

The Results of the Year with Dmitry Medvedev

GENERAL DIRECTOR OF CHANNEL ONE KONSTANTIN ERNST: Good afternoon, Mr President.

Over the course of the year, you have met many times with our colleagues – journalists from the major television channels – to discuss current problems in politics and the economy. We are all grateful for the opportunity to have this discussion of the outcomes of 2009 broadcast live on the three national channels, NTV, Rossiya, and Channel One.

PRESIDENT OF RUSSIA DMITRY MEDVEDEV: Good afternoon, colleagues. It is true that we have quite a bit to talk about, reflect on, and discuss.

KONSTANTIN ERNST: Mr Medvedev, 2009 was a complicated year. Our nation faced new challenges. How would you describe this year, its successes and failures?

DMITRY MEDVEDEV: It is true that this was a very difficult year filled with many dramatic events. I think that all of our citizens found this year to be hard. The most important outcome of 2009 is that we withstood the hardships, resisted the troubles and continued our national development. In my view, we paid a relatively small price for the international financial and economic crisis that shook the planet.

As for the successes, in my opinion, we were able to accomplish at least three things.

First and most important was the fact that we maintained social stability. We provided all the social benefits that had been promised. Not a single social obligation was unmet. On the contrary, this year, we started introducing a new scheme of paying retirement pensions, and we have increased pensions overall. Furthermore, this increase is not just formal, but it represents a real augmentation. The monthly pensions have grown by one third in face value, and one quarter in real value. Next year, these efforts will continue. So this is our first and probably most important accomplishment.

The second accomplishment is ensured financial stability. It was problematic at some stage and the beginning of the year was very alarming. The Government and the Central Bank had to do their utmost to rectify the aggravations in the financial and credit sector, maintain stability of the national currency, and support sound functioning of national banks thus preventing their collapse and avoiding the 1998 financial crisis scenario.

All of this was achieved. The financial system is stable and properly functioning. More so, this year's inflation is much lower than last year's. In 2008, inflation rate was about thirteen percent, but this year, it will be around nine percent.

And finally, we had a third accomplishment. We were able to launch mechanisms for supporting strategic enterprises. Today, we do not have any large company going bankrupt. We supported all of them and ensured employment for their workforce. In cases when companies had to temporarily halt production, we offered unemployment benefits and other means of financial support to their employees.

I believe, these were the three major challenges of this year, and speaking honestly, I think we were successful in reaching our goals.

There were some areas where we were less successful.

First of all, our economic system has remained the same and it mainly relies on extraction and export of raw materials, primarily energy resources. True, we cannot reverse the situation in a year, but this reliance is an obstacle slowing down our development. On the one hand, we receive massive revenues from our raw materials exports, but on the other hand, we understand that it is impossible to develop our economy on the basis of raw materials alone, especially since raw materials price slumps have immediate and painful impact on the overall wellbeing of our economy.

Second, we have many non-competitive companies requiring modernisation and refurbishment. It is therefore extremely important for us to ensure primarily innovative development of our industries.

Finally, I do not feel that we have been entirely successful in confronting unemployment which was another difficult and serious challenge. We paid much attention to it and developed a special programme that as a matter of fact somewhat contained the unemployment rate growth and helped reduce the number of unemployed individuals. Still, we have not been able to overcome this problem fully, so we will continue our respective efforts.

KONSTANTIN ERNST: Mr President, most of the major global media outlets are proclaiming the virtual end of the crisis. Still, it seems that overall, nothing has changed, and the primary causes of the crisis have not been repaired; most of the repairs have been superficial. What are your thoughts on this matter?

DMITRY MEDVEDEV: I am afraid this is true. Indeed, nothing has changed globally. This year, I met several times with my colleagues – the leaders of G8 and G20 member-states. Certain mechanisms for resolving the problems accumulated within the global economy have been offered indeed. We also began designing a new financial architecture. Nevertheless, it would be entirely inaccurate to say that future crises are now out of the question or, for example, that we will not face any new problems next year.

On the contrary, nearly all analysts agree that unfortunately, it will take quite a bit of time to exit this crisis. There is no point to flatter ourselves into thinking that we will see great increases in economy growth next year.

Regretfully, our gross domestic product decreased by about 8.7 percent this year, or perhaps even slightly more.

We are hoping to experience a GDP growth next year – it is difficult to estimate by how much, but analysts say that it may be over 2.5 percent. Perhaps, we may see growth rates as high as five percent under optimal conditions. It would be perfect if that were to happen. However, this does show that the way out of the crisis will not be swift. There are too many problems that have accumulated within the global economy, and in addition, we have the issues that trouble our own economy, and so, the global economic problems are augmented by our own economic underdevelopment. It is a sad fact.

GENERAL DIRECTOR OF VGTRK [NATIONAL TELEVISION AND RADIO BROADCASTING COMPANY] OLEG DOBRODEYEV: Getting back to what you just said, Mr President, why is modernisation such a hot topic now, during what is perhaps the most complicated period for our economy?

DMITRY MEDVEDEV: It is a hot topic precisely because our economy is going through such difficult times. If we were still in a period of rapid and smooth development propelled by energy resources price growth, then perhaps the decision on an overall modernisation of our economy and introducing an innovative development model could have been delayed. But now, we are absolutely certain that without modernisation our economy has no future, even with all the tremendous natural riches it may rely on. These riches have ensured wellbeing for our ancestors and for ourselves, but we cannot live on our natural resources forever, no matter how vast they are.

First of all, we must learn to take full advantage of them. We export a lot of oil and natural gas which is not bad in and of itself, but it would be much better if we export refined gas and refined oil – in other words, products with higher added value – while developing petrochemistry and natural gas processing and building oil refineries and gas refineries nearby our borders.

If we fail to introduce a modern, high-tech economy, we will certainly never be able to catch up on our technological lag and overhaul our economy. In that case, we will be greatly dependent on the global economic cycles and any drops, fluctuations, or even minor negative developments in the global economy will have a strong effect on our nation.

There is a special term used to describe securities markets, which is fully applicable to our securities market, for example. Economists would describe it as much dependent or volatile, i.e. swinging back and forth. Well, if in the future our national economy relies on merely exporting raw materials, it will operate in exactly such a manner.

Therefore modernisation of our economy has become most urgent and in fact it should have begun long ago. The decisions required to launch it have been made by now, and a special Presidential Commission [for Modernisation and Technological Development of Russia's Economy] has been set to address these issues. This policy of modernisation will be pursued throughout the entire nation.

We have set five priorities for modernisation which include improving energy efficiency as well as developing new types of fuel, nuclear energy, information technologies, space technologies, public healthcare, and producing pharmaceuticals. We must make significant advances, some quantum leap in all of these priority areas.

GENERAL DIRECTOR OF NTV TELEVISION CHANNEL VLADIMIR KULISTIKOV: Mr President, in order for Russia to move forward, as you wrote in your article [Go, Russia!] and stated in your Address [to the Federal Assembly], we must abandon certain lamentable Russian practices, such as centuries-old corruption or affection to dependency. Besides, historically modernisations in Russia have always been quite horrible, suffice it to mention Peter the Great who civilised the country by forcibly shaving off men's beards and beheading whatever opponents, and Stalin who exterminated millions of lives in the dust of the labour camps.

When referring to modernisation, you talk about the need to develop democratic institutions and civil society, to rely on the rule of law and to offer economic incentives. Do you truly believe that in a nation where people for centuries have known that whatever change is always to the worse, it may be possible to bring about effective modernisation through humane, democratic, non-violent means?

DMITRY MEDVEDEV: Mr Kulistikov, I do believe this, for several reasons. First of all, our people are strong, well-educated, and intelligent. They are capable of change, not only under compulsion, but also through establishing change as a moral goal.

Second, the majority of our neighbours travelled down a very similar path. It is true that each of them has their own unique history. Some had more dictators while others had fewer; some had smoother development, while others' development was more dramatic. But overall, other nations were able to find the strength and inner motivation for development guided by their own goals, out of the need to be strong, independent, effective, and powerful. Why, then, shouldn't we be able to do this as well?

I therefore believe that the forced modernisations are all in the past. Incidentally, I do not deny that some of these past events ultimately led to some positive outcomes, but the methods employed at the time are absolutely inadmissible now.

And so, we will follow our own path. Modernisation should be based on efficacy and people's internal desire for change. That is what's most important.

OLEG DOBRODEYEV: Mr President, what is your assessment of the regional elections that recently took place in Moscow and several other regions?

I don't think that anybody questions United Russia's victory, but we all recall your meeting with the leaders of political parties represented in the State Duma and the comments that they subsequently made live on Russia's main TV channels regarding that election campaign. As far as we know, many of the complaints are currently being considered by the courts. What can you say about this?

DMITRY MEDVEDEV: It is true that I met with the leaders of our political parties in the State Duma. We had a very open and honest conversation and they voiced their complaints. I think that in a number of cases they might have a point there. We are currently checking into it.

Let's see what we have now. First of all, the claims you are talking about, there are not that much of them in courts as one might have thought there would be immediately after the election. The total number for Russia is about 450-460. In Moscow, where there were also many complaints, there are just around 20 claims in courts, and I believe there were some 37 investigations.

Naturally, even this should be worrying, because the overall judicial situation following the elections shows that this vote was not 'sterile,' there were violations. The most serious problems occurred in Dagestan and a ruling was made there just a few days ago.

OLEG DOBRODEYEV: Yesterday.

DMITRY MEDVEDEV: That's right; yesterday, the Supreme Court of Dagestan confirmed the ruling by a lower court, cancelling the election results. Dagestan will be holding a new election. You know, it is unpleasant, but it nevertheless shows that the democratic institutions are functioning, and if people are not happy with the results and believe that there were violations, they can seek a court ruling; and in this case, the election results will be cancelled, and new election will be held next year. But overall, the number of violation shows they were not mass-scale and the voters' will was not changed in any substantial way. Instead, the elections confirmed the existing political landscape. Still, we must do everything we can to ensure that the problems that occurred do not happen again. In this regard, I absolutely support the position of all our political parties.

By the way, even United Russia, the winning party in this election, supports this, because they, too, had complaints of their own. They also petitioned the court, so everybody had something to complain about. But this is normal – it is, if you will, a part of our growing pains – and so, we must sort it out.

That is why I placed particular emphasis on regional issues, including regional elections, in my Address to the Federal Assembly this year. In other words, I spoke about the democratic institutions being formed at a regional level. The last Address was devoted to institutions at the federal level. By the way, I would like to specifically note that a lot of work has been done this year. I would like to thank the Federal Assembly, all the deputies, and all the political parties. All ten of the political initiatives I presented were passed, and all the corresponding laws are currently active. I believe that as a result our political system has improved. Perhaps it has not become entirely modern, but it has definitely improved. It needs to be refined, but it is changing. Now, we will do the same thing at regional level, also keeping in mind the results of this election in order to make the voting procedure better regulated.

For example, our citizens have expressed concerns regarding the way elections are organised in some cases. They have doubts regarding the way the votes are counted and what the ballot boxes look like. OK. We must simply set aside money for this, and we will address these concerns. I have spoken with the Chairman of the Central Election Commission. I hope that ultimately, indeed quite soon, we will have automatic voting systems and the election results will be available immediately after the last ballot is cast. Yes, that is democracy, and we will need to spend money on it. Other nations allocate funds toward these goals, and so will we.

OLEG DOBRODEYEV: What about the political parties' access to coverage on regional TV channels? A thing that is now working at the federal level.

DMITRY MEDVEDEV: Yes, of course. Anyone should be able to have this opportunity. By the way, there were also questions on the use of regional media and the use of premises. I remember the parties saying to me, 'Well, we cannot rent this.' We will need to get all these issues sorted out, and I will keep an eye on that.

KONSTANTIN ERNST: Mr President, there are four parliamentary parties in Russia, but it seems to me that you are rather sceptical of their ability to adequately reflect the feelings and opinions of our society – otherwise, how can we explain your meetings with leaders of non-parliamentary parties and representatives of public organisations, many of which are critical toward the authorities. What do you gain from these meetings?

DMITRY MEDVEDEV: Democracy is never comprehensive. It is impossible to have a political system that covers the choices and preferences of all citizens. There is no political system where the parties fully cover all of the preferences and interests of all the people. Yes, our Federal Assembly is currently home to four political parties. In total, our nation has seven political parties, i.e., registered, officially recognised federal parties.

When I speak with representatives of political parties with factions in the parliament, as well as parties without such factions, the key goal is simple: I want to better understand the needs of those people who voted for them and to understand the preferences of these political parties, with the hope that they honestly and adequately reflect the views of their voters. That is the point of these meetings. Incidentally, these meetings are real heated when we discuss many thorny topics, but they always end on a positive note. Following these meetings, I always give instructions to the Presidential Executive Office and the Government Cabinet regarding amendments to laws, some specific situations, and I even give instructions to law enforcement agencies to look into a situation.

Thus, I feel that the four political parties in our State Duma, as well as the three other parties, are the basis of our democratic political system, party system, which will also continue to develop. Nobody knows how many parties we will have in ten or fifteen years. Perhaps there may still be seven, perhaps there will be a dozen or more, or perhaps at some point, we will follow the path of the US democracy, which is a two-party political system. These choices will be made by the citizens themselves, and the political parties must help them by being an effective element of the political system.

KONSTANTIN ERNST: And what place in Russia's politics do you see for representatives of opposition that is outside the [political] system, such as Kasyanov and Kasparov?

DMITRY MEDVEDEV: You know, the so-called opposition outside the system is called that because it does not perceive itself as part of the political system. That is the place they chose for themselves. That is their right. I respect this movement, as long as it does not interfere with any laws on elections, NGOs, rallies, or other matters. In other words, if members of the so-called opposition outside the system operate within the law then let them work. They, too, probably reflect somebody's preferences and choices, although I sometimes have trouble understanding whose preferences those might be. Still, that is just my own assessment, and I would not want to offend anyone.

As for the two citizens you mentioned, these people are well-known across our nation. One of them is a former Prime Minister, while the other is a very well-known chess player.

VLADIMIR KULISTIKOV: Mr President, I do not think that all political parties have equal footing when it comes to claims of improper election practices. I think that the current ruling party, which is supported by a majority of voters, has particular responsibility for ensuring that democratic procedures in our nation are properly followed. Like no other party, it must react sharply to the instances of administrative zeal that have led to very unpleasant occurrences during elections.

And of course, the party in power has a great deal of responsibility in regard to public administration. I want to share an unforgettable memory of when I was listening to you in St George Hall. It was unforgettable not only because of your speech but also because of what I observed inside the hall. I was shocked by the fact that some of the people present showed complete indifference to what you were saying. Some were having their own side conversations, some were still recovering from the activities of the previous night, and others were simply playing with their smart phones. And I assure you, there were many people like these.

So here is what I thought. You are putting forward certain goals and making certain decisions. But our country is very expansive, stretching over more time zones than any other nation in the world. There is an army of bureaucrats standing between you and the day-to-day lives of our citizens. Can you please talk about what you are doing to ensure that your decisions are implemented in the regions, rather than being turned into a parody of themselves?

DMITRY MEDVEDEV: Mr Kulistikov, at the end of this programme, would you please give me the list of people you remember messing around during the Address.

VLADIMIR KULISTIKOV: Absolutely.

DMITRY MEDVEDEV: We will deal with them separately.

VLADIMIR KULISTIKOV: I suspect that I am going to become very popular among the bureaucrats.

DMITRY MEDVEDEV: I'm certain of it. You will earn some serious points. (Laughter.) Or you may lose something.

VLADIMIR KULISTIKOV: I may gain or lose.

DMITRY MEDVEDEV: But in all seriousness, we really do have a variegated nation and the authorities vary as well. I'll put it this way: those who are ready to change, who understand that without modernising the economy and the political system our nation has no future, those people should be and will be at work. As for those who think they can be on the drift, - we have people like that both at the regional and federal level, nobody is perfect, - they will simply need to understand for themselves whether it's time to retire. Thus, this process will go on.

I can tell you one thing: I do not support senseless staff turnover, because that is simply wrong, unethical toward the people, and dangerous for our nation. But at the same time, there must be real renewal. In the last year and a half, nearly one fifth of our nation's governors have been replaced. This does not mean that they are free of shortcomings and faults, but these are new people who are ready to work under new conditions, and we must give them the opportunity to test themselves. And so, we will continue this staff policy in the future.

I have made a list featuring thousands of promising, decent, interesting people who could take on important positions in our nation – not just in politics, but in business and other areas as well – which are crucial for the existence of our state. Indeed, we have already appointed twenty-eight out of the first hundred people on this list to government positions. To be quite honest, I wasn't even expecting for this to happen so quickly. This is wonderful, as nearly one third of this list has already been appointed. These are truly modern, fairly young individuals who want to work in a wide variety of sectors.

The final issue you brought up is responsibility on the part of the main political party. Here, I must agree with you. The political parties in general should be responsible to the people, their voters. The winning political party, the party dominant throughout the nation, the party in power, as we like to say, should naturally be responsible for everything. This is part of its advantages and its responsibilities, and it must use this advantage of its position correctly. It is responsible for everything – including the results shown to us following the elections.

So naturally, I will continue these political contacts with our political parties, including our leading political party, which is currently in a position to actually form the authorities in the Russian regions and which submits its governor nominations to the President. This is a major responsibility.

OLEG DOBRODEYEV: Mr President, one of the most sore and difficult issues that came up this year was the police force; it elicited a great deal of discussion in the media and throughout society. We ourselves understand quite well that there were real causes for this, and that those causes were very, very serious. What do you think must be done in this case? What measures must be taken?

DMITRY MEDVEDEV: The causes for this are indeed serious, and our citizens have quite a bit of complaints about the Interior Ministry's work. I want to say straight off one thing: today, I will be signing an executive order on improving the Interior Ministry's work, which will contemplate some organisational changes, changes in regard to certain financial issues, and several legal and staff-related issues.

There are many complaints and some of them are absolutely just. People want to be protected by police officers who are ethically and legally above reproach, whom they want to trust. I am certain that we can create such a structure. But at the same time (and this, too, is absolutely true), the overwhelming majority of the Interior Ministry's staff are honest people devoted to their work.

You probably know that in other countries too people are not always happy with the way police works, but when something happens, people nevertheless go to the police, because there is no other way out. Often, our police officers, people in uniforms are at the forefront of our fight against crime. Just this year alone, 300 police officers were killed. This is a very saddening figure.

But these people have given their lives so that we could live and work under normal conditions – simply so that there may be order on the street. They gave their lives protecting you and me.

Thus, we clearly need some strict, serious changes, and we will make them. But at the same time, it is important to preserve the core staff of the Interior Ministry, which is capable of serious, full-fledged, responsible work. And we will take this into account, because the Ministry has enough professionals to properly fight crime, bring order to streets, and protect our interests in various regions.

OLEG DOBRODEYEV: But there are agencies where just recently, we saw a serious turnover in personnel – not the Ministry of the Interior, but one of the core agencies too - the correctional system. At the beginning of November, you simultaneously fired about 20 senior officers within the Federal Penitentiary Service. This is a huge number of people, especially since the list features heads of many of the Service's regional departments, including Moscow and St Petersburg, and even the administrators of such landmark correctional institutions as the Butyrskaya Prison and the Matrosskaya Tishina prison. What's the reason for these changes and such sharp reaction?

DMITRY MEDVEDEV: Lack of order. We need to bring about order, including within our correctional system which has not changed in decades. It has some very significant shortcomings and unfortunately, it is often resistant to change. Thus, it is necessary to bring about order and bring in new people who can make those changes.

As for the changes that must be made within the penitentiary system and the sentencing system in general, there is more to it than just the penalties, doling out a punishment. It must work in such a way that after being released from prison or a correctional labour institution, former inmates can actually become normal citizens ready to lead a normal life within the society, rather than becoming criminal ringleaders who build up a new criminal structure around them before landing back in jail. In order to achieve this, we must change the correctional system – meaning the way that people serve their sentences – as well as the sentencing itself.

In dealing with crimes against other people, particularly dangerous crimes, the punishment should be harsh. We must address all such instances and punish people who attempt to take another's life or cause harm to their health. Indeed, punishment for people committing such crimes must be extremely severe. There is no reason to show sympathy to thugs.

But at the same time, we must understand that with certain types of economic crimes, for example, or crimes related to tax evasions, there is no need to throw people in jail immediately, during the initial stage of investigation, especially since they will later need to be released. These are the issues related to the quality of investigation. We must perform high-quality work, carry out investigation in accordance with the law, and seek high-quality evidence, rather than extract it through other means.

Thus, we need to make several types of changes. On the one hand, we must improve the correctional system. On the other hand, we must think about the kinds of punishments that best correspond to a given breach of the law. For example, the world uses other measures of punishment, which do not involve imprisonment. You can restrict a man's freedom of movement, or you can simply monitor everyday life and actions of a person sentenced to that punishment.

OLEG DOBRODEYEV: As with monitoring bracelets.

DMITRY MEDVEDEV: Yes, exactly. Why shouldn't we look into this? After all, it is a viable option. Several times, I have received documents pleading for a pardon. It is sad to look at them. A man steals a hat worth 500 rubles [\$16] and he is immediately sentenced to two years in prison. Do we really think that he will be a better person when he gets out?

Anyway, this is an area where we need to address the problems and change the legislation. Law-breakers who are aggressive, dangerous, and absolutely antisocial should be punished severely, but those who may change without imprisonment should be punished in other ways. This is the purpose of reforming the Federal Correctional Service and criminal procedures. We will certainly be working on this, because it is a very important element of ensuring social and political peace and order, normal life in our nation, and order on the streets. Thus, this is an area where I will be bringing about order.

KONSTANTIN ERNST: Mr President, you mentioned an executive order that you will be signing today. Will it mark the beginning of the Interior Ministry reform?

VLADIMIR KULISTIKOV: Could you give us a sort of brief summary of that order?

DMITRY MEDVEDEV: Let's wait for it to be released first, although I do understand your interest.

KONSTANTIN ERNST: We are on live television.

DMITRY MEDVEDEV: That's true. Well, talking about the goals of this executive order, these are specifically measures to improve, optimise and reform the Interior Ministry. That is the point.

KONSTANTIN ERNST: Mr President, have you heard the term 'Basmanny Justice'? [A term derived from the name of a Moscow district court].

DMITRY MEDVEDEV: Yes, I have heard it. I am not sure that it is accurate or correct. But if this term implies making unfair verdicts by any court in a variety of places within our nation, the so-called unjust decisions, as lawyers say, then such decisions are evil and should be fought with judicial means. Such decisions and verdicts should be cancelled and if they are made under the influence of these or other circumstances -- be it money, political pressure or other factors -- the individuals who issue such verdicts and decisions should face responsibility.

KONSTANTIN ERNST: The flu has aggravated various problems, including the ones in the pharmaceutical sector. All TV channels were actively covering this issue. And we must give credit to the Russian authorities for their prompt and adequate reaction. But nevertheless, when can people – especially people who are not wealthy – expect improvements in this situation?

DMITRY MEDVEDEV: You know, the situation we have with pharmaceuticals is far from ideal. People see this for themselves, when they go to pharmacies. There were price hikes, particularly during the flu epidemic, and we had to deal with it at the Presidential and Government level, giving instructions to the Prosecutor General's Office and the Public Health Ministry. Thanks to the television channels, we really were able to fully perceive the situation. So, we need to protect ourselves in this sector.

What has happened? We produce only 20 percent of key medicines domestically, inside the country, while 80 percent are imported. But this situation is very dangerous: in case of any epidemic we might simply be cornered, unable to do anything, not to mention the fact that we can produce many (fairly simple) medicines ourselves, but for some reason, in the post-Soviet period, we lost the momentum to develop the pharmaceuticals industry. We need to push for the rebirth of this industry. Pharmaceuticals should develop on a mixed financing basis, using both public and private funds. And we are actively working on this.

It is sad that out of the twenty or so most popular drugs in our nation, only two or three are produced domestically, including Arbidol and a couple of others that are particularly in demand, but we still buy some of the simplest drugs from abroad.

Still, in order to redress the current situation, we must do more than invest in the pharmaceutical industry; we must also monitor the situation and prices on the pharmaceuticals market, because we cannot let drug manufacturers and pharmacy chains profit unfairly. If they put medicines on the market at unreasonably high prices, this will simply result in social unrest. We must bring order to the situation; the Prosecutor General's Office and the Public Health Ministry are working on this.

We are introducing special regulations, particularly regarding price control (factory and manufacturers' prices) and regulation of maximum mark-ups – in other words, agent mark-ups. With these two tools I think we will be able to deal with the prices. But in order to have an absolutely modern pharmaceutical industry, we will still need investments; only then will we be able to have good medicines and normal prices.

It is important to know that invention of new drugs requires enormous investments. In general, on average about ten new drugs are invented every year – not as many as we may think. And each of these new inventions costs nearly a billion dollars. This means that the required investment is very large, but it is an investment in our people, and therefore, very necessary. If we can develop our pharmaceutical industry, we will achieve higher living standards and improve the situation on the pharmaceuticals market.

That is precisely why the development of pharmaceuticals industry is included in the five priorities identified by the president.

KONSTANTIN ERNST: I'd like to talk a little more about health. Especially with the holiday season approaching. It is clear that it is difficult to globally fight drunkenness in Russia, but we are seeing a sense of helplessness. We understand very well that during these New Year celebrations, we will see many accidents and that there will be fatalities. We know this, but nothing is changing. I think that we must fight this sense of despair.

DMITRY MEDVEDEV: Yes, we must fight it. Naturally, a lot in this case depends on us.

VLADIMIR KULISTIKOV: In other words, we need to stop drinking.

DMITRY MEDVEDEV: You know, many of the people who feel strongly about this issue must first examine their own health. At some point, you need to stop and remind yourself of where this all leads.

As for the situation on the roads after the holidays, you are right, it is very grave even without the holidays; we are not very careful drivers in general, and when people drink and drive, they lose their heads completely. First they drink one glass, then two or three more, and then they drive.

I feel that we must prohibit drinking and driving, and I will make corresponding amendments to the legislation. At this time, we cannot allow people to drive after drinking even the tiniest quantities of alcohol, because unfortunately, it provokes people to get really drunk before getting behind the wheel.

KONSTANTIN ERNST: People have difficulty counting per mille.

DMITRY MEDVEDEV: People are unable to take care of their health, but the body is a very important and very sensitive mechanism, so they must learn. When things become different, we can look into it again, but for now, I feel that these regulations must be changed. I will present a corresponding draft law on making relevant amendments to road regulations.

KONSTANTIN ERNST: Another piece of news that we are hearing live today.

DMITRY MEDVEDEV: I do not know if everyone will be happy with it, but I think that it is something that must be done.

KONSTANTIN ERNST: It is important and useful.

OLEG DOBRODEYEV: I want to continue with another social issue, a very sensitive one – that of migrant labour. Of course, on the one hand, the country has a clear need for foreign workers, but at the same time, we also clearly see the big problems, including social tension, created by this inflow of people, who are often ill-prepared for our life, have a hard time fitting in. In some regions the problem is more serious, in Moscow, for example, or in the Far East. For the most part, these are people arriving from the CIS countries, from a number of Asian countries. What do you think we should do in this situation? How should we solve this problem, and is this even possible?

DMITRY MEDVEDEV: We need to solve this problem. We have a vast country and not everywhere do we have all the labour we need. This means that we simply have to rely in part on labour from abroad. We have around 12 million people a year on average coming here for work. The work they do is very important. We do not always notice it, and it is often not very prestigious work that they do, work that not every Russian citizen would be willing to do. But they take it on and thus solve our problems in these areas.

At the same time, all of this should take place within a strict framework. We have around 12 million arrivals a year, but only 9-10 million are actually registered. In other words, two million people are in the grey zone, and that is probably the lowest estimate. There needs to be a strict and clear registration system, health checks of these people, and measures to help them in their social adaptation to life in our country. If they are coming to work in Russia they need to speak Russian. They need to conduct their business activities and perform their labour in accordance with our rules. They need to pay their taxes and abide by the health inspection procedures. If we enforce these regulations, this labour will be transparent, clear, and will benefit our country.

But there are some situations, some things we simply must not allow regarding documents issued in other countries. We have just discussed with Mr Ernst the dreadful accidents that take place, terrible accidents, crazy cases often caused by drivers whose licenses were issued abroad. It makes me wonder how they ever obtained them in the first place. We have problems of our own in this area, but I can only shake my head at what goes on elsewhere.

If you have come to Russia and want to work as a driver and transport passengers, please be so kind as to obtain a Russian driver's license before getting behind the wheel. I think this would be the right decision, and I will raise this issue soon with the Interior Ministry.

KONSTANTIN ERNST: Recently, you said that the situation in the North Caucasus is the country's most serious internal political problem. What do you think needs to be done to normalise the situation and bring stability to this important part of the country?

DMITRY MEDVEDEV: Yes, this really is a very serious problem. We have by and large learned to fight the terrorists over these last years, although now and then terrorism still rears its ugly head and commits crimes. We have not ended these problems, but we have at least learned how to make a swift and precise response. And we have destroyed the main hotbeds of terrorism in the North Caucasus.

Problems still remain, however. They are rooted in the various issues the region faces in its daily life. The number of unemployed people is a lot higher in the North Caucasus, for example, than in other parts of the country. In Ingushetia up to half the population is unemployed.

OLEG DOBRODEYEV: And Dagestan.

DMITRY MEDVEDEV: The figure is 10-15 percent in Dagestan, but that needs to be clarified. In Chechnya unemployment is around 30 percent. We need to create jobs and get business into the region, get economic projects underway there.

When a normal economic environment starts to take shape people's thinking changes and they develop constructive desires, want to build their own homes, send their children to school. When everything is in a state of collapse all around it is easy for people to take advantage of this. People come from abroad, and then there are local madmen and radicals too, and they all start trying to convince the population that the only way to improve their material situation is to sacrifice themselves and commit crimes.

Economic and social improvement is therefore the key to changing the situation in the Caucasus. I spoke about this in my Address [to the Federal Assembly]. We have just approved a programme for Ingushetia's development and will work on measures for the other republics in the region too. There should be special oversight of the whole situation. I already said that we need someone specifically responsible for this, and we will definitely appoint such a person.

KONSTANTIN ERNST: Will this happen soon?

DMITRY MEDVEDEV: Yes.

KONSTANTIN ERNST: Mr President, the Russian army today has come a long way from where it was 10 years ago. Over recent times we have had reason to be proud of our armed forces. But there are still many problems nonetheless. What are your priorities in this area?

DMITRY MEDVEDEV: Yes, our army has indeed changed. I want to agree with you that the situation has changed from what it was 10 years ago. The Russian armed forces have shown what they are capable of. They have defended our country's interests and protected our citizens, including in South Ossetia.

But we do still face many problems. We have aging military equipment. Our servicemen should receive adequate pay for their service. The armed forces need a different kind of organisation system.

This explains why, on the legal and organisational side of things, we took necessary decisions this year, some of which are quite painful. But these decisions lay the foundations for giving new features to our armed forces. In accordance with the decisions I approved as Commander-in-Chief, all military units are now to be permanently combat ready. What does this mean in practice?

We are not talking here about units in which you have three or four officers.

KONSTANTIN ERNST: And a lot of equipment.

DMITRY MEDVEDEV: Exactly – a lot of equipment and a couple of servicemen. You cannot fight a war with such units and they are just a waste of money. This is why we need permanently combat-ready units in keeping with the modern features we are giving to our armed forces, which have changed their look. So far, this is all on paper, but reforms have actually begun and practical work is underway.

What does this transition to permanently combat-ready units entail? In accordance with Order 400, the Defence Ministry has already begun paying material incentives to officers who have performed particularly well. These incentives are considerable and make it possible to pay good officers wages and material benefits comparable to what their colleagues in Western countries receive.

I think we need to complete this work as rapidly as possible. One third of all our officers are already receiving these additional payments. Next year, the system will be extended to cover more officers, and by 2012, all of our permanently combat-ready units, all of our military units, in other words, all of our officers, should be working under the new system. Their service will be rewarded with decent wages, but the requirements will be higher too.

Much needs to be done to modernise equipment. For a long time there was no investment in this area. This was not because someone wanted to see our army fall to pieces. We all love our country and love our armed forces too. Simply, there was no money. When the money began to appear a while ago, we began investing, and even during this difficult crisis year we have not cut financing for the main types of military equipment. The armed forces will receive new equipment in portions, and over the next ten years we will gradually replace the whole range of equipment. This is a very important and very capital-intensive undertaking, but Russia needs to have strong armed forces. The nature of our country makes it impossible to exist without armed forces for obvious reasons. I will do everything I can to ensure that this kind of financing continues.

VLADIMIR KULISTIKOV: Will the programme that you have outlined for reforming the Interior Ministry give due attention to increasing its financing, because it is no secret that people who risk their lives every day earn sometimes insultingly low wages?

DMITRY MEDVEDEV: You are referring to people working for the Interior Ministry?

VLADIMIR KULISTIKOV: Yes.

DMITRY MEDVEDEV: Yes, of course this system needs to change, there is no question here. Of course, the situation depends too on our current financial possibilities. We have to review every aspect of the Interior Ministry's work, including the number of staff in various areas. In some areas it might make more sense to have fewer people but pay more money and thus bring into the service normal and modern people who will work selflessly and effectively. We want people who will work professionally and honestly.

A good number of my friends, after graduating from university, rather than simply going where the money is, which is a normal enough desire, joined the police force. I feel great respect for these people, because although they had an excellent university education, they chose a very difficult way to make a living and do a very important and often criticised job. They do their job honestly and well. I think there are many such people in the police force, but they simply need more support. This is the objective of the document that I will sign later today.

VLADIMIR KULISTIKOV: I want to ask about the recent tragedy that shocked the country – the terrorist bombing of the Nevsky Express. How is the investigation going, and will the perpetrators of this crime be caught?

DMITRY MEDVEDEV: I have no doubt that the perpetrators will be caught. I cannot divulge the information I receive from the special services and the investigators. The investigation continues and it needs to carry out its work in confidentiality. Various versions of events are quite well known nonetheless and in some cases have been picked up by the media.

I am certain that the investigators and law enforcement officers are able to find, catch and bring to trial these monsters. Our country is up to this task. But as well as the investigation side of this terrible act of terrorism, we also need to look at security issues, including technical safety. We need to look at how we guarantee technical, technological and aviation safety, safety on board our aircraft, for example.

The same goes for our railways. We have a huge railway network in Russia and it needs more than just management and maintenance.

VLADIMIR KULISTIKOV: It's the biggest in the world.

DMITRY MEDVEDEV: Yes, and it needs to be as safe as we can make it. I gave instructions on this to the Transport Ministry and Russian Railways following what happened. They have already drafted proposals and they will receive every rouble they need for this work. This is something we simply have to do.

VLADIMIR KULISTIKOV: Another tragedy that shocked everyone was what happened in Perm. When you spoke about the people who held a candle to this situation, the people who let this happen, you said that they have neither brains nor conscience. These words of yours are rather bleak when you think about it, because lack of brains can be compensated for by rules and strict discipline to enforce them, but there is no way to make up for lack of conscience.

DMITRY MEDVEDEV: Conscience is a moral concept, and it is something we all need to work on. People are not simply born with conscience but develop it through the nurture of school, family and faith.

This terrible tragedy is the result of negligence and incompetence that simply went beyond all bounds. I cannot fathom how anyone could dream up the idea of holding a fireworks show in an enclosed space. Even people with very little education know that this is dangerous.

What do we need to do? We have already banned all events of this kind, but we need to put this whole area in order. We need to issue the necessary regulations, regulate the fire service's activities too, because the fire service clearly also bears responsibility for what happened. They inspected the place, and more than once, but why did they not close it down? Were they bribed to let it stay open, or did some other kind of problems come up?

We need to look at how the law in this area is being enforced at federal level too, look at who is responsible at regional level for these things. In general, we need to take a look at how premises of this kind get approval for use as clubs and entertainment facilities, look at whether they are actually suitable or not. We need to start with ourselves, as this example shows.

From the legal point of view, although I am not an investigator and really should not speak about this, but as I see it, this crime is one of negligence, but it is a crime that has nonetheless caused extremely serious consequences. It needs to be very thoroughly investigated so as to ensure that these kinds of tragedies do not happen again.

OLEG DOBRODEYEV: Mr President, we spoke just now about the recent dramatic events in Perm. I cannot help but ask a question about our people in general: have they not exhausted their strength, do they still have the strength within for future development?

If you take the last 150-200 years of our history, it is hard to see what other people have gone through so many trials. The country lost so many of its best people in wars and endless social experiments. One cannot help but wonder after all this if perhaps people are simply exhausted now, if they still have the will and strength to move forward? How would you respond to this question?

DMITRY MEDVEDEV: Our country has never had it easy. I am absolutely certain that this has shaped our national character. The fact that we live in this vast country, in a very difficult climate, where you have to perform heroic feats just to meet basic needs, where it is cold and even growing food is hard has all shaped our national character over the centuries, plus the wars and social cataclysms. I therefore do not think that the events of the last 150 years have radically changed our people's outlook on life and sapped their will to live. I think this is absolutely not the case. If it were the case, we would have lost the Great Patriotic War and would not have been able to rebuild the country, would not even have been able to build the new country we have today.

This was also a very difficult and dramatic time in our history after all, a time when our country changed, part of our former territories became the territory of other countries, families and contacts fell apart, and economy went into decline. After all of this you could have imagined that we would simply be too overwhelmed to get to our feet once more, but we did get to our feet, stood firm, started moving forward, and no matter how you look at it, we are living better than we were 10-15 years ago. We have shown that we can resolve even very big problems. Yes, we have a lot of problems, but we have what it takes to reach our goals.

I am therefore certain that our national character, our determination and our energy for life remain as strong as ever.

KONSTANTIN ERNST: Mr President, you had a special relationship with Vladimir Putin during the years before you became president. Has anything changed in your relations? Are you in contact both in your work and outside of work?

DMITRY MEDVEDEV: We still have a special relationship as friends and nothing has changed here. I am sure that this will not change.

VLADIMIR KULISTIKOV: One of this year's big events was the change in the White House, the arrival of a new and very interesting president. What kind of relations do you have with him? Do you feel trust, and have you managed to find a common language?

DMITRY MEDVEDEV: I am in quite frequent contact with the new US president. I think he is a strong politician and an interesting person, and it is easy to communicate with him. He knows how to listen and he knows how to respond to arguments. Often we used to hear from the Americans, "Your point of view is all very well, but the matter is already settled." He speaks a different language. This alone is a positive thing, even if we know that the United States is still the world's biggest and most advanced economy and has its own big problems.

Overall, I can say that he is quite easy to work with and we have established trusting relations. I hope that everything will go well in the future.

VLADIMIR KULISTIKOV: What is holding up the new agreement to replace the START treaty? Are the Americans putting pressure on you, and if so, how do you respond? Or, perhaps, are you putting pressure on them, and what is their reaction?

DMITRY MEDVEDEV: This is a very complex matter. This is not some contract between two cooperatives that you can draw up in 15 minutes. It is an agreement that will set the parameters for development and reductions of strategic offensive forces of the two biggest nuclear powers. We are actually making very rapid progress and have already reached agreement on practically all the different points.

As for how this is all taking place, it is almost as you say. In some cases we put the pressure on our partners, say, "you know, we cannot accept this," and in other cases they try to do the same. This is normal. This is what negotiations are all about.

We need to come up with a high-quality agreement, and I am sure that we will succeed. Furthermore, the agreement has to define the basis for our coexistence as major nuclear powers over quite a long timeframe, 10 years, and so we need to get everything right, right down to the last comma.

The other thing is that, even though we will prepare and sign this agreement, we will also continue to develop our strategic nuclear forces because they are essential for our country's defence. We understand this, and so do the Americans. This is the law of life today. This does not mean that we cannot discuss the future prospect of a nuclear-free world. This is a noble goal and one we should strive for, but we need to move towards it gradually. Furthermore, not only Russia and America should take part in these efforts, but so should other countries, including those who aspire to join the nuclear club and are creating so many problems.

KONSTANTIN ERNST: Cutbacks are all very well, but isn't the nuclear shield we built during the Soviet times getting a little rusty by now?

DMITRY MEDVEDEV: No. Our nuclear shield is capable of fulfilling all of the missions for which it was designed. Of course we will work on developing new systems, including delivery systems – missiles, in other words. This is normal. The whole world is doing this. Of course, this work needs to take place within the framework of conventions and agreements, including our future agreements with the Americans. But this process will continue and our nuclear shield will always be effective and sufficient for protecting our national interests.

OLEG DOBRODEYEV: Mr President, one of the most important upcoming international events, and one closest to us, is the election in Ukraine in January. My question is, who is "Russia's candidate" in this election, and is there one?

DMITRY MEDVEDEV: Mr Yushchenko, probably, going by the fact that so many of my statements on Ukraine were made in connection with his actions. (Laughter)

But seriously, of course Russia cannot have its 'candidate'. Ukraine is an independent and sovereign country, where the people choose their own president. I am sure that the Ukrainian people can decide what is what in the various political declarations and complex political battles taking place there. I think they have almost twenty candidates running.

We, of course, will accept whatever choice Ukraine's people make. This is a rule of international law. My only desire in this situation is that Ukraine's future president be committed to building good, warm, even brotherly relations with our country, not discriminate against the Russian language, and foster the development of bilateral contacts, so that we can take our joint economic projects forward, and not be seized with a desire to join a foreign military alliance that will only end up in one way or another making a huge number of people unhappy.

I would like to see this kind of partnership take shape, and I very much hope that the Ukrainians will make the right choice.

KONSTANTIN ERNST: You were in Copenhagen last week, where the whole world was discussing the future of our climate. What do you really think, is the world cooling down or heating up?

DMITRY MEDVEDEV: I would have to be a specialist in this field to be able to tell you whether the world is cooling down or heating up. To be honest, I do not think the biggest issue is whether it is cooling down or heating up. There is the cyclical theory after all, and there really are various points of view. The most important thing is what response we make.

Whether the planet is cooling down or heating up we still need to change the environment, work on energy-saving technology, develop 'green' energy and alternative energy sources, and work on energy efficiency. This is obvious. Therefore, as I have said already, regardless of whether or not new agreements are signed (and to be honest, I am not happy with the results achieved in Copenhagen. No real agreement was reached and it all fizzled out, but this is not the Russian Federation's fault), we will nonetheless work on energy efficiency, on developing modern energy and making our economy less energy intensive, thereby reducing emissions into the atmosphere. We will do this because even if all the predictions about climate change turn out to be not serious after all or lose their relevance, we will at least have improved the atmosphere in which we live.

VLADIMIR KULISTIKOV: These decisions bring us to the issue of the decision-making process in general, whether at the top or at local level. To take an example from a completely different field, casinos were closed, and what is the result? The gambling zones that were supposed to open have not opened. No one is really making any proper effort to build them, obviously hoping that everything will go back to the way it was. They have reason for these hopes, given the emergence of clubs where you can play sports poker, for example, or instant lotteries, which probably only a prosecutor could distinguish from ordinary one-armed bandits.

DMITRY MEDVEDEV: Do you try your luck at these lotteries?

VLADIMIR KULISTIKOV: No, and I don't play poker either. I play other games.

But people say that this business has either gone underground or has disguised itself. In short, it is cheating the authorities. What kind of lessons do you think we can learn from these decisions?

DMITRY MEDVEDEV: I think this is exaggerating the situation. We pretty much cut off the air supply to this business, which was operating on a different basis before. It is true that the four gambling zones have not started work yet. They require big investment, but we are not going to pump state money into them. We would be more than happy to see private investors get together to develop these projects. No one has cancelled these decisions, however, and they will remain in force.

As for the huge number of casinos and all manner of gambling clubs, the truth is that they are gone now.

Yes, there are people who attempt to revive them in disguised form, making use of loopholes in the law, all these instant lotteries, nonsense of this sort. Yes, this just amounts to the same sort of gambling but posing as something else entirely. These clubs should be quite simply closed down. Since you have brought this up I will give the instruction to go over the laws once more in order to close these kinds of loopholes. Of course, our people are very inventive by nature.

People gamble on the internet too, but we cannot control that. All of these gambling sites are located in offshore zones or in other countries, but gambling for money on the internet is also an illegal business, just like these various instant lotteries and other forms of bypassing the law.

We will examine the laws again, make the necessary additions and close this subject. Will this be enough? We will wait and see. If people come up with something else again, we will close that loophole too and punish them too.

OLEG DOBRODEYEV: I have a question from a somewhat different field. Not to ask it would be to risk disappointing millions of football fans. After all, this was an eventful year in the football world and full of completely opposing assessments of the work done by our national team coach (and of football in general, in which you never get two common points of view). What is your view of Guus Hiddink's role and place in our history, in our football history in particular?

DMITRY MEDVEDEV: Are you a football fan too?

OLEG DOBRODEYEV: More of an amateur, really.

DMITRY MEDVEDEV: Well, I'm probably an amateur too. But I watch the big matches sometimes on television, and sometimes even get to see them live. Whatever people say after this frustrating defeat that we suffered our team really did start playing a new kind of football after Guus Hiddink took over. This is just my personal opinion, the opinion of a fan, not of the Russian president.

We witnessed some excellent events that raised our moods and got the adrenalin flowing through our blood. Just remember the brilliant match our team played against Britain in Moscow. They really saved the game. That was a really great performance. There were other interesting matches too, the absolutely fantastic match against the Netherlands in the European Championship, for example. We all watched these people running about in these shirts and could hardly believe that this was really our team. We need to thank the coach and the players too, of course, for these moments alone. In the end we suffered a defeat. But we have risen up the ranks nonetheless in the world football rating. We have already established ourselves as one of the bigger names at least in European football. As for club-level football, we have won the UEFA Cup: CSKA and Zenit won the super cup, Rubin has played very well too. This was not Guus Hiddink's work, but it nevertheless reflects a new quality in Russian football.

I therefore think we should take things more calmly, draw our conclusions and continue to support our national team and our clubs so that they play better.

KONSTANTIN ERNST: Since we have got on to football, let me ask you a few personal questions. Mr President, what time do you go to bed, and what time do you up?

DMITRY MEDVEDEV: When I get up depends on my schedule.

As for when I go to bed, it's usually quite late, 2 a.m., or even later, because there are always all sorts of things to take care of and I often only finish signing documents late at night. I end up doing all of this just before going to bed. It is not a very good thing, but there is not much I can do about it.

KONSTANTIN ERNST: Do you get any time for reading?

DMITRY MEDVEDEV: I find some time. I try to find at least 15-20 minutes a day to read books.

KONSTANTIN ERNST: What are you reading at the moment?

DMITRY MEDVEDEV: Like all book lovers, I think that we in Russia really do love books and reading as always been one of our national pastimes, and so I am always reading several books at once. It's more interesting that way. Sometimes, of course, if I come across something that really grabs my interest, something out of the ordinary, I can read it all in one go, but I only get the chance for that when I'm on holiday.

At the moment I am reading [Vassily] Klyuchevsky's Historical Portraits. Strange to say that I never read this work earlier and I like it very much. I am reading it quite slowly, giving it plenty of thought. Actually, I am reading the electronic version. I never used to read electronic books, I didn't imagine it would be the most comfortable way to read before, but in the end it's fine and I have got used to it.

KONSTANTIN ERNST: You could say that this is more 'professional literature' in your case now.

DMITRY MEDVEDEV: To some extent. I have several other books on my table at the moment. One of them is Pelevin's new work, though I have not begun reading it yet, and then there are several novels by Remarque, which have come out in new translations over these last 10 years. I've really liked Remarque ever since childhood. He's very much a romantic, perhaps even rather sentimental, but at the same time, I think he remains a modern author.

KONSTANTIN ERNST: He's good to read before going to sleep.

DMITRY MEDVEDEV: Yes, he sometimes puts you in a better mood.

VLADIMIR KULISTIKOV: Mr President, what do you lack most in life?

DMITRY MEDVEDEV: That is an easy question: freedom, of course, free time. I have no original answer and am the same here as any other country's leader. It is the thing you notice most right from the first minute of work in this job.

VLADIMIR KULISTIKOV: How about your family, do your wife and son find it easy to be the wife and son of the head of state?

DMITRY MEDVEDEV: I think they are bearing up quite well really. They behave decently, I think, do not pester me. But at the same time, of course this all has an effect on their lives too. This is not the easiest way to live because there are all sorts of restrictions that previously they never had to deal with. The life of a head of state always involves a whole series of restrictions. The sad thing is that you have to actually start doing this job to get a full realisation of just how these restrictions affect your life. You can't fully know and feel it all from the outside, but can only guess at what it is like.

OLEG DOBRODEYEV: Mr President, we are all TV people here, people who see a lot of television stuff day in day out. This is part of our routine. The burden of presidential responsibility has changed you a lot over these last 18 months. Do you sense this yourself? Do you share this impression?

DMITRY MEDVEDEV: Yes, I won't pretend that I have not changed. I have changed because, as you rightly pointed out, this is a special kind of responsibility. I held high-level posts before this, had great responsibilities, and I always tried to do my work honestly and professionally. But these previous jobs were nonetheless different in nature. When you bear the highest responsibility it changes your character, the way you see the world, and much more besides. But I hope that on a personal level I have not changed so much.

KONSTANTIN ERNST: You have shown your love of English rock in the past, even attending one legendary group's concert. What about your son? He probably listens to different music. Do you like any of what he listens to?

DMITRY MEDVEDEV: It would be strange if my son listened to the same music as I listened to, because that was music of 40 years ago, if we're talking about classic rock, at any rate. Sometimes he gives it a try. Like a lot of people his age – he is 14 now – he's a fan of alternative rock, alternative music. I'm not really very in the know on all of this, but I know a few groups and sometimes listen to them. There's the group Linkin Park, for example. My son listens to some Russian groups too, Splin, for example, and sometimes he even surprises me by listening to Mashina Vremeni.

KONSTANTIN ERNST: Where will you celebrate New Year?

DMITRY MEDVEDEV: At home.

KONSTANTIN ERNST: Will you go out on a visit on January 1?

DMITRY MEDVEDEV: Probably.

KONSTANTIN ERNST: Our time on air is running out fast.

DMITRY MEDVEDEV: Are you trying to get rid of me? (Laughter)

REPLY: Not that fast.

KONSTANTIN ERNST: But our time is running out. I wanted to ask, who would you say is "person of the year" in Russia this year?

DMITRY MEDVEDEV: That is a good question. I think we have around 1.5 million "people of the year" – everyone born this year in our country, all of these little citizens of the Russian Federation, they are all our "People of the year 2009". I congratulate them on the upcoming New Year and say to them, good on you for being born in this difficult year.

KONSTANTIN ERNST: Thank you, Mr President, for this opportunity to sum up the year on live TV with us. We congratulate you on the upcoming New Year.

DMITRY MEDVEDEV: Thank you, colleagues. I hope I will get another chance yet to congratulate you and everyone in our country on the upcoming New Year.