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Medvedev to Address Various Scenarios at Davos

By Irina Filatova

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Deputy Prime Minister Arkady Dvorkovich

Russian officials visiting the World Economic Forum 13 years ago were puzzled by U.S. journalist Trudy Rubin's famous question about the newly elected Russian president: "Who is Mr. Putin?"

This year, members of the Russian delegation, which includes state officials, economic experts and business leaders, are likely to feel more at ease. They are not expecting the controversial question about the personality of Prime Minister Dmitry Medvedev, who is scheduled to arrive at the Swiss ski resort of Davos to address the forum participants Wednesday.

"As far as the question 'Who is Mr. Medvedev?' I think everyone knows this already," Deputy Prime Minister Arkady Dvorkovich said Tuesday. "There have been repeated opportunities to get to know his views and priorities."

The prime minister is visiting the forum for the third time. In 2007, he represented Russia as first deputy prime minister. He paid a second visit as president four years later. Neither Medvedev nor then-Prime Minister Vladimir Putin attended in 2012.

This year, the two discussed who will represent Russia in Davos, Dvorkovich said, adding that Medvedev had a slot in his schedule, making the visit more convenient for him than for Putin.

"It just turned out that according to the schedule, Dmitry Anatolyevich had two days available to visit Davos, but they were clearly discussing this issue and synchronizing watches, so there's no problem with that," he said at a news conference.

The other reason Medvedev is going instead of Putin is the prime minister can better present the priorities for Russia's leadership of the G20, given that he has attended the summit meetings for several years in a row. Russia will host the annual G20 summit in St. Petersburg in September.

The deputy prime minster added that Russia's host role has put it in the limelight at the Swiss forum, which opened Tuesday.

Putin had to postpone a few visits late last year. The postponements were reportedly the result of a back injury.

The president's agenda during the World Economic Forum remained unclear Tuesday evening, and there was no indication of his plans on the Kremlin website.

Dvorkovich said the prime minister is slated to meet with several foreign leaders at the forum, including his British counterpart, David Cameron, and Swiss President Ueli Maurer.

Medvedev will also lead a panel discussion of Russia's economic development prospects, providing an opportunity for him to address the forum participants, Dvorkovich said.

The prime minister's speech will follow the presentation of a report prepared by the World Economic Forum in collaboration with Russian economic experts. The report outlines three major uncertainties that could affect Russia's long-term economic development.

In addition to street protests, which have become the hallmark of domestic politics, the report also examined the surge in U.S. shale gas production and Russia's institutional environment, stating that the country appeared to have made little headway against corruption despite a significant rise in per capita wealth over recent years.

The report, released Tuesday, outlines three scenarios to challenge thinking about Russia's economic development through 2030.

One outlook, called regional rebalancing, stipulates that unexpected sources, such as the resourcefulness of the country's regions, will drive economic change. Institutional reform will progress mainly at the regional level and stagnate at the national one.

Another scenario, called precarious stability, explored the consequences of a sudden and sustained drop in oil prices, concluding that the government would likely choose to preserve economic stability over reform in a time of crisis.

In the third possibility envisioned in the report, beyond complacency, high oil prices stall institutional reform while popular discontent grows as a result of inefficiency in the provision of public services.

The scenarios presented in the report "highlight important policy decisions that will need to be made, decisions that will affect the ability of the country to fully benefit from these developments," the document said. "Russia needs to be aware of global trends that may bring both challenges and opportunities for future growth."

The World Economic Forum hosted a meeting of top business leaders and politicians at Moscow's Baltschug Kempinski hotel last fall to fine-tune the report.

Dvorkovich said Medvedev will speak on which outlook is most realistic and how Russia can reduce possible risks.

"Basically, all three scenarios are negative," Dvorkovich said, elaborating that it is actually a positive development "that all these scenarios are not favorable for Russia."

"It's a good challenge for the government and regional authorities and a chance to think about what they are doing wrong and what needs to be improved," he said.

Apart from attending panel sessions, Davos forum participants will have a chance to experience well-known Russian hospitality. The headquarters of the Russian delegation will hold a series of entertainment events, several of which are fairly extravagant.

On Friday, an invitation-only reception hosted by Otkritie Financial will feature a performance by the controversial rock band Leningrad, according to information provided by the forum organizers. The group earned fame in the early 2000s for its eccentric songs full of curse words and the glorification of heavy drinking.

For more culturally discerning fans of Russia, energy firm En+ Group will host a reception Wednesday with a concert by violinist Dmitry Kogan. To add more national color, on Thursday, Northern Caucasus Resorts Group is organizing an evening with Caucasian folk dancers Lezginka and cuisine representative of the mountainous area, the forum organizers said.

Foreign firms will not be granted licenses to develop oil deposits in Russia's continental shelf, Deputy Prime Minister Arkady Dvorkovich said Tuesday at a news conference devoted to Russia's agenda for the Davos economic forum.

They will be able to participate in the shelf's development as technological partners but not as license holders, Vedomosti cited Dvorkovich as saying.

He added that the principal decision on allowing foreign companies to take part in the development of shelf oil deposits was actually made at the government's meeting on Jan. 15, where it was agreed that they could only act as minority partners.

"We agreed that state companies are the main players, while proposals for the conditions under which private companies could work on the shelf would be finalized later," Dvorkovich

said.

As minority partners, he said, the foreign companies would also be sharing a certain amount of risk.

Contact the authors at Irina.filatova@imedia.ru and medetsky@imedia.ru

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