

Session summary

THE ST. PETERSBURG INTERNATIONAL ECONOMIC FORUM 2011

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Session title:

OFFICIAL OPENING CEREMONY

OPENING PLENARY SESSION

EMERGING LEADERSHIP FOR A NEW ERA

Theme

Securing Global Growth

Keynote speakers

Dmitry Medvedev, President of the Russian Federation

Hu Jintao, President of the People's Republic of China

Elvira Nabiullina, Minister of Economic Development of the Russian Federation, Chair of the Forum Organizing Committee

Synopsis

Ms. Nabiullina opened the Forum. In her speech, Ms. Nabiullina pointed out that the near future holds promising growth opportunities for developing economies. She said that the world economy still suffers the effects of the credit crunch and that the recovery must involve not only a restoration of economic performance, but also a restoration of public trust.

Ms. Nabiullina stressed the need for Russia to use this post-crisis opportunity to demonstrate its future leadership potential.

Mr. Medvedev noted that Russia is at a new stage in its history, one that has seen the country move beyond the collapse of the Soviet Union and the economic reforms of the 1990s when many things had to be developed from scratch. Russia has been steadily moving forward, and in recent years the modernisation programme has begun to slowly bring about results.

Mr. Medvedev pointed out that Russia must take steps towards adapting to the new demands of current world issues, including unrest in the Middle East, the disaster in Japan and climate change. Mr. Medvedev believes that Russia needs to change its economic development mindset and base its development less on the price of natural resources, as this programme has nearly exhausted its potential. There is a need to develop other strategies.

Mr. Medvedev outlined the following measures underway to modernize Russia:

- minimising "state capitalism". Mr. Medvedev said that there is no need for the state to own much property, so a new privatization programme is now under development;
- a process of decentralization of power to grant increased authority at the municipal level, which is to become a competitive advantage of the country. Mr. Medvedev stated that a system in which actions are only taken upon signals from the Kremlin is not sustainable and should be changed;
- measures to improve the quality of the judiciary system;
- further anticorruption measures;
- the development of Moscow as an international financial centre and expansion of the city's financial and administrative activity beyond its current borders to create a new Federal District;

- simplifying of Russian visa requirements for foreign nationals, establishment of long-term visas for qualified foreign specialists.

Mr. Medvedev noted his great appreciation for the partnership of Russia and China, encouraging its further development.

Mr. Medvedev believes that, as part of the G8 and BRICS countries, Russia has a role to play as mediator, harmonising the positions of world governments and helping to achieve a more effective G20, which is currently the most powerful economic forum.

In conclusion, Mr. Medvedev noted that it was not realistic to expect immediate improvement of the whole Russian economy to the desired high levels. He did state, however, that he believes it is possible in the nearest future to reach a "tipping point" and leave behind all the factors that are currently preventing Russia from moving forward.

To make the country a more attractive target for foreign investment, Mr. Medvedev reiterated Russia's intentions to join the WTO as well as the OECD, to drop barriers to investment and to protect investors and enterprises.

In his speech, Mr. Hu noted that although it has been nearly two years since the worst point of the economic crisis, the recovery is still slow and there are still after-effects. In China, the current measures directed at correcting the situation include a programme of financial support for innovation.

It is Mr. Hu's belief that the economic crisis showed that the modern financial system is not sufficiently developed, and that current financial governance institutions are not fully capable of dealing with potential financial crises.

In such circumstances, it is important to note the excellent working relations established between the Russian Federation and the People's Republic of China. As a good neighbour and strategic partner, China follows closely and supports the changes that are being carried out in Russia.

In conclusion, Mr. Hu voiced his hope that in the future, the role of developing economies will be even greater, and organisations such as the G20 and BRICS nations will continue to expand their role. For its part, China is open to participation and investment from all nations, and is willing to share its knowledge and experience.

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