

Medvedev Calls for Greater Competition in Russian Politics, Business and Social Services

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- Good governance should be the top priority for the Russian government, according to many international observers
- Economic competitiveness and government efficiency top the current list of concerns
- Reliance on commodities such as oil poses threats to Russia's future development
- The World Economic Forum earlier published [Scenarios for the Russian Federation](#)
- The theme of the 43rd World Economic Forum Annual Meeting is *Resilient Dynamism*. For more information, visit <http://wef.ch/Davos>

Davos-Klosters, Switzerland, 23 January 2013 – Dmitry Medvedev, Prime Minister of the Russian Federation, and other experts discussed a range of possible scenarios for the future of the Russian Federation at the World Economic Forum Annual Meeting today. Medvedev cited Russia's need to "create a competitive environment, both domestically and globally", which includes greater political competition, improvements in business efficiency and the enhancement of social services such as healthcare and education.

In a poll of approximately 450 participants at the Annual Meeting, an overwhelming majority – 78% – voted that good governance should be the Russian government's top priority in the coming years. Medvedev said he was not surprised by the poll, as it reflects the dominant global opinion of Russia. "I'll be frank with you. I voted for a different option," he added. He cited the need to "improve the efficiency of our public bodies" as one of the nation's top concerns.

The commodity dependence of the Russian economy was the subject of discussion and analysis in a recent Forum report, *Scenarios for the Russian Federation*. Medvedev said the current price of oil is "more or less optimal" for Russia. He noted that much of the nation's economic growth in recent years has come from the production of consumer goods and services, rather than from energy. Aleh Tsyvinski, Professor of Economics, Yale University, USA, explained that a gradual decline in prices might not generate sufficient urgency among policy-makers to reform inefficient institutions. Additionally, increased commodity prices could cause government leaders and businesses to remain complacent with the status quo.

The growth of the Russian economy in recent years has increased the size and standard of living in the Russian middle class. According to Sergei Guriev, Rector, New Economic School (NES), Russian Federation, this population will not be content with economic growth alone – they will demand political reforms such as greater transparency. "Change will happen in an unpredictable way, but it will happen," he said.

"We need to engage in systematic and active dialogue with civil society," said Medvedev. He also noted that the country has made marked progress in mitigating population decline, through higher birth rates and improvements in healthcare.

Medvedev and several of the panellists expressed optimism that none of the three relatively

pessimistic futures outlined in the report will come true and that instead a fourth alternative will emerge: a scenario of green growth in which the government embraces necessary reforms, reduces its reliance on commodities and improves social cohesion.

The 43rd World Economic Forum Annual Meeting is taking place from 23 to 27 January under the theme *Resilient Dynamism*. More than 2,500 participants from over 100 countries are taking part in the Meeting. Participants include nearly 50 heads of state or government and more than 1,500 business leaders from the Forum's 1,000 Member companies, as well as [Social Entrepreneurs](#), [Global Shapers](#), [Young Global Leaders](#) and representatives from civil society, media, academia and the arts.

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Notes to Editors

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