



THE NEW WORLD DISORDER: POWER SHIFTS BETWEEN CONFLICT AND ALLIANCES

A Report on Growth Opportunities



Almost 100 years ago, when the 1929 crash struck the New York Stock Exchange, few could have imagined the price the world would pay for weak economic ties and the inability to foresee the future.

Overproduction, rampant U.S. protectionism, its tariff war with the rest of the world, and demographic challenges — all of this, compounded by the aftermath of the recent geopolitical upheaval of World War I, triggered a global economic crisis in most Western countries with catastrophic consequences.

The Great Depression began its relentless march across the globe. The world order changed, along with the system of international and economic relations. In just 10 years, the world moved from the "Roaring Twenties" to the Second World War.

The current processes analyzed in this study by leading economists inevitably evoke parallels with those times for historians. Today, however, we seek a thorough assessment of present-day economic risks, aim to avoid the mistakes of the past, and find new approaches to solve today's economic challenges.

Despite certain similarities, the events of the 21st century are, of course, different in many ways and governed by new dynamics. Yet the challenges we face today, if left unaddressed, could still lead to unpredictable consequences. We must take responsibility for shaping our own future.

There is no doubt that the next ten years will irrevocably reshape the world. We have the ability — and the obligation — to define our own role and place in this new world. And the same right belongs to other countries and peoples.

This study, presented for your consideration, explores key technological, economic, social, and geopolitical dimensions, proposes possible development scenarios through 2035, and seeks to answer a crucial question: where are the new growth points for the global economy?

Today, we would like to invite all interested and engaged parties to join this dialogue. Defining the right vectors for shared economic development means ensuring a just future for ourselves and for our children.

Anton Kobayakov,
Advisor to the President of the Russian Federation

You are holding a summary of a study conducted by the Roscongress Foundation, the business daily newspaper Vedomosti, the VEB Research & Expertise Institute, the Institute of Economic Forecasting of the Russian Academy of Sciences (RAS), and the Russian Union of Industrialists and Entrepreneurs (RSPP), in partnership with economists from Germany, the United States, and China.

The study engaged a wide range of experts to examine key global risks and challenges, assess their likely trajectories through 2035, and explore the most promising and effective avenues for fostering international cooperation to achieve economic and social development goals, reduce global inequality, and advance the Sustainable Development Goals (SDGs).

The full version of the report, along with supplementary materials and expert commentary on global development, is available via the QR code below.



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Russia's Role in Shaping Eurasian and Global Alliances



Unipolar Globalization: Conflicts Replacing the Positive Global Agenda

The current model of global development exhibits all the hallmarks of a deep crisis. **Unipolar globalization is in decline**, yet in its final stages it continues to trigger new crises and conflicts worldwide. A potential safeguard against mounting instability could be the emergence of a **new multipolar model**, in which multiple parallel systems operate instead of a single set of global rules. This process of **regionalization**, with the formation of several centers of power, is already underway. The largest of these centers are expected to be led by the United States and China. The central question now is whether these new power centers will be able to reach agreements — or whether systemic confrontations will become a permanent feature of the global landscape.

1.1. Systemic Risks and the Structural Crisis of the Global Economy

The current crisis of the global economic and political order is the result of a prolonged cycle of globalization. Global institutions are now in crisis, and the balance of power among major economic centers has shifted dramatically. This is unfolding against a backdrop of growing mistrust and increasingly fragile mechanisms for international partnership.

Geopolitical tensions are expected to remain elevated. Traditional economic advantages have been exhausted, and the competition between established and emerging centers of power is intensifying.

These dynamics are reflected in shifts in global trade, the restructuring of international production and supply chains, changes in global payment systems and currency relations, and escalating technological rivalry.

In the aftermath of the Cold War, the West sought to reshape the world order in accordance with its own rules. However, geopolitical competition ultimately eclipsed the spirit of cooperation. Decades later, China, Russia, countries of the Global South, and even the European Union are increasingly challenging this model.

**Vladimir Putin,**

President of the Russian Federation

"We must remember that the world is not only about competition, but also about cooperation."

The center of global economic activity is steadily shifting toward the countries of Greater Eurasia, which now account for more than half of the world's population and up to 30% of global nominal GDP. The waves of industrialization and urbanization, which began in Southeast Asia, have now spread to Pakistan, Iran, Egypt, and Algeria. Simultaneously, a new era of African awakening is underway — driven not only by rapid population growth but also by significant economic progress. However, the transformation of global centers of development is also fueling new conflicts. Since 2005, global military expenditures have more than doubled, surpassing USD 2.4 trillion — and they continue to rise.

As the balance of power evolves, confrontation between leading powers is intensifying across multiple dimensions: geopolitical, military, and economic. The existing institutions governing the global economy and trade are no longer functioning effectively. Protectionist barriers — ranging from tariffs to new carbon-related regulatory instruments — are on the rise. The international security architecture has been severely undermined. Simultaneously, barriers to global scientific and technological progress are growing, as advanced economies seek to preserve a monopoly on critical technologies. Approximately 40% of global corporate R&D investment is now concentrated within just 50 companies, primarily headquartered in a few developed nations.

The most significant risks stemming from this evolving great power rivalry include deterioration in quality of life, a slowdown in technology transfers, widening global inequality, and escalating environmental damage. The entire framework of the Sustainable Development Goals (SDGs) is now under threat. Additional risks include excessive militarization

Global Military Expenditures
in 2024

USD **2.4** trillion ↑

of international relations and the proliferation of armed conflicts, the intensification of trade protectionism and the growing fragmentation of the global economy, the potential loss of control over digital and biotechnologies, the erosion of trust and increasing disunity among major powers in addressing common global challenges. In particular, human impact on the environment has reached unprecedented levels — driving crises linked to climate change, industrial emissions, ozone depletion, land degradation, desertification, water scarcity, and biodiversity loss. To date, the world has yet to fully develop the capacity to resolve these challenges. Coordinated global action and joint environmental initiatives remain critical to mitigating the impact of human activity on the planet.

At this stage of global development, several key trends are shaping the international landscape: a shift in the global balance of power in favor of developing countries and the emergence of China and India

as leaders of the developing world. While these shifts create potential flashpoints for conflict, they also present opportunities for building a new architecture of international economic institutions — including trade and financial mechanisms — and for establishing fairer principles for governing global development. The diffusion of new technologies into countries with youthful populations, abundant natural resources, and cost-effective labor are positioning Asia and Africa as key drivers of global growth in the long term. At the same time, there is growing global demand for new forms of international cooperation — rooted in a shared aspiration for a more prosperous future for all and in a collective sense of responsibility for peace and the planet. This momentum is driving calls for reforming existing international organizations to ensure they better reflect the shifting geopolitical and geo-economic landscape.

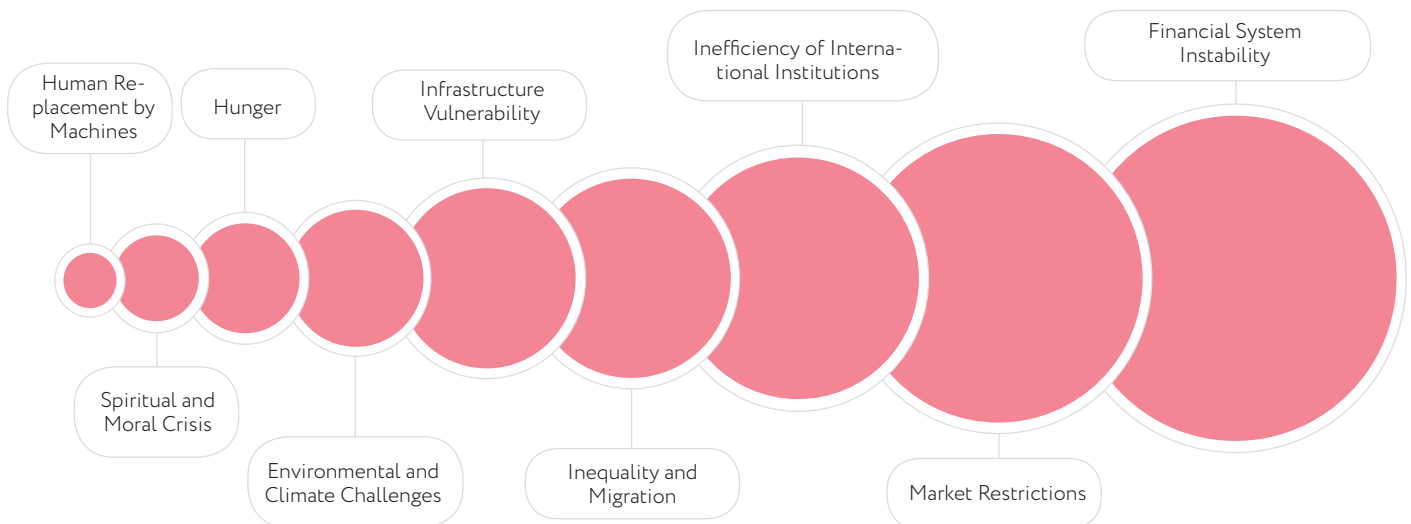
Profound technological transformations are also underway,



James K. Galbraith,
Professor at the University of Texas

"There is an inherent conflict between maintaining competitive domestic production and the global role of the U.S. dollar and U.S. Treasury debt as reserve assets — a conflict that, in effect, raises the cost of doing business in the United States."



Figure 1. Assessing the Impact of Global Challenges on the World Economy

The size of each bubble is proportional to the estimated impact on the world economy.

Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

with the potential to dramatically reshape global markets and societies. The rapid advance of digital technologies and artificial intelligence is contributing to the emergence of both a “new wealthy class” and a “new technological underclass” — across both developed and developing countries. In response, public policy will increasingly need to focus on regulation, corporate taxation, and redistributive mechanisms. At the same time, expanding the scope of income redistribution will reshape the social contract in many of the world’s largest economies. Governments and businesses alike will need to redefine their roles within this evolving global order.

Demographic trends are also reshaping economic development in both advanced and emerging

markets. A global decline in birth rates and the aging of populations will necessitate substantial restructuring of national economies — with greater emphasis on sectors linked to human capital (especially healthcare) and improvements in labor productivity.

Until now, geopolitical competition has often taken precedence over collective global interests. However, the time has come for a transformation in international relations — one that fosters new long-term agreements and enables the global community to unite around the goal of sustainable development. The path to greater global stability lies in building a framework for peaceful coexistence and mutually beneficial cooperation among nations.

1.2. Challenges to Global Trade: Tariffs and Protectionism on the Rise

Global trade has never been truly equitable. Developed countries allowed developing nations access to their markets in exchange for opening up their domestic markets, transferring control over national natural resources to transnational capital, and reinforcing the monopoly of developed countries on intellectual property and advanced technologies.

In recent years, there has been an exponential increase in non-tariff trade restrictions imposed by various countries. These measures have, in many cases, supplanted traditional tariffs and have become equally effective in constraining global economic development. Developed countries increasingly rely on intellectual property protection mechanisms to maintain their technological leadership and extract scientific and technological rents from developing countries in exchange for managed access to their markets. In 2025, tariff restrictions once again returned to the forefront of the global trade agenda.

Trade wars are undermining global supply chains. Although protectionism has historically served as a tool to shield weakening domestic industries, for nearly half a century it has taken on more sophisticated and ostensibly civilized forms. For example, protectionist measures have been implemented under the guise of climate policy and corporate standards, commonly referred to as ESG. At the same time, both the United States and the European Union have actively subsidized their own industries through instruments such as the U.S. Inflation Reduction Act (IRA) and the EU's Carbon Border Adjustment Mechanism (CBAM), thereby forcing competitors to either increase their costs or withdraw from these markets. Today, however, trade wars are conducted openly. According to World Trade Organization (WTO) reports, between 2009 and 2023, G20 countries introduced 2,284 trade restrictions, with over 1,000 of these measures enacted after 2014. In 2025, the United States unilaterally raised import



Xi Jinping,

President of the People's Republic of China

"In the face of risks and threats, we must act together. To build small circles or start a new Cold War, or to foster ideological divides and bloc confrontations, will only push the world into division and hinder global development."

tariffs on goods from dozens of trading partners. Yet, rather than protecting Western companies, these actions are contributing to the fragmentation of global trade.

Beyond over protectionism, some countries have engaged in irresponsible attacks on the trade infrastructure of their competitors. Incidents such as the blockage of the Suez Canal, the sabotage of the Nord Stream pipelines, and large-scale cyberattacks have exposed the fragility of global supply chains. These developments are creating market instability and dampening prospects for economic growth. Natural gas prices in the European Union have fluctuated wildly, ranging from USD 300 to USD 2,000 per thousand cubic meters.

The global financial system is also under strain. Global debt

has reached USD 307 trillion, equivalent to 372% of global GDP. With traditional sources of growth increasingly exhausted, the security of investor assets is a question, casting a shadow over the economic future of the world’s poorest countries. Sanctions, the freezing of Russian assets, and the fragmentation of the SWIFT international payment system are eroding the universality and credibility of former global financial institutions and accelerating the process of de-dollarization. The U.S. dollar’s share of global reserves has declined to 58% and could fall to 40–45% by 2035. Moreover, the unpredictable monetary policy of the U.S. Federal Reserve further undermines confidence in the dollar-based system, destabilizes global markets, and compels countries to seek alternative arrangements.

Figure 2. Projected Changes in Market Restrictions by 2035



Figure 3. Projected Changes in the Stability of the Global Financial System by 2035



Figure 4. Projected Changes in the Security of Economic Infrastructure by 2035



● Will Improve ● Will Worsen

Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

1.3. Global Technological Competition

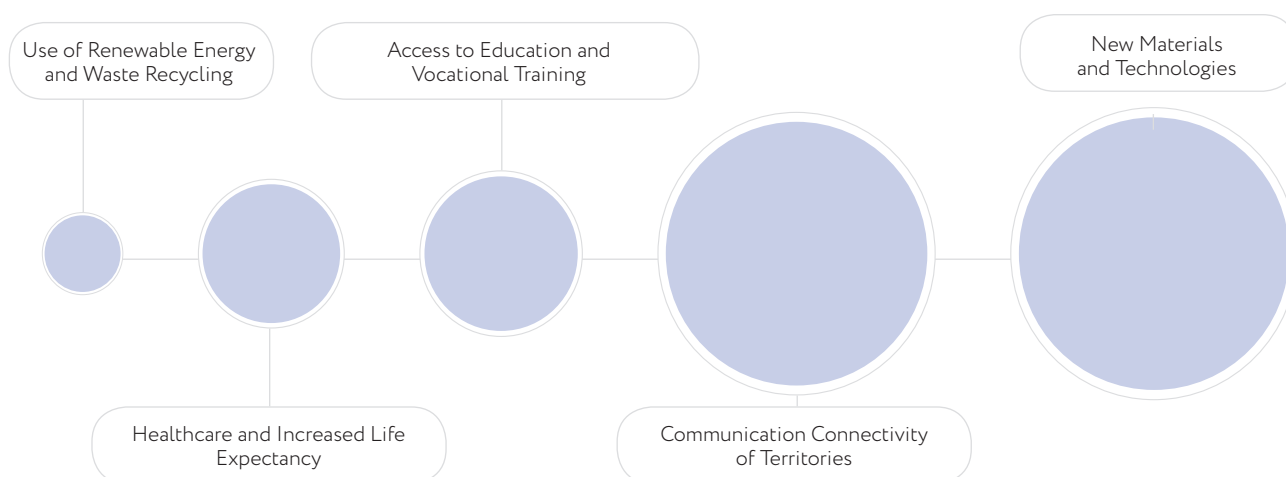
Technology has become the key factor for all major power centers in their pursuit of maintaining or achieving technological leadership. A new global reality is taking shape, where all principal actors are moving toward industrialization or reindustrialization of their national economies and are fully engaged in an escalating technological race — often at the cost of considerable efficiency losses.

The United States remains the largest source of corporate research, accounting for over 42% of global corporate R&D spending. The European Union ranks second (18.7%), followed by China (17.1%). Japan holds fourth place (~8.3%), with a fifth group — labeled as “other countries” (~13.5%) — which includes the United Kingdom, South Korea, Taiwan, Switzerland, and others. Together, these five technological power centers (the U.S., EU, China, Japan, and

select other developed economies) account for more than 85% of global corporate R&D investment.

The leading countries are not only consolidating their advantages but are also increasingly specializing, forming distinct and competing centers of technological influence. At the same time, the two dominant global hubs of innovation — the United States and China — are diverging ever more clearly in their technological approaches, constructing parallel techno-economic systems with distinct standards and limited interaction between them. For the global economy, this divergence is likely to result in declining returns on R&D investment over the medium and long term, alongside rising barriers to scientific and technological cooperation and knowledge exchange.

Figure 5. Assessing the Impact of New Global Development Factors on the World Economy



The size of each bubble is proportional to the estimated impact on the world economy.

Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

1.4. Global Demographic Trends: Slowing Growth and Aging Populations

The global demographic situation is evolving. Until recently, it was believed that declining birth rates in developed countries would be offset by automation and migration. However, population growth is now slowing across the board. This resource for global development is also nearing exhaustion.

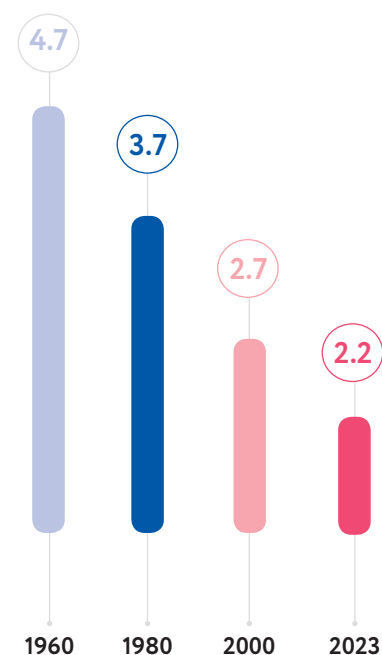
By the end of 2022, the world's population exceeded 8 billion, having more than doubled over the past 80 years. According to

United Nations projections, it will grow by an additional 20% to 9.7 billion by 2050. Yet it is already clear that, rather than facing overpopulation, many countries are at risk of falling into a demographic trap. The global fertility rate has been declining steadily: from 4.7 children per woman in 1960, to 3.7 in 1980, to 2.7 in 2000, and to 2.2 in 2023. The UN projects that this rate will continue to decline, though more gradually, reaching 2.1 children per woman by 2050. In some countries, the situation is even more critical: in Germany, Italy, and Japan, the fertility rate is below 1.5 children per woman, while in South Korea it has dropped to an alarming 0.78.

Rising life expectancy may partly offset this trend. In 1960, life expectancy for both sexes was 51 years; by 1980, it had increased to 62 years; by 2000, to 68 years. In 2023, global life expectancy at birth reached 73.3 years, and according to the UN's medium-term demographic forecast, it will rise to 77 years by 2050.

As a result, societies are aging rapidly. One in five Europeans is already over the age of 65, and by 2035, retirees will make up a quarter of the EU's population. In China, the pace of aging may be even more pronounced. The "one family, one child" policy has created a demographic imbalance, further exacerbated by a gender gap.

**Decline in Fertility Rate
(Children per Woman)**



Source: World Bank

The world will face a profound transformation of the labor and social landscape by 2035. According to the UN forecasts, the populations of 55 countries — including Japan, China, and most European states — will shrink by 1% or more per year. Meanwhile, the global working-age population (ages 15–64) is expected to peak at 5.6 billion by 2030, after which it will begin to decline steadily. In the United States, the growth rate of the working-age population has fallen from 2.5% per year in the 1970s to less than 0.5% today. By 2030, developed countries will face a labor shortage of 50 million people. Social systems are under increasing strain: whereas in the 1950s there were 12 workers for every retiree, in 10 years there will be just two.

According to a 2023 study by McKinsey, by 2035 automation could replace up to 30% of jobs in manufacturing and 20% in the services sector. Industries with the

greatest potential for automation include logistics (70% of warehouse operations), accounting (50% of routine operations), and retail (40% of cashier positions). However, many types of work will remain difficult to automate, and some professions will experience growing labor shortages. For example, according to 2023 data from the International Labor Organization (ILO), an additional 14 million caregivers will be needed in OECD countries alone to care for elderly populations.

Governments are attempting to boost birth rates by offering generous financial incentives or by encouraging labor migration. However, the former tends to have only a temporary and limited effect, while the latter often provokes social tensions. Alternatives such as large-scale automation and raising the retirement age to 70 appear to be temporary solutions that cannot fully compensate for the shrinking economically active population.

Figure 6. Projected Changes in Job Replacement by Machines by 2035



Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

1.5. Global Inequality and Food Insecurity: Indicators of a Failing Economic Model

Although globalization promised broad-based improvements in prosperity, in practice it has exacerbated inequality: developed countries benefited disproportionately, while developing nations remained trapped in resource-based economic models.

Despite several decades of dynamic growth in global agricultural and food production, food insecurity remains a pressing global issue, particularly in the poorest countries. The previous downward trend in global hunger — driven by economic globalization and accelerated growth in developing countries — has reversed. According to FAO estimates, the number of undernourished people fell from 785 million in 2000 to 539 million in 2014. However, this progress stalled in the latter half of the 2010s, and

since the early 2020s, hunger levels have risen again, reaching 672 million people in 2024. This increase has been driven by a combination of factors, including more frequent droughts, armed conflicts, and rising food prices. In March 2022, the FAO food price index reached an all-time high — 160% above the 2014–2016 average level. As of February 2025, the index remains elevated at 127%. Looking ahead, tensions in global agricultural markets are likely to intensify. At the same time, the transition to sustainable farming practices, organic agriculture, and climate-neutral production may reduce overall agricultural productivity, thereby introducing new constraints in efforts to resolve the global food security crisis.

Figure 7. Projected Changes in Global Inequality and Migration by 2035



Figure 8. Projected Changes in Food Production Instability and Hunger by 2035



Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

1.6. Democratic Crisis and the Rising Global Trust Deficit

Economic growth, as well as broader improvements in quality of life and progress toward achieving the Sustainable Development Goals, is increasingly influenced not only by the scale of available resources but also by the level of trust among economic actors and by the strength of social capital and public institutions.

Cultural homogenization and aggressive Westernization have triggered a backlash, fueling the rise of traditionalist and anti-globalist sentiments. A perceived loss of control and growing dissatisfaction with the effectiveness of social institutions — especially in the face of increasingly unmanageable climate, epidemiological, geopolitical, and economic threats — have led to a global crisis of trust in governments, NGOs, and the media. This crisis is particularly acute among low-income populations. Over the past 15 years, the share of the global population that believes "most people can be trusted" has declined by roughly 20%.

Institutional trust has a significant influence on interpersonal trust, but it also follows its own dynamics, reflecting different models of social capital (norms, rules, and values). In many countries, public trust in the government has dropped sharply — from 65% in 2020 to 52% in 2022 — and trust in the media has fallen from 56% to 50%. Meanwhile, trust in business has remained relatively stable, shifting only slightly from 62% to 61%.

There are clear reasons for this dynamic. Sanctions have, at times, been used as tools to undermine the political sovereignty of countries targeted by the West. Since 2014, the number of personal sanctions has increased 17-fold, with more than one-third imposed for political reasons. Sanctions are now applied not only in response to countries' international actions, but also to their domestic policies — a practice that is fundamentally unacceptable.

Figure 9. Projected Changes in the Effectiveness of International Institutions by 2035



Figure 10. Projected Changes in the Spiritual and Moral State of Society by 2035



Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

1.7. Protecting Nature in an Era of Environmental Crisis

Today, the level of resource consumption exceeds all reasonable limits, posing a global challenge. Human technological capabilities have reached unprecedented heights, yet many technologies carry significant risks for ecosystems and the future of civilization. Economic activity has inflicted considerable damage on three-quarters of the Earth's land surface and two-thirds of its oceans, disrupting their natural ecosystems. This imbalance in nature is triggering environmental crises, the consequences of which humanity has yet to learn to fully manage.

Despite some positive trends and a reduction in carbon emissions per unit of GDP, global carbon emissions from fuel combustion reached a record 33.6 gigatons (Gt) in 2021, with industrial emissions alone totaling 6.1 Gt. By 2030, the world could approach an environmental point of no return. This would necessitate urgent measures to reduce the anthropogenic burden on the environment, including restricting

of economic activity across significant land and maritime areas. Such efforts will require far greater investment than is currently allocated under the Global Biodiversity Framework adopted in 2022. According to this framework, by 2030 it is essential to protect at least 30% of terrestrial, inland water, coastal, and marine areas and to restore at least 30% of degraded lands, with an estimated annual investment of USD 200 billion.

According to the World Meteorological Organization (WMO), economic losses from weather- and climate-related disasters are growing rapidly. From 1970 to 2021, total losses amounted to USD 4.3 trillion. More than one-third of this — USD 1.5 trillion — occurred during the period from 2010 to 2019, underscoring the accelerating pace of destructive environmental processes. On an annualized basis, losses have surged from an average of USD 86 billion per year (1970–2021) to more than USD 280 billion per year in 2021–2024, according to estimates by Swiss Re.

This trend persists due to the rising frequency of extreme weather events — hurricanes, floods, droughts — each causing at least USD 1 billion of damages. According to the U.S. National Oceanic and Atmospheric Administration (NOAA), the number of major natural disasters per five-year period has increased from 16 in

Projected Climate Migration
by 2030:

1.2 Billion People



Narendra Modi,
 Prime Minister of India

"One Earth, One Family, One Future. This is not just a slogan. Today, we have all the means to produce enough to meet the basic needs of all people in the world. We no longer need to fight for survival; our era must not be an era of war!"

the 1980s, to 28 in the 1990s, to 34 in the 2000s, to 66 in the 2010s, and to 115 in 2020–2024. The number of people affected by such disasters has also doubled, from under 100 million between 1980 and 2000 to over 200 million between 2001 and 2024. The scale of these impacts is partly driven by growing population density in areas previously considered safe for economic activity.

At the same time, developing countries are increasingly adopting aggressive rhetoric and policies to secure access to critical resources, following the lead of major powers. Water, oil, and arable land have become key drivers of military conflicts and clashes in recent

years. Water disputes (over the Nile, Mekong, Indus), competition for fertile land (Africa), and conflicts over maritime oil fields — all are part of the same pattern. Tensions over the Nile between Ethiopia and Egypt, disputes surrounding the Mekong and Indus rivers, clashes over African black soils, and confrontations over offshore oil reserves — these are all interconnected.

Meanwhile, climate transformations continue to accelerate. The year 2024 is on track to be the hottest in recorded history. Climate migration could reach up to 1.2 billion people by 2030 — yet another uncontrolled factor contributing to global destabilization.

Figure 11. Future Outlook for Environmental and Climate Dynamics by 2035



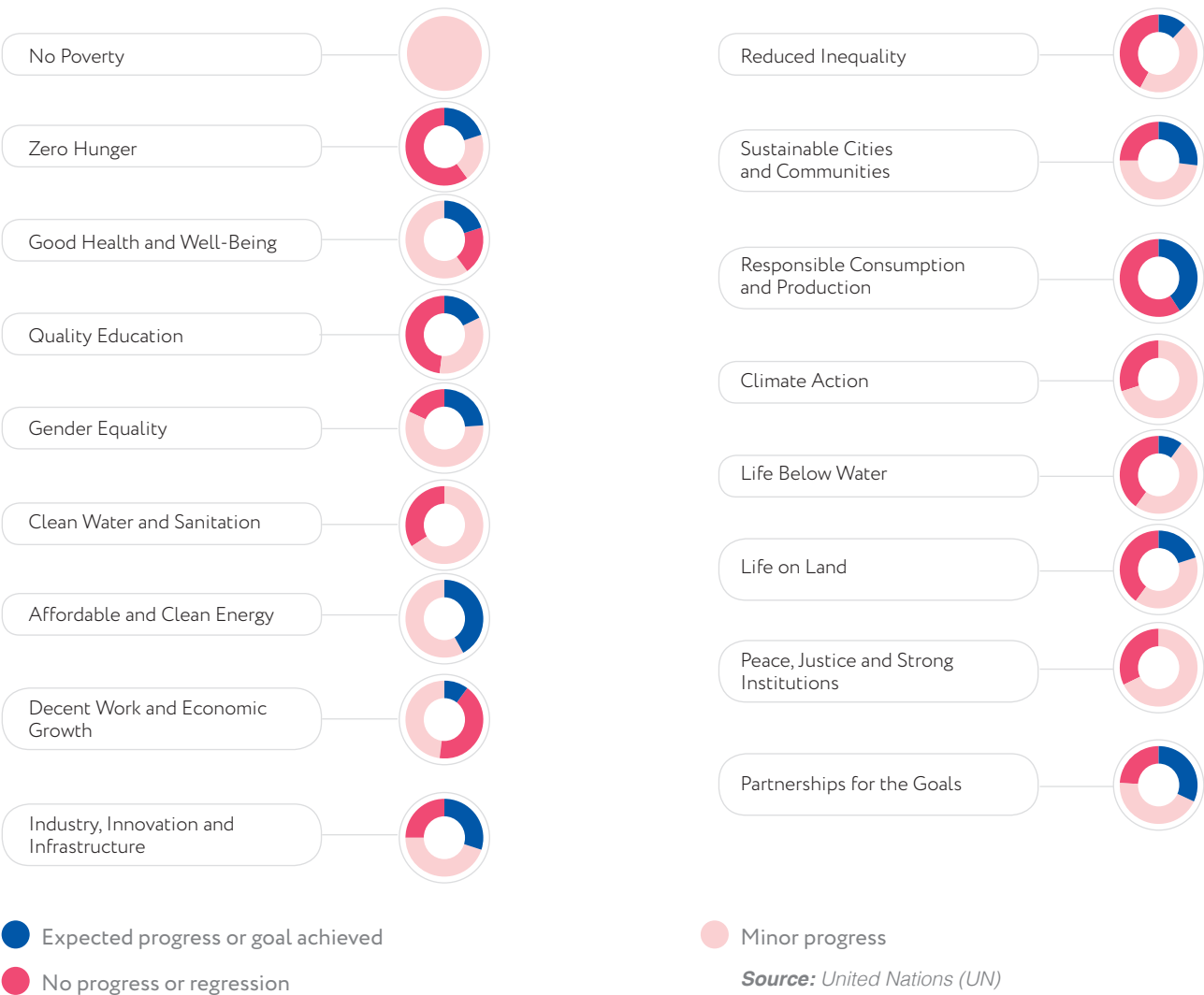
Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

1.8. Toward a New Model of Global Development

By 2030, the global community will not fully achieve any of the 17 Sustainable Development Goals (SDGs). Partial success is expected for 11 goals, while progress on the remaining six is projected to either stall or even regress. Moreover, the gap in SDG achievement between high-income and low-income

countries continues to widen. Overcoming these challenges at the national level alone is difficult, and since global institutions have yet to establish sustainable mechanisms for progress, it appears that these goals must increasingly become a priority for regional blocs.

Figure 12. Progress on Achieving the 17 Sustainable Development Goals Based on Selected Target Assessments (Trend Data from 2015 to 2024)



Even developed countries face challenges in achieving the SDGs, which suggests that the search for a new model of development is underway even within the Western bloc. The Atlantic model of economic development is based on leadership in the financial sector, the development and export of technologies and business models, the creation of new markets, and dominance over decision-making in international institutions. In this model, the interests of private corporations prevail over those of the state. Although elements of the European social state are present to varying degrees, the Atlantic model still exhibits a high level of social inequality.

The Chinese model offers political, economic, and technological subordination to a hegemon in exchange for investment, access to technology, and participation in the global market. At first glance, this approach appears attractive to many developing and newly industrialized countries. However, over time it becomes increasingly evident to them that continued development under this model depends on a constant inflow of

investments and technologies from the hegemon. As the pool of new adherents to the Chinese model grows, it becomes unsustainable to "feed" them all, leading to growing competition among these countries.

Today, the outlines of a new cooperative development model are becoming increasingly clear — one designed for countries that, for various reasons, cannot fully replicate the Chinese path, nor independently implement the Euro-Atlantic model. Over the past few decades, these countries have actively pursued regional cooperation strategies to overcome technological gaps. Each state in such alliances seeks to assume responsibility for specific technologies or market segments, while delegating other functions to its partners.

For example, in today's environment of global economic instability and rising protectionism, China is actively promoting alternative models of international cooperation. In contrast to the Western system of trade relations, it has launched the large-scale

Priorities of the Global Development Economic Model



**Achieving a High Level of
Economic Development**



**Improving Public Health
and Quality of Life**



**Preserving the
Environment**



**Ensuring National
Security**

Belt and Road Initiative and introduced the concept of a “community of shared future” — both positioned as platforms for advancing free trade and strengthening regional ties.

In the absence of a universal model of economic integration that can accommodate the interests of all participants, numerous parallel formats of cooperation are emerging. Regionalization models vary widely in the degree to which national powers are transferred to supranational bodies. Each system offers its own advantages and limitations. One example of soft integration is the Association of South East Asian Nations (ASEAN), where policy coordination occurs without binding commitments. While this preserves member state sovereignty, it also limits their capacity for deep coordination.

At the other extreme is the European Union (EU), where significant legislative, budgetary, and judicial powers have been transferred to supranational institutions. However, this model has recently encountered clear limitations in its effectiveness. The most promising approaches appear to be hybrid models, such as the Eurasian Economic Union (EAEU), which combine the creation of a common market with the preservation of national sovereignty on key issues.

New models are emerging in response to global challenges, while also reflecting the opportunities that new technologies and humanity’s accumulated intellectual and cultural potential offer to countries around the world. Unlocking these opportunities for economic growth and sustainable development is possible only through cooperation.

Global Risks

Global Opportunities

Geopolitical crisis and trust deficit

Trust-building and peacebuilding measures; a new model of global security

Economic conflicts (frictions)

Multipolar integration frameworks and a new system of multilateral trade agreements

Climate and environmental threats; critical pollution of ecosystems

Partnerships for climate adaptation and multilateral environmental initiatives, particularly in clean water and air quality

Technological polarization; risk of losing control over biotechnology and artificial intelligence

Regional technological partnerships; joint scientific and technological projects; ethical and legal standards for AI and biotechnology development

Social polarization and uncontrolled migration

Social initiatives

Population aging and health risks

Silver economy



Solidarity over Competition: Building a New Global Development Model

Solidarity, rather than traditional interstate competition, offers a potential solution to the mounting economic instability generated by the crisis of the unipolar model of globalization. Today's world requires a fundamental reassessment of outdated paradigms rooted in narrowly defined national interests. A transition toward a model of cooperation and collective responsibility for key global processes could provide a sustainable alternative to the current global system.

2.1. A New Economic Model and Resilient Regional Blocs

The key components of the economic model for regional blocs include common currencies or payment systems, shared infrastructure (transport corridors, energy networks, digital platforms), and coordinated regulation (harmonization of tax regimes, environmental standards, and labor standards). They also encompass collective security and joint measures to counter sanctions, cyber threats, and migration crises.

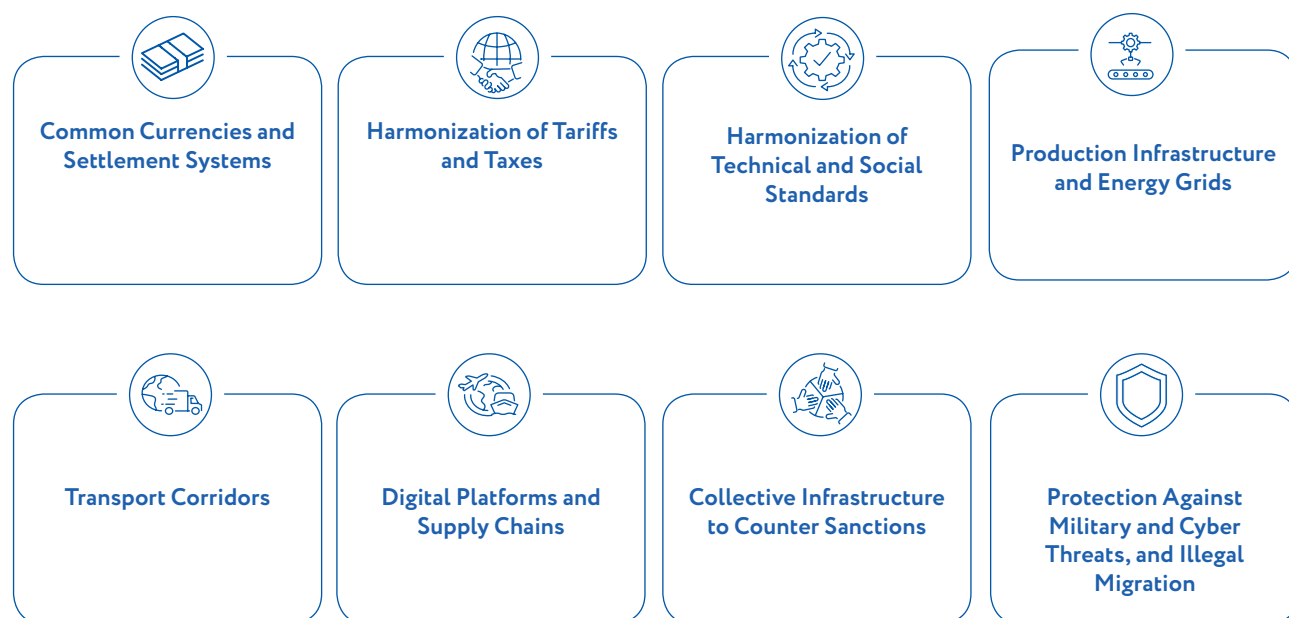
The foundation of this model should be cross-border payment systems based on multilateral clearing and a conditional settlement unit in the form of a common digital currency. Conversion of this digital currency into national currencies within

domestic markets would be guaranteed by the central banks of participating countries.

The use of a unified digital currency platform would enable a level of transaction speed, reliability, confidentiality, cost-efficiency, independence, and equality among participants that significantly exceeds the capabilities of traditional payment systems. Moreover, it would provide protection from "third-country" sanctions.

Conducting mutual settlements through a conditional settlement unit with a transparent mechanism for determining its value would help minimize exchange rate risks for participants. Such an

Regional Economic Integration



approach — combining flexibility in responding to market fluctuations with the maintenance of stable exchange ratios against national currencies — would help to create fair terms for trade. Building trust among participants in the system requires establishing a mechanism to back the issued obligations, similar to the principles used

in classical stablecoins. A key requirement is the full backing of the settlement unit with reserve assets that act as a stabilizing force for its value. In this context, not only is formal backing is essential, but also a guaranteed ability to convert the unit, supported by the actual availability of sufficient reserves.



Wang Wen,

Professor and Executive Dean of the Chongyang Institute for Financial Studies

"China does not reject international cooperation, but in the face of global market uncertainty and US pressure, it is moving toward a more independent and controlled cooperation model."

2.2. Regional Production and Supply Chain Infrastructures

International trade remains a key driver of economic growth for the vast majority of countries. This defines its central role in shaping the contours of a multipolar world. New economic alliances will be formed primarily to achieve resilience to sanctions — either through the scale of integration or by controlling critical assets such as technologies, transport corridors, energy systems, and more. Countries will integrate into these new alliances in different ways. Some will fully align their development strategies with participation in a specific bloc. Others will adopt a selective approach, integrating only certain sectors of their economy with various centers of power.

By 2035, a multi-tiered system of global trade may emerge. Western countries are likely to maintain their leadership and will continue to engage in aggressive competition — both among themselves and with the rest of the world — including through increasingly stringent control over the dissemination of technologies. However, a sanction-resilient belt of solidarity composed of two to three regional alliances will also emerge. Over the next decade, these alliances will accumulate sufficient experience in coordinating goals and priorities for implementing joint initiatives. There will also remain countries that, for various reasons, will not have joined either the Western bloc or any regional alliance.

Russia holds unique advantages in the global economy due to its significant commodity and raw material resources. The country can complement and stabilize virtually any production chain. Its engineering capabilities and vast primary resources allow for the creation of new enterprises tailored to specific customers and supply chains. Importantly, Russia is one of the few countries capable of ensuring a high level of physical and digital security for production facilities.

Russia's advanced financial infrastructure and substantial export revenues can also make trade among future alliance members safer and more stable. This will strengthen trust among partners and reduce risks in joint projects.

Russia possesses significant geographic and economic potential and can therefore play an important role in uniting the efforts of various countries to build a more just, humanistic, and environmentally responsible world

2.3. Access to Global Markets

Today, nearly all new product markets are global from the outset. This makes it necessary to develop international rules that prevent monopolization and restricted access on one hand, and sanctions and manipulative practices on the

other. The establishment of rules for global markets is an essential element of the emerging new model of global trade. The most critical markets for economic growth today are those of food, energy, and technology.

Global Energy Initiative

The economic growth of countries — particularly developing ones — largely depends on access to energy. It is essential to increase energy production and improve energy efficiency, taking into account environmental and climate requirements. The conditions for the progressive development of both the global and Russian energy sectors include the free dissemination of energy and energy-saving technologies, as

well as the fine-tuning of regional energy integration alliances. This entails:

- Protection of global supply chains for energy resources, international infrastructure facilities, and energy engineering equipment.
- The creation of alternative commodity exchanges and financial instruments to minimize financial speculation.



Matthias Otte,

Professor at Worms University of Applied Sciences (Germany)

"Current 'green' policy often results in bureaucracy and certificates. Truly sustainable production is local and driven by small and medium-sized enterprises. Renewables alone cannot provide a stable base load. Wind turbines are already widespread, solar potential is limited. We still need gas, oil, and nuclear energy. Without a pragmatic shift, this will not be achievable."

Global Food Security Initiative

Although the world produces sufficient food, approximately one-third of it is lost. The root causes of hunger are socio-economic: poverty and inefficient food distribution. Therefore, it is important not only to expand production, but also to improve the efficiency of the global food market. The following initiatives are needed:

- Emergency food interventions to provide urgent humanitarian assistance and mitigate factors that threaten global food security (such as crop failures, armed conflicts, and epidemics). This could include the establishment of international food reserves, with operators equipped with the necessary infrastructure for storage and multimodal transportation.
- The development of local markets and technologies, as well as enhanced training of personnel in the agricultural sector (agribusiness). This would increase the efficiency of local producers and processors, including through the creation of joint ventures.
- Protection of global supply chains for food, fertilizers, and other agricultural products.
- The creation of alternative commodity exchanges and financial instruments to minimize financial speculation.
- Tariff and other preferences for food trade.

A key tool for promoting regional integration could be a collective food security agreement. International cooperation in veterinary and sanitary fields must also be strengthened to enable effective and timely responses to transboundary animal diseases and plant epidemics. It is advisable to advance systemic mechanisms for the prompt recognition of regionalization in agriculture, which would simplify market access for producers and enhance the resilience of agribusiness value chains. In turn, these value chains will support the continuity of value creation. Simultaneously, cooperation in the standardization of agricultural production should be expanded. It is also important to accurately reflect the contribution of agribusiness to climate change. Decisions should be made with the active participation of national businesses, which must have a voice in the process.

Global Space Initiative

A qualitative shift in the regulation of national activities in space can be achieved through the affirmation of space sovereignty for all states. It is crucial to avoid a scenario in which certain countries are deprived of access to space. To this end, several key objectives must be addressed:

- Ensuring fair access to orbits and space resources, including the allocation of quotas, compliance, reallocation, inspections, sanctions, on-orbit operations, and the provision of international transit corridors for deep space launches, satellite deployment, and related activities.
- Limiting the militarization of space.
- Implementing programs to combat space debris.
- Developing regulatory standards for satellite internet, including restrictions on interference with other terrestrial services, prohibitions on censorship and surveillance, and bans on the unilateral disconnection of users.
- Establishing a moratorium on private ownership of celestial bodies until appropriate regulations are developed.

An Open Dialogue for a Just Future

Vedomosti and the Roscongress Foundation are launching an open public discussion on pathways for global development, overcoming socio-economic risks, and exploring new institutional solutions.



2.4. The New Demographic and Migration Reality

From a social policy perspective, labor shortages may become a serious challenge. Until now, Western countries have been the primary destinations for migration. Their legislation has been moderately strict, offering preferences to certain groups of migrants. By 2035, Western countries will still require an influx of 50–70 million migrants. However, migration policies will become more restrictive. Assimilation requirements will be tightened (mandatory language learning, values-based tests), and priority will be given to skilled migrants through quotas for highly qualified specialists.

In Asia, traditionally strict migration policies will remain unchanged, as these countries are currently leading in production automation and maintain substantial internal demographic reserves due to their large populations. Asian countries will allow a limited number of

temporary labor migrants (without granting permanent residency), while developing digital systems to monitor them (for example, using mobile device geolocation tracking).

Economic and climate changes are driving increasing human migration. This is exacerbating tensions between the Global South and the Global North. Without coordinated solutions, these conflicts will intensify, making it essential to establish common rules for managing migration that align with the Sustainable Development Goals. Global solutions will begin with successful regional initiatives addressing not only migration rules, but also the regulation of automation and robotics, quotas for remote workers, systems for cross-border exchange of personal data, and pension system reforms that allow contributions to follow migrants across borders.

Regional Labor Market Model



**Continuous Workforce
Adaptation**



**Regional Educational
Environment**



**Regulation of Remote
Employment**



**Automation
and Robotics**



**Digital Tools for Legal
Migration**



**Universal Social
Protection for Workers**

2.5. Democracy, Sovereignty, and the New Geopolitical Reality

By 2035, traditional Western-style democracy will undergo radical transformations under the pressure of three key factors. First, the effectiveness of sanctions as a tool of geopolitical influence against major powers will diminish. However, for other countries — particularly those outside regional blocs — the risk of sanctions may actually increase. Second, political processes will become increasingly dependent on digital technologies. Third, the growing influence of regional alliances will necessitate broader recognition of the fact that the world encompasses diverse models of social organization, and that democracy is not limited to the liberal model. Public opposition to politically motivated sanctions will continue to grow.

The development of political systems resilient to sanction-related pressures will progress in parallel with the formation of economic blocs that provide the necessary foundation for preserving sovereignty. The resilience of a political system to sanctions will be determined by several key

factors. First, the quality of available technologies for managing and monitoring human capital. Second, the existence of reliable systems for organizing elections and recording the will of the people, thereby ensuring the legitimacy of political processes. Third, the ability to protect national politicians from political, economic, and digital sanctions — such as disconnection from critical services, cyberattacks, or disinformation campaigns. Technologies that enhance resilience to external pressures can be developed and implemented within regional blocs united by common political orientations and values.

Russia, having faced unprecedented sanctions pressure in modern global economic history, is now emerging as a key partner for all those who value genuine sovereignty — a proven and reliable partner. Russia not only engages in international transactions, but also actively helps its allies defend their interests by offering legal, technological, and diplomatic solutions that have already demonstrated their effectiveness.



Luiz Inácio Lula da Silva,
President of Brazil

"The UN, IMF, and World Bank were created in the last century and no longer reflect today's realities. We must reform these institutions so that Africa, Latin America, and Asia have fair representation. Without this, there can be neither justice nor sustainable development."

Russia's Role in Shaping Eurasian and Global Alliances

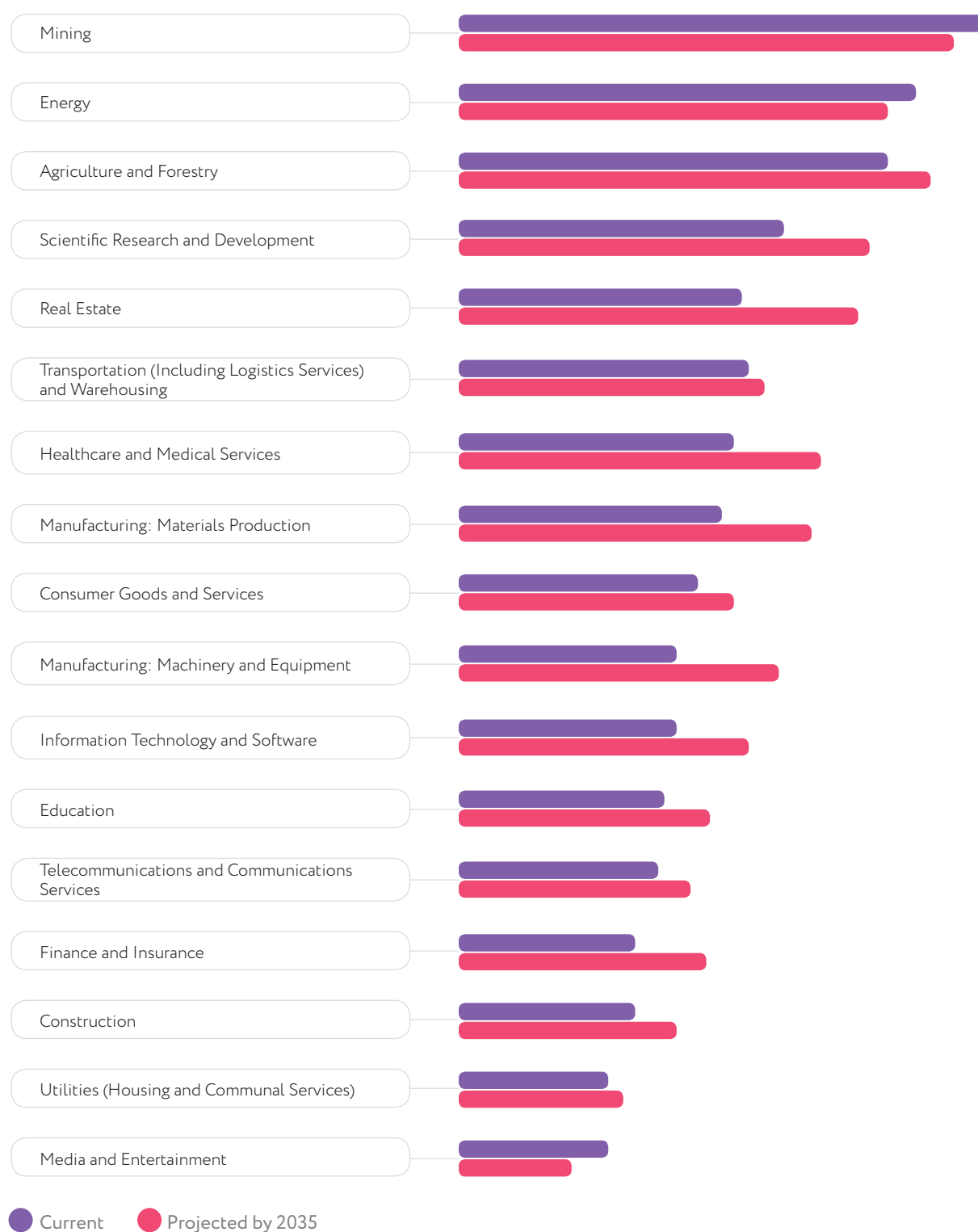
Russia possesses all the necessary capabilities to become an active participant in shaping a new model of multilateral development — one that combines dynamic income growth with high standards of health, urban and rural quality of life, security, and environmental sustainability.

Within the UN framework, BRICS could advance an initiative for global economic co-development. This would be a comprehensive set of measures aimed at reducing tensions among major countries, lowering tariff and non-tariff barriers, limiting unfair competition, protecting the interests of the least developed countries, and maintaining a system of long-term development benchmarks. It would be advisable to organize a series of international negotiations not only on a bilateral basis, but also multilaterally — involving regional integration groups such as BRICS, the SCO, the EAEU, MERCOSUR, and ASEAN. Agreements in the tariff and non-tariff spheres should be accompanied by adjustments to voting balances in international development institutions (IMF, World Bank, WTO, and others), in line with the growing share of developing economies in the global system.

The Russian Federation — as one of the world's largest countries in

terms of territory and economic potential — occupies a unique position in shaping the new model of globalization. Today, Russia is not only participating in this process, but is poised to become a key unifying force for countries striving to create a more just world order, grounded in the principles of humanism and environmental responsibility. Russia can assume leadership within the emerging global partnership system through concrete initiatives: ensuring energy accessibility, guaranteeing food security, developing cross-border infrastructure, fostering cooperation in high-tech industries and space exploration, and strengthening collective security. In each of these areas, Russia can make a substantial practical contribution.

Russia's policy is founded on long-term technological partnerships, and focused on creating joint scientific and educational alliances and implementing large-scale infrastructure projects.

Figure 13. Index of the Most Attractive Sectors of the Russian Economy for International Business

Source: Study by the Russian Union of Industrialists and Entrepreneurs, the Roscongress Foundation, VEB Research & Expertise Institute, and Vedomosti.

Key priorities include the development of cross-border transport corridors, the creation of independent space communications systems and global logistics networks. Special attention is being given to building sovereign financial platforms, secure information systems, and comprehensive environmental monitoring networks.

Russia's strategy centers on establishing a sovereign center of power that is open to mutually beneficial cooperation with diverse partners. This approach has the potential to reshape the global economy — transforming it from an instrument of enrichment for a narrow group of countries into a driver of shared progress. Russia is destined to become one of the architects of a new multipolar world — a world of cooperation rather than confrontation. Without Russia's constructive role and responsible approach, it will be impossible to resolve the key

challenges of our time, which affect not only the Eurasian region but the entire planet.

In today's world, economic growth and improvements in quality of life depend less and less on resource volumes and increasingly on levels of trust within the economy and the organization of social connections. For Russians, justice remains a core value — understood in a broad sense as equal access to social services, healthcare, education, and opportunities for dignified employment.

Russia also possesses a unique historical and cultural heritage, enriched by contemporary achievements in the arts. By preserving traditional values and countering their erosion through interfaith dialogue, the country demonstrates the potential to create a unified cultural and informational space within the region.

In building an economy of co-development and partnership, Russia is systematically strengthening trust on three levels.

- Contractual trust — established through digital transparency of transactions, a stable regulatory framework, and high reputational risks and penalties for misconduct.
- Trust developed through collaborative experience — by fostering professional communities, promoting teamwork and conflict resolution skills, and expanding access to education and social mobility.
- Trust grounded in a shared vision of the future and collective purpose — which requires strengthening civic identity, encouraging fostering long-term thinking, and building an inspiring and inclusive future.

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