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Sergey Guriev

Sergey Guriev, the Head of The New Economic School in Moscow, commented on the possible economic policy of the new Russian government that is to be formed in the upcoming days .

Russia Today: Could you tell us a little bit about these economic reforms and whether you think that they will remain unaffected under a new government?

Sergey Guriev: The major thing that the acting Finance Minister Aleksey Kudrin probably had in mind was the macro-economic stance, the conservative fiscal policy, which built up the stabilization fund and what is now called the reserve fund and foreign exchange reserves. And also the reforms in the financial sector, reforms of banking and corporate governance, which resulted in huge financial development, which in turn boosted the consumption and investment boom which we observe now. And I think these things will definitely continue. To what extent specific individuals remain in the positions of power in the economy and finance ministries is not clear.

RT: The acting Finance Minister Aleksey Kudrin has described Zubkov as 'legendary' for fighting money laundering. Do you think this means that the financial management issues will be a key theme of the next government?

S.G.: It is not clear to what extent the incoming PM will stay “for a while”. Maybe he is just a transitional figure until the elections in December or March and definitely he will have to focus on many more issues rather than financial management, anti-money laundering and stuff like that. But it is true that he undertook the measures required for Russia to join the Financial Action Task Force and to get off the black list of the [FATF](#), which was quite an achievement for Mr Zubkov.

RT: Why do you think he was the main man for this job?

S.G.: That's a good question - nobody knows. If you'd asked any analyst yesterday, last night or even this morning, nobody would have guessed Mr Zubkov, and to what extent his new cabinet will be the same cabinet, to what extent his new policies will be the same as the current PM Mikhail Fradkov's policies – we do not really know. I think we should wait a few days until he puts together the new cabinet. It 's very likely that he will continue the previous policies simply because Russia has adopted a three-year budget, which kind of defines what the new government is going to do. And also there are many laws and many projects underway now that are very hard to roll back.

RT: What about his background and his past and previous positions that could have made him so obvious a contender for this role?

S.G.: Again, very much like PM Mikhail Fradkov before him, nobody would have guessed that he is the right candidate for this position. But he does share some similarities with many political figures. He worked with President Putin in the 1990s. He did work in the tax police. He is also a relative of the current Minister of Defence, previously the Tax Minister. So it is a kind of a pattern which you may recognize in many of the ministers of President Putin's administration. Though, as I've said, analysts would have listed 10 potential contenders and would never have listed him as a potential Prime Minister or a presidential contender.

RT: So there has been a change in the government and what are your thoughts on who may take over the key portfolios of the finance and economic positions? Any speculations?

S.G.: It's actually very hard to figure out and there is talk about some Duma members, some Parliament members to take over these positions. These are very important positions and Kudrin, for example, is exactly the person who has guarded this macro-economic stability and promoted its conservative fiscal policies, which at the end of the day are responsible for the low interest rates in Russia and financial development and growth. Nobody knows as of yet. Again if we look back four years from now and remember how Fradkov was

brought in. He did not change the economy or finance positions, and some people would have said that he was actually less powerful than ministers German Gref and Aleksey Kudrin and it may actually continue this way with the new Prime Minister.