



On behalf of the MEF's organizing committee we would like to express our gratitude to our foreign colleagues, who have responded to our invitation and participated in The Second Moscow Economic Forum.

Your experience and practical advice helped us to fully assess the status and development prospects of today's Russian economy.

In the course of constructive debates and discussions we have found suggestions and ways for the Russian Federation to reduce its dependence on raw materials and acquire the status of a global agricultural country.

Reports and materials submitted at MEF-2014 can be found on our website [me-forum.ru](http://me-forum.ru)



## We would like to see you at next year's MEF-2015

The Moscow Economic Forum is a specialized international forum for working out strategic solutions and crisis management programmes aimed at the diversification and development of the Russian economy.

Goals & Achievements: Search and analysis of alternatives to the resource-dependent model of the Russian economy / Submission of development projects for sectors of the economy not related to raw materials / Elaboration of proposals for development of a new economy based on the development of non-resource production, modern technologies and realization of human potential / Orientation of society for the implementation of these alternatives.



# MEF-2014: NON-OIL AND GAS FUTURE OF RUSSIA

## Major expert support

**1,870** participants  
from **53** regions of Russia  
and **20** countries worldwide

## Extensive business programme

**46** business events,  
including **4** plenary discussions,  
**10** conferences  
and **32** roundtable discussions,  
**117** hours of productive work

## Answers to key questions:

- What can Russia offer the world apart from raw materials?
- How to make production profitable in Russia?
- What can help our country not just to survive, but to develop?
- When shall we be able to feed the world with products from Russian fields?
- In what way should our regions develop?



## MEF's Co-Chairmen on “The Non-resource Future of Russia”



### Konstantin Babkin

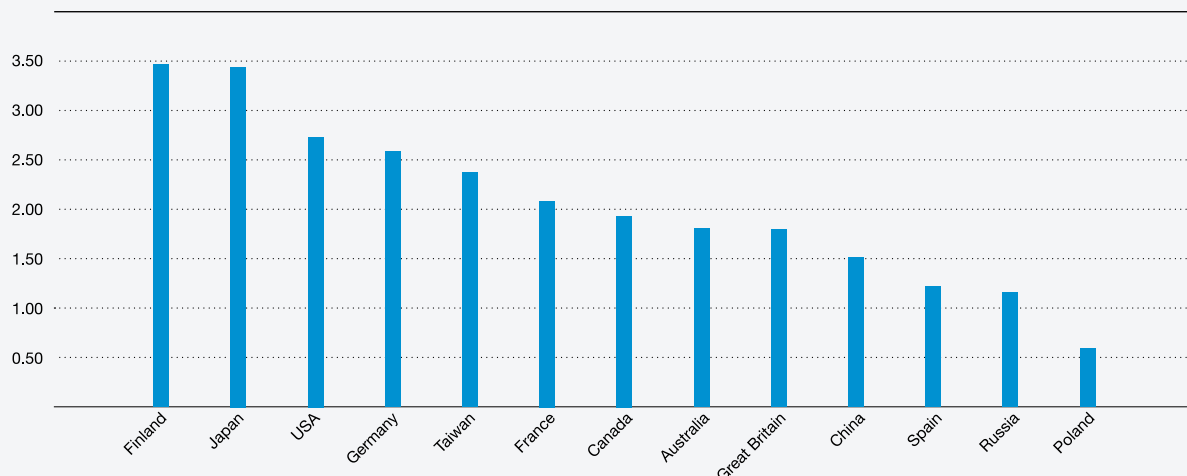
In today's world, if the nation does not build or create, then it is going to suffer and sacrifice its future. The development of national production creates a demand for science and education, elevates human wellbeing, improves the moral environment within society, and establishes ambitious goals for young generations.



### Ruslan Grinberg

Half of the population of our country can live as middle class. We have all witnessed the economies of a range of countries which have overcome economic backwardness and created a presentable industrial landscape: Finland, Brazil, China. Today we need a new economic policy.

**Statistics: Share GDP spent on R&D (source: Science Indicators, 2007)**



### From the Resolution of the Forum:

«The core of the responsible economic policy of the Russian government should be the creation of conditions for the broadening the production of non-primary goods and services».

# On the Development of Russian Economy



**Grzegorz Kolodko**, Professor of Kozminski University and former Deputy Prime-Minister and Minister of Finance of Poland

I believe that over the next 20–25 years Russia’s potential for development will be 4–6% annually. How to use this potential? First of all, it is necessary to build good institutions supporting private non-governmental business activity, or what you call small and medium-sized business. It is impossible now for Russia to achieve the progress of China or South Korea. It was possible 20 year ago, but you missed your chance. And what happened to your technologies? One generation ago they used to be the best in the world in some branches of industry. And now? It is necessary to support industry. This is a task for Government, for the state funding, which, thanks to primary goods and oil, you still have, and which can be used to support human capital assets, research and development.



**Yevgeny Primakov**, Member of the Russian Academy of Sciences, President of the non-commercial partnership “Mercury-club”

It would seem that the choice has been made. It was firmly stated by President Putin. According to him it is important to clearly focus on economic growth and maintain our economy’s social orientation by means of its development. But, in fact, no evident policy reorientation can be seen. Firstly, there is no reduction of the refinancing rate, which has resulted in bank loans reaching sky-high prices. Secondly, there is a need to develop a programme of state participation in the technical and technological progress of our economy.

Thirdly, it is necessary to balance the size of our actual needs in a financial safety cushion, investing money earned from oil and gas exports in economic and social development.



**Vladimir Yakunin**, President of the JSC “RZD”, Head of the Department of Political Science of Lomonosov Moscow State University

Fourteen years ago the term “industrial policy” in relation to our state was taken by a lot of people as a swearword. Today it is easy to notice that the production figures of China are almost the same as those of United States of America. But Russia is in a position where our economic planners have to speak not only about the need to escape from the current economic model, but also to develop practical measures.



# On Education, Health Care, Science and Culture



**Kerstin Kaiser**, Parliamentary Deputy of Brandenburg, Germany

What do we want in the new era of education? Today a child is often perceived as a computer, a robot or a pot that can be fed with facts, information, and then used in the market. For an economy like this, a man and his skills are everything that is needed. Unfortunately, in today's reality there is no need for knowledge or critical thinking. As an example, in Brandenburg (a province near Berlin), education is first and foremost a human RIGHT.



# On Industrial Policy

## On Russian and German Business Interaction in a Non-Resource Economy



**Torsten Schubert**, Director of the Finance Department, IT Department and Administration of Knauf CIS Group

What, frankly speaking, was our way or secret to success here? We strictly focused on the Russian market. In my opinion, we managed to combine the benefits afforded by Germany, and those afforded by the Russian market. In fact, we are closing the whole production chain in Russia, and we focused at once on producing here as many finished products as possible.

What are the other potential factors that, in my opinion, can improve the Russian economy or Russian administration? One of the factors, which we also suffer from, is the burden of Russian legislation. Not only the Civil Code, but also the Administrative Code, the Tax Code and the Accounting Law has in fact as many restrictions as clauses, especially for small and medium-sized business, so that they are burdened with high costs in fulfilling all those statutory obligations.



**Falk Tischendorf**, Head of BEITEN BURKHARDT's Moscow office

When considering the need to modernize Russian economy we should not forget that there is also a need for German business to invest in other markets in order to participate in and survive the globalization process. Speaking of German business, we should note that nearly 99% of all enterprises in Germany are small and medium-sized businesses. Talking about not only the need for active development, modernization and extensive diversification of industry in Russia, but also about how the economy in Russia can actually achieve this goal, I consider economic partnership and exchange of ideas between Russian and German businesses to be an essential way of achieving it.



**Torben Lemme**, CEO of Enders LLC

We see a great potential in Russia. The country is developing, and its production is growing. Here we see the long-standing relations between Germany and Russia, which will continue developing. What is important for German medium-sized business? Stability, of course. Sometimes there are complications on the part of Russia. Today I have already heard questions about the law, about the administration. There are often questions which may not be difficult, but are certainly strange. And this part is difficult to understand, especially if you are of a German mentality.



**Fedor Khorokhordin**, Bavarian official representative to RF

We lure foreign investment into the same Russian regions (a completely understandable and logical goal set by our country's leadership), but sometimes we see that it is not done very professionally. Sometimes people just say, "Start your businesses here, give us money, and in 10 years, we'll return everything at a profit". There is no professional business plan - nothing at all. Therefore, in this respect, I would probably suggest you follow the foreign and German experience of attracting investments.



## On the Customs Union

**Riad Haddad**, Extraordinary and Plenipotentiary Ambassador of Syrian Arab Republic to the Russian Federation

Today's countries' need for tools allowing the different challenges to be met pushes them to look for common interests in order to create a strong economic union able to deal with those challenges. Today Syria is a prospective market with economic trade and investment opportunities in various fields. And Syria took a practical economic decision orientate itself to the East. And once again I confirm our country's intent to join the free trade zone and the Customs Union.

## On Russia's Globalized Future



**David Lane**, Professor of the University of Cambridge

The Eurasian movement is the possible alternative. It is still contradictory because it defends different priorities and different values, and it stays in opposition to the western hegemony. As for Eurasia not a single sociological analysis was conducted, nor any routine business economics. On one hand, the Eurasian Union can counter the hegemony of the West and could be one of the steps on the way to the creation of a multipolar world. If we speak about a more optimistic scenario, we must speak about the re-emergence of the socialist blocs in Russia and China.

**David Laibman**,

Professor from New York (USA), Chief Editor of the journal "Science and Society"

The bases of the democratic planning turn to the history of the Soviet experience. I think that it will be accepted more and more. Democratic planning is a key to the participation of Russia in the bullish new economic situation.

**Alan Freeman**,

Professor from Great Britain and Canada

The most important is that you need to organize relationships not with the global economy of the past, i.e. with western neo-laissez-faire economics, but with the global economy of the future, which is developing with the BRICS countries, including China, India, Africa and Russia.

The production sector is no longer the major source of revenue and profit for the developed countries. Does it mean that production has become unimportant, or we must speak about the postindustrial era? No, it doesn't. A most important misconception is that one of our problems is to undergo re-industrialization, which means to put the clock back and to return the production of the past era.

We, from one hand, must renew the relations, which have been severed following the break-up of the Soviet Union, to reduce the economic and geopolitical divergence, which has appeared and to create a new geopolitical economy based on human technology which would answer the questions of all Humanity.





WE INVITE YOU TO PARTICIPATE IN  
OUR BUSINESS EVENTS AT THE  
**Moscow Economic Forum**

REQUEST FOR PARTICIPATION:

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SUGGEST AN EXPERT:

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ORGANIZE A ROUNDTABLE DISCUSSION:

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