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In the next issue:
NGO Practices and Prospects



Open World's December alumni conference on NGOs gets under way in Golitsyno

Message From Economic Development Program Manager Britta Bjornlund

Welcome to the 2004 winter edition of the *Open World Alumni Bulletin*. This issue is dedicated to the subject of economic development. Since 1999, the Open World Program has hosted more than 900 Russian leaders on programs focusing on economic development. Because this theme covers a number of different topics, our delegates represent the full spectrum of Russia's economy. Open World has hosted federal, regional, and local policy-makers as well as economists, small-business owners, nongovernmental organization (NGO) leaders, and others.

Open World began conducting programs with an economics-related focus in 2000, when banking and financial services, commerce, and budget issues were offered as themes. In 2002, the broader theme of economic development was offered. This year, we added social issues to the theme to recognize that addressing a country's social challenges is contingent on continued economic stability and growth. The topic of social and economic development is so important that we will continue its discussion in the spring issue of the *Bulletin*.

Social and economic development was the main focus of this summer's Open World alumni conference in Irkutsk, which I had the opportunity to attend. Business leaders, NGO representatives, and regional officials came together to discuss future cooperation on social projects at the event, entitled "Corporate Social Responsibility, Reputation and Philanthropy." During the opening plenary sessions, conference participants from throughout Siberia heard about Russian-British energy giant TNK-BP's approach to philanthropy from Vice President Alastair Ferguson, who among other things discussed the company's continued support of the Open World Program. We hope that our alumni will continue to work together, reaching across



Britta Bjornlund

sector boundaries, to address economic and other issues in Russia.

Open World alumni realize the importance of both social programs and continued economic growth to Russia's future. Many of our alumni are engaged at the local level, planning projects to sustain their communities and improve the standard of living. The articles found in this issue discuss some of the urgent issues faced by communities and a new approach toward strategic planning at the local level. In the following pages, our alumni discuss their own and their communities' ideas for building local infrastructure such as roads and airports, devising incentives to attract new businesses, improving housing developments, and creating new journals aimed at local entrepreneurs. At Open World, we commend these efforts and look forward to hearing about the results of such work. Happy Holidays!



Britta Bjornlund

Living in an Open World

*Aleksandr Vladimirovich Sysoyev
Voronezh, Voronezh Region
Deputy*

*Voronezh City Duma
Open World 2002 (Economic
Development)*

*Host Community: Milwaukee, Wisc.
Host Organizations: Academy for
Educational Development/Institute of
World Affairs*

Openness is the primary characteristic of a democratic society. I had a chance to experience this characteristic while visiting the United States through the Open World Program. Moreover, I became aware of the genuinely constructive interaction that can exist between government bodies and the community.

At first glance, bodies of local self-governance in the United States look the same as their Russian counterparts. However, their composition is quite different. In the United States, I observed associations of people who come together by locality [e.g., neighborhood associations]. Nobody can mislead these associations by saying that there is no money for the maintenance of municipal water pipes or that there are insurmountable obstacles to providing proper heating. Nobody tries to hide

the truth about such things there, and if somebody tried to do so, he or she would never succeed.

Certainly, our two countries have seen different approaches in the development of such associations. We in Russia are taking the first steps to move forward. We have no choice: we must involve people in the decision-making process concerning their own apartment buildings, streets, and communities. If we fail to do this, houses and streets will continue to deteriorate owing to bureaucracy and inadequate housing and communal services. The first steps are always challenging, but it will become easier. We know that self-management and joint maintenance of housing is financially beneficial and increases the safety of each family.

Upon my return home, I decided to take action. I told the people of Voronezh how they can protect their right to adequate accommodations, and prevent unsuitable living conditions resulting from the inaction of local government. The "Citizen Inspection" project was born. In accordance with this project, every apartment building and every organization received letters from the local authorities pro-

viding budgetary information and deadlines for the refurbishment of houses and buildings in the community.

Through this program, citizens received a powerful tool that helped them better advocate for their rights. I received many letters and telephone calls informing me about what really goes on in housing and communal services. This information led to the creation of the *Citizen Inspection* television program. A second project called "My Rights" was also successful. This project provides information about property registration rights and opportunities. Our brochures describe the registration procedure, rates, and free services that the community can and must demand from the authorities. Our work helps individuals to assert their rights.

As a result of our work, neighborhood associations and associations of property owners

have started to appear in Voronezh and have expanded to other areas. We are currently considering the development of additional informational materials informing citizens about their rights, or, to put it more precisely, about their fundamental right to live in an open world: in their own house, city and country.

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Founded by the U.S. Congress in 1999, the Open World Program has enabled more than 9,200 citizens from all of Russia's 89 regions, Lithuania, Ukraine, and Uzbekistan to see the U.S. democratic process in action and to exchange ideas with their American counterparts, thereby building mutual understanding between Eurasia and the United States. The Open World Program is conducted by the Open World Leadership Center, an independent legislative branch agency, in cooperation with the U.S. Department of State and other U.S. executive and judicial branch agencies.

To sign up for free electronic program bulletins or to be removed from mailout lists, please visit www.openworld.gov. In Russia, the *Bulletin* is mailed to alumni without access to e-mail.

Perspective and Cooperation

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Host Community: Oxford, Miss.
Host Organization: National Peace
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In 2003, representatives from the largest regional universities and the Ministry of Culture* of Nizhniy Novgorod Region participated in a symposium in the city of Nizhniy Novgorod. The conference itself was organized as a discussion of long-term objectives and appropriate measures that could be implemented to foster both the social and economic development of Nizhniy Novgorod city. The most immediate result of this conference was the “Agenda for Nizhniy Novgorod in the 21st Century,” a comprehensive conceptual framework for social partnership on sustainable community development in the near future.

The history of Russia contains many examples of strategic planning. Both before the revolution and during Soviet times, programs were initiated to encourage industrial expansion and regional development. But to my mind, a strategic plan is not just a slogan-filled administrative document calling people once again to perform heroic deeds for the sake of a bright future. A strategic plan is an expert document that has been developed by scholars and specialists on practically all areas of knowledge about human beings and their activities. Planners in Nizhniy Novgorod have created a diverse collaborative strategy that identifies common community interests around which citizens can be organized. The Agenda lays out how to achieve steady economic and social development on the basis of the comprehensive and integrated use of local resources.

The Agenda also provides a mechanism for the city government to be more open, and encourages participation in the decision-making and implementation process by citizens, social

agencies, housing authorities, and representatives of financial and educational institutions.

The Agenda also outlines business opportunities and principles of municipal development for entrepreneurs and potential investment partners. It is hoped that this strategic plan will operate as an effective business tool for Nizhniy Novgorod. Having information about the city’s development strategy will enable businesspeople to make operational decisions and develop their own strategic plans without fear that the “winds will change.” Such cooperation and confidence is essential as Nizhniy Novgorod expands its efforts to compete for local investment, a high-quality workforce and additional foreign investment and partnership.

Strategic community planning at the city level is a new trend in economic development in the Russian Federation. As a new trend, it seems likely that we can adapt American experiences with such planning and effectively apply these principles in the development of Russian cities.

Furthermore, this development strategy is expected to foster an effective system for distributing community goods and directing development efforts toward the most worthwhile and promising directions of development. Currently, both the city administration and the Duma [City Council] of Nizhniy Novgorod are coordinating the development of this strategic plan. My experience in the Open World Program with American urban planning has been of great use.

I was very impressed with the plans of Vicksburg, Tupelo, and Oxford, Mississippi. Although the population of Nizhniy Novgorod is more than one million people, much of the planning of these small towns could be applicable to Nizhniy Novgorod’s own development.

Vicksburg offers the closest comparison to Nizhniy Novgorod, considering both are located on the banks of a large river. While there, Open World participants had an opportunity to discuss sustainable development with prominent local officials — Mayor Laurence E. Leyens; Planning Director Wayne Mansfield, and Jimmy Heidel, Director of the Warren County Port Commission (and of the Vicksburg-Warren County Economic Development Foundation and the county

Chamber of Commerce). There was common agreement that the economies of both cities rest squarely on the effective use of their respective rivers. Tupelo is highly regarded by many U.S. urban planning experts for its achievements in city planning. Mayor Larry K. Otis presented the city’s best practices in effective human resource management for strategic implementation.

Oxford is a small town of approximately 12,000 people, with a \$30 million budget. Short-term plans for local development, as well as the city budget, are based on assumed expenditures during the following fiscal year. The city currently faces a budget deficit that it hopes to ease through immediate resource development. The strategic plan proposed by the Mayor’s Office is based, in large part, on attracting retirees to the town. It also takes into consideration the fact that the University of Mississippi is the single largest local organization. Interestingly, income from taxation is earmarked very specifically. For example, the tax on food served at local restaurants is spent only on the development of tourism in the town; sales tax is distributed to schools, and both the local stadium and the central park were constructed using other such specific taxation schemes.

While visiting the town of Moorhead, our delegation participated in a seminar focusing on how labor resources can play a role in economic stimulation. Hosted at Mississippi Delta Community College, our group had the oppor-

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Galina Topnikova at the U.S. Capitol

The Business Press and Its Role in Regional Business Development

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Open World 2003 (Economic Development)
Host Community: Tulsa, Okla.
Host Organizations: Rotary International/Rotary Club of Tulsa*

There comes a time when businesses develop to the point where entrepreneurs need a forum to discuss exciting issues, resolve conflicts, and express various points of view. Entrepreneurs understand that they need to defend their interests. They also realize that businesses can play a meaningful and substantial role in the community and have an impact on its social well-being. When the leaders of the Altapress Publishing House became aware of these needs here in Altay Territory, they published the first issue of the *Your Business* newspaper.

The mission of the newspaper is to satisfy the desire of the local business community to receive impartial business news. *Your Business* provides information on important events for the small and mid-size businesses of Altay Territory, and uses its information resources to support the development of the local economy and entrepreneurship. Since October 2001, *Your Business* has come out every Monday. It has doubled its original volume to a circulation of 15,000 copies.

From the very beginning, the concept of *Your Business* differed from that of national business publications like *Kommersant* (Merchant), *Ekspert* (Expert), and *Vedomosty* (Bulletin). The national periodicals often publish information aimed at top managers, leaders of corporations and big businesses. Our target audience consists of those who will form the basis of the market economy and will be vital to the middle class of our country. These individuals form a fundamental group essential to the further development of entrepreneurship. A healthy economy rests upon small and mid-size businesses, not giant corporations.

Your Business values the concepts of qualified and principled journalism. The contributors try to cover events from an objective point of view and to present a variety of opinions, and do not lobby special interests through articles. Nevertheless, the newspaper seeks to defend entrepreneurs' side in controversies.*

Not everything went smoothly at first. Some businessmen have been spoiled by unprincipled journalists, and have become accustomed to corrupt practices. Often, the Russian press receives an unofficial payment, or bribe, for a journalist's work on particular articles. The press sometimes demands payment for articles that will benefit certain businesses. Sometimes

editors overlook journalists' outside income.

We sought to alter this corrupt tradition. *Your Business* taught its readers that interesting and positive information about business, people and events is published with no quid pro quo. At first, businesses were skeptical about

A great strength of the Open World Program is the opportunity it provides to learn about American life both formally and informally. One element that you immediately notice is the rationality and legal forethought behind the American system, which was created to guarantee the political rights and freedoms of each and every citizen.

these articles. "How much did this entrepreneur pay for this material?" was a typical question. We spent one year breaking this stereotype.

While visiting the U.S. under the Open World Program, I was happy to meet both businesspeople and journalists. We discussed the roles and responsibilities of small and mid-size businesses with representatives of Bama Companies, Inc. [a food manufacturer], Hoffmeier, Inc., [a specialty trucking firm] and Event1 [an event-planning company]. We shared ideas about tourism development at the Tulsa Chamber of Commerce. I was able to discuss business reporting with my counterparts from the city newspaper *Tulsa World*, and the television company Oklahoma's News Channel 8. The trip was extremely beneficial in the development of our newspaper.

The core of our newspaper is qualified staff. We hire gifted and enthusiastic individuals. Our editors and reporters are able to deal with the most complicated and challenging economic issues. Lately the most urgent issue to be covered is the work of the new regional government. Most heads of key committees and departments of this administration were appointed by the new governor, a former entertainer. This influenced the economic situation of the region and relationships between government and business.

The newspaper devotes considerable space to covering the activities of the Altay Entrepreneurs Association. The journalists describe the initiatives of this association fairly



Rotary hosts, Yuriy Zvyagintsev and other delegates

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How Business Is Promoted and Supported in Tennessee

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Host Community: Tullahoma, Tenn.
Host Organizations: Rotary
International/Tullahoma Noon Rotary
Club*

Our eight-day trip to the United States through the Open World Program provided so much information, and such a diversity of events, that two years later I still have a lot to think about. The opportunity to visit the United States of America not only enabled me to become acquainted with the business environment in that country, but also encouraged me to use the Internet and periodicals and other literature to study further many of the issues we discussed.

Our group was hosted in Tullahoma in Tennessee, a state whose geography, size and population are similar to Nizhniy Novgorod Region's. We have the same administrative division — the state is divided into 95 counties. Additionally, the population of Tullahoma corresponds to the population of our district. That is why the host community part of our program was a highlight for me.

The itinerary fully complemented the particulars of my work. I am responsible for economic development, investment promotion and small business support. The Tennessee budget allots \$20 million annually to attract investments, and specific investment projects are lobbied at the Tennessee General Assembly. As the result of this work, the total economic investments realized are more than \$5 billion.

The construction of automobile plants can be viewed as a good example of large investing. Auto companies in the manufacturing sector of the northern United States seek to construct plants in central and southern areas where there are few trade unions and tax benefits are granted. These advantages allowed international auto manufacturers such as Nissan, General Motors, Toyota and Mercedes to establish their subsidiaries in Tennessee and its neighboring states of Kentucky and Alabama. We learned about competition between Tennessee and Alabama over construction of a Mercedes

plant in the 1990s. The Tennessee government was ready to provide tax benefits of \$100 million. Alabama won the contract, as they contributed \$300 million of their own investments for the project.

Russian regions also compete for investment funds. However, we do not provide engineered infrastructure at the expense of local budgets. We cannot afford this owing to local and regional budget deficits.

We visited the Middle Tennessee Industrial Development Association located in Nashville, an administrative center of Tennessee. The association provides plant location services to investors and businesses. Information about available commercial and industrial properties is posted to the Internet for firms potentially interested in expanding or relocating to the area. The association also provides such firms with information on local financial incentives, taxes, and utility rates.

Deustch Industrial Products Division (IPD) in Tullahoma is a fairly small plant with 330

I think our trip under the Open World Program can be viewed as proof of the necessity of these internships for Russian professionals.

employees that specializes in producing electrical connectors. We were surprised when we did not see storage facilities. The products are transported directly to a plane. The units manufactured by Deutsch IPD are used for the Harley-Davidson motorcycle, Caterpillar tractors and Boeing jumbo jets. The German investor built the plant in 14 weeks, utilizing a prepared industrial area with an existing infrastructure financed by municipal and state authorities.

Tullahoma's Goodrich Landing Gear Division facility specializes in the production of landing gear for airplanes (its counterpart in Russia is VPK). The parent company, Goodrich Aerospace, is among the largest suppliers of aircraft systems and components, and is one of the 100 best American companies. We were



Dmitriy Kasimov with the delegation at a Tullahoma plant

pleasantly surprised at an example of economic cooperation between our two countries at this enterprise. Several years ago, analysts at Goodrich came to the conclusion that it is more beneficial to use Russian semi-finished titanium products from the far Ural city of Verkhniye Saldy. Now, American equipment grinds Russian moldings for use in American jumbo jets.

We learned that the city of Chattanooga is a fine example of diversification. The city was famous for its metallurgical production. In the late 1980s, however, production plants went bankrupt and street crimes made the city unsafe. A mass migration out of the city ensued. Members of the community met, and found an innovative solution by resolving to construct the world's largest freshwater aquarium. A not-for-profit organization was established

to raise funds and implement this project and donations began to be collected from people living there — one person gave several million dollars. When the construction of the aquarium was completed, the city became a desirable tourist destination. The center of the city changed completely: new hotels, supermarkets and restaurants appeared, and the embankment of the Tennessee River was stabilized.

Thus, Chattanooga developed a tourist center out of an industrial city. Currently the aquarium is constructing a second building that will use seawater. Chattanooga provides an excellent example for our industrial cities where production plants have shut down under an unfavorable market economy.

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A New Understanding

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Host Community: Louisville, Ky.
Host Organizations: USDA Graduate
School International Institute/Louisville
International Cultural Center

While each meeting with new people is undoubtedly useful, some encounters are truly special. Although I participated in the Open World Program a year ago, I still hold clear memories of both professional and personal encounters. During professional sessions with my counterparts at American governmental institutions, I gained great optimism. From them, I learned how to find the best solutions to challenging situations. Personally, my host family opened my eyes to another nation and culture. I cannot say which experience was the most meaningful.

My trip to the United States changed me a lot. Staying with my host family and being in a different country influenced my cultural and global awareness. Professionally, I will feel the impact of the program for years. Eventually, my new understanding will become deeply rooted within me, and will be a part of each success in my life.

My colleagues and I were greatly interested in learning about the establishment of economic development zones. As I understood this concept, if local or state governments are interested in the development of an area, they create an infrastructure and offer businesses an incentive to occupy the land. Businesses then begin construction on the property, or in some cases, move into existing buildings. As a result of this new development, shops, cafes, gasoline stations, and other commercial enterprises spring up to cater to the new business environment. Thus, the area is developed. The businesses receive tax incentives for their participation.

Unfortunately, it is nearly impossible to apply these practices in Siberia for several reasons. First, we cannot get a significantly different tax rate depending on the location of a business. Secondly, Siberia's vast territory and poor road conditions present a substantial challenge. Our severe climate and swampy landscape cause roads to deteriorate far more quickly than those in milder climates.

Despite these challenges, we [Pudkova and her Tomsk colleagues] applied many of the principles I learned to create the Plan for the Innovative Development of Tomsk City – 2010. We paid special attention to infrastructure, including the construction of an international airline terminal, roads, and hotels.

To my regret, we [Pudkova and her fellow Open World delegates] did not know much about the American tax system before the trip. This lack of knowledge caused some difficulties in trying to understand certain economic concepts. At one of the meetings we tried to explore these issues, but we did not have sufficient time. This sort of information would be useful for future finalists going to the United States under the economic development topic.*

Speaking personally, I was very fortunate in my host family stay. I was thrilled with the time I spent with Wanda and Todd Deuser. They are calm, polite, confident, intelligent and sociable. I came to feel that they were like parents to me.



Vera Pudkova

I learned a great deal about Wanda and Todd while they showed me their family tree and family photo albums. I saw pictures of Todd in Vietnam, where he served as a chaplain's assistant. Despite the fact that our interpreter warned us that it is inappropriate to inquire about someone's personal life, I wanted to hear of those days when Todd was far from home and Wanda was waiting for him. I asked questions about that time, and the feelings of Americans. I noticed a Bronze Star Medal certificate and asked Todd to show the medals to me. He retrieved a box with medals containing the Bronze Star from both America and [South] Vietnam. When I asked which was the most precious to him, Todd responded that the one awarded by Vietnam was the most meaningful, because he received this medal for his kind attitude toward the Vietnamese people.

My trip to the United States changed me a lot. Staying with my host family and being in a different country influenced my cultural and global awareness. Professionally, I will feel the impact of the program for years. Eventually, my new understanding will become deeply rooted within me, and will be a part of each success in my life.

**Editor's footnote: The Open World Leadership Center appreciates the suggestion to provide more information on the U.S. tax system to delegates focusing on economic development, and plans to do so for future delegations.*

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Our delegation also visited the Chattanooga/Hamilton County Business Development Center in Chattanooga. Small business is supported via special rent prices that are 2.5 times lower than the average price

in the city. A new business can apply for this benefit after defending its business plan to the center's board. This center bears many similarities to Russian small business support structures. Although it may seem that the U.S. market is self-regulating, in truth, business incuba-

tors are viewed as useful and necessary. I think our trip under the Open World Program can be viewed as proof of the necessity of these internships for Russian professionals.

Philanthropy: A Foundation of Civil Society

This year's third Open World Regional Alumni Conference, entitled "Corporate Social Responsibility, Reputation, and Philanthropy," opened on Aug. 26 in Irkutsk city, known for its proximity to the "Pearl of Siberia," Lake Baikal. Open World alumni and business representatives initiated the conference, which Open World and Project Harmony staff helped organize.

Representatives from six out of seven Russian federal districts converged on the city, making this the most inclusive of all the interregional conferences conducted to date by the Open World Alumni Outreach Program. During the conference opening at the Sun Hotel, 60 alumni and representatives of the Irkutsk regional government, business, and nonprofit organizations were welcomed by Alexander Veledeev, Chief of Staff of the Office of the Governor of Irkutsk Region, TNK-BP Vice President Alastair Ferguson, Open World Program Manager Britta Bjornlund, and Yelena Yefremova, Open World Deputy Program Coordinator at the U.S. Embassy in Moscow.

Conference participants and members of the media heard representatives of the Irkutsk regional administration and influential business leaders present their distinctly varied views on what it means to be a socially responsible business. Two experts in the field, Oleg Leikind and Tatyana Babanova, followed with talks on "Philanthropy in Russia: History, Traditions, and Current Trends" and "The International Philanthropic Experience and Community Foundations." The diversity of the audience led to a wide range of approaches and expert perspectives on the topic and laid the groundwork for both theoretical discussion and practical results.

Day one also featured two optional training sessions: "Project Evaluation" and "Negotiations as a Tool for Trisector Cooperation." Alumni actively participated in the sessions, not only by exploring the practical information offered by the qualified trainers, but also by sharing their experience and best practices.

The first day of the conference ended with alumni presenting their social projects. The best, as evaluated by the conference participants, were:

- "How Applying Practical Methods of Social Partnership and Developing Socially

Responsible Businesses Can Reduce Violations of Labor Rights" (Tyumen)

- "Creating an NGO to Attract Additional Financing to Develop the Center for Rehabilitative Medicine of Angarsk" (Angarsk)

■ "Expansion of Services at the Kuz'mikha Services Company on the Basis of Environmentally Friendly Technologies" (Irkutsk)

The second day, proceedings were conducted using a technique called Open Space Technology, which allowed conference participants to select topics for in-depth discussion based on what they had learned from the plenary and roundtable sessions. Topics considered by the Open Space groups included:

- "Social Partnership: Applying Technologies"
- "Incentives and Motivations for Business to Participate in Social Partnerships"
- "Business-NGO Cooperation on Creating and Implementing the Community Foundation Model in Irkutsk"
- "Establishing Charities in the Irkutsk Region"

The participants' joint work ensured fulfillment of the conference's main objective: to develop a system for interaction between potential donors to and potential implementers of social projects directed at addressing a wide range of regional problems.

Thus, the conference provided the opportunity to discuss problematic issues and come to agreement on the basic structure for a systematic approach to philanthropy in the Irkutsk region. A coordinated conception of the region's charity system was developed, including mechanisms for grant competitions and a model for business, government and NGO cooperation.

At the conclusion of the conference, the participants signed an appeal to the Baikal Economic Forum, which was subsequently held in Irkutsk on Sept. 14-17, 2004. The appeal contained an overview of the conference, the results of plenary and roundtable discussions, and recommendations to forum participants that, among other issues:

- the legal basis for philanthropic activities should be amended to reflect the new understanding of corporate responsibility on both the federal and the regional level; in addition the Samara Region experience should be adopted and replicated;
- federal and regional governments should give an incentive to businesses not only to be socially responsible toward their employees, but also toward the community in which they operate; and
- the forum agenda for 2006 should include a variety of different sessions (conferences, seminars, discussions) to examine the problems of developing charities in Russia.



Participants in Open World's Irkutsk conference on philanthropy gather by Lake Baikal

START 05 Contest

The Foundation for Assistance to Small Innovative Enterprises (FASIE) announced the **START 05 contest** on Nov. 15, 2004. The goal of the contest is to support innovative small enterprises. The contest is aimed at scientists, engineers and students striving to develop and produce new goods, technologies or services. It is assumed that all entrants are working to create new companies in order to implement their vision.

This contest is designed to create and support new companies that will employ between 5 and 20 people (including the founders) and achieve a sales level of not less than 600,000 rubles (\$22,200) per employee, per year, by the end of the third year of operation. The con-

test is also aimed specifically at those who have met with some level of success in technological development, own a copyright or patent, or have an agreement with an outside company to develop a patented/copyrighted product or service.

The competition hopes to encourage teams in the development of innovative enterprise, and could potentially bring up to 30 million rubles (\$1.1 million) in profit by the fourth year of a company's operations.

Applications should be submitted in electronic form (<http://start.intra.ru>) to facilitate quicker evaluation. Forms must be submitted no later than 6:00 p.m. on Feb. 28, 2005.

Winners will be awarded a copyright for any

intellectual property created through the competition in accordance with Article 9.1 of the Patent Law of the Russian Federation No. 22-F3, Feb. 7, 2003. The federal contract presupposes that all applicants will agree to independent monitoring of any project implementation.

Applicants may consult with FASIE, its regional offices, organizations that are accredited by it, or members of the Union of Innovative and Technological Centers (www.unitec.ru). FASIE's website (www.fasie.ru) also contains information on workshops conducted specifically for applicants.

This information comes from www.rinti.ru/grants.

Continued from page 3

tunity to discuss technological solutions to issues faced by densely populated urban regions with members of the Delta State University Center for Community and Economic Development.

We found that the value of education, including vocational/technical training, is very much highlighted in the United States. Education is used as the base for economic and industrial expansion, thereby increasing local tax revenue.

Unfortunately, it would be challenging to incorporate certain promising American proce-

dures into our own strategic management due to current Russian conditions. However, the idea of using direct contact to attract investment seemed rather effective and could be implemented in Russia. Famous citizens often represent their respective cities at large international exhibitions and conferences in order to advertise local opportunities and attract investment partners. Another interesting idea was to propose that businesses could receive a 10-year tax exemption in exchange for investing in local infrastructure development. Strategic community planning at the city level is a new trend in economic development in the Russian Federation. As a new trend, it seems

likely that we can adapt American experiences with such planning and effectively apply these principles in the development of Russian cities.

**Editor's footnote: The Nizhniy Novgorod Ministry of Culture is responsible not only for the arts and arts institutions, but also for economic, planning, financial, and investment policy; accounting; public relations; and construction and renovation of public buildings and monuments.*

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and honestly, even if the board makes mistakes. It is unusual for regional mass media to feature balanced coverage of both for-profit and not-for-profit structures.

Another topic popular with readers is the implementation of new business structures, approaches, and methods. For example, we pay considerable attention to the employment and management issues in small and mid-size businesses. Our readers also value analytical overviews of the real estate, food, pharmaceutical, and educational services industries published by **Your Business**, a feature unique to Altapress.

Your Business is not the only journal covering business. It has competitors such as **Torgovy Most** (Trade Bridge) and the eco-

nomics section of the **Svobodny Kurs** (Independent Course) newspaper. However, **Your Business** excels because of our highly qualified analysts. We welcome new publications to the market as healthy competition that has a beneficial impact on the development of mass media.

Is it possible to adapt our experience with a regional business publication to other regions? I believe the stronger and more influential small and mid-sized business is, the more beneficial it will be to establish such a newspaper. Twenty-five percent of the region's budget comes from small and mid-size enterprises. In regions with more affluent populations, a newspaper of this kind will become financially sustainable very quickly.

The development strategy of our newspaper is based on our desire to remain the leader of the regional business press market, while defending the interests of the business community and building relationships between local government and business structures. The current economic situation in Altay Territory is full of surprises. Unexpected news, conflict, and confrontational situations are always of great interest to our readers.

**Editor's footnote: For an example, see Pavel Demin, "Valeriy Lyutsev Has Moved at Last," Your Business, December 6, 2004, <http://delo.altapress.ru/5373> (Russian only).*