
RF President Dmitry Medvedev addresses St Pete economic forum

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'It would be most natural to respond to the crisis with a combination of measures encouraging farming and adjusting national energy strategies. However, such a policy would inevitably encounter resistance by those who wish to derive benefits from the emerging problems.

`The way most governments would react had been predictable beforehand. There followed restrictions on agricultural export, and then, the promotion of genetically modified foods. Without the proper warning of consumers of the potential hazards. In our opinion such action can stabilize situations in internal markets only for a very short period of time. In the long term, though, they can merely exacerbate global crises. It is obvious that pragmatism does not allow any single country to be the first to drop protectionist measures. Only concerted, collective action might prove a way out. We are prepared for constructive, joint action to overcome the food crisis and to eventually develop effective anti-crisis programs.

`Back 100 years ago Russia was one of the biggest providers of wheat. An increase in Russia's grain production would benefit not only us, but the global food market as well. Also beneficial will be the use of such sources of energy as hydropower and nuclear fuel produced with the use of safe technologies. We expect our potential partners will agree with this strategy. We deem it necessary to go ahead with an intensive dialogue to build a new, more effective architecture of a world food policy and trade. Specialized institutions of the United Nations Organization may become a likely floor for this.

`Esteemed colleagues, ladies and gentlemen, it was Russia that pioneered the concept of energy security at the G8 summit in St. Petersburg and has been systematically pressing for it. The main thrust of that strategy is mutual responsibility by the producers and consumers of energy resources, as well as the responsibility of transit countries for the reliability and stability of supplies.

`Our partners agreed that this will be possible on the condition of using the entire range of renewable sources of energy, the maximum integration of markets and the creation of a favorable investment regimen and transparent system of access to markets.

`However, in practice, the emphasis was made only on wider production of biofuel. Now we know the effects of this.

`In that connection Russia's policy will be in full compliance with the obligations we have assumed. There have been some important steps along these lines, such as large-scale attraction of private investments into the Russian electric power industry, wider opportunities for the transportation of energy resources, the decision to liberalize the market of gas and the easing of taxes on the energy sector.

`We expect to see the results in the medium term. Let me stress once again, such steps not only strengthen the Russian fuel and energy complex. They will prove a tangible contribution to stabilizing the global energy markets. In the near future the discussion of these themes will be continued at the G8 summit in Japan.

`World development trends allow for making the key conclusion - these days every single country, and all countries together have the opportunity to derive the maximum benefits from globalization. This chance is not in the centralized redistribution of wealth, but in the orientation of market participants to developing the human potential. Technological progress is to increase labor productivity, improve the ecological situation and create opportunities for a healthy lifestyle. The government and businesses must develop interest in promoting the continuous education system, in creating and upgrading transport infrastructures that enhance people's mobility and encourage innovative behavior. These priorities are contained in the proposed concept of four `i's we have begun to implement for the sake of achieving long-term development goals - namely, forming a society comfortable for people to live in and ensuring Russia's leading positions in the world.

`These four `i's are very well-known already - institutions, infrastructures, investments and innovations. In tomorrow's agenda of the forum a fifth `i' will be added to the list - intellect. I am certain it will be not the last `i', especially if we bear in mind the tremendous potential of the information society and the use of Internet technologies. The basis of this work was laid over the previous four years, and just recently the first decision was made heralding the implementation of a new stage of our strategy. I am talking about the war on corruption, measures to strengthen the judicial system and ensure the supremacy of law.

`There have emerged new initiatives for lowering the administrative hurdles to private enterprise. Comprehensive resolutions are being developed to develop the network of federal universities, expected to join the list of the leading research and educational centers of the world. I have no doubt that the 12th St. Petersburg forum will make its contribution to generating new ideas for the further successful development of Russia and the world community in general.

`Talking about victories is a fashion these days. We all need victories and there have been quite a few of them in the history of Russia. But we have long waited for more bright victories in the economy, technologies and social development. In everything that is important to our people. There were not very many of them over the recent years. As for the past few weeks, we were glad to see some long-cherished successes in sports. Only the athletes know the real price of those victories. The price is hard work. Victories do not appear out of nowhere. Today we are capable of doing everything to make the list of our victories much longer. This is a goal worth working for.

`However, we should never forget Sir Winston Churchill's saying `The problems of victory are more agreeable than the problems of defeat.' But the former are immeasurably more complicated. Thank you.'
