-2007 National Priority Health Program (World Bank, 2008). As a result, Russia's health outcomes consistently lagged behind those of other comparator countries and relative to Russia's income levels. Life expectancy at birth was 71.4 years in 2015—far below that of lower per capita income BRICs (Brazil, Russia, India and China), Brazil (74) and China (76).

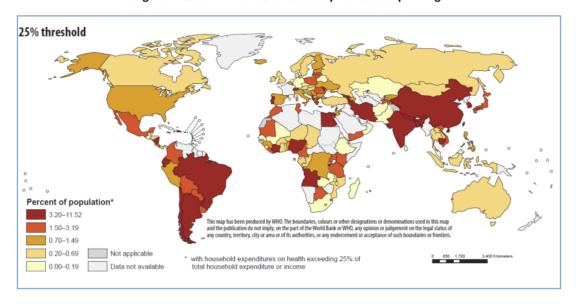


Figure 7: Global Incidence of Catastrophic Health Spending

Notes: WHO and World Bank estimates are based on standard definitions and methods to ensure cross-country comparability, which may not correspond to the methods used at regional and/or national level to monitor catastrophic spending on health. Global estimates are based on data availability for global monitoring which may not necessarily align with availability of data at national or regional levels.

Source: Global database on financial protection assembled by WHO and the World Bank (WHO and the World Bank, 2017).

Figure 51 - Global Health Spending

Strengthening the service delivery system, particularly primary care, is important for sustaining and expanding recent financial protection and equity gains. The first important steps have been made by the Russian government for the rationalization of health infrastructure, including a shift from inpatient to outpatient care, deployment of day care centres, development of multi-level service delivery system, a substantial rise in tertiary care provision, establishment of a rehabilitation and palliative services sector, and strengthening care in rural and remote areas. The equalization policy has helped re-distribute public spending more effectively. Historic supply variations across regions and local areas have narrowed due to a substantial improvement in access to care in some regions. The use of inpatient care has become more pro-poor, especially for those over 65 years of age. However, service delivery reforms have fallen short of significantly strengthening primary care services. Inadequate care coordination, chronic disease management and the over-use of hospital services are all associated with inadequate access to good quality, affordable primary care services.

Several organizational changes are being tested in different regions in order to strengthen and transform the service delivery system. The objective is to make outpatient care more patient-oriented and increase efficiency of internal processes in polyclinics. For example, the current project "Resources saving polyclinics" being piloted in three regions (Jaroslavl, Kaliningrad oblasts and Sebastopol city) includes the following activities (MOH, 2017):

- Delegation of some physicians' functions to nurses.
- Building more efficient logistics in polyclinics, including a more careful separation of patient flows across individual providers' offices.
- Introduction of electronic communication and paperwork reduction.
- Building a new polyclinic image.
- Establishing new infrastructure for preventive activities (new structural units).

Two years of project implementation (2015-2016) have shown promising results. According to the MOH (2017), physicians' average time with patients doubled in various regions, appointments with physicians were radically facilitated, and patient waiting times to see a physician fell by 12 times. More detailed evidence of the project' results will become available in future. Another example is the creation of a new "layer" – inter-territorial health centre – to supplement the traditional model of outpatient care. This layer will provide both outpatient and inpatient care to the inhabitants of a few neighbouring territories. The regional governments built these centres for clusters of communities to encourage the cross-border regional movement of patients. Going forward, additional fiscal space for health is needed and health policy must make more effective use of available resources. An increase in tobacco and alcohol taxes would not only raise revenue, if earmarked for the health sector, but also reduce tobacco and alcohol consumption, which contributes to NCDs. Once the additional fiscal space has been identified, expanding coverage for outpatient drugs and strengthening primary care are immediate priorities.

Looping back in time, the Soviet system favoured closely monitored good health from cradle to grave. From the polyclinic (a kind of health centre, each one serving a few thousand people) to the Prikaz (a massive protocol driven tome) the emphasis was on being well and staying well. Collective life meant that the funding and construction of buildings was never a major problem. There emerged in each town a plethora of massive concrete hospitals, each devoted to its own area of medicine. The first point of call for patients were first aid stations. After them, patients could go to polyclinics in their districts. If needed, they got help at district or city hospitals. In especially severe cases patients were sent to specialized medical institutions. A similar system was established for children. In the Soviet Union huge attention was paid not only to medical treatment, but to preventive methods as well. A wide range of dispensaries were established, primarily specialized in venereal diseases, alcoholism and tuberculosis. The system of medical care in the Soviet Union included not only hospitals and polyclinics, but also a wide range of sanatoriums and resorts. Sanatoriums were a continuous part of medical treatment, while resorts also played a significant rehabilitative role.

Socialized medical systems have not served to raise general health or living standards anywhere. In fact, both analytical reasoning and empirical evidence point to the opposite conclusion. But the dismal failure of socialized medicine to raise people's health and longevity has not affected its appeal for politicians, administrators, and their intellectual servants in search of absolute power and total control. Most countries enslaved by the Soviet empire moved out of a fully socialized system through privatization and insuring competition in the healthcare system. Others, including many European social democracies, intend to privatize the healthcare system in the long run and decentralize medical control. The private ownership of hospitals and other units is seen as a critical determining factor of the new, more efficient, and humane system. Everyone has been struck by the very high proportion of women doctors in the USSR. Undoubtedly this has been one of the consequences of the emphasis on quantity output; thousands of men were needed for other fields like engineering, the sciences and education. It has also been due to the emphasis on child health service (see below) for which women are believed particularly well suited.

Physicians are attracted to the rural districts in several ways. Every new medical graduate is, first of all, theoretically required to spend a period of three years in one of a list of localities posted by the Ministry of Health of his republic. His medical education has been completely subsidized (including living expenses), and this is a way of paying back his obligation to the state. The new graduate is given a list of places needing physicians, from which he makes a selection, but the

higher-ranking students get the first choices. Such periods of rural service, incidentally, are required also in Turkey, Greece, and several Latin-American countries. A certain proportion of these young doctors remain in rural health service, but there is no question that in the USSR, as in other countries, the cities have greater attractions. To counterbalance these, rural medical positions pay higher salaries than urban posts of comparable responsibility. The entire territory of the Soviet Union is said to be covered with sanitary-epidemiological stations, manned with fulltime staffs. There are no "non-covered" counties or districts. In the main cities, like Moscow or Kiev, there is a central sanitary-epidemiological station that supervises smaller ones around the city and operates various laboratories for chemical or bacteriological analyses. Generally, however, the station— as we shall discuss later—is part of a hospital centre.

Centralized Policy and Decentralized Execution. While the whole Soviet health service was centrally planned and directed, the day-to-day or even the month-to-month orders do not all emanate from Moscow. There is great delegation of responsibility peripherally, and enormous diversity is found in local practices. The execution of policies is a responsibility of the health ministries in the fifteen republics, and is delegated further to hundreds of oblasts, municipalities and rayons. The fundamental requirement, for example, that the services of physicians and hospitals should be available to everyone without charge, but that drugs outside the hospital or polyclinic must be purchased, is national policy. The central ministry also issues recommended standards for proper ratios of physicians of different specialties, and hospital beds of different types to meet the needs of a population in cities and rural areas. The actual building of these hospitals and the staffing of them and of the polyclinics, however, is left up to local authorities. There is particular decentralization in the establishment of hospitals, polyclinics, industrial health stations and other physical facilities. A substantial share of the capital costs of these is met from local, rather than central, revenue sources—particularly in rural areas. The collective farms are now expected to build hospitals and maternity homes from their own funds. Factories provide the space needed for health stations. Once established, however, the full costs of operation are met by funds allotted from the central government. The amount a particular local unit gets, however, depends directly on the budget proposal it submits. Thus, the first action on needs for personnel, equipment and supplies is taken when financial estimates are sent up the line. The Soviet state introduced a unified system of medical care for the whole country from Moscow and Leningrad to distant remote villages. All citizens were assigned to medical facilities in the places they lived.

### Our vision for a FUNCTIONAL Healthcare System for Nigeria

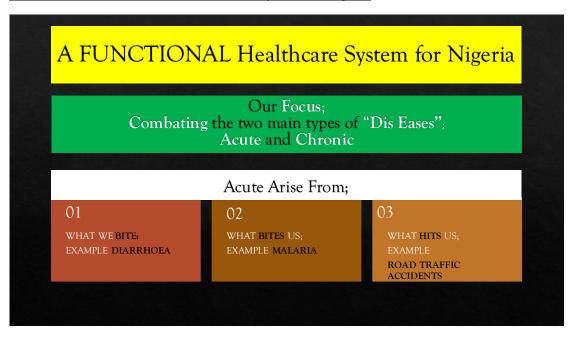


Figure 52 - A functional Healthcare System

Broadly speaking, there are mainly two types of diseases that directly contribute to "Dis Eases" of the human condition. Namely they are Acute (where you are unable to function at your normal capacity but has a cure of sorts), and Chronic (silent and asymptomatic and controllable but typically without a cure).

Acute arise from the following;

- What we bite diarrhoea,
- What bites us malaria
- What hits us accidents road traffic accidents

Prevention of acute "Dis Eases" of any element of the human condition, and ease of access when intervention is required, are the two corner stones of a functional healthcare system that is targeted at tackling the menace of Acute "Dis Eases.

In respect of the preventative layer of the approach, we would actively involve the following ministries (sectors) in the rollout of our integrated system for intervention.

- Education enforce standards of hygiene training within educational establishments, at all levels
- Environment engage the various government parastatals in putting focus on the health-related aspect of sanitation, sewage, drainage, water supply etc.
- Infrastructure/urbanisation road, rail networks will be required to have PHC facilities within their premises, major junctions or close to major bus stops and train stations.

Prevention is indeed better than cure, we believe our sustained focus on the above would greatly reduce case incidences but will ultimately not eliminate them entirely.



Figure 53 - SOS for managing Acute "Dis Eases"

Measures to put in place to manage Acute "Dis Eases" The fundamental principles apply:

- A. Resuscitate
- B. Stabilize
- C. Definitive treatment

A, B, C can be provided in Primary Health Care (PHC) centres. The Federal Government should continue be responsible for the upkeep PHCs.

However, as a drive to spread the reach of this critical healthcare service to the population, the government will mandate (via policy framework), places of worship to establish PHC centres within their facilities like Churches, Mosques, Spiritual homes etc. Focusing on the required infrastructural components, it is envisaged that, like other African countries, a standard size shipping container kitted out with standard medical, IT and auxiliary power generation equipment, would be more than adequate to deliver PHC services to a catchment area local to the vicinity where it is located. This drive of rapid bringing online PHC capacity, is solely meant to complement existing PHC centres in every LGA ward, rather than replace them.

It is worth noting, that the places of worship would appear quite attractive in the Nigerian context, given their preponderance, and the fact that the public already expect to observe a certain type of protocol when within the perimeter of their premises. Furthermore, it is anticipated that religious organisations will be very adept at setting up HMO type departments that can partner with the government.

In order to be able to provide a consistent level of service delivery, the following will be put in place.

- Every PHC must have Electronic Medical Records and use Treatment Guidelines.
- The manpower for PHC centres which include CHeWs (Community Health Workers), Nurses, Mid-wife's, NYSC Drs and Medical Officers, will be funded as a priority.
- An ongoing training schedule for building capacity in the field of medical technicians will be
  put in place to provide focused training for suitably qualified temporary staff drawn from the
  pool of students awaiting their results for access into the various tertiary institutions across

the nation. The central idea is to train such individuals in particular focused areas e.g., dental technician for cleaning teeth, operation of medical devices like scanners, IT assistant using smart phones to help with collaboration during the diagnosis of medical conditions, or even training individuals to carry out certain medical procedures like say cataract - as was successfully done in Gambia to rapidly reduce a huge backlog of patients awaiting surgery.

Shifting focus to the management of Chronic "Dis Eases", state owned General Hospitals will serve as referral centres from your local PHCs, and provide secondary health care to citizens. Public institutions like Tertiary Hospitals – referral centres and teaching hospitals should exist in every State, alongside specialist Private hospitals. They would be regulated by Medical Professional regulatory bodies e.g., NMDC.

#### The Nigerian Youth and the Dynamics of the Worldwide Healthcare Sector Supply Chain

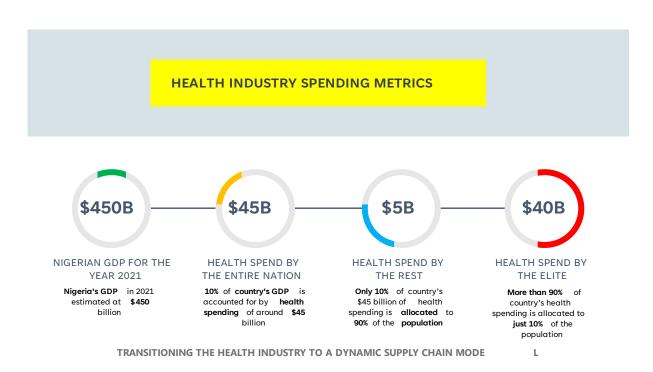


Figure 54 - Healthcare Industry Spending Metrics

### Nigeria's GDP in 2021 estimated at \$450 billion

WHO estimates that ten percent (10%) of a country's GDP is accounted for by health spending (Health Economy). This is ostensibly on the basis that the widespread spending on the unorthodox healthcare options that are visibly pervasive in the Nigerian space are not being captured. Therefore, conservatively speaking, in the context of the Nigerian economy, the WHO estimates would be around \$45 billion. This being the amount of money Nigerians are willing to spend within the health industry in the period of 1 year.

Now, continuing to follow the trail of the \$45 billion yearly spend by Nigerians, it turns out that half of that amount is simply extracted out of the Nigerian health economy, because of the practise of health tourism abroad by the elite and the wealthy. It even gets starker because the standard

model of 20% of the population controlling 80% of the resources in most developed countries (practising a free-market economy), is even more extreme in the Nigerian terrain.

Here, it is estimated that not more than 10% of the population control 90% of the resources of the nation. Working with the \$45 billion figure, this would mean that 10% of Nigeria's population of 200+ million are the only ones who use 90% of the \$45 billion dollars available within the health industry for their personal healthcare, mostly outside of the shores of Nigeria.

The Health Industry is a business of sorts, even though it is naturally looked at as a humanitarian service. The health economy has a value chain which needs to be and should be broken down into its component parts and offered to international and local investment conglomerates to build capacity in the value chain.

Looking across the spectrum, the various aspects of the industry like pharmaceuticals, healthcare delivery, the services sector (like food and cleaning that are integral to the functioning of the system) to name but are few, are all environments that will be opened to investors.

To facilitate this, policies would be implemented to make sure that the business ventures established are financially secure and cannot fall prey to government policy reversals.

# OUR HOLISTIC VALUE PROPOSITION FOR A DYNAMIC HEALTH INDUSTRY SUPPLY CHAIN

humanitarian service



#### THE BUSINESS

The health industry is a

needs to adapt business practices to thrive

The health economy value chain needs to be broken down into its component parts and offered to international/local investors

Policies would be implemented to make sure that the business ventures established are secure.

Attenuate the interaction of NGOs in relation to their directional interventions into our health policy decision making process .

#### THE PEOPLE

Ensure capacity building for young people, and the transfer of knowledge and knowhow.

Directly **employ labour locally** , creating jobs through **Foreign Direct Investments** into the health sector

The health industry to build a similar deep human resource capacity in the health industry as Cuba

Incorporate this value chain reform paradigm shift into the curriculum of universities across Nigeria

TRANSITIONING THE HEALTH INDUSTRY TO A DYNAMIC SUPPLY CHAIN MODE

Figure 55 - Health Industry Supply Chain

One of the objectives would be to directly employ labour locally, creating jobs through Foreign Direct Investments into the health sector. However, the key objective would be to ensure capacity building for young people, and the transfer of knowledge and knowhow. The idea is that the Nigerian health industry could build a similar deep capacity in the health industry as Cuba have been able to do. Based on this stated primary objective, there would, in the initial stages, not be a drive to monetise any rapid growth of any segment of the industry, in terms of for example taxation of revenues within the industry. On the contrary, the focus will be on the building the domestic value chain and measuring the progress of the drive to build local capacity.

Now, once we have our talented youth really engaged in the business of the provision of services in the health industry, the next thing that would need to happen is for them to be encouraged to stay within the shores of Nigeria and not move abroad like most of our professionals have recently been doing in the so called "brain drain". The key here is to strengthen patency and patency enforcement laws to encourage innovation and creativity. It is an open secret, that although a lot of our medical professionals are trained to use certain types of know medical interventions to treat

certain types of medical conditions, it turns out that, through years of experience and careful clinical observations, a lot of our clinicians have developed very efficacious treatment plans for which they have not been rewarded either financially, or otherwise.

Nigeria, with a population of over 200 million people should be able to specialize and take hold of an important portion of the worldwide health sector supply chain dynamics and be an important player in its service delivery arm. For example, in the area of clinical management of cases of sickle cell, our professionals have developed very effective treatment plans that they could in theory, monetise and use to boost the local economy by drawing in people from the world over for medical tourism in that field of the health industry.

To drive this vision, we will look to incorporate this value chain reform paradigm shift both directly (and through policy enactment), into the curriculum of universities in Nigeria so that students are offered health industry entrepreneurship training (of which IT will be a core element), during their health-related courses of study within the walls of the healthcare training institutions.

On a separate note, we would seek to attenuate the interaction of NGOs in relation to their directional interventions into our health policy decision making process. This is because NGOs appear to offer directives mainly in the interest of their countries of origin.

Furthermore, we will initiate a systematic audit of all public health related institutions to be involved in this value chain reforms to ensure proficient and efficient service's delivery, as a prelude to transitioning to a \*dynamic supply chain\* model and engendering a mind-set in our youth of driving value-oriented services in the health sector.

# Healthcare Summary

Prior to the Revolution of 1917, a public Russian healthcare system was virtually non-existent to the vast majority of the population outside of a few urban centres. However, immediately after the revolution in 1918, the Soviet Union became the first country to promise universal "cradle-to-grave" healthcare coverage - the "right to health" became a "constitutional right" of Soviet citizens. In the case of Nigeria, each economic region should implement a Healthcare system that will be comprised of the following four top level branches: public, parallel, private and NGO.

- The existing public system will continue to be the biggest, operating at the regional level with municipal authorities managing large polyclinics, hospitals and research centres.
- The parallel system, which is operated separately, is for top level government personnel (senators, ministers, justices, generals etc.) and their families as well as those covered by voluntary insurance. It is also available to the public on a paid access basis. Its express intention is to help stem the tide of health tourism by government officials.
- > The private system will be primarily concentrated in urban areas. It will support a voluntary health insurance system, which is purchased mainly by employers and members of the public who can afford it and appreciate the access it provides to top level facilities.
- The NGO system primarily focuses on the establishment of first aid stations, and small polyclinic centres within the premises of religious facilities like Churches, Mosques, Spiritual homes etc. However, it will also play a role in general outpatient care in collaboration with the existing PHCs ran by government and international institutions.

The Health Industry is a business of sorts, even though it is naturally looked upon as a humanitarian service. To facilitate the rapid growth of the aforementioned parallel and private systems, policies would be implemented to make sure that they can operate as highly profitable fully commercial business ventures. Key objectives would be to directly employ labour locally, the creation of jobs through Foreign Direct Investment, making sure our talented youth get engaged in the business of the provision of healthcare services, building capacity, benefitting from the transfer of knowledge and knowhow, and do not end up moving abroad in the so called "brain drain". Looking across the spectrum, the various aspects of the health industry - like pharmaceuticals, healthcare delivery, the healthcare services sector (like food and cleaning that are integral to the functioning of the system), to name but are few, are all environments that will be opened to investors. The idea is that the Nigerian health industry could build a similar deep capacity in the health industry as Cuba have been able to do.

The NGO System, will typically use a standard size shipping container kitted out with standard medical, IT and auxiliary power generation equipment, to deliver PHC services as follows;

- Every PHC must have Electronic Medical Records and use Treatment Guidelines.
- The manpower for PHC centres which include CHeWs (Community Health Workers), Nurses, Mid-wife's, NYSC DRs and other Medical Officers, will be funded as a priority.
- An ongoing training schedule for building capacity in the field for medical technicians, will be put in place to provide focused training for suitably qualified temporary staff drawn from the pool of students awaiting their results for access into the various tertiary institutions across the nation. The central idea is to train such individuals in particular focused areas e.g., dental technician for cleaning teeth, operation of medical devices like scanners, IT assistant using smart phones to help with collaboration during the diagnosis of medical conditions, or even training individuals to carry out certain medical procedures like say cataract as was successfully done in Gambia to rapidly reduce a huge backlog of patients awaiting surgery.

# **EDUCATION**



Figure 56 - Polytechnic Building

In the 1920–1930s, the forerunners of PTU's included "schools of factory and plant apprenticeship" (Russian: "шко́ла фабри́чно-заводско́го учени́чества" — "Shkola fabrichno-zavodskogo uchenichestva", acronym: FZU; ФЗУ, фэ-зэ-ý), which were partly inherited from the vocational school system of the Russian Empire. In Russia, general Education focuses on the development of the rational, moral and physical characteristics of the pupils. The standard duration of primary general education is four years, basic general education lasts for five years, and secondary (complete) general education is of two to three years.

General education program consists of eleven years of studies. General education comprises:

- Pre-school education
- Primary education
- Basic general education
- Secondary (complete) General Education

Vocational Education: - vocational education is the first level of professional learning that involves the training of proficient workers, generally on the strength of basic general education.

A region is best placed to undertake the role of re-orienting the system, to review the number and distribution of vocational schools, to take difficult decisions about closing or merging courses, and to stimulate the opening of new ones. A region is also more knowledgeable about the local business environment and can quickly promote and invest in new programmes, provided that these new programmes meet the required education quality standards." "Pressed by budgetary problems, the government is seeking to develop arrangements to share the financing more widely (...) by promoting (...) multi-channel financing, (...) transfer part of the expenses of vocational education to the users of education, (...) multi-level financing, (...) transfer the costs of vocational education to the lower tiers of administration (...)". The call for multi-level financing is triggered by the government's

requirement to reduce the state budget substantially. Such a reduction can be achieved simply by reassigning government functions among different levels of government. The responsibility for the financing of vocational education, which is presently a federal responsibility, should be delegated to the economic regions. There are two types of vocational education:

- Professional Schools
- Professional Lyceum

The competence of the authorities in vocational education includes: designing and pursuing a uniform state policy in the field of vocational education; legislative regulation of relations in the field of vocational education; research in vocational education; designing and implementing federal and international vocational programs;

Designing regulations for various kinds of vocational schools; setting up state standards of vocational education; ensuring equivalence between foreign and national diplomas of vocational education; developing standard curricula, textbooks and teaching aids; establishing the procedure of teacher certification; creating regional requirements for construction norms and regulations of specified standard number of training equipment etc. Annually intensive flows of people change their residence; ethnic migration is growing, many Russians living in the former Soviet republics are now returning to Russia. They must often change their occupation in new places. Having a second (or third) profession permits them to feel more confident on the labour market.

It is no secret that vocational education has been substandard lately. The main reasons which have led to this crisis in the vocational education system are; decentralization of vocational education management, which has no legal basis; constant reduction of financing for education; lack of social guaranties for the system, personnel and students; inferior condition of many school buildings; threatening health conditions of children; almost complete feminization of the teaching staff, amongst others. On the other hand, the existence of the system of vocational education administered only from the centre is not compatible with the market economy. A new model is required to provide a balance of forces, a system of close cooperation between the state, private business, trade unions and educational institutions. It will help to attract new investments into vocational education and raise the quality of training. Based on the current doom and gloom in the industry, one can only wonder "how have schools survived under these dire financial circumstances"? Going forward, several mechanisms have been adopted by school principals and regional education administrations to generate additional sources of revenue.

These can be grouped under the following headings:

- > Administrative measures.
- Introduction of user charges.
- Contract training.
- Production activities.

Among the numerous difficulties which the Russian intelligentsia must now face, one of the trickiest is the question of how they adequately come to terms with new factors and circumstances while continuing their activities in the old ways they are accustomed to. It turns out that simply welcoming everything new is not enough. It is now necessary even for educated people to acquire supplementary knowledge. New terminology has appeared in cultured speech. Many concepts have become of leading importance. VOCATIONAL EDUCATION IN RUSSIA has fundamentally had to be refined.

Significant changes are expected in the nearest future in the labour market, especially in the traditional industries and occupations: – change of labour market structure towards production facilities robotization will have consequences for employment in the segment of blue-collar occupations. According to forecasts the robots will replace jobs fulfilled by the people in 25–30% types of professional activity in the developed countries by 2035 [1]; – change of employment structure towards using artificial intellect will have consequences for "white-collar workers" – managers, analysts, and in some cases for top professional managers too. It is expected that up to 30% of corporate audit checks will be done by 2025 with the use of artificial-intellect technologies.

Full robotization is possible in some segments of bank activity, business accounting, legal services, complex analytics [1]; – rapid change of qualification requirements to employees will make them change their attitude to professional career and selection of trades: the employees shall be ready and willing to establish work for themselves and take care of its economic efficiency; – simultaneous formation of a demand for new occupations and trades in the labour market related to the use of advance production technologies, intellectualization and robotization of production. The serious changes will take place in the sphere of education, public health services, security and other services traditionally rendered by the state: – practically all the spectrum of state services will become electronic; – monitoring of legally significant actions and financial operations begin to get implemented by means of intellectual robotized systems; – a number of non-cash financial arrangements increases - which will be afforded by the unlimited access to Internet; – digital services in the social sphere related to real-time monitoring facilities (e.g., "smart" home, telemedicine) become more and more widely used; – computer-aided education formats, including remote ones get developed.

For instance, the digital educational platform Coursera declared in March 2016 that the number of its students had reached 18 million, and the number of passed courses amounted to 3.6 million, while a cumulative traffic of video reviews of courses had amounted to 17 thousand years. The number of students registered at edX platform reaches 7 million people. The Spanish massive open online courses (MOOC) platform Miriada X has attained a figure of 2 million students. All-India Counsel for Technical Education (AICTE) has decided that 10% of the curriculum in 10 thousand technical institutions of the country are to be based on MOOC platform [1]. The number of students to pass the online courses shall amount to 11 million persons in Russia by 2026 [2]. The quality of services will rearrange itself in the sphere of education under conditions of technological revolution: - professional education will encounter a growing competition on the part of non-academic sphere. A changeover from a design-oriented education to the experimental oriented one will take place. A transfer of practical skills will be provided not only through traineeships, but due to specifically established university laboratories too. The use of digital technologies in education will bring about the emergence of new methods of rendering educational services; – the transformations will take place in science and scientific activity associated with the use of artificial intellect, "big data" and digitization of investigations. Some full-scale experiments will be replaced with digital simulation; the use of digital means of information acquisition, processing and storage grows.



Figure 57 - Educational Institution in Russia

Russia has contributed significantly to engineering education internationally. Engineering education in Russia started with the foundation of the School of Mathematical and Navigational Sciences in Moscow in accordance with Tsar Peter the Great's Decree dated 27 January 1701 (new style). Russia, having more than 300 year's history of engineering education and the same industrial family tree. It was well financed in the previous years in a wide spectrum of directions for basic investigations, is one of largest in the world in terms of the number of highly skilled researchers, has saved up huge intellectual potential, which remains today its main riches. When it started, the total number of students at the school was defined as 500, but at times went up to 700 persons. The school taught mathematics, geodesy, sea sailing, cartography, astronomy and a number of other engineering and technical subjects.

After the 1917 revolution, and during the industrialization of the country, especially after the war, higher engineering education in Russia developed at a very fast rate. At the beginning of the 1960s, some of the best higher technical engineering schools of the world were established in Russia. The quality of higher engineering education in Russia was, and still is, acknowledged all over the world. The main traditions of the Russian higher education, which provide its main advantages, are as follows: Strong fundamental component of education, ensuring the ability to solve new composite problems, and also problems from adjacent fields of knowledge.



Figure 58 - Vocational Training Workshop

Vocational-technical schools and technical secondary schools began to lose their reputations in the 1980s, as factories started to close and there was no money to train a highly skilled workforce. The very name became a kind of insult, so by 2000 they all adopted the English term "college". Then they were merged with stronger institutions, as were schools and universities. Large component of practical training in professional-education programs for engineers (especially) and masters, including technological, manufacturing and before-diploma practical works, training on the leading enterprises and scientific centres, engaging high-experienced and well-known specialists of modern manufacturers for engineering disciplines teaching etc.

A high level of effort is demanded from the student during learning process, at examinations, tests etc. It guarantees not only high level of specialist training, but also their capacity to adopt new information, to increase their professional level permanently, their mobility and flexibility in the future. The last one is provided based on good fundamental training and also training in engineering, modern information technologies, economics, management etc. The Smolensk Branch of the Moscow Power Engineering Institute (National Research University) was founded in 1961. It is the main university in the Smolensk region in the field of power engineering, electrical and thermal engineering, electronics and Nano electronics, optical techniques, technological machines and equipment, computer science, economics and management.

The growth of the new private sector in Russia has been associated with the expansion of trade and services, which require a labour force with different occupational and skill characteristics from those of the Soviet economy. The Soviet economy was notoriously unbalanced, with its very overdeveloped heavy industry and military-industrial sector and its very underdeveloped light industry and service sector. The transformation of the Russian economy was expected to lead to substantial changes in the structure of output and employment, and correspondingly in the skills required of the workforce. This is turn would demand a substantial reorientation of the education system and of the systems of vocational training and retraining. The traditional system of training and retraining was based on the workplace, with most training establishments attached to enterprises and organisations, financed by and under the control of the relevant ministry. There was very little occupational and vocational retraining provided through independent training establishments.

The result was that retraining was generally only available to those already working within the particular industry. The key conclusion of this review of training in the new private sector is that, outside the spheres of health and education, the traditional system of training by employers has broken down and very little has arisen to take its place. Most new private sector employers do not have the resources or the capacity to train their employees, nor do they need to provide training because they have limited skill demands, there are plenty of skilled people available on the labour market, and those who want to get a better job are likely to undertake training on their own initiative.

#### Making Nigeria a giant Construction Site - A Tradesmen Standardization Institute

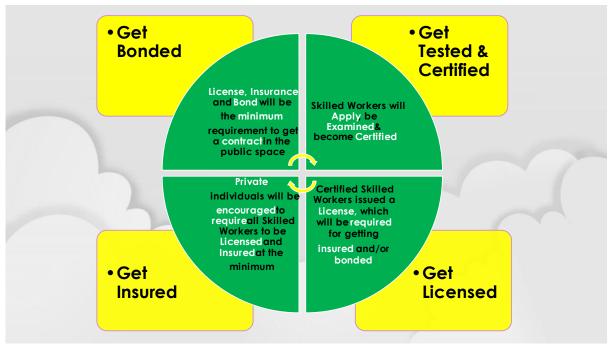


Figure 59 - The Tradesmen skills standardisation Cycle

The arts of Skilled workmanship and craftsmanship date back to the pre-historic days when young men who were skilled in their chosen craft (especially in relation to building construction), were hired to construct structures such as houses and the furniture inside them, as the children of master craftsmen having learnt their trade from their parents' trade so that the knowledge and skills of their craft are transferred down from the fathers to the sons, and from the mothers to daughters (Adewale etal., 2014).

Sadly today, it is depressing to note that the knowledge transfer has not only not improved with the times but is actually practically no longer happening. Anyone with little or no formal training nor experience in masonry, for example, can turn him or herself into a mason by just advertising themselves as such with no certificate or license to back their skill set up.

Furthermore, they can join the relevant trade association to instantly obtain the appearance of legitimacy and are then henceforth assumed to be a professional mason without further questions by the members of the public.

Currently, there are over 40,000 'jobbers' in the construction industry in the average state in Nigeria, who engage in skills such as masonry, carpentry, plumbing, painting, and iron-bending, but most of them remain loosely trained, mostly uncertified, unlicensed, and completely uninsured. The development of the local skilled workforce to easily take advantage of the wind fall in the labour market remains a big challenge that must be addressed.

### Challenges in the Standardization of Skilled Workers in Nigeria

- No Database of Skilled Workers: Several studies revealed that a lack of a database of skilled workers is the biggest challenge to standardizing skilled workers because the skilled workers have not been identified through a system and no attempts have been made to test and issue certificates of qualification.
- Lack of Education/Awareness among Households: Many household members do not often know the best-skilled workers to use whenever they need one because there is no existing platform to educate household members to select the right skilled workers.

- Lack of Policy Intervention: Governments across the country have yet to prioritize the issue
  of uncertified skilled workers and the general lack of skills among today's youth that for
  example leads to workmanship that is poor enough to have caused the collapse of several
  buildings.
- Lack of Synergism: There is yet to be a binding force between the stakeholders likes
  governments, professionals, private investors, craftsmen trainers, schoolteachers, skilled
  workers, association of artisans, and household members on how to standardize skilled
  workers across the various regions.

The Tradesmen Standardization Institute proposes a modern, comprehensive and wholistic approach to developing and maintaining standardization of skill amongst artisans in the various regions, while also introducing a clear and effective process by which a citizen in need can engage skill workers of any trade with trust and peace of mind.

This will be done using several types of technologies, including websites, mobile applications, and the use of the USSD telephone platform to service all strata of the society easily and quickly.

Conceptually, this will be achieved by doing the following: -

- Setting up a national/regional database for conducting tests to certify and license skilled workers
- Issuing a certificate of apprenticeship to skill workers of any trade after the candidate has passed the relevant test.
- Enrolment of skilled workers into the institute will attract a fee of say 5,500 naira.
- Skilled workers can take the exams whenever ready at their local test centre, after which the Tradesmen Standardization Institute must be contacted for the issuance of the appropriate certificate.
- The certificates issued expire after 3 years but can be renewed by paying the appropriate enrolment fee.

#### Conclusions

The use of certification for the standardization of knowledge of skilled workers will have a positive impact on the regional and national economy. Testing and certificates of qualification should be made compulsory and not optional for all skilled workers in each region of the country.

The Tradesmen Standardization Institute seeks to improve the quality of service and product output among skilled workers to ensure the improvement of the skills of the general tradesmen workforce, and ferment decent economic growth.

To ensure that skilled workers get licensed, and household members who require work done across the regions receive quality service, we believe the following steps should be taken:

- I. The government must ensure policy interventions in the construction sector to enable skilled workers to get evaluated for competence and obtain certificates.
- II. All skilled workers must be licensed before getting bonded in construction works.
- III. Efforts should be made by the regional ministries of Works to enrol interested youths or construction skilled workers in certification via exams and the issuance of licenses.
- IV. The government must monitor enrolled and licensed skilled workers to ensure proper behaviour and adequate service to customers.

# **Education Summary**

Engineering education in Russia started with the foundation of the School of Mathematical and Navigational Sciences in Moscow in accordance with Tsar Peter the Great's Decree dated 27 January 1701. Russia, having more than 300 years history of engineering education, has contributed significantly to engineering education internationally. After the 1917 revolution, higher engineering education in Russia developed at a very fast rate. In the 1920–1930s, the forerunners of PTU's included "schools of factory and plant apprenticeship", which were partly inherited from the vocational school system of the Russian Empire. The Moscow Power Engineering Institute is specialiased in the field of power engineering, electrical and thermal engineering, electronics and nanoelectronics, optical techniques, technological machines and equipment, computer science, economics and management. The idea will be to pair them up with local vocational institutions in Russia to then work with economic regions in Nigeria to setup laboratories and workshops for training our youth in the practical use of ther deep knowledge of the field of electrical power.

A region is best placed to undertake the role of re-orienting the system, to review the number and distribution of vocational schools. A region is also more knowledgeable about the local business environment and can quickly promote and invest in new programmes, provided that these new programmes meet the required education quality standards, and are geared up to produce trained personnel who contribute to the local built environment. Each economic region in Nigeria will be tasked with designing regulations for various kinds of vocational schools; setting up state standards of vocational education; ensuring equivalence between regional and international diplomas of vocational education; developing standard curricula, textbooks and teaching aids, establishing the procedure for teacher certification, and stipulating regional requirements for engineering norms. This new regional model is required to provide a system of close cooperation between state institutions, private business, trade unions and educational institutions. It will help to attract new investments into vocational education, and help raise the quality and prestige of vocational training.

Nigeria has a lot of certificated graduates, however, what is deeply lacking are the skills required to put their expensively acquired theoretical knowledge into practical use. Call it a changeover from a design-oriented education, to education focused on practical experience that can be used to mould, space and futureproof the local built environment. Regional Tradesmen Standardization Institutes will be created in partnership with Russian vocational institues, proposing a modern, comprehensive and wholistic approach to developing and maintaining standardization of skill amongst artisans in the various regions, whilst also introducing a clear and effective process by which a citizen in need can engage skilled workers of any trade with reasonable trust and peace of mind. This engagement will be done using several types of technologies, including websites, mobile applications, and the use of the USSD telephone platform to service all strata of the society easily and quickly. Conceptually, this tradesmen revolution will be achieved by doing the following: -

- Setting up a national/regional database for conducting tests to certify and license skilled workers.
- Issuing a certificate of apprenticeship to skilled workers of any trade after the individual candidate has passed the relevant test.
- Enrolment of skilled workers into the institute based on payment of fee of say 5,500 naira.
- > Skilled workers can take the exams whenever they are ready, at their local test centre. After the successful of the exam, the Tradesmen Standardization Institute will be contacted (by the local testing agent) for the issuance of the appropriate certificate.
- To keep the acquired knowledge and competence levels ever fresh, the certificates issued will expire after 3 years but can be renewed by paying the appropriate recertification fee.

# **ECONOMY**

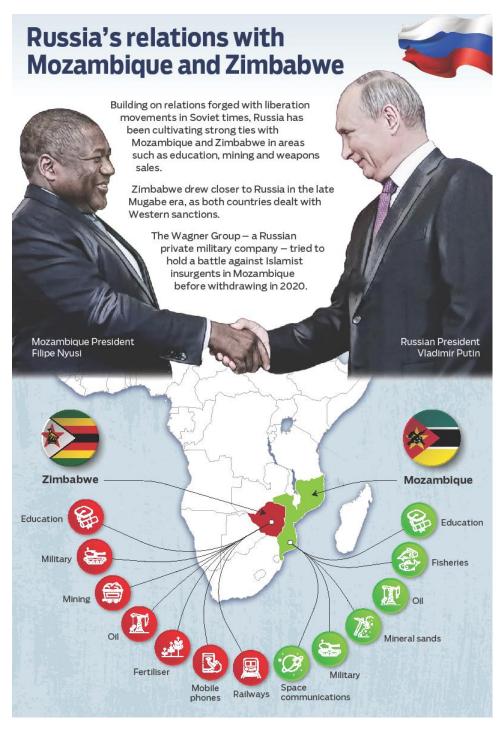


Figure 60 - Putin a reliable Business Partner in Africa

Nothing epitomizes the rise of the middle class under Putin like the growth of the mortgage market. Homeownership has been a key policy goal of the Kremlin and Putin has personally actively tried to drive down home loan interest rates. Until recently the state subsides rates over 12% but when they dropped below that level earlier this year the subsidy was dropped. However, in frequent comments to the press Putin called for 10% mortgages, and once that level was passed this year, he is now calling for 8% rates.

Under President Vladimir Putin, Russia has returned to Africa. Following his first visit to the continent in 2006, there has been slow, incremental growth in engagement, culminating in a 2019 Russia-Africa summit – the first of its kind and attended by 43 African heads of state. Russia has commercial, security and political or diplomatic interests in Africa, and joins a host of other external powers such as the US, China, and Turkey, who seek to increase their engagement on the continent. Russia's efforts form part of attempts to reclaim its stature as a global power and show that it is a key player in most regions of the world.

Few other global actors currently offer a partnership that is as comprehensive as Russia's. Old colonial ties and conditionality hamper the appeal of the EU and its member states, while the US under the Trump administration has decreased both security and political engagement in Africa and accompanied what is left with a rhetoric of disdain and neglect. The Gulf States and Turkey's influence is vulnerable to Red Sea rivalries and India mainly focuses on high-tech development. Finally, an over-reliance on China and the sustainability of Chinese infrastructure projects under the Belt and Road Initiative (BRI) is becoming a source of concern in many African capitals. Seen through all these lenses, it is easy to understand why an expansion of trade volume between Russia and Africa from \$20 billion to \$40 billion, as announced by President Putin in Sochi, is not just a matter of 'how much money' but finds deeper roots in Africa's agency in a multipolar world.

At a time when Western countries are very reluctant to share new technologies with their African counterparts and China prefers to develop them on African soil on its own, Russian technology in fields like energy, resource extraction, transport, and digitalisation can be in great demand in Africa. Just one striking example: today the only country that widely uses non-cash and contactless payments is Somalia — there is virtually no national currency here, and residents pay in shops and markets with instant transfers to their mobile phone number. At the same time, non-cash payment technologies in Russia are better developed today than anywhere in the Western world.

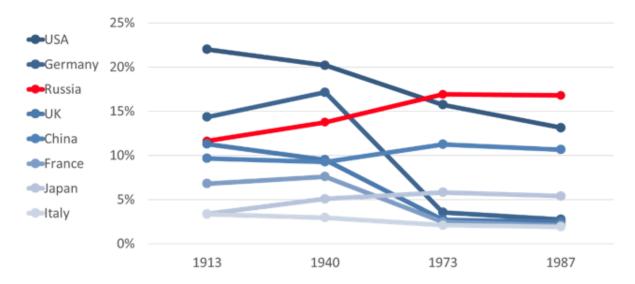


Figure 61 – Composite Index of Great powers in the international system, 1913 to 1987

NB: The table above shows a composite Index of Great powers in the international system, 1913 to 1987 (selected years), by the composite index of national capability

The composite index of national capability combines six measures of a country's relative weight in the international system at each point in time: total population, urban population, iron and steel production, energy consumption, military personnel, and military expenditure.

Guriev's data shows that the Russian population is uniformly anti-Western. Western experts who forecast a significant improvement in these attitudes with generational change are naïve; the younger generation is actually more negatively disposed to the U.S. than the middle-aged. The positive results are that Russians are pragmatic and rational in their values and attitudes towards

democratic and market norms. He argued that in such an environment, the most productive avenues for U.S.-Russian cooperation are specific, pragmatic projects that can provide concrete evidence to a

sceptical Russian public about U.S. intentions. He suggested investment projects, academic and professional exchanges, and support for educational institutions as possible ways forward.

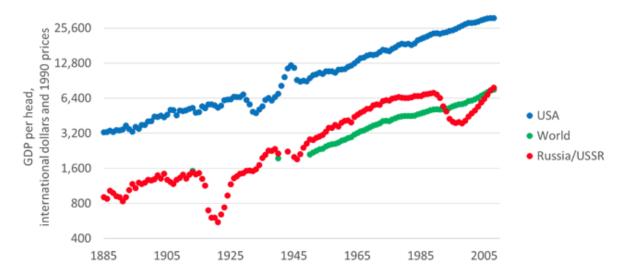


Figure 62 - Compare GDP/head of Russia and the US

**Figure 62** Real GDP per head, 1885 to 2008: the US and Russia/the Soviet Union compared with the world (international dollars and 1990 prices)

The Soviet Union's economic outcomes in real output per head. In 1913, by global standards. Russia was an average economy – far behind the US, although far ahead of Upper Volta. A century later, at the beginning of the global financial crisis in 2008, Russia was again an average economy.

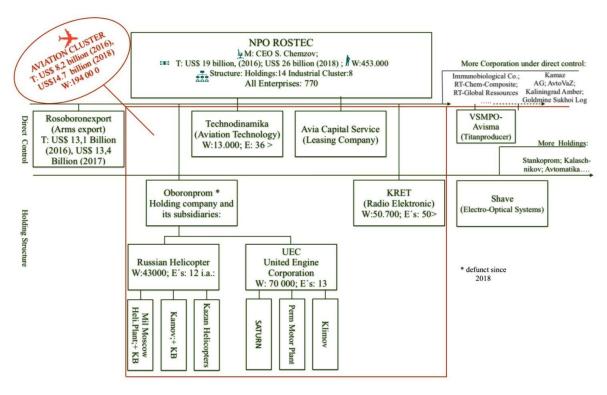


Figure 63 - Structure of the ROSTEC Russian state-owned defence conglomerate

NB: Structure of the ROSTEC Russian state-owned defence conglomerate at the heart of Russia Technical Industries

The formal legal system in Russia is considered weak (Ledeneva 2018). Furthermore, legal sanctions can be circumvented by using informal relations with relevant agencies; thus, punishments can be suspended and legal vacuums created (Ledeneva 1998). Informal sanction tools, on the contrary, can be quite powerful. Often, exclusion from networks, entailing the loss of network protection and access to privileges, is sufficient to keep members compliant with the network's goals (Ledeneva 1998, 2013). The comparative advantage of the presidential NPO model, lies in its strong informal network, its higher autarchy and the protection of the president. This will, in the short term, improve access to resources also for the UAC and its subsidiaries. Governance through Rostec may also become quicker and more coordinated, at least at the higher levels of the hierarchy between Chemezov, the president and the heads of the involved ministries. In the medium-to-long term, however, there is the danger that integration into the NPO (Non-profit Public Organisation) Rostec will lead to a further politicisation of the UAC subsidiaries and thus a further decrease in the relevance of economic restrictions as well as a further informalisation of the modernisation processes in the aviation industry.

In the late 1980s, during the final years of the Union of Soviet Socialist Republics, Mikhail Gorbachev attempted to resuscitate the Soviet economy with a set of policies called perestroika. These policies involved some steps toward removing government economic controls, like leasing some land to farmers, allowing some small privately owned enterprises and closing down some lossmaking factories. But perestroika also kept the economic planners fundamentally in charge. Gorbachev greatly overpromised what perestroika could achieve, and by 1991, it had proved a dismal failure at increasing output and living standards. The Soviet Union officially divided into separate states in December 1991, and in January 1992, Boris Yeltsin assumed charge as the first president of the Russian Federation. One of Yeltsin's primary goals was to end the planned Communist economy—not to reform it, but to finish it. To accomplish this goal, as Yeltsin later

recalled in an incisive October 2003 interview published in Moscow News: "What was needed was a kamikaze crew that would step into the line of fire and forge ahead, however strong the general discontent might be. I had to pick a team that would go up in flames but remain in history.". Yeltsin's reformers clearly achieved their goal of ending economic management in the style of Soviet Communism before they went up in flames. In only a few years, Russia's firms were no longer stateowned, its people could own property and firms, its government relied on taxes for collecting revenue, and its currency was traded on foreign exchange markets. But controversy over Yeltsin's economic reformers has raged ever since.

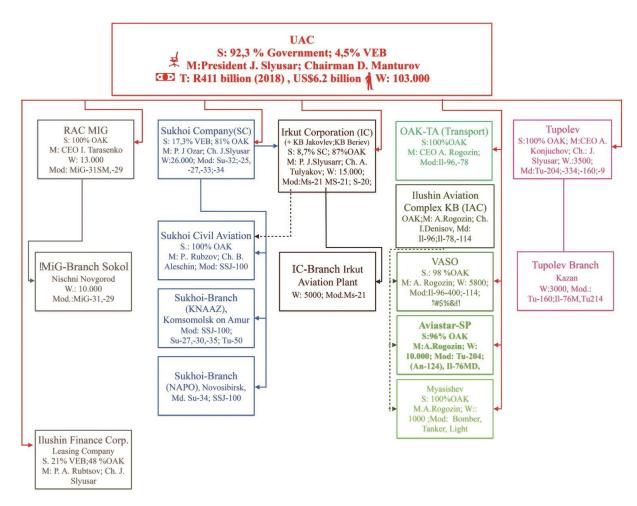


Figure 64 - Russian Aviation Industry after Consolidation

Target congruency describes the extent to which the private goals of the key players overlap with the official modernisation targets. Whether target congruency is low or high depends on the degree to which actors can benefit from following the official targets set in the modernisation programmes like the development and production of new engines or civil aircraft variants in comparison with the possibilities for generating rents on top of those targets

On a separate topic, during COVID, a programme was setup that includes establishing a reduced interest rate for SMEs (no more than 8.5% p.a.) and subsidising the banks so they can provide further loans to SMEs. (RUB 500 billion (approx. USD 6 billion) is allocated). A rent deferral was granted starting from the date of the adoption of a decision on the introduction of a high-alert regime or state of emergency in the territory of the Russian Federation until 1 October 2020, but only to tenants from the sectors most affected by COVID-19.

In addition, for SME tenants lease payments are frozen, but only in relation to leases of state or municipal property. On 4 April 2020 the Government introduced a moratorium for six (6) months.

The moratorium concerns a wide number of companies that have a strategic importance for the Russian economy, as well as about 1.3 million businesses in other sectors including aviation, transport, culture and entertainment, sports, HORECA, repair and cleaning services, etc. During the moratorium the courts will have to return applications for declaring a debtor bankrupt to their creditors. Debtors who are subject to the moratorium are also exempt from the obligation to file for their own bankruptcy. A number of restrictions are imposed on companies under moratorium, and the most significant ones include the following:

- participants or shareholders are not allowed to withdraw from the company, and the debtor is not allowed to buy out the placed shares or participatory interests
- it is not permitted to terminate the debtor's obligations by set-off if it disrupts the priority of creditors' claims
- it is not permitted to pay dividends or to make distributions on participatory interests, and to distribute profits between the debtor's participants
- > penalties and other financial sanctions for the non-performance of monetary obligations and mandatory payments do not accrue
- enforcement over pledged assets is not allowed, whether through court or out-of-court procedures
- ➤ Enforcement proceedings on pecuniary sanctions for claims that arose before the introduction of the moratorium are suspended (but seizure of the debtor's property and other restrictions on the disposal of the debtor's property remain in force).

Communalism is a political philosophy and economic system that integrates communal ownership and confederations of highly localized independent communities." Russia's Soviet era was distinguished not by economic growth or human development, but by the use of the economy to build national power.

Fast forward to the rea after the end of communism, during the 1990s and the "wild cat banking" days, thousands of small banks were set up that were widely used to hide money from the tax man and whisk cash offshore. The 1998 crisis saw most of the oligarch control banks collapse, which were the keystone in their "financial industrial groups" (FIGs). Russia was beleaguered by what academics Barry Ickes and Clifford Gaddy had dubbed "the virtual economy." The payment system had collapsed as a result of hyperinflation that wracked the country after prices were liberalized by Russia's first post-Soviet prime minister Yevgeny Gaidar and business was done on barter. GDP growth had been negative for a decade, bar a few months in 1998. The government was in a permanent budget crisis. Poverty had soared as life expectancy and incomes plummeted. Our "despair index" (the sum of the inflation and unemployment rates added to the share of people living in poverty) had hit the astronomical value of 1440 — ten times worse than any other country in the former socialist bloc. Banking became a serious business in the boom years, but it wasn't until Elvira Nabiullina took over in 2013 as governor of the Central Bank of Russia (CBR) that a serious clean-up of the sector began. Since then, she has closed about three banks a week and the number of banks working now has fallen from over 4,500 at its peak to just under 500 today. Nabiullina has introduced a whole raft of other reforms too, as the sector becomes easier to regulate.

# Employment rate %

25-54 year-olds

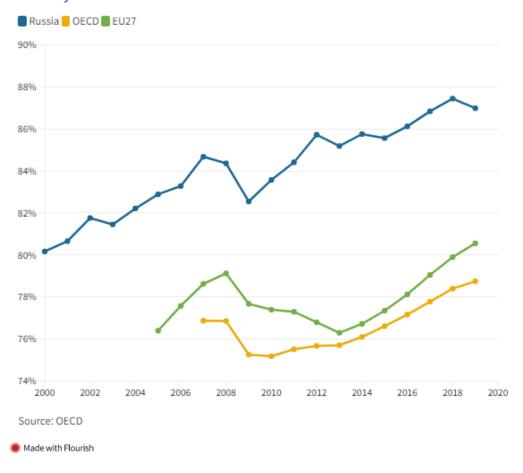


Figure 65 -Stellar Employment Rate in Russia

There is no aspect of contemporary Russia that has changed more rapidly and unexpectedly than its economic situation. When Vladimir Putin became President, Russia was effectively bankrupt as it owed more money to the International Monetary Fund (IMF) than it had in foreign currency reserves. Since then, Russia has achieved a virtual macroeconomic revolution to the point where it is one of the largest creditors of U.S. debt in the world. Its nominal dollar GDP has increased by more than a factor of six and has the potential to reach more than \$2 trillion by 2010. Growth of this magnitude would equate to nearly a tenfold increase in GDP over the course of a decade.

Vladimir Putin's most enduring legacy will be his strongman's attitude towards running Russia. Looking at Russia's post-communist path, it is easy to understand why he was anointed as successor to the ailing President Boris Yeltsin. With the advance of market economic reforms in the early 1990s, privatizing state assets created the first wave of billionaires, who obtained much of the country's riches for little money (Shleifer and Treisman 2001). The logic of the privatization process was to create domestic support for reforms and to avoid simply handing assets to foreign investors who would have paid more (Djankov 2014). The reformers' goal was achieved, but at a high cost. Russia soon faced popular discontent against crony capitalism and increasing public debt, as privatization did not result in significant improvement to the quality of life.

However, Putin was incredibly lucky. The 1998 crisis was caused by the collapse of oil prices on the back of an Asian crisis a year earlier. But by 2000 oil prices began to recover from their low of \$10

per barrel and over the next decade climbed inexorably to a peak of about \$150. The flood of petrodollars made rebuilding Russia much easier, but to his credit Putin didn't squander the money but used it to build a new country. Putin was responsible for the first systematic attempt to reform Russia's economy. In 2000 he launched the so-called Gref plan ("Programme for the Socio-Economic Development of the Russian Federation for the Period 2000-2010"), named after the then economics minister and now Sberbank CEO German Gref. But the plan was abandoned when the 2008 crisis struck when it was only 30% complete. Moving forward, after nationalizing Yukos, the Russian government started taking control of privatized companies in "strategic" sectors such as oil, aviation, construction, power generation equipment, machinery, and finance. For example, in June 2006 the government took 60 percent control of VSMPO-AVISMA, a company that produces two-thirds of the world's titanium. In 2007, United Aircraft Corporation, a company that is 51 percent government controlled, combined all Russian companies producing aircraft. In 2011, majority stateowned Sberbank bought Troika Dialog, the fastest-growing private investment bank operating in Russia. By mid-2015, about 55 percent of the Russian economy was in state hands, with 20 million workers directly employed by the government, equal to 28 percent of the workforce (Aven 2015).

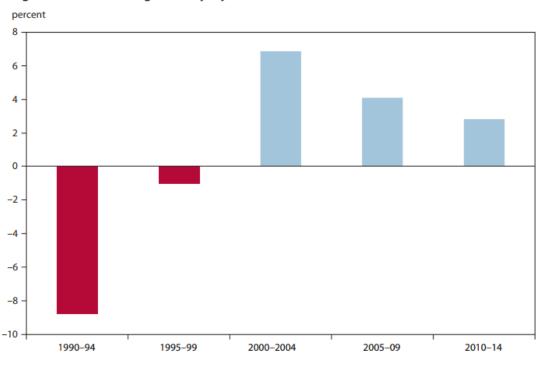


Figure 1 Annual GDP growth, by 5-years intervals, 1990–2014

Source: World Bank, available at http://data.worldbank.org/indicator/NY.GDP.MKTP.KD

Figure 66 - Annual GDP growth, by 5 years intervals, 1990 – 2014

Going back in time again, in the early 1990s Russian economic reformers hoped that the success of economic reforms would reinforce Western values and positive attitudes towards the West. The reformers believed that pro-Western attitudes at the interim stage of the transition were a necessary condition for further reform. However, rather than an increase in support for Western values, the 1990s saw a massive drop-in support for democratic government and the market. Guriev agrees with the reformers' proposition and argues that backtracking on democratic and market

transformation in this decade is linked to change in popular attitudes. The first data set he presented dealt with the Russians' attitudes towards the U.S. Although Russians are very negatively disposed to the U.S. and do not see it as a friendly country, they are not unique in these beliefs. Their attitudes towards the U.S. are similar in both trajectory and absolute numbers to those seen in Germany.

Among transition countries, Russia has uniquely low support for democracy and the market. Yet when these abstract concepts are broken down into their component issues, Russians' attitudes are much closer to that of their counterparts in other transition states. This phenomenon is explained by Russians' association of the notion of democracy and the market with the chaos of the 1990s.



Figure 67 - Africans welcoming Russians with open arms

Nowhere on the continent has Russian influence grown as rapidly as in the Central African Republic (CAR). The intensified cooperation between the two nations began in 2017, when Russia delivered weapons, including Kalashnikovs and surface-to-air missiles, to the war-torn country for the first time. Since then, Russia has gradually increased its presence in CAR. In 2018, Russian military advisers were dispatched to CAR with the official aim of training local armed forces. Russia has also expanded its presence in crisis-ridden Mali. The Russian private military company Wagner has been present in Mali since the end of 2021, according to independent observers and media investigations. What, then, is prompting countries south of the Sahara to consolidate and expand partnerships with Russia? Four explanations can be provided.

The first explanation has to do with an alignment of strategic narratives in a changing world. Times have changed since the Soviet Union's efforts to counter 'Western imperialism' in Africa through Marxist ideology: modern Russia's foreign policy has no such ideological ambitions, yet its narrative continues to stress opposition to Western interference in countries' domestic politics, be it through the promotion of democracy and human rights or military interventions, for instance. Russia shows a preference for collaboration over aid, something which is tempting to African leaders who view the West's outreach as patronising. African countries, in other words, can trust Russia as a strategic partner to counterbalance Western influence. The geopolitical potential of such an alignment is

significant: for instance, Russia has used its veto in the UN Security Council to protect African countries from human rights-related sanctions (Zimbabwe in 2008), while in 2014, 24 African countries abstained from the UN General Assembly Resolution condemning Russia's annexation of Crimea (and two opposed it).



Figure 68 - Russia supplies Africa with heavy infantry arms

NB: Russia supplies Africa with heavy infantry arms (with no questions asked as a primary business model)

Experts believe that Russia wants to strengthen its own weapons industry in the process. A study by the British think tank Chatham House shows that a mere 3 percent of Russian weapons exports go to Africa, but the continent is a growth market, Russia being the main supplier to several countries.

"For some countries in Africa it is very difficult to get Western arms. Russia does not have a lot of the same preclusions on selling weapons. It doesn't tie them to human rights. It doesn't tie them to various regional conflicts that states are involved in. It sees this as an area for growing the market," says Peter Stronski, Russia expert at the influential US think tank, the Carnegie Endowment for International Peace. However, it is key that the growth shouldn't stop at weapons.

The DR Congo is rich in natural resources like coltan, cobalt, gold and diamonds. Neighbouring CAR also exports diamonds. "Russia is exploring the possibilities of the mutually beneficial development of natural resources," Artyom Kozhin, the deputy director of the Russian information and press department, said in March. For Russia it is not only a chance to cover its own natural resource needs. It can use the presence to boost its own industry. "Russia commands deep expertise in the areas of mining and oil production," says Marchal.

Back in 1977, the Soviet Union's leadership was in a jubilant mood as Ethiopia had just switched sides to the socialist camp. By the time of this event, the Kremlin had been conducting a renewed offensive on the continent for several years, propping up socialist regimes and 'liberation movements' in Angola, Mozambique, Namibia, Rhodesia (later Zimbabwe) and South Africa.



Figure 69 - Locally made light arms would be the only option available

NB: Locally made light arms would be the only option available to anti-terrorist vigilante groups without the involvement of Russia

With respect to the Russia/CAR relationship, for both governments the deals have gone well. The CAR, one of the world's poorest countries, has been in crisis since 2013. Christian and Muslim militias are fighting each other against the backdrop of President Faustin Touadera's weak government. As multipolarism becomes the new normal in sub-Saharan Africa, Russia's projection of influence is just one element of a bigger systemic change, but a potentially attractive and dangerous one for Africans if it becomes uncontrolled or contributes to elite capture. Allowing Russia to set new trends and establish operating bases to delegitimise European values and perceptions on the African continent would be strategically imprudent. The competition, or available alternatives, should be examined in order to understand Russia's attractiveness. Total regional imports and exports with Russia grew by 43% between 2008 and 2018. This should be compared to trade dynamics with other major partners: imports from the US have stagnated, while exports fell by almost 60% over the same period and overall trade with China and India grew by 85%, respectively. This means that Russia is among the fastest-growing trade partners for sub-Saharan Africa, yet its relative weight compared to the EU (the largest trading partner, accounting for 25% of imports and 23% of exports) or China (around 12% of total imports and exports) is still negligible and it accounts for less than 1% of both Russian and sub-Saharan African global trade.



Figure 70 - A friend of Africa

With respect to growth of international on the African continent, the main challenges for Russia are, first, the need to develop new, non-traditional sectors of economic cooperation, and second, an immense lack of personnel for successful work on the African continent and the promotion of this cooperation. As market experts put it, "everything is needed here": agricultural products and essential products, medicines, fuel, technology, auto parts and, as always, a lot of weapons and ammunition. Today, about 30% of Russian agricultural exports go to Africa, and the needs of the

countries of the continent in relation to Russian grain will only grow. Arms exports also remain an important area of cooperation — at the summit two years ago, the figure of \$14 billion per year of Russian arms sales to African countries was announced, it may increase against the backdrop of growing instability in several regions of Africa in the coming years.

A megalopolis (/ˌmɛgəˈlɒpəlɪs/) or a supercity,[1] also called a megaregion,[2] is a group of metropolitan areas which are perceived as a continuous urban area through common systems of transport, economy, resources, ecology, and so on.[2] They are integrated enough that coordinating policy is valuable, although the constituent metropolises keep their individual identities.[2] The megalopolis concept has become highly influential as it introduced a new, larger scale thinking about urban patterns and growth.[3]

# **Economy Summary**

Communalism is a political philosophy and economic system that integrates communal ownership and confederations of highly localized independent communities. With Perestroika in 1991, Gorbachev greatly overpromised what capitalist reforms could achieve, leading to dismal failure at increasing output and living standards. Coming in, Boris Yeltsin set a policy to burn down the "planned Communist economy"—not to reform it, in spite of how strong the general discontent against this approach was. Yeltsin's reformers clearly achieved their set goal of letting the economy go up in flames. During the 1990s thousands of small banks were set up for sending cash offshore. However, in 1998 crisis these oligarch-controlled banks all collapsed. Elvira Nabiullina took over in 2013 as governor of the Central Bank of Russia (CBR) and cut down the number of banks from 4,500 at its peak to just under 500 in November 2022. She is still in the role, keeping the ship steady.

Going by the effectively bankrupt state of the nation in 2000 when Putin became president, nothing epitomizes the rise of the middle class under Putin like the virtual macroeconomic revolution (to the point where Russia is one of the largest creditors of U.S. debt in the world), and the growth of the mortgage market. Homeownership has been a key policy goal of the Kremlin and Putin has personally actively tried to drive down home loan interest rates. Under President Vladimir Putin, Russia has returned to Africa. Going by the attendance at the last Russia-Africa summit, few other global actors currently offer a partnership that is as comprehensive as Russia's. At a time when the West are very reluctant to share new technologies with African countries, Russian technology in fields like energy, resource extraction, transport, and digitalisation is now in great demand in Africa. In fact, as an aside, the NNPC should probably be reconfigured to operate exactly like GAZPROM.

The leaders of each economic region should engage Russian government departments to seek out lessons learned on the subject of how they moved from their citizens scavenging in refuse bins under Perestroika in 1991, to Russia becoming a food, energy and military superpower today.

The Russians use coordinating policy to make the concept of megalopolis/supercity (a group of metropolitan areas which are perceived as a continuous urban area through common systems of transport, economy, resources, ecology etc.), an invaluable driver of growth around large cities like Moscow and Leningrad. The idea would be to use lessons they have to drive forward the improvement of living conditions in places like Lagos, Ibadan, Port Harcourt, Benin City etc. Lastly, an approach for a potential Mass Housing Project is outlined below;

- At planning approval stage, every housing proposal by anyone must provide affordable housing in every 3 or 4 units. For example, if you are building 4 flats one must be designated for registered affordable rent, based on consensus agreed between stakeholders like the government, the local community leaders, the estate developer etc. This approach ultimately also helps stem the tide of gentrification.
- Failing conformance with the approach of proportional housing units above (or as an alternative method to it), a housing tax is applied. This would be used to provide for affordable housing somewhere else.
- Avoidance of the building of only low-cost housing in any one place it would only lead to a ghetto enclave taking hold.

As multipolarism becomes the new normal in sub-Saharan Africa, Russia's projection of influence is just one element of a potentially attractive and bigger systemic change. The economic regions within Nigeria will be encouraged to leverage the army of students that were trained in Eastern Europe to set new trends of technical cooperation with Russia in which technology transfer is part, front and centre of any agreements. As market experts put it, "everything is needed here": agricultural products and essential products, medicines, fuel, technology, auto parts etc.

# CORRUPTION AND PUBLIC SECTOR REFORMS



Figure 1: Transparency International Corruption Perceptions Index for 2016

Figure 71 - Transparency International Corruption Index for 2017

Today, corruption serves a purpose. Corruption acts as the glue that helps keep non-democratic regimes together by rewarding insiders and co-opting them into a unified structure. If a threat to stability arises from a dissatisfied member of United Russia, Putin's political party, or an elite individual outside of the regime, payments can bring them back into the fold. Corruption rents, such as a state procurement contract to the troublemaker's brother's construction company, are fungible and opaque— perfect for this use. The economic problems in Russia and other transition countries have enlivened but not resolved a long-running debate between "gradualists" and "shock therapists." The gradualists believe that these problems reflect the impracticality of the "big leap" approach, exemplified by rapid mass privatization. They advocate a slower transition to a market economy that stresses institutional reform, with privatization to follow over time. The shock therapists accept the importance of institutional reform but believe that gradualism can become a recipe for no reform at all.

The areas of activity that are most susceptible to corruption in Russia include:

**Customs services**: There are many avenues for bribery and payoffs, including the import or export of prohibited goods; return of confiscated goods and currency; understatement of customs duties; unjustified delays in cargo shipments and unjustified deferrals of customs payments.

**Tax authorities**: There are plenty of ways that tax authorities can reward or punish taxpayers in exchange for bribes. These include agreements to not collect taxes in full; manipulation of refunds involving value-added taxes; looking the other way on tax evasion; systemic failure to carry out

control measures; and punitive inspections of business owners at the behest of competitors or the threat of such inspections, causing costly production delays or stoppage.

**Law enforcement agencies**: Corruption is rife through the ability of prosecutors, police and even judges in the initiation, continuation and termination of criminal cases, as well as failing to punish lawbreakers.

**Lower-level bureaucracy**: There are many ways that government workers can supplement their modest official incomes with payoffs in exchange for the official issuance of certificates, permits, and other documents; the expedition of required legal documents and the like.

**Educational institutions:** The purchase and sale of diplomas, the inflation of exam results and even admissions are all subject to corrupt transactions.

**Construction sector:** Cost overruns are charged through inflated estimates of construction costs.

**Big retail companies**: Shady practices include payments by manufacturers to retail employees for agreeing to sell their goods. The costs are passed on to the consumer.

**Airline manufacturers:** Their managers are suspected of receiving bribes from representatives of Western aircraft manufacturers to purchase new foreign aircraft and Russian-made equipment.

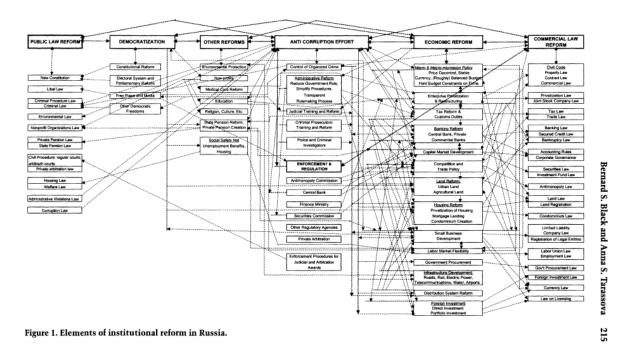


Figure 72 – Spider web of Institutional reform in Russia

Paradoxically, corruption could produce some benefits. First, it alleviates the effects of excessive regulations and red tape in the bureaucracy, thus promoting greater efficiency, and potentially more growth. Second, it can direct government services to those economic agents who value them most or speed up delivery of services to those who value rapid delivery most. (Government bureaucracies usually operate on a first come-first-serve basis, which might not be the most efficient method of allocating services.) Third, corruption supplements the income of officials, thus reducing the need to

increase taxes, which tend to distort economic relationships. More generally, when negotiations among parties entail no transaction costs, corruption can produce socially efficient outcomes.

However, the benefits of corruption are far outweighed by its attendant costs. First, as a function of attempts to increase rents from bribes, excessive regulations tend to result from high levels of corruption. Second, governmental processes are slowed by attempts to extort money to speed up these processes. Third, although bribes could reduce the need for tax revenue, they are usually even more economically distortive than taxes. Fourth, corruption benefits well-organized groups, and not society as a whole. Fifth, a corrupt regulatory environment tends to lead to bigger and less effective government; for example, potentially corrupt officials need to be monitored by other officials. Sixth, the secrecy associated with corruption distorts the choice of economic activities.

Legvold differentiates between three categories of states and their corruption profiles. First, there are criminal states. These are states where "the core activity of the state is criminal --- that is, where the state depends overwhelmingly on the returns from illicit trade to finance itself, and therefore, not only protects, but, in fact, conducts the bulk of the business." None of the twelve non-Baltic post-Soviet states fall into this category, but several of the unrecognized de facto mini states, such as South Ossetia and Transnistria, do. Russia, Ukraine and the other states of the region are criminalized states. In these countries, "the state's core activity may not be corrupt, but the process by which the state acts is." Finally, some states, such as Italy, are characterized by public corruption, whereby some public agencies and officials are corrupt, but most core institutions remain "uncontaminated." there is a strong movement in Russian civil society toward making government more responsive to the people.

The creation of seven federal districts in May 2000, with their presidentially appointed representatives, was an attempt by Putin to regain control of the federal powers lost under Yeltsin, Orttung noted. According to Orttung, the main accomplishment of these districts is their existence. They play a visible role in the media and are much talked about. Beyond that, Orttung argued, it is difficult to see the real impact of these institutions. One unintended consequence of the federal districts has been the presence of two sources of power in each district: institutions of the federal government and the regional governor. The reforms weakened the governors but did not fill the vacuum with equally powerful institutions. This situation creates an opportunity for other groups to pursue independent policy. However, this situation is only evident in the capital cities of the federal districts, Orttung noted. As a reminder, in 1999, President Boris Yeltsin surprised Russians by resigning on New Year's Eve, making little known bureaucrat Vladimir Putin the president of the Russian Federation.

Putin wasted little time in re-establishing state authority. Frustrated by central government weakness in the 1990s, Putin moved against oligarchs, organized crime bosses, and regional politicians who threatened central control. Though he talked tough about eradicating corruption, it merely morphed into new forms. In many ways, Putin simply sought to bring order to Russian corruption. Explicitly or implicitly, he forced malfeasance into the constraints of the newly established power vertical. New rules of the game appeared, and elites had to demonstrate their willingness to play by these rules. Mikhail Khodorkovsky was the most prominent oligarch who challenged the vertical's political code by building alternative centres of power. He strayed too far into politics by funding civil society groups and hinting at political ambitions and was imprisoned for a decade as a result. By the mid-2000s, a new political rule had emerged: enrich those above you in the vertical and maintain your loyalty as you work to enrich yourself. The first form is the use of state procurement practices to steal funds from the government via overpriced contracts. The current process for procurement, established in the 2000s, offers numerous opportunities for theft.

The second prominent method of concealing systematized corruption utilizes complex asset ownership deals. The renationalization of the economy's commanding heights under Putin, such as the centralization of much of Russia's oil and gas production into Gazprom and Rosneft, created ample space for shady deals. For example, oil trading profits are obscured by opaque agreements with Swiss- and Cyprus owned holding companies. Ill-gotten gains from extorting Russian businesses are funnelled into offshore accounts. A third form of corruption is classical, less-concealed graft: petty bribes taken from the public and payments taken from businesses.

Public opinion research consistently shows that Russians consider the traffic police to be one of the most corrupt institutions that they regularly encounter. The image of a driver on the shoulder of the road making a "man-to-man" deal with a rapacious police officer exemplifies everyday Russian corruption.

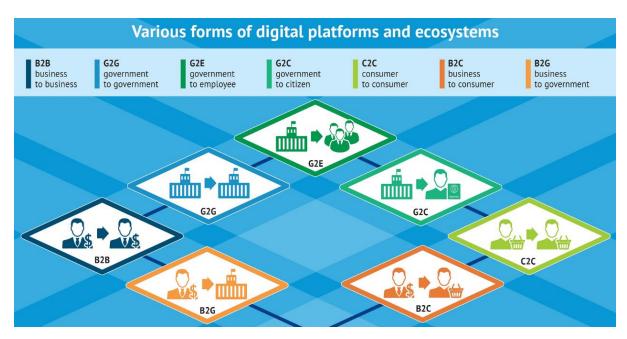


Figure 73 - Forms of Governance focused digital platforms

#### **Stages of e-Government Development**

Layne and Lee (2001) put forward four stages of a growth model for e-Government: (1) cataloguing, (2) transaction, (3) vertical integration, and (4) horizontal integration. The first stage starts when a government opens simple websites that offer details about the government, its structure, and functions. Next, the experimentation of public sector with digital tools proceeds to transactions, an interaction model where the user (citizen) interacts with the government via an electronic interface (service portal on a government website or mobile application) to receive public services ranging from a healthcare appointment to filing a tax declaration or registering a marriage. Government remains a service provider for citizens and businesses, but their interaction is "virtual" and online rather than in-person. The third stage is marked by deeper cooperation between various government departments. Different levels of government are also integrated, so that a citizen can contact one governmental body and complete any level of governmental transaction, often referred to as a "one-stop shopping"-public service provision. The fourth stage of government digitalization is often connected to the idea of "government-as-a-platform" (GaaP).

The concept of GaaP was coined by Tim O'Reilly (2011), a US (United States) based author, futurist, and entrepreneur, who envisioned significant benefits from shifting from "state as a provider" to "state as an enabler" of services. GaaP, which differs from previous e-Government initiatives in that the core digital infrastructure is shared between public and private sectors, is not a "platform for government," but a platform for governance, where government is one of the participants, service producers, and innovators. A similar idea has been presented by Linders (2012) as "we-governance" and by Janssen and Estevez (2013) as "lean government"—government provides a platform on which stakeholders deliberate, while the public authorities retain their "orchestrating" functions. Another related concept, government 2.0 (analogous to web 2.0), was proposed by Taewoo Nam (2012) who has been advocating for crowdsourcing, Application Programming Interfaces (APIs), and "citizen hacking" as means to improve the democratic quality and efficiency of government.

GaaP can be seen as a new package of ideas imported to public sector from business management. This time, the intellectual roots are in the "disruption theory" originating from the work of Christensen et al. (2015), which has become a mantra of Silicon Valley. Disruption stands for "a form of libertarianism deeply rooted in the technology sector, a sweeping ideology that goes well beyond the precept that technology can engage social problems to the belief that free market technology-entrepreneurialism should be left unhindered by the state" (Owen 2015, 7). The proponents of the concept emphasize its interactive character and the enabling potential (citizens as co-producers of public services) (O'Reilly 2011). Building new services from scratch means also that the old bureaucratic practices are not simply transferred into a digital form, but rather that procedures are renewed. The critics argue that the changing relationship between the state and society mediated by "big data," software code and algorithms is a form of technocratic "solutionism" that effectively undermines democratic governance (Williamson 2016).

According to Layne and Lee (2001, 123), e-Government is "government's use of technology, particularly web-based Internet applications to enhance the access to and delivery of government information and service to citizens, business partners, employees, other agencies, and government entities." E-government borrowed heavily from applications and managerial approaches that originated in the private sector (Systems, Applications, and Products [SAP], enterprise resource planning, portfolio analysis, and the like). This reliance on private-sector, market-based techniques provoked conversations that e-Government is a digitally enhanced version of the "new public management" (NPM), an ideology and a number of more and less successful reforms that were implemented across the world in pursuit of greater government efficiency, the reduction of cost of public administration and improvement of public services by making the public sector more business-like (Homburg 2004).

In the context of non-democratic political regimes, a further theory of government digitalization has been proposed. Maerz (2016), bridging the reinforcement and the sociotechnical theories, has argued that e-Government is used by competitive authoritarian regimes, such as Russia or Kazakhstan, as a tool for gaining internal legitimacy. She suggested that e-Government allows to "simulate" transparency and participation, offering the citizens a number of services and engagement opportunities which, nevertheless, remain a façade covering the authoritarian core. The study concluded that e-Government facilities shall not be viewed as a sign of democratization, but rather a tool of legitimation that helps preserving authoritarianism. There has been only limited opportunity for the subnational units to influence the progression of e-Government reforms. The initial inflexible approach did not propose co-optations strategies. Regions were given two options: to comply with the proposed solutions or to develop their own. This resulted in the emergence of

two separate e-Government platforms—federal and regional. Moreover, the municipal level of self-government has been completely disregarded in the initial plans.

Finally, we identify the resistance of the incumbent public administration system (what is called "digital feudalism" in the CSR GaaP Strategy) and clash of ideas within the ruling elites with regards to the ways in which e-Government should be implemented and what is its ultimate purpose. The former is determined by the natural lack of initiative of existing bureaucracy to adhere to the notion that digitization improves administration by reducing its size and streamlining key policies. The idea of seamless government, coupled with the reduced control over exclusive policy domains, does not sit well in the self-determination of current public administration leaders. The latter can be crudely reduced to the ideological disagreement between Medvedev, who started planning for the Electronic Government, and Putin, under whose government it has mainly be implemented.

During the first period—2002–2009—an FTP "Electronic Russia" was launched in parallel with a major administrative reform. While there has been an overlap between the two, both reforms failed to implement the principles of New Public Management (NPM) to an extent that would yield them success. The second period—2010–2015—can be identified within the scope of the next FTP "Information Society 2011–2020," and particularly, its key project "Electronic Government (2011–2015)." This project departed from an idea of e-Government as a complement or partial substitute to the "real" government and focused on the development of infrastructure for electronic public service delivery. Finally, the third period—2016—present—started the development of "government-as-a-platform" concept, that has so far not been implemented but raised much interest among various actors, as well as provoked debates regarding the future of data and digital infrastructures for its collection, processing, and storage.

The transition to the GaaP model has further exposed the flaws of the technocratic approach, as the emphasis is made on functional and policy changes and lesser on the transformation of infrastructure. The latter becomes necessarily distributed and uncontrollable from the single centre. This undermines the entire top-down ideology of governance in Russia that critically modified the course of the 2003–2013 public administration reform and significantly impacted the e-Government implementation at each development stage. The prolonged inability to adapt to the new principle of distributed and delegated governance over policy domains with blurred administrative boundaries will destine the new reform to follow the footsteps of its precursors.

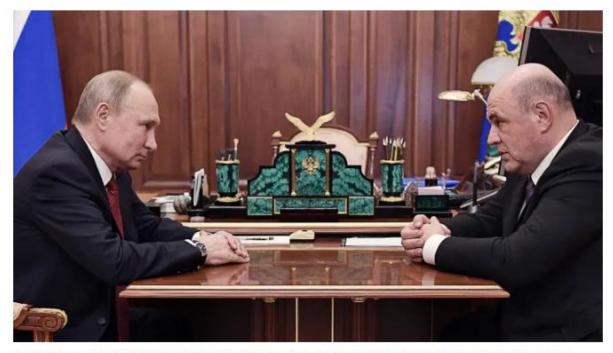
The anti-corruption campaign was a choice. In April, the lower house of the Russian legislature passed a law that bans members of both houses from holding foreign bank accounts. The prohibition was extended to include all public servants, including central bank officials and functionaries of state-owned corporations. Three months after Putin signs the law, government officials will be barred from opening bank accounts abroad, even to pay for educational or medical expenses. Two factors are working to erode Putin's power: the elite's natural tendency to think beyond short-term interests and Putin's enhanced requirement of loyalty. On the first point, elites are nervous because the legitimacy of the system is rooted in Putin's personal popularity, and Putin has done nothing to prepare the system for his eventual departure. On the second, Putin has redefined loyalty so that it now means not only supporting the Kremlin's decisions but also repatriating assets from abroad and fighting Putin's critics as personal enemies.

So, although it may look like Putin is consolidating power through the anti-corruption campaign, in reality he faces a critical moment and is at risk of losing his sway over the elites.

With the eventual change in the political regime, a real fight against systemic corruption could be on the agenda. If so, the elements would include:

- > The creation of a socially oriented state.
- > The real separation of branches of government.
- Independence of the judicial system.
- Redistribution of the Russian budget from the secret part and the military to meet severely underfunded social needs.
- Changes in legislation to get rid of black holes, loopholes and ambiguities

In Russia, "Londongrad" is widely known as the capitol of Russia's stolen wealth. Furthermore, in the digital era, stolen assets are flaunted on social media for everyone to see. The Go-Betweens (some enterprising individuals) created what were essentially small businesses as intermediaries, moving between those seeking assistance and those willing to accept illegal payments to provide that help. Often this role involved a good deal of negotiating back and forth, as the parties struck a satisfactory deal. The best mediators had contacts, sometimes entire networks of contacts, connected to various institutions



Russia's President Vladimir Putin (L) and Mikhail Mishustin, former head of the Russian Federal Tax Service, and now prime prime minister, during a meeting at Moscow's Kremlin.

Alexei Nikolsky

Figure 74 - Russian President meeting his Prime Minister

The difference between Westernizers and Slavophiles was essentially that between radicals and conservatives, a familiar theme in the history of most European nations. It was the difference between those who wished to pull the whole political structure down and replace it with a new building, according to their own admirable blueprints, and those who preferred to knock down some parts and repair and refurnish others, bit by bit. Another basic difference was that the Slavophiles were Orthodox Christians and the Westernizers either atheists or, like the historian T.N. Granovsky, Deists with their own personal faith. Belinsky described the Orthodox Church in his famous "Letter

to Gogol" (1847) as "the bulwark of the whip and the handmaid of despotism." He maintained that the Russian populace was "by its nature a profoundly atheistic people" and that it viewed the priesthood with contempt. These were but half-truths: the church was indeed subject to the government and upheld autocracy, and priests were often unpopular, but this did not mean that the peasants and a large part of the upper and middle classes were not devoted to the Orthodox faith.

The Russian brand of corruption thrives off of globalization and depends on access to the global financial system. Under this model, weak property rights and lack of rule of law support a corrupt system at home, where markets are distorted, and courts are politicized. State funds are looted, and assets are acquired through corporate raiding and asset stripping. Cronies then siphon off national funds to safe havens outside of former Soviet countries. Offshored money can be used to buy real estate, education, and health care in the United States and in Europe. It can also be used back home, to finance rigged elections, support local political figures, reward loyal cronies, and fund projects strategically important for geopolitical goals. Stolen money can also buy influence and keep foreign governments friendly. In the meantime, popular discontent brews domestically.

Western politicians often argue that globalization undermines corruption and authoritarianism. In reality, that is not the whole story. The emergence of a parallel, opaque, financial system that allows dictators to anonymously and untraceably funnel money to the West is one of the direst consequences of an increasingly globalized world. European and American lawyers, bankers, lobbyists, and accountants provide services that facilitate and benefit from the laundering of stolen assets. Illicit wealth is then invested in real estate in cities like London, New York, and Miami.

In many cases, victims are well aware of the West's complicity in funnelling off their hard-earned taxes and state budgets. Their sense of powerlessness is further fortified when the United States and European countries fail to trace and recover funds that have vanished in the global financial system. It strengthens the sense of a culture of impunity for grand corruption, a public setback that can then be exploited by extremist voices.



Figure 75 - Bank Buildina

During the transition away from Communism, the policy advice given and implemented was to go for a 'big bang' approach by engaging in a rapid mass privatisation programme. This started in 1992, and by 1994, 14,000 medium and large state enterprises – or 70% of Russian industry – had been transformed into joint-stock companies (Hoff and Stiglitz, 2004).

Ownership in these newly minted companies was distributed on the cheap to managers and employees. The remaining shares could be bought by Russian citizens using vouchers issued by the government. Did privatising all these enterprises unleash robust economic growth thanks to removing inefficiencies? Did firm productivity improve thanks to the managerial incentives created by private ownership and the removal of soft budget constraints? Russia's GDP plummeted during and after the implementation of the programme. What went wrong?

The architects of the programme had pressed ahead without creating the necessary laws and institutions to protect private property and to prevent self-dealing by managers. They believed that privatisation would result in the emergence of private property owners who would then lobby the government to create laws and enforcement institutions that would protect them from expropriation (Hay et al, 1996; Shleifer and Vishny, 1998). Crucially, this did not happen. Instead, company managers and other kleptocrats lobbied to oppose the strengthening of laws and institutions that would protect shareholders (Black et al, 2000). The typical privatisation in Russia resulted in managers and employees owning 60-65%, investors owning 20% and the state holding the remainder (Black et al, 2000). Managers engaged in self-dealing to increase their ownership stake and wealth. Self-dealing is where those who control a company use their position to divert wealth away from other shareholders towards themselves (Djankov et al, 2008).

Managers increased their initially modest stakes in three ways:

- First, they forced employees to sell their shares cheaply.
- > Second, they used company funds to buy the privatisation vouchers which were tradable to allow them to buy more shares in the company.
- Third, they used dubious tactics to reduce demand for their company's shares when they were auctioned. For example, auctions were held in a remote location or mafia henchmen were used to exclude bidders. This allowed managers to acquire more company shares per voucher than they had obtained using company funds.

It is worth noting, that the largest enterprises (mainly those in oil and metals), were not part of the voucher privatisation scheme. Instead, they were auctioned off in a highly rigged manner – and at very low prices – to a small number of well-connected men who had made their wealth by expropriating funds and assets from the government (Black et al, 2000). These men, dubbed kleptocrats by the Russian press and oligarchs by Western media, came to control Russia's largest corporations. They also controlled its major media outlets, and, through those, they could manipulate elections. The rapid and corrupt privatisation process meant that companies were now under the control of their managers or, in the case of the largest ones, under the control of the oligarchs. Those managers and oligarchs had two choices: run their companies efficiently and profitably; or tunnel value out of their company. They typically chose the latter option because even their property rights were insecure – assets and profits were stripped out of firms and the proceeds invested in Western democracies. It is estimated that between 1995 and 2001, capital flight from Russia averaged 5% of GDP per annum (Hoff and Stiglitz, 2004). The economic collapse of Russia ultimately resulted in a currency and financial crisis in 1998.

Vladimir Putin's rise to power in 2000 brought the days of the oligarchs, asset stripping and the erosion of Russia's wealth to an end. The oligarchs were expected to cooperate with the state's economic and political objectives or else face exile or worse (Vanteeva, 2016). For example, Boris Berezovsky was exiled to London, while Roman Abramovich chose to cooperate with the new regime. The pillars of Putin's administration were the siloviki – veterans of the country's secret service, the KGB, and other law enforcement agencies. The siloviki were placed on company boards

to enforce Putin's policies and safeguard company assets. Even though Russia returned to its long-standing tradition of authoritarian rule, the Putin regime did not renationalise companies or revert to a command economy (Vanteeva, 2016). The government has become a partner with private business. Putin's version of state capitalism ensured that in the absence of secure property rights, managers and owners would not engage in asset stripping at the expense of the country or self-dealing at the expense of minority shareholders.

#### Were economists to blame?

One of the lessons of economic history is that the wrong economic policies can have devastating consequences (Grossman, 2013). The poor advice from economists in terms of both the speed and nature of Russia's privatisation process is an example of free market ideology trumping pragmatism. It is also an example of why transplanting economic ideas from other economies needs to take proper account of the political and institutional setting in the host country. Finally, it raised serious issues about integrity within the economics profession. The head of the Harvard Institute for International Development's Russian privatisation scheme broke conflict-of-interest rules by investing in the securities of Russian businesses that were being privatised (Warsh, 2018).

The wrong policy advice on Russia's privatisation contributed to the rise of Vladimir Putin and the siloviki. Putin brought the oligarchs to heel and reversed the erosion of Russia's wealth. This made him popular with the people. It also turned Russia away from its brief experience of democracy and back towards an authoritarian regime. This is the regime that has invaded Ukraine. "Establishing personal contacts between the Department of Regulatory Impact Assessment, leading western experts, and representatives of Russia's business community set the stage for new initiatives and projects. It has helped bridge the gap between Russian and European government regulatory institutions, and helped foreign investors get a better understanding of business conditions in Russia," said Alexey Khersontsev, Director, Department of Regulatory Impact Assessment.

To make it easier for the government to provide good public services, and for ordinary Russians to deal with bureaucracy, services were standardized, and citizen access was simplified. One-stop-shops were introduced where applicants file a single request for the paperwork they need—from birth certificates to pension forms, instead of applying to many different ministries. Reducing the number of interactions between clients and officials also lowers the chance of corruption. Analysing factors that contributed to the reform failures this dissertation hypothesized that the major reason for them could be the conceptual inconsistency between the reform's ideological background, on the one hand, and the mainstream political process that is based on the doctrine of the 'power vertical'. The stated hypothesis demanded not only conducting research in the area of public policy and civil service, but also taking a broader perspective and assessing the conceptual milieu in which the reform of public administration and other political reforms were conducted.

At the same time, Russian reformers understood that a plain transplant of established Western models would not lead to the planned results. Moreover, international specialists conducting comparative analyses of the reform of administrative systems in different countries—analyses ordered by Russia—reached the conclusion that the various countries—depending on the peculiarities of their constitutional systems, political-administrative culture, and also various levels of socio-economic development—demonstrated varying levels of traction to the reform.

Therefore, we are hypothesizing that the major reason for the failure of the reform was conceptual inconsistency between the reform design and the nature of political process in Russia.

Several aspects of the reform—its ideology, its process and three most crucial reform measures—were investigated thoroughly for the purposes of assessment of validity of such assumption. It seems that each analysed aspect contributed to demonstrating that the working hypothesis was the correct explanation of the nature of the reform's difficulties. The choice of New Public Management as an underlying ideology of the reform was justified by its popularity among the reformers all around the world. Yet, the approach could not be borrowed without substantial modifications. Therefore, developing the conception of the reform in Russia reformers created a sort of hybrid design. Obviously, these changes not only influenced the process of reform; they also had an impact on its outcomes. The process of reform itself was a substantial factor due to the nature of the institute of public administration that is doomed to reform itself. And the process also influenced outcomes, directly addressing the causes of failure to the accountability issues. Public officials did not become accountable to the citizens as consumers of public services, as NPM model suggests, due to prevalence of the top-down hierarchy and lack of vigilance and oversight of day-to-day practices of public officials by their superiors.

Three investigated cases of reforms—performance management, public procurement, and outsourcing—revealed the detrimental effects that the conceptual conflict has on efficiency of public service in the country. As a result, at the end of the current third stage of the reform, the trends are ever evident, and are directed towards a strengthening of the regulation and supervision of the activities of public servants.

#### Corruption and Public Sector Reforms Summary

Legvold differentiates between three categories of states and their corruption profiles. First, there are criminal states. These are states where "the core activity of the state is criminal" --- that is, where the state depends overwhelmingly on the returns from illicit trade to finance itself. The second are criminalized states. In these countries, "the state's core activity may not be corrupt", but the process by which the state acts is. Finally, some states, are characterized by public corruption, whereby some public agencies and officials are corrupt, but most core institutions remain "uncontaminated." The Nigerian state currently operates under the first category. On this basis, the quickest way to take control of the corruption issue in Nigeria, is to immediately devolve all administration to the economic zones. It is assumed that any perceptible corruption within the economic zones, will be at worse fall into the third category – as described above. A real fight against systemic corruption would include the following:

The creation of a socially oriented state; the real separation of branches of government; Independence of the judicial system; redistribution of the military to meet severely underfunded social needs; changes in legislation to get rid of black holes, loopholes and policy ambiguities.

To make it easier for the government to provide good public services, and for ordinary Russians to deal with bureaucracy, services were standardized, and citizen access was simplified. One-stop-shops were introduced where applicants file a single request for the paperwork they need—from birth certificates to pension forms - instead of applying to many different ministries. Reducing the number of interactions between clients and officials also lowers the chance of corruption. The individual economic regions will work with Russian civil servants and IT service providers to implement customised versions of the IT services offerings used to drive the successful provision of public services in Russia. One of the lessons of economic history is that the wrong economic policies can have devastating consequences (Grossman, 2013). The poor advice from economists (it raised serious issues about integrity within the economics profession) in terms of both the speed and nature of Russia's privatisation process is an example of free market ideology trumping pragmatism. It is also an example of why transplanting economic ideas from other economies needs to take proper account of the political and institutional setting in the host country.

Putin brought the oligarchs to heel and reversed the erosion of Russia's wealth. His rise to power in 2000 brought the days of the oligarchs, asset stripping and the erosion of Russia's wealth to an end. The oligarchs were expected to cooperate with the state's economic and political objectives or else face exile or worse. This made him popular with the people. To curb corruption and compromised advice from economic hitmen, the economic regions should sign individual special bilateral mutual extradition treaties with Russia, covering all IT systems that they should consciously endeavour to have cloud technology-based components domiciled in Russia. The pillars of Putin's administration were the siloviki - veterans of the country's secret service, the KGB, and other law enforcement agencies. The siloviki were placed on company boards to enforce Putin's policies and safeguard company assets. Putin's version of state capitalism ensured that in the absence of secure property rights, managers and owners would not engage in asset stripping at the expense of the country/shareholders. Funny enough, what AlphaBeta stated doing in 1999, the Communists were doing better in 1959. Working closely with seasoned fraud and anticorruption tsars from within the Russian administration, leaders of the economic zones should set out to outfit processes and workflows that will quickly eliminate the loopholes and other deficiencies and inefficiencies within the system that are being used to carry out fraud. Just like in Nigeria, corruption in Russia centres around the following fields: Customs services: Tax authorities; Law enforcement agencies; Lowerlevel bureaucracy; Educational institutions; big retail companies & Airline manufacturers.

#### **AGRICULTURE**



Figure 76 - Communist Mechanised Farming

#### **Collectivisation of Farms under Stalin**

Hacking back into the past, the Stolypin agrarian reforms were a series of changes to Imperial Russia's agricultural sector instituted during the tenure of Prime Minister Pyotr Stolypin. Most, if not all of these reforms were based on recommendations from a committee known as the "Needs of Agricultural Industry Special Conference," which was held in Russia between 1901–1903 during the tenure of Minister of Finance Sergei Witte. The multifaceted reforms introduced the following:

- Development of large-scale individual farming (khutors)
- Introduction of agricultural cooperatives
- Development of agricultural education
- Dissemination of new methods of land improvement
- Affordable lines of credit for peasants

Stalin wanted the Soviet Union to have more efficient farms. Agriculture needed to embrace modern technologies. Russia and the other Soviet states had historically produced less food than the country required. The use of new farming methods and the introduction of a new system was needed to change this. With an aim of transforming agriculture so that it produced a surplus, the concept of Collectivisation was introduced. Collectivisation saw the creation of 'collective' farms. These, called kolkhozes, would replace smallholdings held by peasants with larger farms. The idea here is to have large fields in which crops can be sown, grown and harvested using modern machinery. Farm workers would live and work together. Fewer workers would be needed, and output would be more crops. In 1927 the idea of optional, Collectivisation was put forward to the peasants. Stalin altered the way in which Collectivisation was implemented. Peasants would be allowed to retain a small plot of land for themselves. However, this policy was short-lived. Rural areas were encouraged to adopt the kolkhoz method. Items such as Tractors were made available for these new collective farms. The peasantry was being encouraged to adapt to the new idea and take advantage of the opportunity. It was hoped that the peasants would take up the idea and send more food to the towns. Not many kolkhozes were set up between 1927 and 1929. However, Stalin's

idea was to all intents and purposes, ignored by the peasants. This slowed down the growth of towns and caused a supply problem for the new industrial workforce.

#### Reasons for Collectivisation:

- As towns grew the increased number of people living their meant that food production needed to become more efficient.
- To buy new technologies and chemicals, Stalin needed foreign currency. The USSR could get this from selling grain.
- Farming was outdated and inefficient. Even after the reforms of the NEP, it was failing to meet the needs of the Soviet people.
- The Kulaks were capitalists. They stood in the way of a true Socialist state being achieved.

#### **Enforced Collectivisation and the Great Famine**

In 1930, Pravda Newspaper announced a change of policy. Collectivisation would no longer be optional. All farms would hand over their land, crops and livestock. In 1931 the enforcement of the Collectivisation programme was by force. Around two thirds of farms had been changed. The third that resisted were forced to. In areas of fierce resistance to the idea, violence was common. The Kulak's were driven from the land. Many were sent to Gulags or forced to migrate to Siberia to work in lumber yards. Massive areas of arable land had been deliberately damaged by the Kulaks. The famine that followed in 1932 was catastrophic. In Ukraine, 5 million people died of starvation. Kulak's who had not already migrated were forced to or executed. By 1934 some 7 million Kulak's had been killed.

#### **Outcomes of Collectivisation**

- Mass migration, particularly in 1930/31.
- Famines in 1930, 1931 and 1932. Millions died of starvation.
- Land and livestock destroyed by Kulaks in the early 1930's.
- > Transformation to Collectivised farm system: two thirds complete by 1934, virtually all farms by 1939.
- Production levels did rise once kolkhozes were fully established.

Both Chinese and Soviet Russian agriculture were collectivized by force. In Russia, the forced collectivization and dekulakization campaigns of 1929–31 set off a civil war in the countryside that was brutally repressed. The more prosperous farm families were either imprisoned or exiled, leaving behind dispirited peasants herded into collective farms strictly controlled by rural political bureaus and machine tractor stations. Agriculture had to dance to Moscow's tune.

In China, on a dark November night in 1978, 18 Chinese peasants from Xiaogang village in Anhui province secretly divided communal land to be farmed by individual families, who would keep what was left over after meeting state quotas. Such a division was illegal and highly dangerous, but the peasants felt the risks were worth it. The timing is significant for our story. The peasants took action one month before the "reform" congress of the party was announced. Thus, without fanfare, began economic reform, as spontaneous land division spread to other villages. One farmer said, "When one family's chicken catches the pest, the whole village catches it. When one village has it, the whole county will be infected."

Russia's corporate giants are direct descendants from Soviet enterprises; none have been built from the ground up. They were privatized to urban, politically connected insiders under Yeltsin. Most stripped assets, but some began to create shareholder value after then-President Vladimir

Putin promised them secure property rights. In a fateful reversal, Putin concluded that the commanding heights belonged to the state, and Russia's large companies were renationalized. Those that remain in private hands do so with the understanding that they serve state interests, not those of shareholders.

To give things a historical perspective, an English engineer named John Perry, who spent 14 years in Russia during the reign of Peter the Great, concluded that social conditions made Russian peasants "the most dull and heavy people to attain to any art or science... apt to rebel and engage in the most barbarous cruelties, in hopes of being relieved from that slavery that is hereditary to them. Another eighteenth century English traveller and writer named William Coxe was somewhat more complementary of the peasants' mannerisms, yet he still described their circumstances as exceedingly oppressive and bleak. John Lloyd Stephens, an American who penned a travelogue of his 1832 visit, judged that peasants laboured under conditions worse than those common among slaves on plantations in the American South. He wrote, "Indeed, the marks of physical and personal degradation were so strong, that I was irresistibly compelled to abandon certain theories not uncommon among my countrymen at home, in regard to the intrinsic superiority of the white race above all others. While care must be taken to avoid over generalizing on the basis of such anecdotes, it is reasonable to conclude that the social and material condition of the Russian peasantry has historically been inferior to its Western counterparts. Bolshevik intellectuals hoped that collectivization would remedy the situation, but if anything, the disparity only increased.



Figure 77 - A sea of wheat - Russia is now a world bread basket

More recently, overall, the initial attempts to support agriculture through subsidies and credits only triggered limited rural development and contributed to weak, inefficient agriculture. Credits for individual farmers have not been structured to promote the success of efficient farmers. Input and procurement subsidies have strengthened the privileged position of enterprises with connections to the government, and producer subsidies have encouraged high-cost producers who can claim a more pressing need for additional funds. Such outcomes are not unexpected or distinctive to Russia. They are consistent with outcomes observed in a considerable body of world-wide experience.

While many have noted the political power of agrarian lobbies, less-well recognized has been the role of policy in shaping and defining these lobbies. The government needs to move toward policies for rural development that foster articulation of, and competition among a wide range of rural interests. Rural services, including the provision of human services such as health and education as well as financial services, input supply services, and output marketing and distribution, have significant potential for growth. In China the growth of rural non-agricultural enterprises has been the engine of economic change for the country as a whole. Given the much smaller share of workers in agriculture in Russia, one cannot expect a similar type of development. [36] Nonetheless, the important lesson for Russia is that the agricultural sector is not an appropriate of narrow focus for policy. Agricultural efficiency will come only with a much broader process of rural development.

When the state's agrarian strategy for 2010 was revealed, it was heavy on providing debt write off help to large farms, subsidized access to farm equipment, a new credit system and agricultural bank, and other measures that were intended for large farms (Wegren, 2002).

Resolution of the current impasse on land reform will affect the property rights of rural people. It will also affect the extent to which market reforms can be pursued in Russian agriculture. If land markets do not function, the provision of commercial financial services for agriculture is likely to remain very constrained. If land cannot move readily among users as it does in land markets, Russian agriculture will only become competitive very slowly, if at all, and calls for subsidization and intervention will be frequent. If rural households are not confident that they can recoup investment in land and farms through sale, if necessary, they will not invest their savings in farming. In private agriculture elsewhere, savings of rural households are a primary source of investment in agriculture. Russian agriculture will thus be denied a very important source of capital for investment, and rural people will forgo opportunities to earn potentially high returns on investment in their own farms. Confirming legal rights to landownership and disposition are not the only issues of importance to recovery of Russian agriculture. Progress on reforming the financial sector and creating more active and competitive domestic markets for both inputs and farm products are also important. The outcome of the debate about land rights is important because it will have an impact on all dimensions of agrarian reform and will signal the extent to which the political system is committed to building a framework for market reform.

Russia's agro-food sector issues are closely related to domestic and foreign policies. Russia's agro-food system (and in particular its grain industry), after re-emerging from the significant setback triggered by the disintegration of the Soviet Union (hereinafter USSR) in 1991, plays an important role within the national economy accounting for 4% of the national GDP. It is also one of the largest sources of employment in the country (10% of the working population is employed in this sector). It is a strategy that challenges the standpoint of many experts who associate Russia's geo-economic power merely with the arms and oil/gas sectors' performance. Currently, the Eurasian country retains the title of the world's largest wheat exporter. Needless to say, its trade relations have great influence on several strategic areas. For instance, Russia's economic relationships with the Middle

East and North Africa regions (MENA countries2: mainly Egypt, Turkey, Libya and Syria) depend on the Russian wheat production as well.

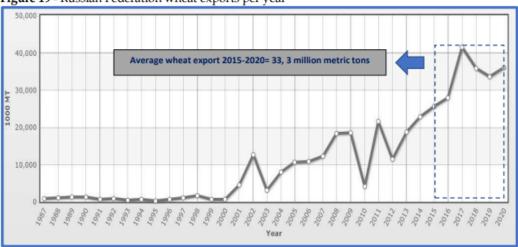


Figure 19 - Russian Federation wheat exports per year

Source: USDA and Index Mundi, 2020

Figure 78 - Russian Wheat Exports

Since the early 2000s the Russian agro-food sector, and in particular its wheat production segment has increased greatly. Indeed, quantitative data undeniably show that currently Russia is one of the world's top-ranked exporters of a strategic commodity such as wheat: a significant step-forward if one would think about the country's overwhelming economic conditions after the collapse of the Berlin wall and the end of the communist regime. The renaissance of the Russian agro-food sector is a result of a range of factors:

- 1. Russia has sizeable areas of fertile, arable land and nearby wheat markets in Egypt, Turkey, Iran and other MENA countries. In this regard, Russia's main southern wheat-producing region has ready access to nearby ports ensuring that their supply chain costs are far lower than those in USA, Canada or some inland parts of Australia (Kingwell et al., 2017). In the previous sections, it has been accounted for that the geographical proximity of Russia's agricultural area to the MENA region is not the only reason for the positive results of the country's agricultural export. In the last ten years Russia has claimed this position by making well-focused strategic-geopolitical choices:
  - (a) the Crimea' annexation, which allowed the country to consolidate its dominance in the Black Sea "region" referring also to the agricultural trade activities extension in the MENA countries thanks to the strategic position of the Sevastopol port.
  - (b) The military intervention in Syria in September 2015, which must be interpreted as a vast strategy of Moscow to control (economically, military and politically) all the Middle East (or MENA region).
- 2. During the last ten years, Russian companies' capacity to export agro-food commodities and in particular wheat in several MENA countries confirms Moscow's leading role in the agro-food sector, especially its ability trade with the Middle East area. This trend is supported by several factors, which could be listed as follows:
  - (a) Russian superpower. Russian wheat production and other crop productions witnessed significant growth in the past ten years. The government's decision to impose food import ban on the Western countries in the wake of the economic sanctions forced on the Eurasian

country after the annexation of Crimea, played an important role; indeed, this ban encouraged farmers to increase the domestic production. Furthermore, together with the previous production surges, Russia was able to increase significantly its wheat export capabilities in the last period. In the period 2015-2020, Russia exported 33 million metric tons of wheat on average according to USDA (2020). Russian Federation wheat exports per year Source: USDA and Index Mundi, 2020

- 3. Regional shift. Local wheat production in several MENA countries is still unable to meet the domestic demand forcing these countries to rely on wheat suppliers around the world to bridge the gap between domestic production and consumption. Russia has sizeable areas of fertile, arable land and large nearby markets in all MENA countries and especially in Egypt and Turkey. In this regard, it has been pointed out that Russia's main southern grain-producing regions have ready access to nearby ports ensuring that their supply chain costs are lower than those in Canada, USA or some inland parts of eastern Australia. This makes the Russian wheat prices more attractive to buyers from the region considering that, for example, the cost of its export without shipping is USD 100 per ton (according to some estimates) compared with about USD 146 for Australian wheat.
- 4. Economic presence. As stated previously, Russia's intervention in Syria helped the Eurasian country to play a greater military and political role in the MENA region, and thereby to enhance its economic presence in the region. It means that in several MENA countries Moscow's economic presence has been evident through the direct involvement of companies operating in the energy, agriculture and logistic sector. During these years, Russia appeared to the majority of the Middle East countries as a reliable partner able to support the government offering a political and economic partnership. This is the case with Syria, where Moscow increased step-by-step its own geo-economic interests. For example, in September 2017 the Syrian government signed a three-year agreement for purchase of 3 million metric tons of Russian wheat in order to cover possible risks that might affect wheat supplies. It is a move that boosts the Russian economic interests on the Syrian market. Furthermore, Russia is currently trying to expand its presence especially in the grain sector of other countries that have a strong commercial connection with Ukraine, France and USA. This is the case of Morocco and Saudi Arabia, where Russian grain companies supported by the government signed commercial agreements to supply wheat to both countries.



Figure 79 - Map of Ukraine - land use, GMO and the war in Ukraine

The Communist Party of Greece points out that "the military conflict in Ukraine is the result of the sharpening of competition between the two warring camps, primarily focused on spheres of influence, market shares, raw materials, energy plans and transport routes; competition which can no longer be resolved by diplomatic-political means and fragile compromises. Ten months before Russian troops poured into Ukraine, that country's President Volodymyr Zelensky signed a bill into law authorizing the private sale of farmland, reversing a moratorium that had been in place since 2001. The marketization of farmland is part of a series of policy "reforms" that the International Monetary Fund stipulated as a precondition enabling Ukraine to receive \$8 billion in loans from the IMF. Additionally, the IMF loan conditions required that Ukraine must also reverse its ban on genetically engineered crops and enable private corporations like Monsanto to plant its GMO seeds and spray the fields with Monsanto's Roundup. In that way, Monsanto hopes to break the boycott by a number of countries in Europe of its genetically engineered corn and soy.

# **Poison Cartel.Toxic Capital.**

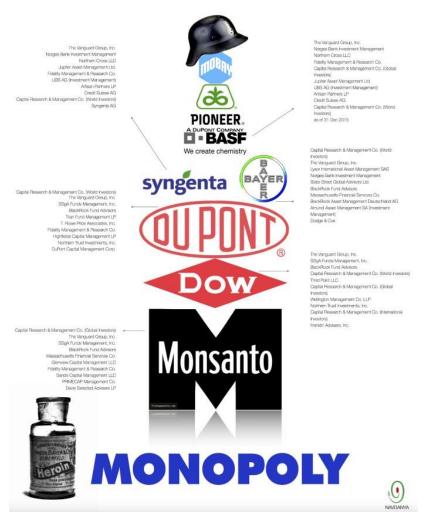


Figure 80 - Competing systems for growing crops – the multinationals doing it the western way

U.S. agriculture relies on two main inputs: migrant farm labour and the mono-cropping of genetically engineered corn, soy, and other crops designed to tolerate—and thus be saturated with—Monsanto's cancer-causing herbicide Roundup. The government's regulatory process is broken, if it ever worked properly at all: Corporations such as Monsanto, Bayer, Dow, DuPont, Syngenta, Novartis, BASF and the other pesticide and pharmaceutical manufacturers are allowed to mask the truth about the dangers of their products. They are facilitated in this by the complicity of federal (and global) regulatory agencies, allowing them to intentionally thwart the Precautionary Principle. Where the introduction of a new product or process whose ultimate effects are disputed or unknown, that product or process should be rejected.

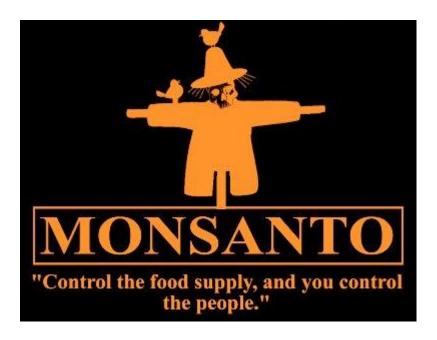


Figure 81 – Pesticides/herbicides and the Control of Food Security

Six years ago, Russian President Vladimir Putin sought to seize economic opportunities around the growing of food by opposing genetically engineered agriculture and Monsanto's Roundup, the world's most widely used herbicide; he initiated a program to eliminate pesticides and genetically engineered crops from Russia's fields. The goal was to out-compete the U.S. and Canada as the world's number one and two grain exporters by going organic, which mattered especially in Europe with its stricter laws regarding the import and planting of GMOs. It turns out Monsanto had planned to open its first plant in Russia,[13] but in June 2016 Russia's State Duma adopted a government bill banning the cultivation and breeding of genetically modified plants and animals, except as used for scientific research purposes.[14] A few weeks later, Putin signed federal law No. 358 prohibiting cultivation of genetically engineered crops. The law also made it illegal to breed genetically engineered animals on the territory of the Russian Federation.[15]



Figure 82 - Security of Food Supply not to be left in Private Hands

NB: Security of Food Supply not to be left in the Private Hands of the Multinational Corporations

Food is, and has always been political power. When unequally distributed and not universally accessible, food is a potent tool of domination and social control. Yet despite its significance, before Russia's invasion of Ukraine on 24 February 2022, food availability was rarely discussed as a principal political issue outside the global South. Since then, the world has had to grapple with the fallout from two leading grain exporters warring with each other. From the outset of the conflict, Russia has used food both as a shield and a weapon against international interference, with the world's most vulnerable countries becoming collateral damage. This is not an accident. Since the early days of Russian president Vladimir Putin's rule, the regime has sought to prevent domestic unrest and insulate itself against potentially crippling Western sanctions by promoting Russia's food independence.

The importance of food as a political tool became especially evident in the wake of Russia's 2014 annexation of Crimea. Between late March and September of that year, the United States, the European Union, and other Western governments introduced multiple sanctions against Russian politicians, media personalities, military commanders, oligarchs, and major Russian state-owned companies. But these penalties did not have the same impact as the 1979 U.S. grain embargo, which sent the Kremlin scrambling to find new suppliers in order to avoid severe shortages. Instead, Putin introduced sanctions of his own in August 2014. Capitalizing on Russia's self-sufficiency in the production of key foods, Putin banned the import to Russia of food and agricultural products from the United States, the European Union, Australia, Canada, and Norway. In 2015–16, Russia added Ukraine, Albania, Iceland, Lichtenstein, Montenegro, and Turkey to the list of sanctioned countries.

The food-import bans became known in Russia as "countersanctions" (kontrasanktsii). Taken together, the measures covered about 21 percent of Russia's food imports, worth about US\$9.1 billion. Although presented as a temporary retaliatory measure, the bans were part of a calculated and ambitious drive toward long-term import substitution that went well beyond the benchmarks outlined in the Food Security Doctrine. The Kremlin believed that if Russian producers were shielded from foreign competition and had exclusive access to the domestic market, the country could soon replace most banned imported food products with locally produced food. In 2014–15 timeframe, the Russian government openly declared food independence through import substitution to be a major policy goal. In December 2015, in his annual message to the Russian Federal Assembly, Putin declared that all Russian food would be domestically produced by 2020. In the short term, Putin's countersanctions paid off. In the absence of competition, Russian producers swiftly assumed almost complete control of the food market

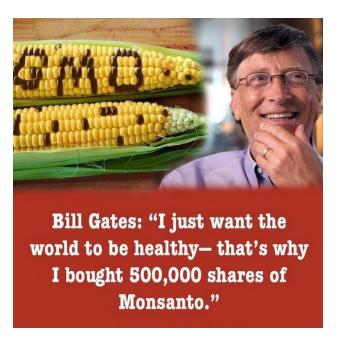


Figure 83 - Bill Gates involved in yet another business monopoly

Billionaire Bill Gates—a major investor in Monsanto and proponent of genetic engineering (as well as experimental vaccines in the so-called "Third World")—seized the opportunities he envisioned (and created) regarding a future of massive food shortages in global grain production, that we are seeing today; Gates began buying up acre after acre of farmland on which to grow GM crops. Costa Rica has an abundance of fruit to offer. This small nation exports of a billion dollars in bananas and tropical fruits. Although tropical fruits are represented as one category in terms of exports, there are many different varieties available, as illustrated below.

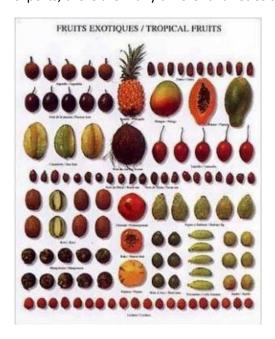


Figure 84 - Tropical Fruits from Costa Rica

Shifting focus to finance, the problems with agricultural credit policy in the post-Soviet period have been threefold: little desire by commercial banks to invest in or lend to agriculture; lack of a solid agricultural bank to issue credit to agricultural producers; and the nature of credit policy. These issues will be discussed in turn. First, commercial banks have shown very little desire to invest in

agriculture. For example, not a single bank representative appeared at a widely publicized meeting in Moscow organized to elicit bank financing for agribusiness in December 2000 (The Moscow Times, December 15, 2000, p. 10). Moreover, when private interests do invest in the ago-food sector, it is not to process raw agricultural materials. Former Minister of Agriculture Viktor Khlystun, who now heads the Centre for International Investment in the Agro-industrial Complex, noted that 80 percent of investments (both foreign and domestic) into "the food industry" have gone into tobacco, beer, and confectioneries. Only a few companies that process raw agricultural materials have been successful, examples are the foreign-owned dairy producer Dannon and the Russian Wimm-Bill-Dann.

Another problem has been a lack of a reliable, strong agricultural bank to distribute agricultural credit. Following the financial crisis and devaluation of the ruble in August 1998, the main banking network through which agricultural credits had been channelled, SBS-Agro, defaulted on its outstanding domestic debt. By late 1999, of its 43 branch offices and nearly 1,500 banks, practically none remained open (The Wall Street Journal, October 4, 2000). The former SBS-Agro bank, was reincarnated in early 2000. In mid-February 2000, all necessary documents to create a new agricultural bank, called Rossel'khozbank, were forwarded to the Central Bank. It was announced that the new bank would have starting capital of 375 million rubles, some of which was used to repay depositors in SBS-Agro (Krest yanskiye vedomosti. In mid-March 2000, Acting President Vladimir Putin signed instructions for the creation of a new Rossel'khozbank (Krest 'yanskiye vedomosti. In April 2000, the bank was registered, and in June 2000 it received its license to conduct banking activities.

The last problem has been the nature of credit policy itself. In 1997, the commodity credit system was discontinued; it was reintroduced in 1999. During the 2000 sowing season, credit dispersion operated much as in the past: subsidized inputs were provided to producers through special programs and funds. The problem with this system (in addition to the lack of repayments) was that it provided very little incentive for commercial banks to participate in providing agricultural credits. Thus, concomitant with the creation of a new agricultural banking system, a new credit policy has been launched. The purpose of the new banking system and credit policy is to provide agricultural producers with the credit they need, whilst at the same time providing incentives for other banks to become lenders as well.

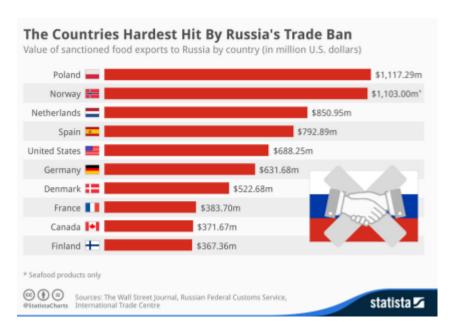


Figure 85 - Trade Wars

Agricultural imports and exports were dramatically changed in August of 2014 when the Russian government sought to retaliate against the sanctions and announced that it would ban food products from the US, EU, Canada, Australia and Norway. As demonstrated in the graphic above, this ban blocked billions of dollars' worth of products from crossing Russian borders. The sanctions that were imposed on Russia were in reaction to Russia's military and political involvement in Ukraine.

Although Russia spends large amounts of resources to support its agricultural sector, not all farms benefit from these funds because allocation and distribution are highly unequal among the regions (Uzun 2005; Uzun et al. 2016). Russia's self-sufficiency doctrine generates large political interest toward agriculture, with 0.93% of the country's GDP allocated toward direct and indirect support (OECD 2017). However, the regions benefit from these resources unequally since the composition of federal and regional co-funding differs greatly between the sub-federal units. Subsequently, subsidies per hectare vary substantially across sub-federal units: sometimes we observe 20-fold differences. Although fiscal centralization has increased under Russia's authoritarian regime, we find regional governments to be rather free in redistribution decisions and to be largely driven by considerations of the political economy. Despite the authoritarian context and consequently weak accountability mechanisms between local voters and politicians, the hierarchical organization of the incumbent party incentivizes regional politicians to maximize political support. In doing so, political parties may rationally solicit more narrow interest groups when political competition intensifies (Cox 1990). On the other hand, local interest groups may face higher risks seeking rents from a particular party knowing that there is strong political competition in the region (Bardhan and Mookherjee 2000).

Local agricultural elites are an important stakeholder in local redistributive politics. In particular, in regions with highly unequal distribution of farm size, they appear to be more successful in obtaining larger federal and regional amounts of agricultural subsidies. This may reflect both superior lobbying capacity of the super-large farms that may control hundreds of thousands of hectares of land, and the government's preference to deal with larger agricultural producers. Importantly, regional governments appear to instrumentalize agricultural subsidies and use large agricultural enterprises as vote brokers, conditioning subsidies on mobilization of voter groups that could be influenced by a particular enterprise. These findings are in line with Frye et al. (2018), who demonstrates that the

most prevalent way of voter mobilization in Russia is intimidation at their workplace. Turning to our main hypotheses, the first observation is that, across our specifications, UR's winning margin is negatively and significantly associated with both regional and federal agricultural subsidies. This finding is in line with the "swing" voter hypothesis since federal transfers appear to be directed to the regions where the incumbent party faces more competition. At the regional level, local politicians appear to have a similar strategy: they allocate more agricultural subsidies if UR (United Russia political party) faces fiercer competition. The effects appear to be relatively large in comparison with the other covariates.

We also find a consistent effect of our proxy for large agricultural business concentration. In particular, the coefficient of the Gini index based on the farms' current assets is positive and significant across the specifications. This means that the regions hosting large farms are more likely to obtain both regional and federal co-funding of agricultural subsidies. Importantly, specifications with regional co-funding as a dependent variable demonstrate negative and significant coefficients of the interactions between the Gini coefficient and UR's winning margin. Thus, the effect of largescale farming within the region is amplified by UR's small winning margins. Before proceeding to the estimation results, let us take a look at how subsidies evolved over the period of our panel data. The first observation is that federal co-funding increased in absolute terms, whereas regional levels have largely stayed the same. After 2013, both amounts went down in line with the reductions in GDP growth during that time. Despite this, the federal share stayed way above the regional funding. This may be due to centralization of fiscal intergovernmental relations over the last decade and a half. For instance, according to RosStat's official yearbooks, the number of regions that are fiscally selfsufficient went down from 24 in 2005 to 14 in 2015. These net-contributing regions are represented either by Moscow and St. Petersburg or by oil- and gas-producing regions like Tatarstan Republic or Tyumen. As a consequence of the centralizing reforms, regional budgets started relying more on transfers from the federal level and agricultural subsidies were not an exception. Reliance on federal transfers may have ensured the central government's ability to control the region via redistributive politics.

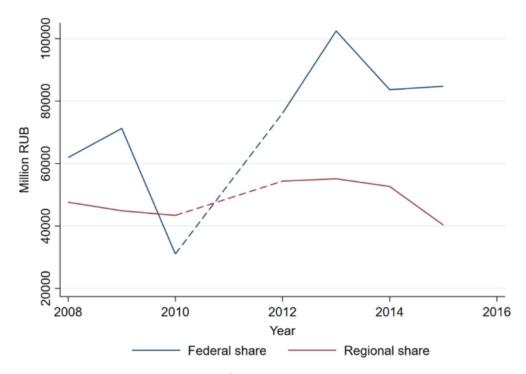


Figure 86 - Federal vs Regional Allocation of resources to Agriculture

According to Wegren, Putin assigned a higher priority to agriculture than Yeltsin had. In July 2000 the Ministry of Agriculture announced a list of basic directions for agriculture, which shifted state priorities away from small private farms and toward large farms and contained a number of measures to stabilize the agricultural sector and increase production. Wegren argued that—in contrast to strategic documents developed under Yeltsin and then largely ignored—these basic directions actually guided state policy under Putin. Finally, state policy is promoting behavioural change among Russian agricultural producers, Wegren argued. The current system encourages entrepreneurship. He contended that a core of highly productive farms is being created as profitable farms take over unprofitable ones and acquire production facilities.

A potential problem concerns the economic and social consequences of policies toward unprofitable farms. It is highly unlikely that all unprofitable farms can or will become profitable. What to do with them? If 25 percent are closed, what will the government do with the 2.8 million farm members (most of whom are at or near pension age)? If weaker farms are absorbed by stronger farms, there are likely to be significant numbers of layoffs, and what happens to those people? Rural unemployment is already disproportionate to its size of the national labour force. Finally, regarding agricultural credit, what happens if commercial banks and/or regions remain uninterested in providing credit to the agricultural sector? Assuming economic conditions remain favourable and Russia is on the road to genuine recovery, the government may want to continue to channel state credits through Rossel'khozbank. But what are the consequences of that policy for building market supporting institutions in the countryside? And what are the consequences if the process to replace the state as the dominant rural economic actor with non-state actors is delayed further? These are all unknowns for the future. For now, it is important to note that quietly, yet deliberately, Putin has changed agrarian policy in important ways that make the revival of Russian agriculture a distinct possibility.

#### FIGURE—GRAIN EXPORTS FROM THE RUSSIAN FEDERATION, 2001–19 50 44.5 Tons of Grain (Millions) 40.5 34.9 30.7 31.6 22.1 19.6 18.8 20 14 13.5 13.5 12.3 11.2 10 5.8 3.2 2006 2010 2007 2008 2009 या या या या या या या या Year

Year

Source: AB Center, Expert-Analytical Center of Agrobusiness, "Export of Grain from

Russia: Summary of 2019," 22 February 2020, https://ab-centre.ru/news/eksport-zerna-iz-rossii-itogi-za-2019-god.

Figure 87 - Grain Exports grew exponentially over 2 decades

William Liefert and Johan Swinnen have identified four key elements that agricultural reforms sought to address in post-communist states: market liberalization, farm restructuring, reform of upstream and downstream operations and the creation of supporting market infrastructure. It should be noted that these four areas are by no means mutually exclusive. In fact, they are closely related to one another. Failure or weakness in one usually bleeds over to the others. Similarly, success in one area frequently—but not always—contributes to progress in the others. A World Bank analysis suggests that the countries that have most effectively carried out reforms across these areas have had the best outcomes in terms of recovering agricultural productivity and prosperity.

This section will utilize the Liefert-Swinnen elements as a framework to review Russia's initiatives and performance, examining each in turn.

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Market Liberalization	Involves removing controls over resource allocation in order to allow market forces to dictate what is produced and in what manner. Includes removing subsidies, price controls and import/export restrictions.
Farm Restructuring	Changes how farms are owned, organized, and managed. Privatization and land reform figure heavily.
Reform of Upstream and Downstream Operations	Upstream operations involve supplying agricultural inputs to farmers; downstream operations involve storage, transportation, processing and distribution of goods.
Creation of Supporting Market Infrastructure	Closely related to the reform of Upstream and downstream operations, it entails the establishment of institutions such as agricultura banking, contract law and channels for the distribution of market information.

Figure 1. Four Elements of Agricultural Reform in Transitional Economies (From Liefert, 2002)

Figure 88 - The Liefert-Swinnen elements

#### **Market Liberalization**

As in other post-communist nations, the liberalization of agricultural markets in Russia has usually been directly related to the removal of government controls over the allocation of resources and outputs. Most commonly, these controls involve subsidies employed at several stages of production. As these subsidies are removed, domestic production is forced to compete on a more equal basis with imported goods. As this occurs, the production of goods that cannot be competitively produced without subsidies can be expected to decline. Simultaneously, newfound access to additional markets should encourage an expansion of activity in those areas where domestic farmers have a comparative advantage. In an ideal situation, these dynamics would force all actors in the sector to become more efficient in order to survive. In other words, Schumpeter's creative destruction is given free rein to eliminate the least efficient producers and reward competitive enterprises. Predictably, as these processes occur, they drive changes in the mix of goods produced.

#### Farm Restructuring

The failure to overhaul the inefficient collective farm system in the 1990s was a significant contributor to the painful dislocations caused by market liberalization. This failure was not explicitly due to any affection on the part of policymakers toward the old system, but rather a failure to build institutions to replace collective farms and a failure to create conditions favourable for alternative systems of farming to arise. Russia's early farm restructuring efforts revolved around privatization. While reformers themselves appear not to have had a well-formed vision of their desired end state, they generally attempted to privatize the land in such a way as to encourage individual or household farming. This approach made intuitive sense because on the surface the most efficient agricultural units in the Soviet system were the private plots. However, by the end of the 1990s, it was clear that most of these plots were oriented toward subsistence agriculture and did not contribute significantly to overall production. Collective farms, nominally independent of direct government control, but largely unreformed, continued to be the dominant producers in spite of their chronic weakness.

#### Reform of Upstream and Downstream Operations

The third element of agricultural reform Russia had to address is a group of factors collectively referred to as upstream and downstream operations. Upstream operations involve supplying farms with agricultural inputs. Downstream operations involve the elements needed to bring production to market, including storage, transportation, and distribution networks. When subsidies for upstream inputs such as fuel, fertilizer, equipment, and other working capital were taken away during the period of state withdrawal, farms were forced to procure these items at much higher market prices. This raised production costs dramatically. The inability to effectively cope with the new liberalized market dynamics inspired a vicious circle in which unprofitable farms were unable to repay loans and subsequently could not obtain additional credit to replenish their working capital for the next growing season. The farms found themselves unable to sow all their fields or maintain the size of their herds, further undermining hopes of profitability. As indicated in the previous section, when farms reached the brink of insolvency, the government (often at the regional level) would frequently intervene and avert collapse by providing credits for the purchase of inputs or forgiving debt.

#### <u>Creation of Supporting Market Infrastructure</u>

In order to function properly, a free-market system requires both institutions supportive of private enterprise and a transparent, predictable governance environment. Several elements that contribute to this infrastructure including land reform, development of private property rights, and agricultural banking and finance have already been considered in connection with other reform areas. Additional elements include channels for the distribution of market information, a stable regulatory environment, and fostering a favourable business environment that includes mechanisms for enforcing contracts. As Liefert and Swinnen acknowledge, it can be difficult to separate the reform of upstream and downstream operations from reforms that support market infrastructure because the two are often interrelated. In Russia this is certainly the case. Much of the supporting market infrastructure created over the past twenty years was developed in response to the difficulties farms experienced procuring inputs.

#### **Agriculture Summary**

Stalin wanted the Soviet Union to have more efficient farms. Agriculture needed to embrace modern technologies. Russia and the other Soviet states had historically produced less food than their country required. The use of new farming methods, and the introduction of a new system was needed to turn the situation round. The concept of Collectivisation was introduced with the aim of transforming agriculture so that it produced a healthy surplus. Collectivisation saw the creation of 'collective' farms. These, so called kolkhozes, would replace smallholdings held by peasants with larger farms. The idea here is to have large fields in which crops can be sown, grown and harvested using modern machinery. The new form of collectivisation in the 21st century is Worker Cooperatives. In worker Co-op enterprises, all workers are equal members of a democratically run production operation. They debate and decide what, how, and where to produce and how to utilise the net revenues. Agricultural worker Co-op enterprises will exist alongside traditional enterprises.

Each economic region will setup a strong agricultural bank for the distribution of agricultural credit, and for the processing of tax exemptions, subsidies and other state support instruments. This injection of finance should then trigger rural development and contribute to efficient agricultural output. Both agrarian lobbies shaping policy & the government need to move towards the creation of holistic policies for rural development, including the provision of human services such as health and education as well as financial services, input supply services, and output marketing and distribution, which all have significant potential for growth. Their agrarian strategy needs to be heavy on help for large farms-debt write off, subsidized access to farm equipment, a new credit system, and other measures that will be specifically intended for Worker Cooperative owned farms.

Each economic region will implement land reforms that allow land to move readily among users and improve property rights of rural people, so that land markets start to become competitive. If rural house-holds are not confident that they can recoup investment in land and farms through sale, if necessary, they will not invest their savings in farming. In private agriculture elsewhere, savings of rural households are a primary source of investment in agriculture. Russian wheat production and other crop productions witnessed significant growth (in the period 2015-2020, Russia exported 33 million metric tons of wheat on average according) in the past ten years. The government's decision to impose food import ban on the Western countries in the wake of the economic sanctions, encouraged farmers to increase the domestic production. The economic regions should understudy the countersanction measures Russia took in order to move the individual regions into the place of self-sufficiency in relation to certain food crops that do well in their individual regions.

IMF loans that come with conditions that require the use of genetically engineered crops, and enable private corporations like Monsanto to plant its GMO seeds (corn, soy etc.), and spray the fields with Monsanto's Roundup (the world's most widely used herbicide), should be actively banned by the officials of each economic zone. Furthermore, the likes of Billionaire Bill Gates—a major investor in Monsanto and proponent of genetic engineering (as well as experimental vaccines in the so-called "Third World") and a man who seized the opportunities he envisioned (and created) regarding a future of massive food shortages in global grain production -- should be actively prevented from having overbearing input into the formulation of the agricultural policy of individual regions. This level of caution is required because Bill Gates began buying up acre after acre of farmland (in places like Costa Rica) on which to grow GM crops. Food is, and has always been political power. When unequally distributed, and not universally accessible, food is a potent tool of domination and social control. To conclude, there are four key elements that agricultural reforms sought to address in post-communist states: market liberalization, farm restructuring, reform of upstream and downstream operations and the creation of supporting market infrastructure.

#### **CULTURE AND TOURISM**

### **Cultural Activities in Russia**

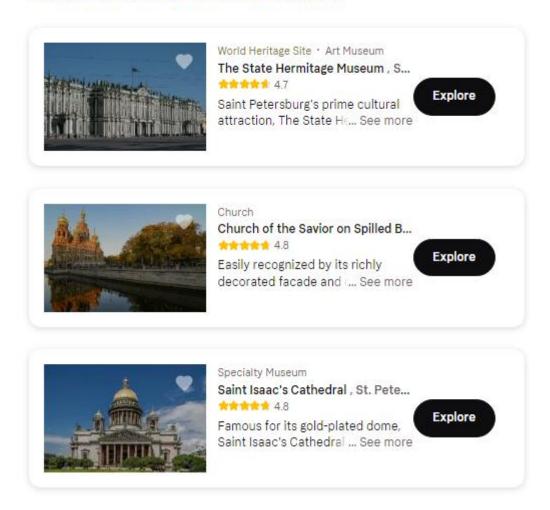


Figure 89 - Places to visit in Russia

The traditional values rooted in Russia's cultural and historical experience have enabled the nation to effectively face new challenges and threats while keeping its identity intact. Among the values are human dignity, human rights, life, patriotism, moral ideals, the traditional family, historical memory, the continuity of generations, and the unity of all peoples who live in Russia. Russia's worldview finds affinities in Africa. The Soviet Union projected itself as a champion of resistance to Western imperialism. This made it an attractive partner both for newly independent African countries and those still struggling to free themselves from colonial rule. Back then, rebels in the former Portuguese colonies of Angola and Mozambique were inspired by Marxist-Leninist ideology, which at various stages was also influential in countries such as Ethiopia, Somalia and Tanzania. Modern Russia is not driven by any particular ideology in its foreign policy, allying itself flexibly with whichever players suit its interests. Soviet-era educational ties have created useful networks in Africa. In the past as many as 200,000 Africans trained at Soviet universities, polytechnics and military academies. Many studied at the People's Friendship University in Moscow, set up in 1960 to train future specialists from developing countries, and named after Congolese freedom fighter Patrice Lumumba. Alumni include several African leaders, such as Michel Djotodia and Hifikepunye

Pohamba, ex-presidents of Egypt, the Central African Republic and Namibia respectively. Now renamed the Peoples' Friendship University, the institution is in the process of reviving its ties to Africa and currently hosts 1,200 students from the continent.

Putin reveals his thoughts on gender theory saying that all major religions – including Christianity, Islam, Buddhism, and Judaism – had a "profound impact" on the development of Russia's values, which are shared by both the religious and non-religious. Putin's new policy is aimed at "preserving and strengthening traditional values... through generations," as well as "countering the spread of destructive ideologies." Among the ideologies that are "alien to the people of Russia," are the "cult of egoism, impunity, and amorality," the "denial of patriotism and family values," and LGBTQ+ propaganda. This threat should be countered through policies targeting the youth, education reform, and support for literature, art, film, and media outlets that promote traditional values. The decree also instructs the government to work with civil society, preserve the historical memory of the peoples of Russia, and support the Russian language, both in the country and abroad.



Figure 90 - Places for Russians to visit in Africa

Africa is an extremely interesting and promising, but poorly developed tourist region. Among the factors, favouring the development of tourism on this continent, we can note the following: proximity to Europe and Asia; warm weather and a lot of sun all year round; the presence of beautiful beaches in many coastal areas of Africa; exotic nature, including the unique wild fauna; the diversity of cultural and historical attractions in North Africa. The factors which restrain the development of tourism in Africa are: the low economic activity level of most African countries; poorly developed tourist infrastructure and transport network; unstable internal political situation in some countries of the continent; the lack of developed domestic tourism, which leads the way for international tourism; governments of some countries pay insufficient attention to the development of tourism; quite a few areas of the continent are characterized by adverse climatic conditions (extreme heat, dry hot winds, a long period of heavy precipitation).

In 2019, the direct charter transportation the Gambia (West Africa) is represented for the first time on the Russian market. The flight program for this exotic destination in the winter season 2018-2019 is performed by Coral Travel tour operator. It started on September 30, 2018, and will last until March 28, 2019 from Moscow on the flights of Royal Flight. Travel time from Moscow takes about 8

hours. Today, "communist heritage" tourism is the newest fad. This type of tourism occurs in Central and Eastern Europe where tourists travel to places associated with former communist regimes. This is a postmodern special-interest type of tourism that has been labelled "dark tourism" by M. Foley and J. J. Lennon (Foley & Lennon, 1996). Some off-the-beaten-track tourists like to visit and witness sites of revolutions, mass killings, and other sites of death and devastation. This seems to be a growing phenomenon in the tourism realm that started in the 1990s. Although attracting tourists, this often frustrates efforts by the post-communist countries to construct new, contemporary identities.

The Cold War is long past and now Russia can stand up and tell everyone that there is more to it than Moscow, St. Petersburg, and the Trans-Siberian Railroad. Tourists are no longer the same people they once were. People now really want to experience true culture, to bask in the glory of it, to find out how Russian citizens really live. The best way to do this is to bring tourists a little further east of Moscow, closer to the Ural Mountains where nature, history, and architectural treasures abound. Probably the easiest and most profitable way to do this in the village of Yurino is by Volga River cruise ships. Both within the entire country of Russia, and in the small village of Yurino, tourism has great potential. Russia is a mystery to so many in the Western world, and not just Americans. Russia now has its chance to show the world what it is really truly like, to show off its history, beauty, and charm. A dock must be built in the near future and discussions must be set up with tour operators, so that construction can begin and Yurino can be put on the cruise ship stop list for onshore excursions.

Yurino has much to offer including the beautiful Sheremetev Castle and the Church of Michael the Archangel as architectural wonders, but also the history of relatives and friends of Peter and Ivan the Great. The castle walls tell stories and villagers have their own. Hunting and fishing excursions as well as special events with Russian food and crafts are just a few of the many things that could be offered at Yurino. To achieve rapid progress, the key to remember is to just keep everyone involved in the tourism process: private and public officials, town residents, media, and financial supporters. Everyone in the vicinity would be a stakeholder in the future of Yurino. Much can be done and enjoyed in the village, but funding must be found, and many things need to be properly planned. Two hours away from any large urban civilization lies the "Pearl of the Volga." ( the mysterious Sheremetev Castle) is located next to the banks of the mighty Volga River, yet nestled in the quaint village of Yurino in the Russian Federation. The beautiful castle, built from red and black bricks and inlaid white stone, contains almost one hundred rooms including "The Oriental Study" and "The Picture Gallery." The expansive estate was bought in 1812 by Vasiliy Sergeyevich Sheremetev who was a distant relative of Marshal Sheremetev, a friend and advisor to Peter the Great. The Sheremetev family that lived within the castle walls were considered to be classy, cultured Russian citizens as they had over five thousand books within their personal library, and thirty well known paintings by famous Russian artists. Most living within the castle were also relatives of Ivan the Great.

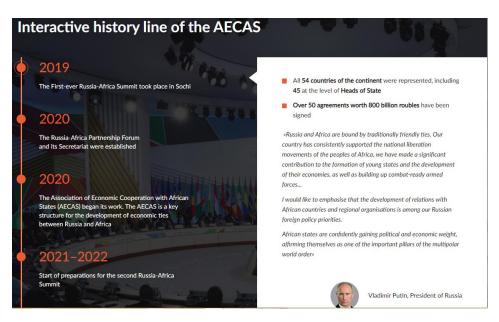


Figure 91 - Association of Economic Cooperation with African States

#### Africa's economy in figures

AECAS performs ongoing research to find the most promising projects for Russian companies. They connect key market players, provide advice on financing and help establish a dialogue with government and business structures in African States. Russia's \$20 billion in trade in Africa, is heavily imbalanced toward Russian exports of arms and grain to Africa. Mineral, diamond, and oil contracts are typically negotiated by Russian parastatals such as *Rosneft* and *Lukoil*. The oil sector is an area in which Russia brings deep technical expertise and financing. The details surrounding these contracts, however, are nearly always shrouded in secrecy, making it difficult to assess their true value or the contributions they may bring to African treasuries. Russia has natural resource deals with roughly twenty African countries.

Russia is the leading exporter of arms to Africa controlling forty-nine percent of the overall arms market in Africa. Algeria, Angola, Egypt, Morocco, Nigeria, Sudan, Senegal, and Zambia are the leading customers of Russian arms in Africa. Russian arms are seen as affordable, easy to maintain, and reliable. African customers are increasingly willing to purchase more sophisticated weaponry from Russia, including fighter aircraft, helicopters, tanks, and air defence systems. It is not uncommon for Russia to leverage its arms as part of an "arms-for-resources" deal. With an economy the size of South Korea or Spain, and little in the way of manufacturing products that are appealing to African markets, Russia manages a modest level of trade with Africa, amounting to roughly \$20 billion per year (about one-tenth that of China). Nor does it offer compelling ideological, social, or cultural resonance for many in Africa. Despite this, Russia has gained outsized influence in Africa in recent years by playing the cards it has well. Where it has realized most influence—Libya, Central African Republic (CAR), Sudan, Madagascar, Mozambique, and Mali—Russia has agilely employed a combination of mercenary and disinformation interventions in support of isolated leaders or proxies. This is the pointy spear of a more conventional set of engagements that aim to foster a positive Russian image while providing a platform to advance its elite-based diplomacy.

Africa, thus, one could argue, is a "theatre" for Russia's geostrategic interests rather than a destination itself—a perspective reflected in the means that Russia employs. Unlike most major external partners, Russia is not investing significantly in conventional statecraft in Africa—e.g.,

economic investment, trade, and security assistance. Rather, Russia relies on a series of asymmetric (and often extra-legal) measures for influence—mercenaries, arms-for-resource deals, opaque contracts, election interference, and disinformation. To assess the future of Russia-Africa relations, therefore, it is necessary to be clear that the "partnerships" that Russia seeks in Africa are not state-but elite-based. By helping these often illegitimate and unpopular leaders to retain power, Russia is cementing Africa's indebtedness to Moscow. Since Russia's engagements in Africa are typically predicated on co-opting leaders facing limited checks and balances, they are nearly always detrimental to African citizens who must endure deepened institutionalized corruption, diverted public revenues, unaccountable leaders, and instability. Reform, therefore, will not come from these leaders but from African citizens, which will entail greater civil society engagement, enhanced transparency around contracts, and higher levels of scrutiny of any deals struck with Russia.

Building more mutually beneficial Africa-Russia relations depends on changes in both substance and process. Such a shift would require Russia to establish more conventional bilateral engagements with African institutions and not just individuals. These initiatives would focus on strengthening trade, investment, technology transfer, and educational exchanges. If transparently negotiated and equitably implemented, such Russian initiatives would be welcomed by many Africans.

# Members of AECAS **MURALCHEM** Vi Holding Vi Holding



Figure 92 - Partners of "Association of the Economic Cooperation with African States" Group

African countries are showing a willingness to look beyond a single foreign partner in their efforts to find stability and security, she said. "There is the realization ... that being only engaged with single actors .... is restricting the possibility for diplomacy, but also for military apparatus." Trade between Russia and African countries has doubled since 2015, to about \$20 billion a year, African Export-Import Bank President Benedict Oramah said in an interview last fall with Russia's state-owned Tass news agency. He said Russia exported \$14 billion worth of goods and services and imported roughly \$5 billion in African products. Russia has drawn the world's attention with its aggressive stance toward Ukraine. The former Soviet power has been rebuilding ties with Africa more quietly,

strengthening economic and military cooperation, but also raising Western concerns about its tactics and goals there. Russian flags waved in Burkina Faso's capital following January's military coup in the West African nation. A statue unveiled in the Central African Republic last fall shows local soldiers, backed by Russian fighters, protecting civilians. Those are the more obvious symbols of Russia's resurgent presence on the continent. Africa is a foreign policy priority, Russian President Vladimir Putin said at the first Russia-Africa summit of political and business leaders in 2019. Moscow has been building new ties and refreshing alliances forged during the Cold War, when the former Soviet Union supported socialist movements across Africa. After the Soviet Union's collapse in 1991, it largely withdrew from the continent.

However, since at least 2007, especially in the last few years, Russia has been increasing military and other economic involvement in Africa. The 2019 summit produced contracts with more than 30 African countries to supply military armaments and equipment. Businesses, including state-backed commercial interests, have invested heavily in security sectors, technology and industries that extract natural resources such as oil, gas, gold and other minerals. Rusal is a company that excavates minerals for aluminium in Guinea, and nuclear group Rosatom seeks uranium in Namibia. Alrosa, the world's largest diamond mining company, has pushed to expand operations in Angola and Zimbabwe, according to the Carnegie Endowment for International Peace. "Russia is clearly interested, in search of new economic markets and geopolitical influence in Africa," said Tatiana Smirnova, a postdoctoral researcher at the University of Quebec's Centre FrancoPaix and an associate with the University of Florida's Sahel Research Group. "It's important for Russia."

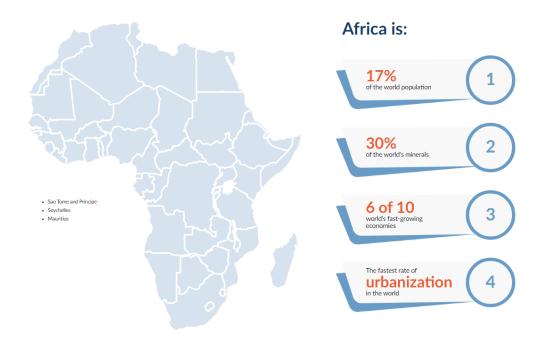


Figure 93 - Africa in big numbers

Russia has been able to quickly expand its presence in Africa precisely because Africa represents a highly permissive environment for Russia's malign engagements. The weak legal and regulatory environment in much of Africa means Russia – through Wagner, disinformation, or elite-based diplomacy – largely has free reign in its operations. This is even more the case since it is the isolated and often authoritarian African governments that welcome Wagner's interventions. The reliance on private military contractors means that the financial costs to Moscow are limited. While Wagner

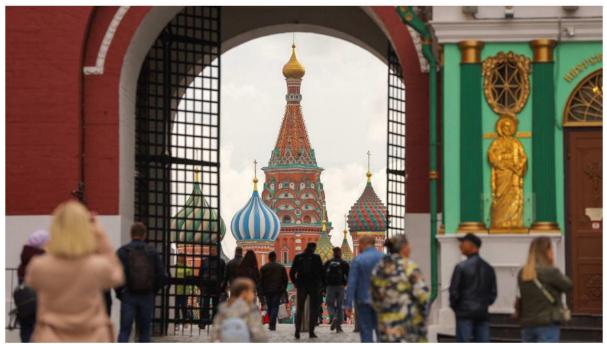
does occasionally incur casualties, these setbacks are not widely reported in Russia and do not trigger popular pressure to curtail Russia's forays into Africa. Russia also bears few reputational costs for its interventions. By design, there remains a high level of opacity surrounding the deployment of Russian mercenaries and disinformation campaigns. Russia's elite-based diplomacy, moreover, is aimed at co-opting and sustaining friendly regimes. Therefore, information of Russia's meddling in Africa is partial and difficult to substantiate. Criticism from official African sources is rare. The fact that much of this malign behaviour is conducted by third-party actors, furthermore, provides Russia an arms-length posture from which it can deny any knowledge or support for these actions. This dampens the collective outrage and coordinated action that could constrain further Russian interventions in African affairs.



Figure 94 - Map of Russia showing tourist trail

Russia's large size highly affects tourism for a variety of reasons. First, there are so many different places to go, so it may be difficult for a tourist to make a decision on where to travel to. Second, since nearly three-fourths of the population resides in the western portion of European Russia, tourism in Asian Russia, including such places as Siberia, the Kamchatka Peninsula, and the naval city of Vladivostok, is severely restricted. Third, tourists seem more likely to visit areas that have a warmer climate and generally avoid the permafrost zone, which covers about half of the country. Fourth, because of its size, tourists will be physically afflicted by where they go since Russia spans eleven time zones and can inflict serious jetlag due to adjusting sleep cycles.

Russian President Vladimir Putin has ordered a decree to allow visa-free travel from countries regardless of their visa policies toward Russian citizens. A Kremlin decree dated Oct. 30 instructs Putin's cabinet to facilitate visa-free tourism, business, educational, sports and cultural travel even if these countries require visas for Russians to visit. On the other hands, Ukraine, for example, introduced visa requirements for Russian nationals as Kyiv cut diplomatic ties with Moscow and shut its borders with Russia in response to the Kremlin's Feb. 24 invasion. Contrast this with the steps the Russian President Vladimir Putin has taken to allow visa-free travel from countries regardless of their visa policies toward Russian citizens. A listing of assignments following a State Council meeting contains an item that reads, "To draft and submit proposals to allow (regardless of the reciprocity principle) visa-free travel to Russia for foreign citizens whose purpose of the visit is tourism, business, education or participation in sports or cultural events." The president also asked to consider extending the validity of multiple-entry tourist visas. The cabinet should also work with the Foreign and Interior ministries and the Federal Security Service to submit proposals to ease the requirements relating to Russian cruise ships, including the cancelation of border control.



Evgenia Novozhenina/Reuters

Figure 95 - Sites and Sights of Moscow

#### **Amusing Russian Etiquette**

Don't argue with Russian babushka

Babushka (old grannies) are not the ladies to mess with. While elderly people are among the most vulnerable members of society, they also command a lot of respect and power. No matter what they tell you, just smile and agree. If you see one of these ladies in the subway and she asks you to carry her bag, just do it her way, because there's absolutely no point in arguing with her.

#### Don't show up empty-handed

If you have been invited to dinner at a friend's house. Never show up without anything to offer in return, as this is considered to be really rude. Even if you bring just a small chocolate bar or a cheap bunch of flowers from the kiosk in the neighbourhood, they'll still be happy. You can expect a warm reception in a Russian home.

#### Don't whistle indoors

Whether you're having fun with friends, or absentmindedly humming along to a tune while you go about your daily chores — make sure you don't whistle indoors! If you're with a group of Russians and you happen to forget, you will be scolded. It's believed that whistling brings bad luck, and that it will lead to losing money.

#### Don't leave empty bottles on the table

In Russia, it is believed that leaving an empty bottle on the table brings you bad luck, specifically, that you're going to become poor. Many people across Russia say that this superstition arrived with the Cossacks in the 19th century, however it's still a heavy debate. For superstition's sake, don't do it.



Figure 96 - Russia in Africa

Russia is now seeking to exploit conventional gas and oil fields in Africa and elsewhere. Part of its long term energy strategy is to use Russian companies to create new streams of energy supply. For example, Russian companies have made significant investments in Algeria's oil and gas industries. They have also invested in Libya, Nigeria, Ghana, Ivory Coast and Egypt. Russia is also expanding its African interests in minerals. Uranium – which is key to the nuclear power industry – is at the top of its list. In addition, Russian companies are producing aluminium in Nigeria, and have constructed hydropower stations in Angola, Namibia, and Botswana. In Guinea,

Russian aluminium company Rusal owns the Kindia Bauxite Company which accounts for a third of Rusal's bauxite output, as well as two other companies that mine bauxite and refine it into aluminium. Aluminium is essential for aircraft and spacecraft components, as well as power lines and many other applications. Although Guinea has a mining code that requires mining companies to pay taxes and protect the environment and the communities around their mines, these rules are relaxed where favoured partners are concerned. Many Russian companies are exempt from paying land taxes and salaries and even enjoy the renewal of long-term contracts.

Russia is also expanding its lithium investments in Africa. Lithium is essential for the shift to emobility: there will be around 18 times more lithium required by 2030 and up to 60 times more by 2050. Electric vehicles and energy storage solutions could potentially increase demand by almost 500 per cent by 2050. African countries such as Zimbabwe and the DRC are among the countries with the greatest lithium reserves. Rosatom, the Russian state nuclear energy company, aims to control 3 per cent of the world lithium market by 2025 and 10 per cent by 2050, partly by tapping into these African resources. Russian oil and gas companies such as Rosneft, Gazprom and Lukoil are increasingly interested in Africa, which is both a market for their exports - in June 2018 Rosneft signed a deal to supply Ghana with liquefied natural gas - and, more importantly, a region with substantial energy resources of its own. Rosneft has oil and gas projects in Algeria, Egypt and Mozambique, while Lukoil is also known to be active. Russian energy and mining activity in Africa includes the likes of Rosneft, Lukoil, and Gazprom. This gives Russia presence in Africa countries like Cameroon, Egypt, Ghana and Nigeria. Such partnerships bring African countries the capital and know-how they need to tap into their energy potential. For their part, Russian energy companies gain an opportunity to expand production at lower cost than in Russia, where many of the country's untapped reserves are difficult to access, being located under deep water or in Arctic regions. It is worth noting that Russian energy cooperation with Africa is not confined to fossil fuels.

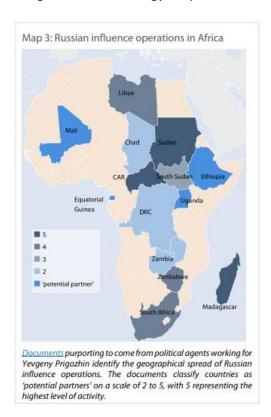


Figure 97 - Russian business operations in Africa

Most of Russia's activities in Africa seem to be driven by commercial interests – selling weapons, investing in African oil and gas fields, and securing access to minerals needed by Russian industry. It is true that state-controlled companies such as Rosneft and Gazprom are often seen as arms of the

Kremlin, prioritising foreign policy goals over profit (for example, Gazprom cutting gas prices for Armenia after it agreed not to sign an association agreement with the EU). However, keen competition between Russian companies — including privately owned operators such as Lukoil — for contracts in Africa suggests that there is a genuine commercial motivation. However, when investments are combined with official (e.g., diplomatic) initiatives as well as more covert activities carried out by private but Kremlin-linked agents, a picture starts to emerge of a joined-up plan, coordinated at the level of the Russian state. Business interests' aside, the overall goal is apparently to further Russian political influence in Africa. Cooperation with Russia benefits the continent in various ways, bringing investment for the energy and mining sectors, helping to build military capacity, and enabling governments to diversify their foreign relations in a way that reduces dependence on other international partners (such as China).

For a while now, competition among the world powers for influence in Africa has been seen as primarily between the United States and China. But research shows that President Vladimir Putin is intent on tilting the global balance of power in Russia's favour, in line with his vision of restoring Moscow's Soviet era status as a superpower. On this view, Putin is determined to counter America's influence and match China's large economic footprint on the continent. Military equipment is a key factor in the relationship between Russia and several African countries. In fact, almost half of Africa's imports of military equipment (49%) come from Russia. These include major arms (battle tanks, warships, fighter aircraft and combat helicopters) and small arms (pistols and assault rifles, such as the new Kalashnikov AK-200 series rifle).



Figure 98 - Putin giving African leaders his full attention

Africa is a foreign policy priority, Russian President Vladimir Putin said at the first Russia-Africa summit of political and business leaders in 2019. "We are not going to participate in a new 'repartition' of the continent's wealth," he said. "Rather, we are ready to engage in competition for cooperation with Africa."

Looking back in history, in 1869, the Russians gave Ethiopia military support to threaten the position of the British in their quest to control the Suez Canal. They did this because Britain was one

of their main European rivals. It is worth noting, that it wasn't until the Cold War started in 1947 that Russia began to develop diplomatic relations with several African countries. This was a way to counter the influence of its rivals such as the US. The Cold War dictated the former USSR's relations with many African countries for decades. This was followed by a period of relative inactivity. But more recently, relations have become increasingly important for Russia as well as some African countries. The result is that some African countries no longer need to choose between the American and the Chinese way of development. I should be recalled, that during the Cold War the Russians provided diplomatic, economic, military, and educational support for numerous African liberation movements. These included Algeria, Angola, Cape Verde, the Democratic Republic of Congo, Ethiopia, Guinea, Madagascar, Sao Tome & Principe, and Tanzania. As a result many young Africans were educated in Moscow.

Russia then began to trade and interact with these states routinely. It sent in military intelligence officers to establish a strong presence and ensure that Africa was not purely influenced by the West. The Russians developed relations with Africa so intensely that for the 10 years between 1950 and 1960 it surpassed the influence of colonising powers. That influence would remain more or less intact until the Boris Yeltsin era. Between 1990 and 1999 Russia's impact on the continent was spectacularly lowered. Nine embassies and three consulates were closed. The number of personnel subordinated to the Russian Ministry of Foreign Affairs was drastically reduced. Russian cultural institutions were closed, and economic relations were unilaterally terminated. Previously generous aid programmes were scrapped. Russia's long-term goal is to become a political, economic and military mediator that can stand behind Africa's global interests and count on the continent's support in return.

Russia re-entered the stage at a time of growing discontent. France, in particular, is seen as continuing a policy of imperialism in West Africa through conditional support and profitable business deals. Increasing numbers also felt disillusioned with China's offer of an alternative, as it indebted African partners with its loans while conducting its projects with Chinese workers and experts. This disappointment has led countries such as Ghana to cancel Chinese-led initiatives. Russia's reengagement also coincided with US disengagement from the region under Donald Trump, whose priorities were Iran, China, and American isolationism.

For a list of sites that also promote some of the ideas espoused in this document, follow the link below;

https://enterbiafra.life/contact

#### **Culture and Tourism Summary**

Today, "communist heritage" tourism (dark tourism) is the newest sensation. This type of tourism occurs in Central and Eastern Europe where tourists travel to places associated with former communist regimes. However, there is more to Russia than Moscow, St. Petersburg, and the Trans-Siberian Railroad. Tourists can experience true culture, by going further east of Moscow, closer to the Ural Mountains where nature, history, and architectural treasures abound. The economic regions should setup tourist excursions to take advantage of the Kremlin decree dated Oct. 30 that instructs Putin's cabinet to facilitate visa-free tourism, business, educational, sports and cultural travel to countries, even if these countries require visas for Russians to visit. Nollywood producers and Afrobeat artists should be encouraged to travel to Russia to do filming there. Furthermore, the rich and mighty can also take winter vacations there, as Russia is a very large and diverse country.

The traditional values rooted in Russia's cultural and historical experience have enabled the nation to effectively face new challenges and threats while keeping its identity intact. Among the values are human dignity, human rights, life, patriotism, moral ideals, the traditional family, historical memory, the continuity of generations, and the unity of all peoples who live in Russia. This Russia's worldview finds affinities in nearly all the geopolitical zones within Nigeria. The leaders within these zones should partner with Russians in order to continue to maintain their cultural and linguistic independence from the western countries. Putin reveals his thoughts on gender theory saying that all major religions – including Christianity, Islam, Buddhism, and Judaism – had a "profound impact" on the development of Russia's values, which are shared by both the religious and non-religious.

The Soviet Union projected itself as a champion of resistance to Western imperialism. Modern Russia is not driven by any particular ideology in its foreign policy, allying itself flexibly with whichever players suit its interests. Soviet-era educational ties have created useful networks in Africa. As many as 200,000 Africans (including African leaders) trained at Soviet universities, polytechnics and military academies from the 1960s. Currently, the Peoples' Friendship University, is in the process of reviving its ties to Africa and currently hosts 1,200 African students. The individual economic regions should trace any of their citizens who were students under the Soviet Union. The idea would be to leverage their language and technical skills to engage directly with small private companies in Russia for the purpose of them setting up joint ventures with local SMEs.

Africa is an extremely interesting, promising potential Russian tourist destination, but a most poorly developed tourist region. Among the factors, favouring the development of tourism on this continent, we can note the following: proximity to Europe and Asia; warm weather and a lot of sun all year round; the presence of beautiful beaches in many coastal areas of Africa; exotic nature, including the unique wild fauna; the diversity of cultural and historical attractions all across Africa. The factors which restrain the development of tourism in Africa are: the low economic level of most African countries; poorly developed tourist infrastructure and transport network; unstable internal political situation in some countries of the continent; the lack of developed domestic tourism, to name but a few. The economic regions should take these issues to task as their now exists an opportunity for tourist attractions available within their regions to become the new choice destination for Russians, due to the ongoing travel sanctions their fellow European countries have placed on them. To round up, it is worth emphasising, that the "partnerships" that Russia seeks in Africa should be about building more mutually beneficial conventional bilateral Africa-Russia relations that would focus on strengthening trade, investment, technology transfer, and educational exchanges. Amusing Russian Etiquette; don't argue with Russian babushka (old grannies), don't show up empty-handed when invited to dinner, don't whistle indoors (whistling brings bad luck), don't leave empty bottles on the table (leaving an empty bottle on the table brings you bad luck).

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https://www.youtube.com/c/fatherlandgroup

