

THE WORLD ECONOMY: OPPORTUNITIES AND RISKS FOR RUSSIA

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INTRODUCTION and SUMMARY

- « Russia as an island of stability »

Minister Koudrine in Davos, feb. 2008

- Brilliant successes...

... and significant weaknesses

- The positive impact of external factors...

... their limits... and dangers

- No time for perilous bets...

... rather for cautious macroeconomic policies

... and audacious structural reforms

RUSSIA AS A *STAR-ECONOMY*

- From bust to a 1.7 \$Trillion economy (PPP)
- An. Growth rate over 6%
- GDP/ capita \$ 12000
- The external debt reimbursed,
Foreign currency reserves close to 0.5 \$Bn
- A 150 \$Mn Stabilisation Fund
- Spectacular results, for sure, but a come back
to the pre-USSR-crash level
- A world class economy?

SIGNIFICANT WEAKNESSES

- Oil exports reach 82% of export revenues
- Domestic consumption as the main driver
- Investment remains low relative to GDP