



THE LUXURY OF INTERIORS AT FII IN RIYADH IS FAR SUPERIOR TO THE ALPINE LUXURY OF DAVOS



THE FIRST PLENARY SESSION OF THE FII IN RIYADH SET A BUSINESS TONE FOR THE ENTIRE THREE-DAY FORUM

# MIXING GEOGRAPHIC MAPS

WHAT CAN BE BUILT AND WHAT IS NECESSARY TO BUILD? THE SECOND EDITION OF THE FUTURE INVESTMENT INITIATIVE FORUM (FII) TOOK PLACE IN RIYADH IN OCTOBER 2018. THE FORUM LAUNCHED THE GLOBAL DEBATE ON HOW TO MOVE AWAY FROM THE IDEA OF «INVESTMENTS FOLLOW SOCIAL DEVELOPMENT» TO HOW DO WE CREATE THE FUTURE CONSCIOUSLY AND RESPONSIBLY. “DAVOS IN THE DESERT,, TURNED OUT TO BE “DAVOS VICE VERSA,, — THIS IS THE FIRST EXAMPLE OF A GLOBAL ECONOMIC FORUM BASED ENTIRELY ON PROACTIVE PLANNING FOR THE FUTURE, AND NOT IN RESPONSE TO ALREADY EXISTING CHALLENGES. DMITRY BUTRIN

**DAVOS VICE VERSA** A year ago, after the opening session of FII, the forum was internationally dubbed as «Davos in the Desert». Literally, this is inaccurate: Riyadh with a population of 8 million people is one of the largest cities in Asia with a more well-developed infrastructure than any other city of comparable size in the region. In general, it is much easier to confuse the downtown hotels in Riyadh with the downtown of New York or Shanghai than with the small mountain resort of Davos Klosters. However, this is not the main point. Davos in the Desert as an international economic forum and its participants are what really resemble the world economic forum held in Davos — the same CEOs of the largest world companies and politicians in semi-private settings, the same media outlets, the same official delegations, and the signing of contracts and memorandums. It also seems to follow the same principle: HRH Prince Mohammed bin Salman bin Abdulaziz, the Crown Prince, Vice President of the Council of Ministers and Minister of Defense, when announcing FII-2018 a year ago, declared, «We invite only those who have a rich imagination.» Visionaries have been the main official guests of the World Economic Forum (WEF) in Switzerland for many years now. Since the 1990s, the WEF in Switzerland has become the key place for economists, sociologists and businesses to discuss future global trends. The WEF and the FII forums are in many ways similar but FII is much more clearly focused on identifying the priority areas for innovative development and on a visionary glimpse into the future. While most of the major world economic forums discuss what can be done concerning the existing world problems, the basis of the FII agenda is completely different: how can economies and states influence future world development? How can they create new trends consciously and rationally, and not just react to existing ones?

**A FUTURE THAT CAN BE CREATED** According to the Minister of Energy, Industry and Mineral Resources of Saudi Arabia Khalid A. Al-Falih, the 3,000 FII participants in Riyadh, including representatives of major American and European companies, are a rather worthy demonstration of the importance of the forum's agenda. Particularly, the Minister highlighted the participation of key players from Russia and China. From the oil and investment perspective the forum turned out to be extremely productive, with a total worth of agreements and contracts signed exceeding \$ 55 billion, including major energy and utilities infrastructure investments in Saudi Arabia. The key takeaways from FII 2018 include the idea that perhaps the traditional economic reality is coming to its end. Many global investment market players have new technologies and financial capabilities at their disposal that will allow them to change the concept of the global economic geography of the world in a few decades. The changes will be

**➤ WHY DOES SAUDI ARABIA BUILD NEW CITIES?** The Kingdom of Saudi Arabia (KSA) is one of the most urbanized countries in the world, where the migration of people to the largest cities occurred very early. Vision 2030 identified several large urban projects, which in the future should transform the Saudi economy and ecosystems. First of all, the NEOM project — the «city of technologies», a centre of technological development, with a total investment of up to \$500 billion. It will probably be the first metropolis in the world with a population of 1 million built in such a short period of time. NEOM could become a global testing ground for the development of all the technologies associated with such projects, since there are only few alternatives in China and, possibly, India. In addition, KSA is planning to invest in a huge resort area on the Red Sea coast. In fact, it is going to be a new world centre of global tourism, which will be larger than the Egyptian projects in Sinai and on the African coast of the Red Sea, providing recreational opportunities for the entire European Union. Finally, there is the Qiddiya project — a new sports and cultural centre for the Riyadh megalopolis. This project was launched in April 2018 one year later than the other two projects however it is of equal importance with the NEOM project and the resort area of the Red Sea coast. Aimed at young people and women, Qiddiya is considered as the future driving force behind of the cultural transformation of society in Saudi Arabia.

related to the location of technological development centres, cultural capitals and the traditional balance of world cultures, transport hubs and links, and community structure. These features will be implemented one way or another. The question is — how these opportunities can be used? For what? To what end? It is a very unusual way of looking at things in terms of European business culture. European economic history, unlike the traditional Islamic one, generally gives the state the monopoly to rule economic geography — New cities are founded by states, new economic provinces are a product of state regulation, society gratefully goes along with the opportunities offered by governments and businesses. Saudi Arabia, at first glance, is almost following the same pattern. However, Vision 2030, which was announced in 2016 and now being implemented (see p. 11), is an unusual development plan for a country in this sense. One of the most ambitious development programs in the world is not built on the basis of transformation of the state sector of the Kingdom of Saudi Arabia, but on the development of Saudi society. It is about finding ways of modernizing the traditional society. It is not surprising that future unusual trends that combine economics, technology and sociology were discussed in Riyadh. The general question «what resources should be used to build the future?» is not relevant here, the more important question is — «what exactly can be built?»

**GEOGRAPHY OF INNOVATION** The main topic of the panel discussion of the three-day forum was devoted to globalisation, but from a different perspective — the joint view of business and government creating a collective vision of the future. However, it is more a dream than a reality, since the 2000s the futuristic views of states and large international companies have differed significantly. Meanwhile, the corporate point of view on the future is gradually becoming more similar to the view of the authorities of large metropolitan cities in the United States, Europe and Asia. The topic of the geography of innovation is also unusual. After several decades of experimentation by large investment banks with alternative centres for innovative technological development (usually in the Third World countries, the most famous of which are projects in India), the idea that the future geography of innovation can be managed by investment decisions, sounds, on the one hand, like a challenge, on the other like a statement.

Vision 2030 plans its future precisely on these issues. Imagine that the Arabian Gulf is interested in its own future as one of the centres of world technological civilization, as a collection of large ultra modern cities, no less significant than the largest cities of the World, no less developed from any point of view, no less influential in matters of the world agenda, determining on equal terms the cultural and social