

Putin Wants Economic Growth Proposals by Next Month

By [Anatoly Medetsky](#)

April 22, 2013

The  **Moscow Times**

President Vladimir Putin has said he expects a list of proposals for spurring the economy to be ready by the middle of next month.

The list must contain the often conflicting proposals that Cabinet ministers, Kremlin staff and economists put forward at a meeting Monday, Putin said.

He made the statement in a separate meeting later on Monday with his economic aide Elvira Nabiullina and First Deputy Prime Minister Igor Shuvalov, ordering them to refine the proposals so they reduce contention to a minimum.

"You and I will then get together for a more private meeting and will end this discussion so as to actually make practical changes in our current economic policy," Putin said, according to a transcript on the Kremlin website.

The Russian economy has showed signs of slowing down in recent months, leading the Economic Development Ministry to downgrade the anticipated growth of gross domestic product to 2.4 percent.

Some of the ways to give the economy a shot in the arm are rerouting federal money flows and taming lending rates, according to proposals voiced at the earlier meeting.

Economic Development Minister Andrei Belousov said after the meeting that the government was leaning toward slashing spending by state corporations. It intends to step up expenditures on health care, education and construction of roads and energy facilities, he said.

Putin said at the meeting that it was necessary to talk later about the profit margin and risks that banks factor into their lending rates. Eurozone banks charge much less for risks despite the greater turmoil in the European Union economy, he said.

The government could force the general rates down by fighting inflation and ordering the large banks it controls to reduce their appetite for profit.

“Of course, whatever the decisions are, they will be made exclusively in dialogue with the business community,” Putin said.

Oleg Vyugin, chairman of MDM Bank, said banks arrived at their lending rates by adding about 6 percent for the inflation rate, 3 percent for risks and at least 5 percent for profit margin.

Contact the author at medetsky@imedia.ru

Original url:

<https://www.themoscowtimes.com/2013/04/22/putin-wants-economic-growth-proposals-by-next-month-a23522>