

Title: Business without make-up

Ingress: The only way to jump off “the oil addiction” is by promoting entrepreneurship and SMEs.

A local annual economic forum for business men, politicians, and public authorities was organized in Gusev for the second time. Among the organizers are the Moscow-based Association of Kaliningrad citizens, and a national public organization “Russian Support”.

The location for this year’s forum was chosen deliberately. Gusev is a small town with two cornerstone companies - a factory and a mill – which went bankrupt during the 1990s. And as the governor Georgy Boos pointed out, it is the entrepreneurship and SMEs that helped the town back on track. Today, Gusev is the town with fastest growing entrepreneurial activities in the whole of Kaliningrad region. The municipal budget is increased sixfold during the last three years, and 2000 new workplaces have been created. The local infrastructure is improved, and many houses are renovated.

Despite the difficulties and bureaucratic barriers to entrepreneurship, new SMEs are being established through out the region. Most of them are in the service and trade sectors. Another important trend that participants acknowledged is that entrepreneurship is about to expand from big cities like Kaliningrad to small rural towns, which is very positive.