



Environment

The economic importance of Industry

Narrator

In Baikalsk, a town of thirty thousand people, the pulp and paper mill employing three and a half thousand workers remains the main economic activity.

With Russia keen to develop its exports to countries in the Far East, the mill is in an increasingly strategic location.

Georgiy Trifonov, Director General Baikalsk Pulp and Paper Mill (*Speaking in Russian – English subtitles*).

Our future lies in the strengthening economic ties between Siberia and the Pacific and Asiatic regions. So our focus is on the use of timber and the export of pulp and other wood products. So, one could say that the pulp and paper mill is one of the most important enterprises in the Siberian region. And it's run properly and correctly in order to make best use of the timber resources at our disposal.

Narrator

The mill remains at the heart of the conflict between economic growth and environmental protection that is characteristic of Russia's transition. Local groups are still calling for the plant to be closed.

Jenny Sutton

I think that this could have been done. In Soviet times it could have been done relatively easily. Because it could have been a political decision, to re-employ those people in some other town for example, in some other place. This could have been done in those days. Now it's more difficult. But in order to make decisions of that kind, and to solve problems of that social kind, you need to have the political will.

Narrator

But the economic risks make closure hardly likely.

Georgiy Trifonov (*Speaking in Russian – English subtitles*)

There's always risk in the market. We will react to the market depending on what the risks are. But, as for closing our business down, I don't think there's any question of that because modern technical developments are of a high standard.