

# Violence-Stricken Dagestan to Build New Tourist Hub

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Magomedislam Magomedov **Maxim Stulov**

At a meeting with President Vladimir Putin, Dagestan republic leader Magomedislam Magomedov presented a project that would establish a tourist hub on the Caspian Sea, aiming to develop the violence-torn region with the help of foreign developers.

Magomedov heaped praise on the project, saying the creation of a new coastal city south of Kaspissk would bring an economic boost and create as many as 150,000 to 200,000 jobs, RIA-Novosti reported.

The republic's head said a British company had drafted the city's architectural plan, which foresees development of the site in several stages. In the first stage the plan foresees a population of 150,000 residents in the city, with the eventual projected total as high 500,000.

The city of Derbent, which Magomedov said was the oldest in Russia, will also become part the tourist hub.

But Magomedov also told Putin that serious infrastructure barriers hindered the project, including electricity, gas, and water infrastructure and roads and airports that require major reconstruction.

Putin responded that it was important to seek both private and state investments, and that the sources of funding should be coordinated.

Magomedov said he had already found investors from Moscow companies ready to invest up to 44 billion rubles (\$1.3 billion), with interest shown by Austrian, French and Chinese investors as well.

Russia has ambitious plans for attracting tourism to the North Caucasus to help develop infrastructure and alleviate chronically high unemployment in the region. In March, then-President Dmitry Medvedev ordered the government to quicken the pace on creating resorts as part of the project.

The North Caucasus region has been plagued by violence for years, including two separatist wars in the neighboring republic of Chechnya. Dagestan's capital was rocked by twin explosions in a suspected terrorist attack at a police checkpoint earlier this month that killed more than a dozen people.

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