

## Professor in the Bank

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Question everything, the young Marx taught. The Cossack woman, grandmother of Vasily Vysokov, the Doctor of Economics, inspired him with the same principles: “Theory and practice are sometimes completely different things” Her grandson learnt the lesson well and in 1991, keeping on his theoretical research, he went to the Center of Economic Support to transfer to market economy under the Rostov Region Administration to see how the theory fights with practice.

In this Center Dr. Vysokov implemented the model of privatization for state companies, which he has designed himself. After 30 enterprises had become private, Dr. Vysokov saw the need for financial service, and together with his wife they founded Center-invest Bank. The first clients of the Bank were the directors of the first privatized enterprises, then came the small businesses (at the present SMEs make about 25% of the bank assets). The bank is loyal to its customers. In the hall for corporate clients the noise is as if on the market. Farmers and entrepreneurs besiege the managers, asking for several loans and current accounts application requests (one copy for a neighbour, they say).

The fact that the Bank is overcrowded with customers impressed the investors. In 2004 the blocking share of Center-invest was bought by the European Bank of Reconstruction and Development. “If your shareholders are not strong and reputable, your capital isn’t of good quality then, - Mr. Vysokov explains patiently. – But if they are international financial organizations, the capital is highly qualified”.

In 2005 Mr. Vysokov invited Ernst Welteke, the ex-president of the Deutsche Bundesbank (Germany), to become the member of the Board of Directors and two months later Deutsche Investitions und Entwicklungsgesellschaft (DEG) bought 20% of Center-invest. The foreigners’ money found its worthwhile application. According to the data of the Center of Economic Analysis of Interfax, in 2007 Center-invest, the largest private bank in the South Federal District, took the 66th place in Russia by assets.

