

Minister Blames Prohibition Mindset for Capital Outflow

By [The Moscow Times](#)

February 28, 2014

The  **Moscow Times**

Deputy Economic Development Minister Sergei Belyakov on Friday said that capital outflow from Russia is in part fueled by the prohibitive model of economic management employed by the government.

"We are always fighting things: we are fighting capital outflow, fighting offshore tax havens, fighting corruption-related risks and fighting potential crimes," he said at a business breakfast organized by Vedomosti.

"By fighting everything on a daily basis we have shaped a model of legislation and bureaucratic behavior based on prohibition," he said, Prime reported.

Entrepreneurs, as a result, have to prove constantly that they do legitimate business, he said.

"Clearly, at some point they get fed up," he said.

The Central Bank is forecasting a net capital outflow of 20 billion rubles (\$600 million) this year. Last year, 63 billion rubles left the country, according to the regulator.

Original url:

<https://www.themoscowtimes.com/2014/02/28/minister-blames-prohibition-mindset-for-capital-outflow-a32569>