

St. Petersburg International Economic Forum (SPIEF) 2024: Marking the Rise of the Global South Century and Decline of Western Economies

This year, SPIEF's theme was "The Foundations of a Multipolar World - The Formation of New Areas of Growth."

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The St. Petersburg International Economic Forum, an annual event bringing together global leaders, policymakers, and influential business figures, took place in St. Petersburg, Russia from June 5th to 8th, 2024. Attendees representing 130 countries and roughly 3 billion people worldwide attended. This year, SPIEF's theme was "The Foundations of a Multipolar World - The Formation of New Areas of Growth."

Foreign companies are eager to access the Russian market's potential, despite Western sanctions aimed at isolating Moscow.

Deals involve firms from Europe, Asia, and the Middle East, suggesting a pragmatic approach prioritizing commercial interests over politics and avoiding missed opportunities in Russia. The diversity of participants indicates many businesses recognize the risks of being left out of this lucrative market.

What should be a wakeup call for the global West is instead falling on deaf ears. While Washington and European capitals report declining economies, Russia, in spite of severe sanctions, continues to adapt and flourish.

Policymakers are not testing their countries' long-term economic policies against the implications of the rise of multipolarism. Let's consider the Green/degrowth policies favored by the Biden administration and former European economic powerhouses like Germany. They are not protecting the future of their people.

SPIEF 2024 introduced concepts the Global South Century will move forward on driving the world economy while the American and European economies recede. Russia is positioning itself as a leader.

What Is the Global South?

[“Take the 3.5 billion population of China, India, and the ASEAN countries,](#) for example.

In 2000, only 150 million of these people enjoyed middle-class living standards. Today, the number has exploded to around 1.5 billion, double the total population of Western countries. And it is predicted to grow to 3 billion by 2030.”

If the Global South’s middle class are that large, who will be controlling the economy? At the same time, America will be deindustrializing and the sheer weight of debt will push most of the middle class into poverty.

This is a far cry from what we see in the headlines. First, we were told the Russian economy would collapse under the sanction load. Later, it was; the growth we are seeing is temporary, even as Western economies faltered from being directly affected by the sanctions levied and cutting off the energy it needs to fuel industry.

In the same vein, we’re assured Ukraine is winning the war on the battlefield and Russia is reduced to going into battle in golf carts. All the while Ukraine needs more out of our treasuries and constant weapon deliveries that drained Western stockpiles to the point it will take 5 years to replenish.

While headlines read Moscow’s booming because of the Ukrainian war, they also state Russia’s economy is said to have slipped to 12th place globally.

What is the truth?



EUROPE ECONOMY

Russia is expected to grow faster than all advanced economies this year

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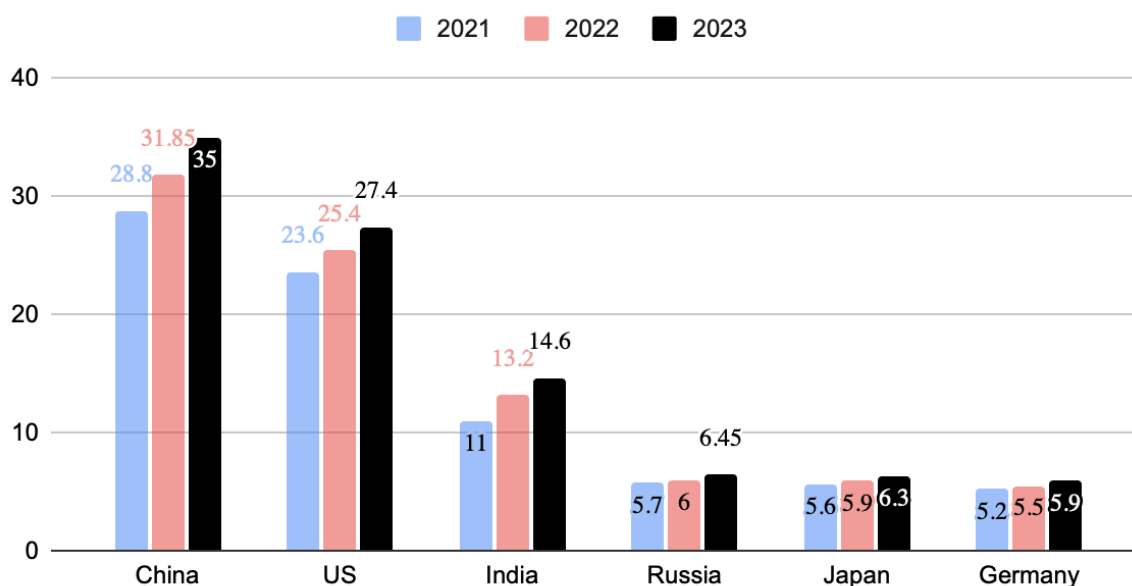
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[“By August 2023, it was reported that Russia overtook Germany as the fifth-largest economy](#) based on purchasing power parity (PPP) GDP rankings. Recently impacted by shocks and the loss of cheap Russian gas, Germany has stagnated and fallen to sixth place in the World Bank’s ranking. PPP GDP accounts for local price differences, similar to The Economist’s Big Mac index comparing burger costs across countries.”

Global leading economies in PPP terms \$ trillion

source: World Bank



The World Bank revised Russia's ranking, stating that Russia overtook Japan in 2021 and has maintained its position at number four since then. The previous calculations were based on 2017 data, now updated to reflect the 2021 figures.

This data is pre-war and supplants the notion Russia's expanding economy is riding solely on a war economy bump. Russia is currently the fastest growing major economy in the world.

The St. Petersburg International Economic Forum (SPIEF) is heavily invested in the Global South's growth, where developing countries are outpacing the West.

China and India, currently ranked first and third in PPP terms, are expected to also lead nominally in the coming decades. The fastest-growing economies are from the Global South.

Over 980 agreements worth a staggering \$71.87 billion were concluded at the St. Petersburg International Economic Forum (SPIEF) in 2024, highlighting the immense opportunities that Washington and European Union planners are inadvertently leaving their own industries out of.

The sheer volume of deals indicates a strong appetite among foreign companies to tap into the Russian market's vast potential, even as Western nations impose sanctions and seek to isolate Moscow from the global economy. Notably, the agreements were not limited to traditional Russian allies or partners; they involved companies and investors from various regions, including Europe, Asia, and the Middle East. This diversity of participants suggests that many businesses are taking a pragmatic approach, prioritizing commercial interests over political considerations, and recognizing the risks of being left out of lucrative opportunities in the Russian market.

How Russia Is Doing It, Lessons to Learn

Russia has shifted its economic model, investing heavily in areas like the military-industrial complex and civilian sectors through initiatives like National Projects 2. 1. This has benefited

the country's poorest regions, leading to a record low in Russia's despair index – a measure of inflation, unemployment, and poverty.

This is supposedly a time when Russia, according to Ukraine and the Biden administration is supposed to be conscripting soldiers they can't arm or even feed?

This is supposed to be a time when battlefield casualty numbers for Russian soldiers are over 500,000 and climbing?

This defies logic and the evidence is plain to see. The Russian military is inundated with so many volunteers they can't handle the inflow. If the battlefield deaths were what is being reported, this would be another story altogether. Civilians don't volunteer for war if they are being sent into a meat grinder.

“It is certainly true that 88 per cent of the world population lives outside the West in what is now called the Global South. Arguably, many Global South countries across Latin America, Africa and Asia are no longer passive participants on the world stage, instead acting independently of the West in many ways.

It is equally notable that other forums and institutions of the Global South are gaining weight. The BRICS forum – comprising Brazil, Russia, India, China and South Africa – was set up in 2009 as a counterpoint to the G7 club of nations, to criticism from some quarters that it was little more than 'marketing'.

Yet, it is now clear that the BRICS is growing in clout. In 1980, the G7 accounted for about 50 per cent of the world's GDP in purchasing power parity terms, while the BRICS countries – excluding Russia, then part of the Soviet Union – accounted for about 11 per cent.

Today, the G7 accounts for 30 per cent of the world's GDP, while the BRICS countries account match it at around 30 per cent. Equally importantly, the membership of BRICS is growing dramatically, while the G7's is stagnant.” [Chatham House](#)

What else are we being lied to about?

America's Despair Index Problem

To put Russia's record low in perspective, this US Joint Congressional report on the American despair index is shocking to the senses.

“[Mortality from deaths of despair far surpasses anything seen in America](#) since the dawn of the 20th century. (The trend for middle-aged whites reveals a more dramatic rise but only goes back continuously to 1959.) The recent increase has primarily been driven by an unprecedented epidemic of drug overdoses, but even excluding those deaths, the combined mortality rate from suicides and alcohol-related deaths is higher than at any point in more than 100 years. Suicides have not been so common since 1938, and one has to go back to the 1910s to find mortality from alcohol-related deaths as high as today's.”

The gravity of this report titled Long-Term Trends in Deaths of Despair shows Washington has been out of touch with the needs of the American people for such a long time, they don't remember Congress is supposed to be steering the ship and are hellbent on capsizing

it for political gain and personal profit.

[“The US national debt just hit a new all-time high of \\$34.667 trillion.”](#) New numbers from the Treasury Department’s Debt to the Penny system [show](#) the country’s national debt reached the milestone on Friday, May 31st.

The current law debt trajectory will reduce income growth by 12% over the next three decades and 13% annually by Fiscal Year (FY) 2049.

Rapidly rising debt could reduce income growth by 33% over the next three decades and 42% annually by FY 2049.

Rapidly rising debt would reduce projected income by about \$14,500 per person in FY 2054, in today’s dollars.”

The CBO says the reduction in household income is due to “crowding out,” an economic theory that traces how high debt and deficits slow economic growth on national and individual level.

“...High debt and deficits carry significant risks and threats to the budget and the economy.

High and rising debt hinders economic growth by crowding out investments, pushes up interest rates, strains the federal budget through rising interest payments, creates geopolitical challenges and risks, makes responding to new emergencies more challenging, imposes burdens on future generations, and increases the risk of a fiscal crisis.”

Russia’s wartime industry is simultaneously shifting to manufacture consumer goods. After a resolution, Moscow intends to have these new facilities and industries providing products to new partners, where the collective West will struggle to compete.

Putin stressed achieving this through enhancing domestic production and reducing import reliance, rather than trade barriers.

The approach recognizes that sustainable growth requires more than protectionism. Russia will achieve long-term economic resilience through diversification and self-sufficiency, setting its economy up for long-term growth.

Conversely, the Biden and EU model stresses switching to carbon-neutral manufacturing decades before the technology and infrastructure are in place to do so. This is a sure recipe for long term austerity and more citizens giving up on the future.

The Russian president noted that the center of economic development was gradually shifting further eastwards and northwards

“The basis of the US economy is ‘cracking’ due to government debt and inflation, according to Putin. “It is an unequivocal problem for all holders of dollar assets,” the Russian president said. He further stated that the development center is shifting to Asia, and Russia needs to be closer.

According to the Russian leader, Peter the Great opened the window into Europe

precisely because this is where development was seen. Well, no more.”

Or at least, not now.

What sanctions and the theft of Russian assets has shown the world is America can no longer be trusted. The days when the world’s economy is pegged on the American Dollar, which is the only thing propping up America today are over.

Would you trust your national assets, like gold for instance, with a bank that may or may not turn around and seize them? Of course not.

Countries with a combined population of over 3 billion people represented at SPIEF are divesting in American assets because of the above. Traditional trade done in US Dollars is shifting to local currencies.

As this economic decoupling accelerates the CBO report becomes the optimistic view. The reality is much starker because the report doesn’t consider the eventual loss of the Dollar’s status as the indispensable currency.

The fact Americans are already facing the impact of this situation is disastrous and is a matter of policy. What policy?

Imagine the economy going so backwards that for any single item, there are only two producers. You still have freedom of choice between the two but the quality is constrained by state policy. Many of the things you took for granted growing up, become unavailable.

While Russia, China, India, and the Global South enjoy the benefits of Capitalism and democracy which large middle classes demand, the collective West has no choice but to step away from it to address the new and harsher realities.

This isn’t a pro-Russia, pro-China, or India ideological statement. If left unchanged, this is the future unfolding before us.

As industry becomes restricted and labor markets overburdened with the perpetually unemployed, services people count on will roll back. All of this is the natural progression forward from the Paris Accords. It was never about the environment.

Green Growth Is “Degrowth” Policy as It Rolls Out

The EU spent \$630 billion on replacing gas from Russia in 2021-2023. This amount is comparable to Europe’s total gas spending over the previous eight years.

At the September 12th, 2022 Yalta European Strategy conference September 12th, German Foreign Minister Annalena Baerbock bluntly stated she didn’t care what the German people suffered over the next 10 years, they wouldn’t import Russian gas.

Within 10 days, Germany updated its security policy to include Russian gas purchases as dangerous to the state. Within 2 weeks, the Nord Stream explosions happened which cemented Baerbock’s Green Party green agenda in Germany and across Europe.

For the German Greens, the Nord Stream explosions were a godsend that enabled them to

start decoupling German industry from the economy as companies were forced to relocate to survive.

When you consider that Joe Biden's Build Back Better program is a copy of Baerbock's Green Party platform on economics and society, the concept of "degrowth" shows why it's necessary for America and the West to push down their economies and get populations used to living on the brink.

["German Greens](#) have lengthy political experience with many ups and downs, becoming less compromising, more system focused, and more pragmatic in recent years. Paths to achieving ecological sustainability are now more readily understood in their social dimensions. Influenced by German activists and sustainability scholars who have made a *degrowth* turn to the subsistence orientation pioneered by German ecofeminists decades ago, German Greens [incorporate strong concerns with equity, reducing over-consumption and modifying work.](#)"

[Degrowth doesn't mean](#) they want you to buy electric cars. They want to take electric cars away and the ability to purchase them. They want to destroy industries so products are no longer available. This was never about "saving" the planet.

Degrowth means shrinking down major economies like America's as close to the level of second-world economies as possible so there is social equity. There's that word again.

Was destroying German industry necessary to support Ukraine? Or America's? The question looms large because if Russia was wielding energy prices like a foreign policy sword, an orderly withdrawal to new sources would have supported economic stability.

If the question was "will" Russia do this? And it's spot on, then once again, policymakers were lied to as well as the general public. Governments tore up the social contract with the "people" to support the common good in favor of something else.

Russia offered long-term energy contracts that locked the price of energy at affordable levels. Europe and the US decided to pay spot pricing instead. The locked in prices and contracts specifying terms for deliverables negates the "Russia using energy as a diplomatic weapon" argument.

And yet, the global demand for oil continues to grow, mainly due to developing countries. Developing countries will be the main drivers of oil consumption in the coming decades. The President of Bolivia is discussing supplies of liquid hydrocarbons with Rosneft.

The global demand for technology, products, research, and skilled workers continues to grow. For America and Europe, the path they're taking leads these countries to the sidelines as this policy develops.

Russia, China, India, and the Global South will become the economic juggernauts driving the world while economically devolving green/degrowth agenda countries have less and less to offer.

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