My dear friends!

I am very happy to welcome all of you, here in the halls of the Hermitage. May I thank, once again, our friend and colleague Mikhail Borisovich Piotrovsky, who so graciously allows us the use of this glorious auditorium. When we are here, we are always reminded of the great traditions of Russian art and culture, and also of St. Petersburg – the center of European culture. We would like the European University to be a part of this tradition of culture; that is what we plan to discuss today.

First of all I would like to thank all of the Trustees and Friends of the European University at St. Petersburg Endowment Fund, and also all of those present in this room, for having taken the time to come to our meeting. I would especially like to thank those, who are our steady friends and supporters, those who take part in and support our various programs, which to date have been most successful.

In contrast to our previous meetings, we decided to try a different format and would like to nudge you into taking a different approach to our cooperation. Instead of telling you about our university and its achievements (about which many of you already know, since you helped us attain them, and about which you can learn more in the Yearbook brochures located in your hand-outs), we decided to let you discuss amongst yourselves what you see for the future of the European University, and for all of Russia. We would like to go beyond a straightforward accounting of the Endowment Fund and our various educational programs, and to view matters on a wider scale, because in this room today are very responsible people, who have achieved much. Many of you are tied to St. Petersburg, and we would like to take full advantage of all these aspects – the aura of the Hermitage, the authority of the European University, the brilliant minds of those present, and discuss what we can do to develop the European University even further.

First I will share with you my vision of this matter, and then I will ask Mr. Piotrovsky to express his thoughts on the matter, based on his personal experience, having been the Chairman of the EUSP Board of Trustees, and also a professor, who, every month, and sometimes even several times a month, lectures at the History of Art Department. Following him we will introduce you to a EUSP alumnus, Lidia Ader, a specialist in Music History, who, notwithstanding her young age, has some very ambitious projects, which have played a major role in the cultural life of St. Petersburg. Then we will hear a very short presentation by one of the leading sociologists of our country, Vice Rector of EUSP Vadim Volkov, who has been listed among the ten most influential economists and sociologists of the past decade, according to the magazine "Russian Journal," and who is one of the most quoted Russian economists in the West.

I will start with the thesis that St. Petersburg has all of the possibilities to becoming, in the very near future, the cultural capital of not only Russia, but also of Europe, and the world. St. Petersburg continues to be an authority on art, but we need to create new centers of artistic development, and we would like the EUSP to become one of these centers.

During one of our previous meetings we discussed a strategy document that our International Advisory Council had prepared. Today, no members of the Council are present, since we were not sure that we would be having this meeting. Jim Wolfensohn had expressed an interest in taking part, but, unfortunately, he became ill. But we had discussed the future of the University with these distinguished gentlemen several times; all of them had made high strides in educational development in different

countries, especially in the U.S. (Harvard, Georgetown, and other universities). When we were discussing strategy, the first question that they asked was: what is the ranking you desire in the world's employment sector and what new dynamic can you find in St. Petersburg? Our answer would be that we have many specialists of a world caliber and that our centers can bring much new knowledge to the world. Our close geographic proximity to Central Asia, to Asia, and to Europe, puts us at a definite advantage, where we can examine many aspects, which would be more difficult and would take a longer period of time for our Western colleagues. This was of interest of our advisors. Actually, Russia as a whole is interesting, the territory of the CIS member nations is interesting, and most interesting is our ability to work within all of these republics, and with some nations in particular, including China. What I wish to say is that we should always be searching for new, broader fields of interest. And here I will return to the importance of St. Petersburg in the world of culture. On an even par with already established centers of science and culture, we have very ambitious goals for ourselves. We would like to discuss today what the European University is planning for itself, and for St. Petersburg, in other words, how to develop the city as a whole.

I would also like to add that recently I have become a new native of St. Petersburg; this is tied to the fact that a new Department has been established at the St. Petersburg State University, which is called the Department of Liberal Arts and Sciences. The mere fact of its establishment is out of the ordinary. On the whole it provides a universal university education. Recently we have started to produce many specialists in economics, for this we have financial universities. But this in itself is a contradiction, because if it is a university, it should provide a wide, universal education. And if the university is "financial," then it is too specialized. We have universities in many different fields, but we need to adhere to a universal education, which is most important in today's world, because at the juxtaposition of many various sciences, seeing the development of different processes at one time, both in nature and in society, we have to be open to new ideas and new decisions. I became the Dean of the Department of Liberal Arts and Sciences at St. Petersburg University, and I teach there, giving lectures in macroeconomics. We are providing the Western model of a "Liberal arts and science" environment, and are cooperating with world famous universities of liberal arts, such as Harvard, where they teach in this manner. I give this as an example of what we are trying to develop, to create in our department. Before, it was simply a program, but for the past eight years we have been providing our students with an American diploma. Every year some 80 students receive American diplomas; in order words, there is an established group of people, a particular standard of education, and our American partners consider this kind of education at our department on an equal level with American colleges.

We foresee several positive events in the near future, which will influence the investment climate in Russia. Russia will become a member of WTO (I hope). Next Friday the meeting will take place in Geneva, where the decision on the admission of Russia to the WTO will be taken by all member nations. For the last ten years, of which the last four I was head of the government commission about Russia's entry into the WTO, we have been working on this matter, and I am happy to announce that we are finally coming to a successful completion. And one should not be worried, because the possibilities which are opening up are more fundamental and more long-term, that the problems, which are usually local and of a particular interest group, or those experienced by certain enterprises.

And another extremely important event is forthcoming in the near future, that is in 2014. I am not talking about the Olympics in Russia, but an event of world-wide cultural stature, the 250th Anniversary of the State Hermitage Museum, the very place where we are meeting. We need to make this an event of worldwide importance. As many of you know, Mikhail Borisovich Piotrovsky can be congratulated on a great success in the development of the Hermitage, as well as in the ratification of a

new status, with new by-laws, for the State Hermitage Museum. This new status opens a whole row of new possibilities, but brings with it new challenges, because it will need to correspond to the demands of the modern world. We wish that this status is not merely in Russia, but that it is also retained in Europe and on a world-wide scale. That is why we need to discuss such world-wide events awaiting us, and the role that the European University at St. Petersburg can play in the wide scheme of things.

I now pass the floor to Mikhail Borisovich, so that he may comment on these issues.