

Russia To Face Same Old Questions at Davos In Chillier Atmosphere

By [Alexander Panin](#)

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Workers set up logos of the World Economic Forum (WEF) at the congress center in the Swiss mountain resort of Davos Jan. 20.

As the World Economic Forum kicks off in the Swiss alpine town of Davos on Wednesday, Moscow's delegates will be working hard to convince participants that Russia is still a sound investment despite tensions over Ukraine and a faltering economy.

Speaking at a curtain-raising news conference last week, Klaus Schwab, the forum's founder and chairman, called 2015 a "critical" year.

"This year we are at the crossroads. There are two possible directions: a world of disintegration, of hate and fundamentalism ... or a world of solidarity, of cooperation," Schwab said.

Russia, so far, seems to have decided in favor of cooperation at Davos this year.

Despite the current Cold War-era relations with the West, Russia has summoned more than 70 delegates in all, spanning from all facets of Russian society, the organizers said. The delegation is headed by powerful players such as Finance Minister Anton Siluanov, former Finance Minister Alexei Kudrin, Economic Development Minister Alexei Ulyukayev, First Deputy Prime Minister Igor Shuvalov, and Deputy Prime Minister Arkady Dvorkovich.

Although Russia's delegation this year does not include President Vladimir Putin, the head of the Russian International Affairs Council, Andrei Kortunov, praised the government's willingness to send top ministers.

"Isolation is not what the country needs now under the circumstances," he said.

While the world economy's growth rate is expected to slow to 3 percent this year, Russia's economy is expected to contract by as much as 5 percent under the weight of Western sanctions over Ukraine, falling oil prices and depreciating national currency.

"Notwithstanding the complexity and volatility of the geopolitical situation in the region, we recognize that Russia's economy is now facing a new macro-environment shaped by lower oil prices," Andrew Chakhoyan, an associate director at the World Economic Forum, told The Moscow Times in written comments.

Moscow's representatives at Davos are expected to address how Russia's economy can adjust to this new environment and what role the country will play in the global energy sector, Chakhoyan said.

Most of the Russian representatives will deliver speeches at a separate session devoted to Russia on Friday, where they will address the country's economic problems, as well as political and social issues.

"It is likely that the delegates will continue the line they were following at the Valdai Discussion Club [held at the end of last year] and will attempt to present Russia as a country more attractive to foreign investors than is generally viewed from abroad," Kortunov said.

The task will be considerably more difficult in 2015 than it was at last year's Davos forum. Around \$150 billion has flooded out of Russia since then, prompted by political tensions and steady ratings downgrades by international ratings agencies.

But while further outlooks for Russia remain grim, economic issues take second place to the crisis in Ukraine, which continues to make news headlines around the world.

The Davos forum will host a large delegation from Ukraine, including the country's key political figures and will be led by Ukrainian President Petro Poroshenko.

Analysts, however, doubted their presence could help resolve tensions with Russia either officially or behind the scenes.

"Although there is much talk of at least partial lifting of Western sanctions [over Ukraine], this is unlikely to happen," said Yevgeny Minchenko, the head of Moscow-based PR-agency Minchenko Consultancy.

"There is currently a new escalation of the conflict in [eastern Ukraine], which is not expected to improve by the time Western sanctions expire in March," he said.

Besides the state of politics and global economy, 2,500 participants from more than 140 countries will also discuss climate change, development of advanced technology, cyber security, pandemics, inequality and the future of human capital.

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