

26 December 2015

# “Politburo 2.0” and Syrian Gambit



*The communication holding "Minchenko Consulting" continues its series of reports on "Politburo 2.0"<sup>1</sup>. Politburo 2.0 is understood as an informal network structure for the decision-making process within the Russian elite close to President Vladimir Putin. This inner circle includes government functionaries (the head of the Presidential Administration Sergei Ivanov and his deputy Vyacheslav Volodin, the Prime Minister Dmitry Medvedev and Defense Minister Sergey Shoigu, Moscow Mayor Sergei Sobyenin), heads of state corporations (CEO Rostec Sergey Chemezov and President of Rosneft Igor Sechin), and business leaders (Arkady Rotenberg, Yury Kovalchuk and Gennady Timchenko). They are involved in drawing of scenarios for the development of industries they themselves supervise, and in creating the center of attraction for a wide range of nomenclature and business players. Candidates for members of the Politburo 2.0 play an instrumental role in handling their responsibilities within judicial, security, political, economic, regional, and technological blocs.*

Several of our forecasts came to fruition in the year since publication of previous "The Politburo 2.0 and post-Crimean Russia" report:

- High impact Western pressure continues to have influence on Russian internal policy. Those in the ruling elite who were able to withstand it and to offer President Putin possibilities to break the outside isolation were granted advancement in political ranks. The ideology of "besieged fortress" has naturally strengthened the position of the "hawks" within the elite and factors of personal loyalty and devotion to the President have been strengthened;

- An increase in competition for resources among the elite has manifested itself through their redistribution within the financial bloc, and in the expansion of the inner circle of the President into new sectors of the economy (e.g., S. Chemezov into the pharmaceutical cluster, A. Rotenberg into secondary education, where he is seeking to establish a parallel ministry of education based on the commercial structure of the publishing house "Education", which would deal with financial and material support for schools) and into the regional policy (active, at times enforced replacement of governors);

- Growth of Politburo's 2.0 overall influence and reallocation of resources in favor of its full members at the expense of candidates for members of the Politburo 2.0 and minor elite groups;

- Demand for higher efficiency in management, combined with the need to conserve resources have led, and will in the future, to high-profile resignations of heads of state companies;

- Presidential elections in two allied countries closest to Russia (Kazakhstan and Belarus) were rather calm and created more stable international surroundings of the Russian Federation. This trend has also supported the termination of the hot phase of the conflict in the Southeast of Ukraine, and the continuation of the settlement based on the Minsk agreements.

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<sup>1</sup> Vladimir Putin's Big Government and the Politburo 2.0 (August 2012)

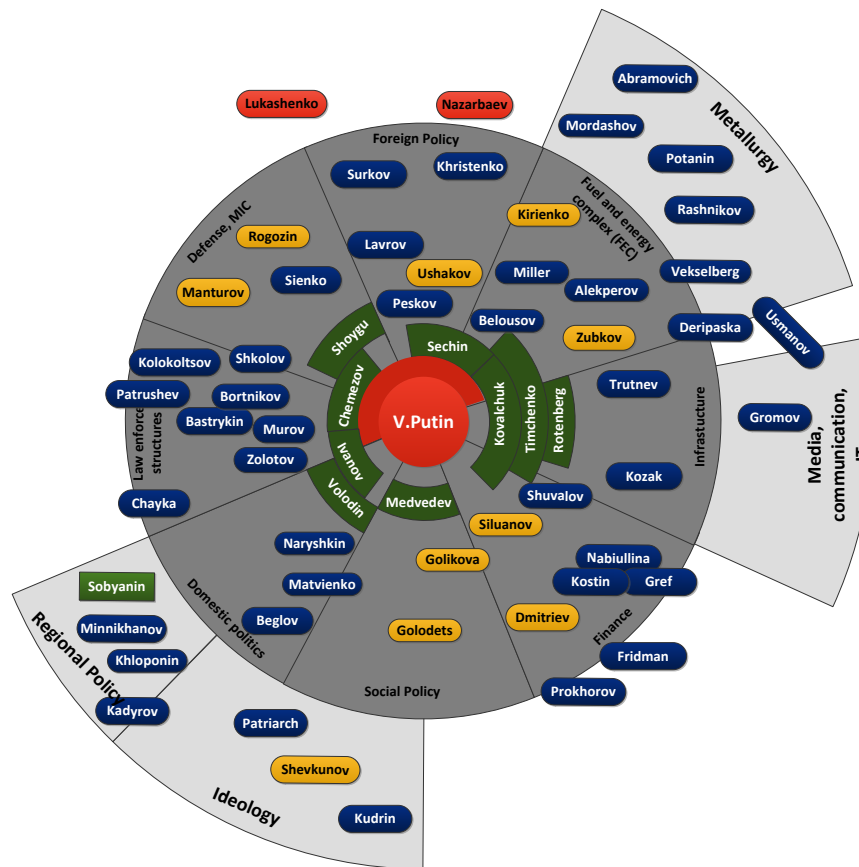
[http://minchenko.ru/en/analytcs/analitics\\_6.html](http://minchenko.ru/en/analytcs/analitics_6.html)

Politburo 2.0 ahead of a realignment of elite groups in Russia (January-February 2013)

[http://minchenko.ru/en/analytcs/analitics\\_5.html](http://minchenko.ru/en/analytcs/analitics_5.html)

Politburo 2.0 and the post-Crimean Russia (October 2014)

[http://minchenko.ru/en/analytcs/analitics\\_9.html](http://minchenko.ru/en/analytcs/analitics_9.html)



However, the struggle to overcome Western attempts to isolate Russia internationally with economic methods ("turn to the East", primarily towards China) had not given, and probably could not have guaranteed quick results.

This is why, Vladimir Putin and his team attempted to get out of the predicament by actively playing on the geopolitical field of their foreign rivals. As a result, the military operation in Syria has been implemented, making Putin and his team an important player in the Middle East.

The creation of a new model of economic governance as a strategic task is being postponed (this future institution is being positioned as a special body of strategic planning and control, similar to the Soviet era "Gosplan" 2.0.) **For the ruling elite, tactical maneuvers in the international arena seem more feasible as method to remove sanctions than commitment to restructure the economy, which requires a significant time.**

**Putin has been purposefully engaging in the cultivation of new managers (government functionaries), whose task will be to address this problem in midterm. Candidates of this future elite can be divided into two types:**

- "Princelings"<sup>2</sup> - children of the ruling elite, who are prepped for the tasks on governmental positions, or in a private sector close to the government (chairman of the "Inter RAO" Boris Kovalchuk, Chairman of the "Agricultural Bank" Dmitry Patrushev, Chairman of FGC UES Andrey Murov, among others);

- Young technocrats, who owe their career to Putin personally (even if initially recommended to him by members of the Politburo 2.0,) and who have been focused primarily on the President (Industry and Trade Minister Denis Manturov, Energy Minister Alexander Novak, Deputy Head of the Presidential Administration, Anton Vaino, the new head of Russian Railways Oleg Belozеров, etc.).

**Candidates to the Politburo 2.0, whose ranking has recently increased, and who offer a meaningful agenda, can also count on leadership positions in the Gosplan 2.0.** This list includes: First Deputy Prime Minister Igor Shuvalov, head of the "Sberbank" German Gref, Deputy Prime Minister Arkady Dvorkovich.

**The tactic of prioritizing strong foreign policy has created favorable conditions for the re-election of Vladimir Putin in 2018 for the new presidential term. However, even in midterm it will be extremely difficult to create a kind of Comintern 2.0<sup>3</sup>, which opposes American rules of globalization.** This type of anti-American alliance can only be situational, as during the preparation of the military operation to overthrow Saddam Hussein. One can predict that after 2018 economic problems again come to the fore, and the desire to improve management efficiency will become mainstream.

**Members of the Politburo 2.0, who are able to set forward a team or a group of managers that combine the quality of strong executives and public politicians, will be most desired in midterm.**

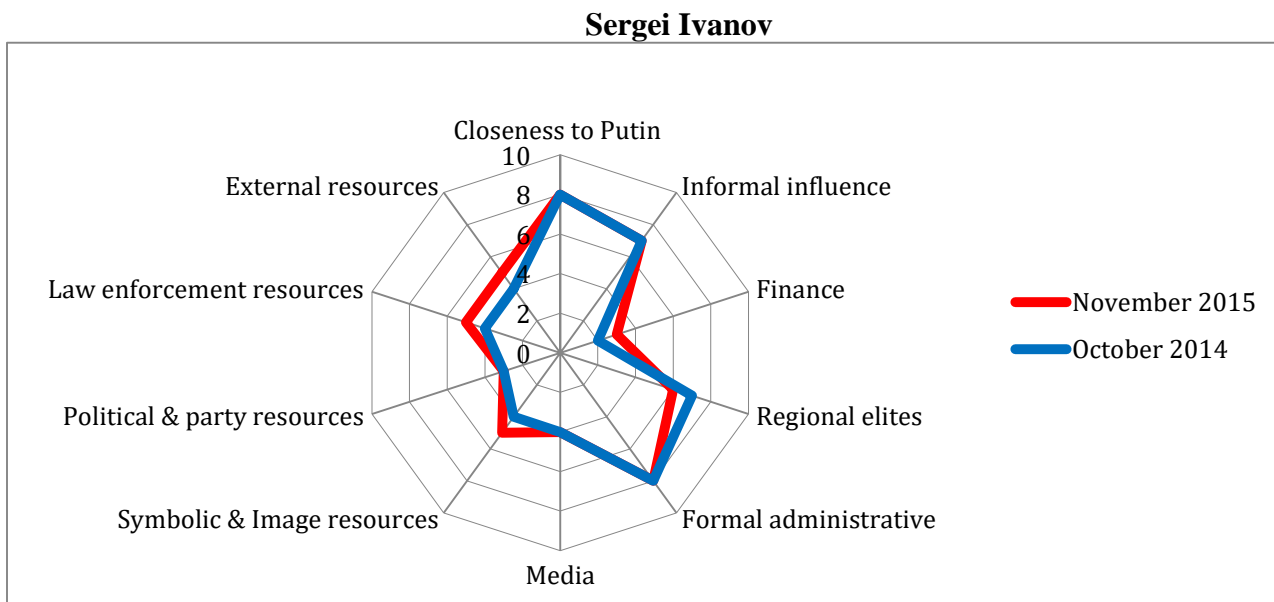
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<sup>2</sup> Analogy with the Chinese term that referred to the generation of children of leaders working with Deng Xiaoping, who came to power.

<sup>3</sup> Such situational alliance could be called conservative International ("Conintern"). The objective of foreign policy, one way or another, is the consolidation of political forces who are dissatisfied with the dominance of the US in world politics and the destructive onset of globalization on national and local behaviors (habitus).

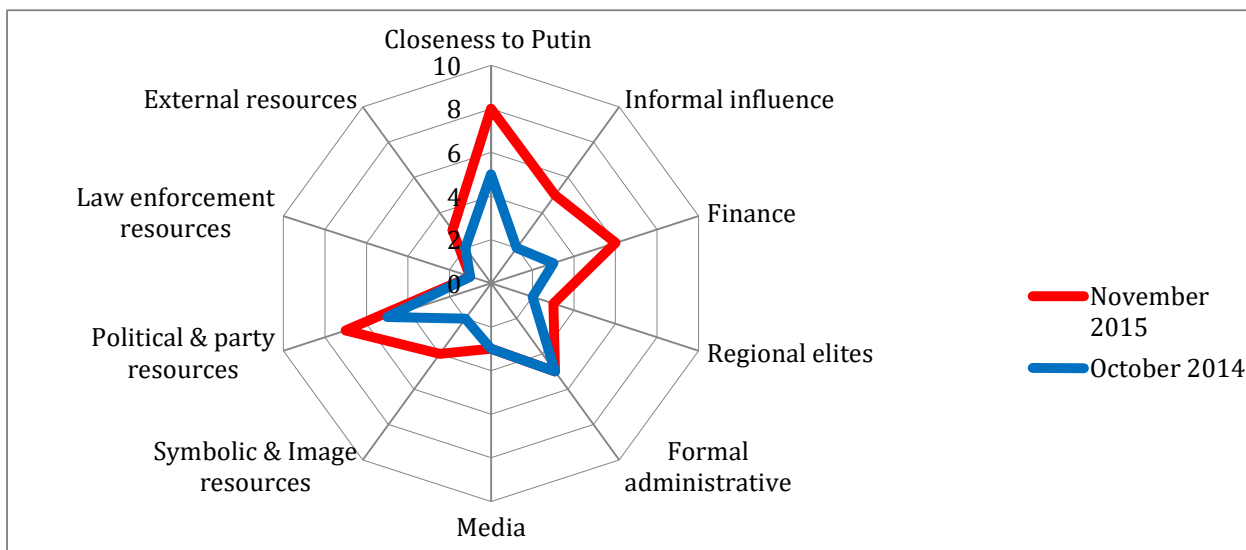
## Members of the Politburo 2.0 and the dynamics of their influence

Sergei Ivanov, head of Presidential Administration and Prime Minister Dmitry Medvedev, demonstrated the best dynamics among high-profile officials, receiving consequently, first and fourth places.



**Sergei Ivanov's** influence has increased in connection with the operation in Syria, where he was one of the masterminds. As career intelligence official, Ivanov feels like a fish in water in the setting of multi-geopolitical games. The anti-corruption agenda in the domestic policy (high-profile arrests of mayors and governors) strengthened his position as the curator of security agencies. His financial resources have been amplified in June 2015 when he was elected the Head of the Board of Directors of Rostelecom.

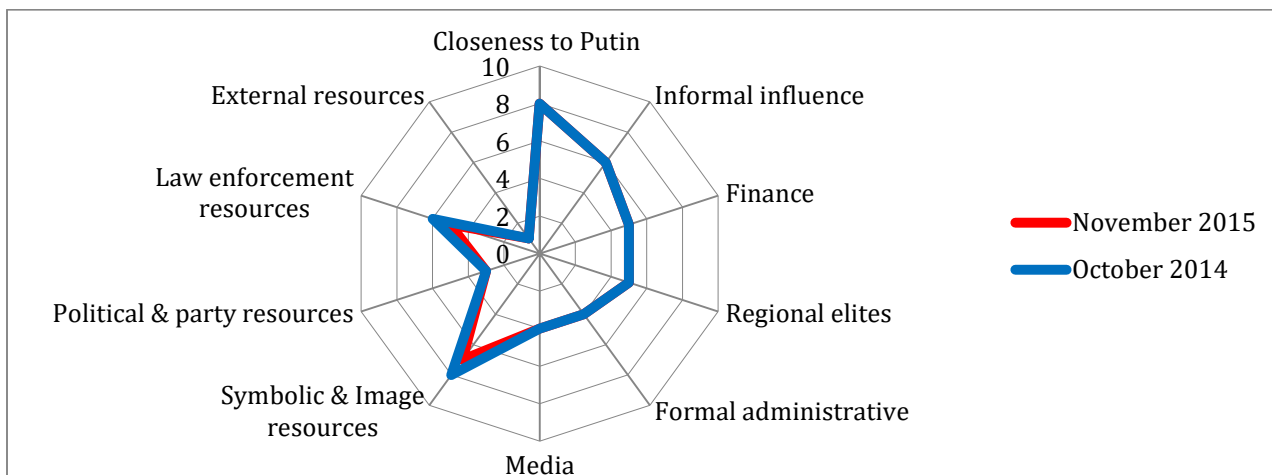
### Dmitry Medvedev



**Dmitry Medvedev** retains the post of the Prime Minister mainly because of one stable and influential factor – close proximity to Vladimir Putin (a position, which, in recent years, has been affirmed also by the President.) Having given up all of his bargaining cards of loyalists in the law enforcement and in the regional circles of power, Dmitry Medvedev has only become stronger. After parting with the legacy of duumvir, he is actively gaining ground in the control of financial flows and within the party system.

Seeing the futility of liberal niche for his own promotion, Medvedev is repositioning himself as one of the leaders of the "party of power", which, he will again lead to the Duma elections. Even though it would be illogical for Medvedev's "liberal image", he is forming an alliance with the conservative wing of the "United Russia". In the field of foreign policy, Medvedev has made a breakthrough into an independent role by working with his fellow prime ministers of Belarus and Kazakhstan. At the same time, the recent signal from the United States (refusal to receive the Russian delegation on the Syrian issue, headed by Medvedev) shows that the West no longer sees Medvedev as a desirable partner.

## Sergey Shoigu



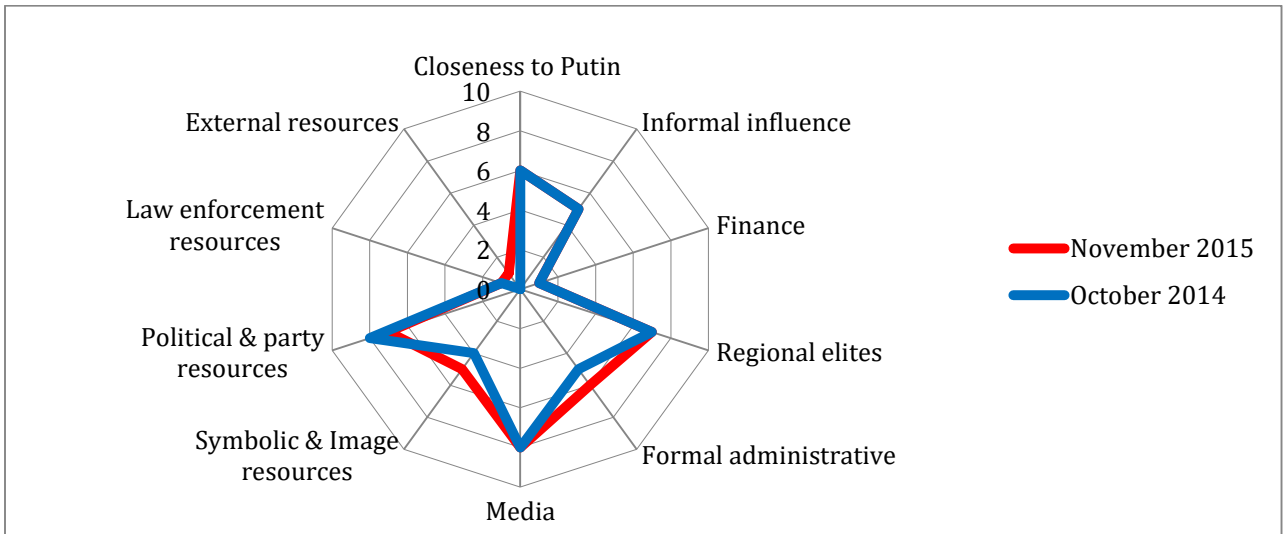
The Defense Minister **Sergey Shoigu** (in second place) should have retained his high image in 2015, gained during his leadership at the Ministry of Civil Defense, Emergencies and Disaster Relief and boosted by consequent activities of the Russian army during the Ukrainian crisis in the Crimea, and in Syria (both of which were recognized as successful by the Russian public opinion.) However, the verdict and rapid release of Yevgeniya Vasilyeva had an indirect negative impact on the image of the army as a whole. This adverse effect has been enhanced by the recent appointment of Anatoly Serdyukov onto the high position at Rostec. On the other hand, rehabilitation of Serdyukov's image (with the key tune "[he] created a more efficient army, which is now led by Shoigu") can also cause problems for the current Defense Minister.

Shoigu has not been criticized directly outside Politburo 2.0, but the scope of his authority appears to have narrowed. He continues to be effective in extreme situations, but the mere presence of those situations triggers large imbalance in the system and is disadvantageous to all other members of the Politburo 2.0.

The military operation in Syria is an example of a systemic risk affecting, not separate sectors, but the entire system of decision-making in today's Russia. There are many possible scenarios for the situation in the Middle East to develop, and the Russian campaign can drastically affect Shoigu's resources in either direction. Turkey's aggressive reaction as well as a negative position of some Sunni states and Gulf monarchies towards Russian interference puts Russian military in a vulnerable position, dependent on diplomatic efforts of both the President and Foreign Minister Sergey Lavrov.

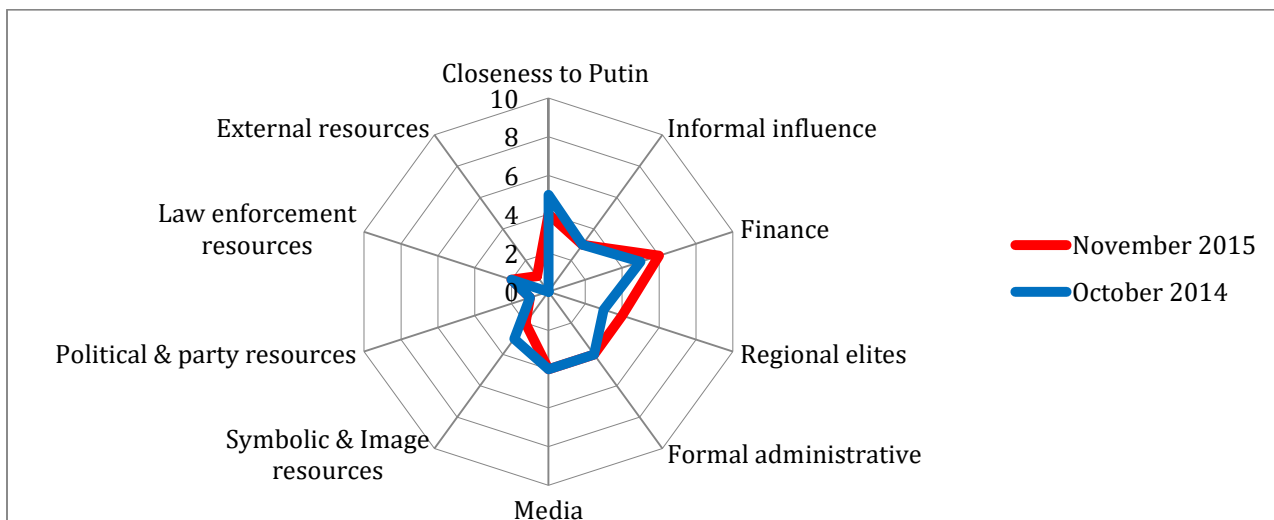
The hypothetical possibility of the increase of Shoigu's political weight is to become a leader among "combat generals" on the Syrian and Crimean fronts, who, in the future, may become public figures.

### Vyacheslav Volodin



The First Deputy Head of Presidential Administration, **Vyacheslav Volodin** was able to strengthen his position within the Politburo 2.0. Internal policy block at the Presidential Administration is being rejuvenated. Volodin has strengthened control over this cluster and filled its key positions with his own people. After a long process of reformatting the party system, its new features had finally become visible on the regional level. The reform has not just been about the movement toward openness and competitiveness of the electoral process, but also about achieving a more balanced system, capable to sustain replacement of regional authorities in the electoral process. Within the new system Volodin has a much bigger influence on regional elites. With Presidential Administration stabilizing rules of the game in the regions, the success of winners is granted by system constructed by Vyacheslav Volodin. Also worth noting is Volodin’s increased role in regulating Internet media, NGOs, and cooperation with the international expert community.

## Sergei Sobyenin

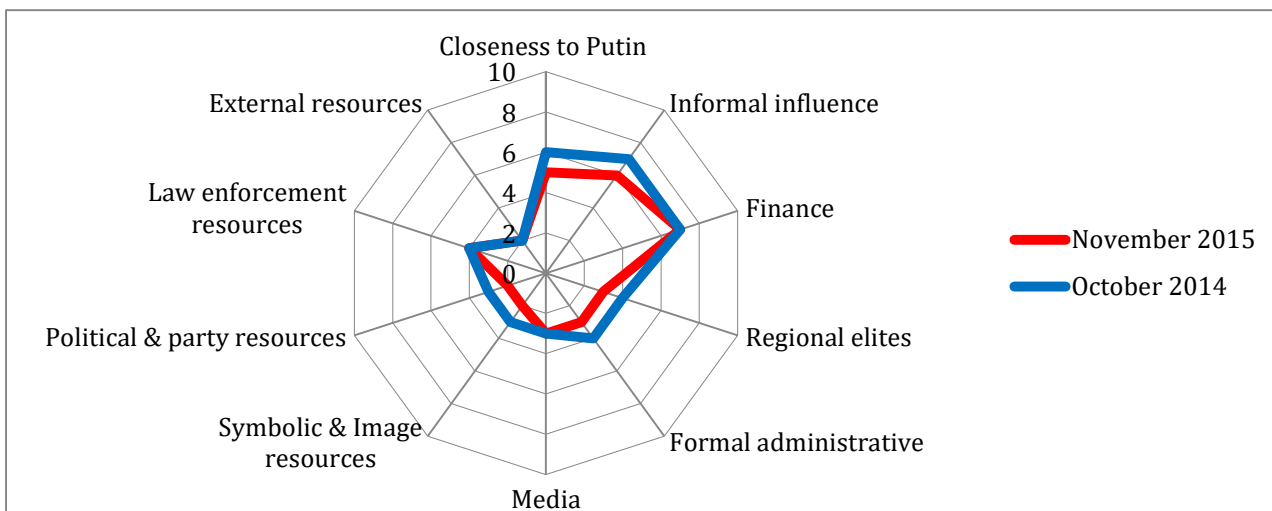


Moscow Mayor **Sergei Sobyenin** is fully concentrated on regional economic topics and has deliberately not been interfering with the decision making on larger projects. The recall of direct elections for the heads of Khanty-Mansiysk and the Yamal-Nenets Autonomous Districts has preserved Sobyenin's influence in the region that generated key federal budget revenue from oil and natural gas production but it also pointed out his weakness as a political manager of the new format. He did not implement the unification of Tyumen and its member autonomous regions despite its potential to improve his bureaucratic standing. The strengthened Governor of the Tyumen Region, Vladimir Yakushev started to demonstrate a tendency to become more autonomous. At the same time, two other governors from Sobyenin's pool (Viktor Basargin and Yevgeny Kuyvashev) became the weak link in his team, since their mandate was not confirmed through the public vote.

Sergei Sobyenin has ceased to be 'teflon', and was personally affected by the growing wave of discontent with the health care optimization policy and activities of the Head of Moscow's Department of Transportation, Maxim Liksutov. Street protests in the capital have so far had only local character, but during upcoming elections in Moscow there may be a crisis of confidence in the government. The initial logic of nominating Sobyenin as a crisis manager failed as he proved to be unable to deal with critical situations. Departure of Sergei Kapkov from mayor's team delivered a heavy blow to the liberal positioning image of Moscow authorities. In these circumstances, Sobyenin becomes an easy target for the opposition in the elections to the State Duma. More so, it is important to note that two successful promotions of new federal political project were accompanied by an attack on the mayor of Moscow (1999 - on the part of the SPS, 2003 - from "Rodina").

Consequently, Sergei Sobyenin is on the verge of losing the full member status in Politburo of 2.0. He continues to retain his position primarily due to the possibility of direct contact with the President of Russian Federation.

### Sergey Chemezov

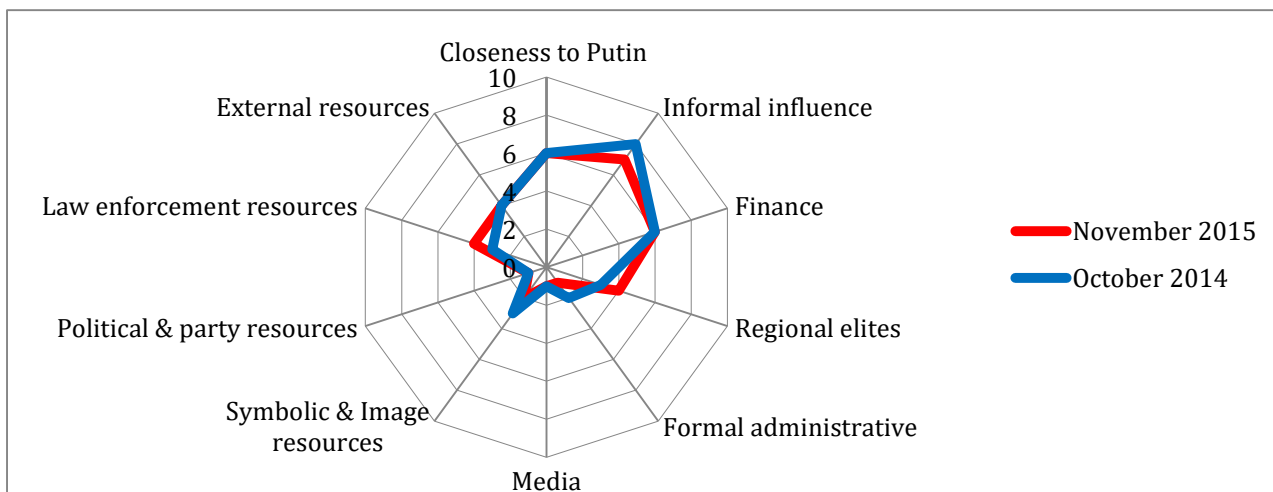


**Resignation of Vladimir Yakunin as head of the Russian Railways created a negative image for all heads of state corporations, and raised questions about their professional effectiveness.**

General Director of Rostec corporation, **Sergey Chemezov** has not been able to fully exploit the potential of his growing influence amid increased attention towards the military-industrial complex, and the additional funding for defense spending. Moreover, the integration of the United Aircraft Company and United Shipbuilding Corporation under his control has been suspended.

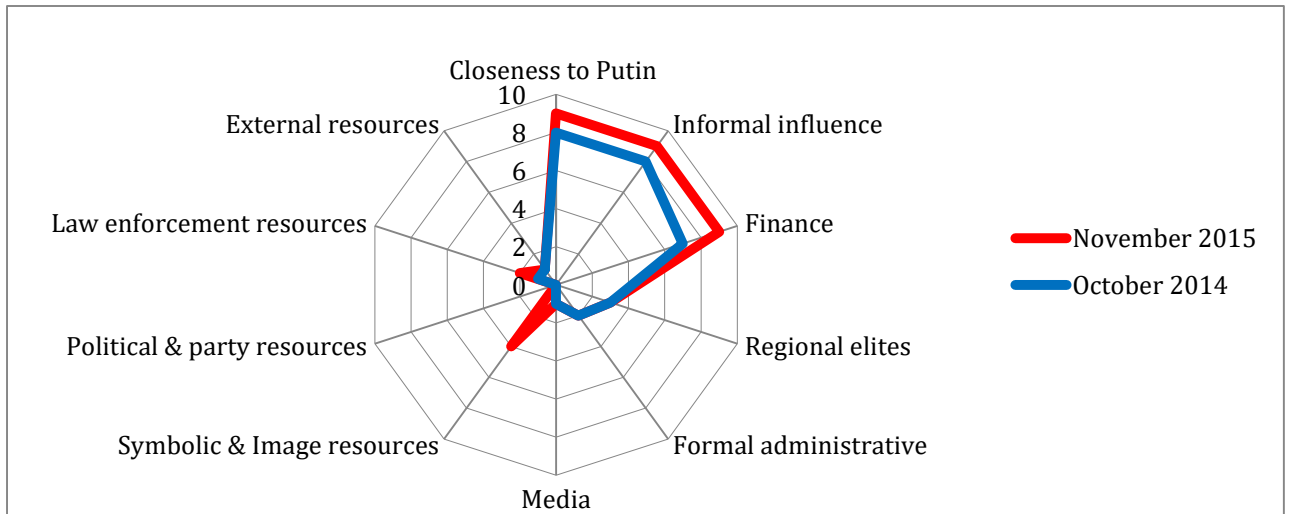
The defeat of Irkutsk region's governor, Sergey Eroschenko in the local elections and the elimination of Mikhail Prokhorov's political project weakened Chemezov's team position in regions and within the party system. In addition, accusations against Andrei Turchak, Governor of Pskov region, and the struggle for Holding Company "Leninets" inflict damage on group's image as a whole.

### Igor Sechin



The Head of Rosneft, **Igor Sechin**, was not able to defend his position as an informal leader in the energy sector. Since Rosneft’s management expenses are considered as over the top, Sechin’s requests for state financial support for the company were left unanswered. The emerging alliance between Prime Minister Dmitry Medvedev and the conservative wing of the "United Russia" eliminate the need for ant-liberal faction, which, for a long time, was headed by Sechin. Sechin’s did not reinforce his position using foreign policy agenda. Development of infrastructure and energy projects with China has been very strenuous. He has received security services support, but, his impact on high-profile arrests of regional leaders has been overrated. Attributed to him, the replacement of head of RusHydro, happened within Sechin’s set sphere of influence and thus cannot serve as an argument in favor of strengthening his influence.

### Arkady Rotenberg



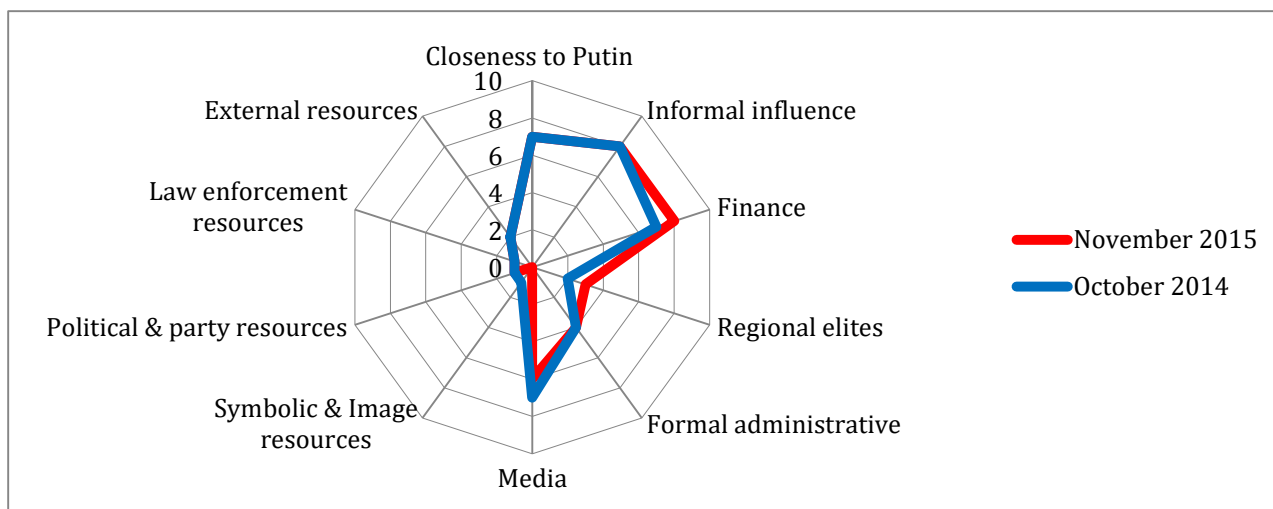
**Reshuffling in the group of businessmen close to the government allowed for Rotenberg’s group to become prominent.**

Arkady Rotenberg has been actively using proximity to Vladimir Putin to expand his own influence. He has demonstrated a high level of loyalty by undertaking the Crimean bridge project, which was refused by Timchenko. Rotenberg’s ability to informally influence political decision-making and a possession of unlimited financial resources help him win new infrastructure projects.

Appointment of O. Belozarov as the Head of Russian Railways counts as a major lobbying success for Rotenberg. This cadre maneuver can be considered as the most successful move within the Politburo 2.0. Transfer of Sheremetyevo airport under his control, as well as strengthening the position of his group in the market of alcoholic beverages show Rotenberg’s growing influence.

His image positioning has seriously improved. Rotenberg has not had any major failures during this period and, in spite of sanctions, his image as an effective businessman outlines his work especially against Timchenko’s mediocre activity.

### Yuri Kovalchuk

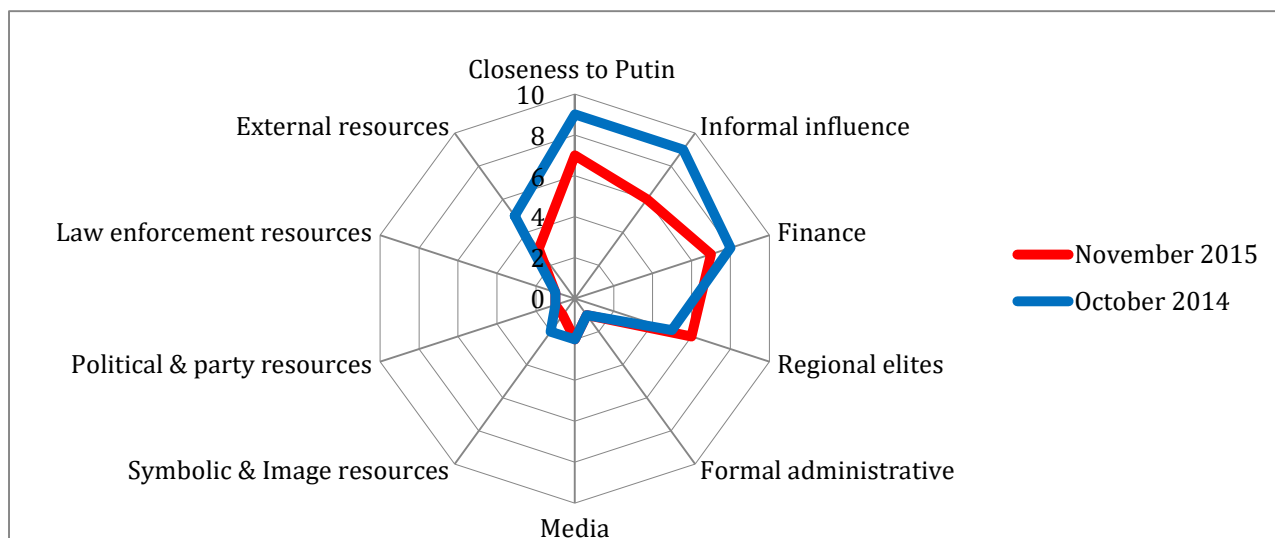


**Yury Kovalchuk** retains his influence at previous levels, possibly due to the weakening of his partner, Timchenko. Without obvious redistribution of resources, as in the case of Rotenberg, Kovalchuk’s finances are growing thanks to the success of his company SOGAZ on the insurance market (premium increase of 16%), as well as a result of selling 75% stake of TV channel STS to businessmen Alisher Usmanov. Controlled by the group media resources increase in importance on the eve of federal election. Getting rid of STS stake diminished the Kovalchuk brothers’ media resources.

For a regional success, Kovalchuk can count A. Drozdenko’s smooth victory in Leningrad region’s governor elections.

Curated by the Kovalchuk brothers’ reform of the Russian Academy of Sciences had ambiguous results. Considered a failure, by many experts and the media, the reform had a negative effect on the image of Kovalchuk’s group. As a management structure over the Russian Academy of Sciences, the Federal Agency for Scientific Organization has not yet made any progress in managing it, but has already managed to spawn a series of scandals.

### Gennady Timchenko













In 2015 **Gennady Timchenko** did not show growing influence within the Politburo 2.0. Judging from the impression of a number of observers, he became tired of the big game.

Timchenko has not gained anything from his foreign policy role as the chairman of the Russian part of the Russian-Chinese Business Council. The council did not achieve any advances in negotiations with its Chinese partners. Moreover, old channels of communication in the European sector were basically severed, as sanctions were effective in undermining the effectiveness of his business network. Also, the talk about removing Gazprom’s monopoly on gas exports did not make any progress.

A relatively positive moment for Timchenko was retention by him of positions in a number of companies dependent on Russian Railways, despite replacement of Yakunin. He has not so much acquired as managed the risk of losing existing assets. Thanks to the activity of his foundation, Timchenko preserves a slightly increased informal influence in the regions.

Overall, the reimbursement for sanctions imposed on Timchenko by the West, did not compensate for the loss of his position, which became more vulnerable and less independent in the previous year.

### Members of the Politburo 2.0 and the dynamic of their influence

	 Ivanov	 Shoigu	 Volodin	 Medvedev	 Rotenberg	 Kovalchuk	 Chemezov	 Sechin	 Timchenko	 Sobyanin	total
<b>Closeness to Putin</b>	8	8	6	8↑(5)	9↑(8)	7	5↓(6)	6	7↓(9)	4↓(5)	2014 – total (400)
<b>Informal influence</b>	7	6	5	5↑(2)	9↑(8)	8	6↓(7)	7↓(8)	6↓(9)	3	
<b>Finance</b>	3↑(2)	5	1	6↑(3)	9↑(7)	8↓(7)	7	6	7↓(8)	6↑(5)	
<b>Regional Elites</b>	6↓(7)	5	7	3↑(2)	3	3↑(2)	3↓(4)	4↑(3)	6↑(5)	4↑(3)	
<b>Administrative powers</b>	8	4	6↑(5)	5	3↑(2)	4	3↓(4)	1↓(2)	1	4	
<b>Media</b>	4	4	8	3	1	6↓(7)	3	1	2	4	
<b>Symbolic status/Image</b>	5↑(4)	7↓(8)	5↑(4)	4↑(2)	4↑(0)	0↓(1)	2↓(3)	2↓(3)	1↓(2)	2↓(3)	
<b>Party System</b>	3	3	7	7↑(5)	0	1	2↓(3)	1	1	1	
<b>Security forces</b>	5↑(4)	5↓(6)	1	1	2	1	4	4↑(3)	1	2	
<b>Foreign</b>	5↑(4)	1	1↑(0)	3↑(2)	1	2	2	4	3↓(5)	1↑(0)	
<b>Total 2015 year</b>	↑54	↓48	↑47	↑45	↑41	40=	↓37	↓36	↓35	↑31	2015 year —414

### Dynamic of positions within Politburo 2.0

Member of the Politburo 2.0	<u>November 2015:</u> Position within Politburo 2.0	<u>October 2014:</u> Position within Politburo 2.0	<u>November 2015:</u> Influence points	<u>October 2014:</u> Influence points
Ivanov	1	1	↑54	51
Shoigu	2	2	↓48	50
Volodin	3	3	↑47	45
Medvedev	↑4	9-10	↑45	30
Rotenberg	↑5	8	↑41	31
Kovalchuk	6	6	40	40
Chemezov	↓7	4-5	↓37	43
Sechin	↓8	7	↓36	37
Timchenko	↓9	4-5	↓35	43
Sobyanin	10	9-10	↑31	30

## Candidates for Politburo 2.0 membership

At the end of the 2014 and 2015, during the times of economic downturn and adverse external conditions a change of balance of power was taking place inside the Politburo of 2.0. It was also at that time that leaders emerged from different groups of candidates for members to Politburo 2.0:

- The security unit - **Alexander Bortnikov**, personification of the FSB - the agency leading in influence among the security forces. Its leading role can be attributed to the tandem with the Investigative Committee - the main public player in anti-corruption cases. In the face of deteriorating international environment the role of Security Council and its Secretary-General Nikolai Patrushev has inevitably increased;

- Among the technocrats First Deputy Prime Minister, **Igor Shuvalov**, takes the leading position and is preparing to take advantage of his victorious unification of Federal Antimonopoly and Federal Customs Services;

- In the regional group, one can notice the empowerment of the Deputy Prime Minister **Yuri Trutnev**, who has contributed to the scandalous arrest of the governor of the Sakhalin region, Khoroshavin and oversees a priority project for the President – the Far Eastern region;

- **German Gref**, one of few people offering a meaningful alternative agenda, has significantly influenced the economic bloc.

The financial triumvirate of Gref, Nabiullina and Kostin continues shaking up the banking sector and getting rid of problematic small and medium-sized banks.

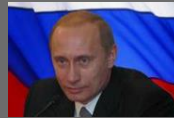
It is worth noting the growth of stability among big businesses that have strong relationships with elites in post-Soviet countries (Vagit Alekperov - the elite of Azerbaijan, Alisher Usmanov - the elite of Uzbekistan).

There has been contextual strengthening of speakers in both houses of parliament. **Valentina Matvienko**, as chairman of the Federation Council started to act much more independently than her predecessor, criticizing government officials, and making ambiguous political moves (for example, inviting Alexei Kudrin to speak in front of senators). The role of the upper chamber of the parliament was highlighted with two appeals by President Putin to allow for the use of Russian army outside of the country. Concurrent to the strengthening of Matviyenko, positions of the vice-speaker of the Federation Council **Yury Vorobyov**, a member of team Sergey Shoigu team have also been reinforced.

State Duma Speaker, **Sergey Naryshkin** plays an important role in Medvedev's plans to develop the "United Russia" into a party supporting government's economic initiatives. Naryshkin restrains excessive populism and radicalism of the "hawks", but does not allow for the most pressing social issues to move to the agenda of the Communist's party.

The Communist Party and its leader, **Gennady Zyuganov** strengthened their position as systemic opposition. In the 2015 regional elections, Communists defended their status of the "main opposition party" and, more importantly, a position of convenient and promising partner for potential sponsors.

Newcomers to the list of candidates – the, repositioned in Putin's team, Deputy Prime Minister **Arkady Dvorkovich**, and the head of the Accounts Chamber Tatyana Golikova, who came to the fore in a tandem with Viktor Khristenko.



V. Putin

S. Shoygu S. Chemezov I. Sechin V. Volodin S. Ivanov A. Rotenberg Y. Kovalchuk G. Timchenko D. Medvedev S. Sobyarin



Candidates for Politburo 2.0 members

The Power Block	The Political Block	Business	The Technical Block (Central Committee Secretary)
<p><u>A. Bortnikov</u> A. Bastrykin</p> <p>E. Shkolov V. Kolokoltsev</p> <p>V. Zolotov</p> <p>N. Patrushev M. Fradkov</p> <p>Y. Chayka</p> <p>V. Ivanov</p> <p>V. Lebedev</p>	<p>A. Gromov D. Peskov</p> <p>Patriarch Kirill</p> <p>V. Surkov</p> <p>A. Voloshin A. Kudrin</p> <p><b>System opposition</b></p> <p>V. Zhirinovskiy G. Zuganov S. Mironov</p>	<p><u>G. Gref</u></p> <p>R. Abramovich A. Miller V. Potanin O. Deripaska M. Fridman A. Usmanov V. Vekselberg V. Alekperov V. Rashnikov A. Kostin O. Sienko</p>	<p><u>I. Shuvalov</u></p> <p>E. Nabiullina D. Kozak S. Lavrov A. Vayno A. Belousov T. Golikova A. Dvorkovich</p> <p>S. Naryshkin V. Matvienko</p>
Regional Leaders			
<u>Y. Trutnev</u>	R. Kadyrov	R. Minnikhanov	A. Khloponin

Within an inch of making the list of candidates for members of the Politburo of 2.0 is, Dvorkovich's competitor, the new Minister of Agriculture, **Alexander Tkachev**. Despite his controversial positioning in politics, he has managed to demonstrate effectiveness in lobbying high enough for government novice.

A potential tandem of **Sergey Glazyev** and **Dmitry Rogozin** is outside of the Politburo 2.0. Glazyev's economic remedies are not in demand, and his effectiveness as an advisor on Ukrainian affairs became questionable. Rogozin could not produce obvious accomplishments in the sphere of military-industrial complex and has been criticized by the President on the construction of the Vostochny Cosmodrome ("Eastern Spaceport") Supported by Rogozin the "Rodina" ("Motherland") political party was not able to attain success in 2015 regional elections. Its political niche has many intersections with the electorate of the "United Russia" and the Liberal Democratic Party; therefore, there it is doubtful that the Kremlin will support it.

## Forecast

In the sphere of foreign policy, Putin's team will bet on "freezing" the Donbass conflict, play a more active game on the geopolitical arena (not limited to Syria) and work on creating an image of common enemy of Russia and the West – the radical Islamism. A key threat to the internal stability of the Russian Federation will be the situation on its southern borders - in the countries of Central Asia and the Caucasus<sup>4</sup>.

The Russian market of financial services will continue to redistribute its resources. In the face of sanctions and contra-sanctions domestic sectors of agriculture, food industry and commerce are growing in the face of sanctions and countersanctions, as is the competition for dominance in these sectors.

A new game begins around the state monopoly of Transneft (state-owned transport monopoly) *Может стоит пояснить, что это оператор всех нефтепроводов РФ*). Members of the Politburo 2.0 and the economic block of the government can't agree as to the spending of significant financial resources accumulated by the company. Putin will have a final word on this issue

The anti-corruption campaign will continue and the anti-corruption agenda will be used as a propaganda tool. Most vulnerable to the attack during purges of bureaucratic ranks and the "party of power" are governors of economically significant and financially attractive regions that lack strong ties with members of the Politburo of 2.0.

In the future, the proximity to the President factor will lose its meaning as a 'saving boat' and members of the Politburo of 2.0 will need additional support - regional strongholds and new political interface. In parallel, the soft testing of candidates for 2024 presidential election will take place as well as for teams of Politburo members. A number of elite groups will also have an important task to reposition "princelings" as the technocrats and effective managers.

**The 2016 State Duma elections will serve as a major test for all members of the Politburo 2.0, including the candidates for the members. Members of the Politburo 2.0 will use this electoral race to compete for influence, and candidates for members will strive for survival.**

It is very likely that we will see competing pools of candidates from members of Politburo 2.0. As such there is a risk of turning parliamentary elections into a referendum of confidence in Medvedev's government and games of other members of the Politburo against "United Russia" and personally against the Prime Minister.

A possibility of competing for control over spoiler, niche and regional party projects is becoming high, as there are already pools of candidates for single-mandate election districts from corporations. There is a spontaneous growth of informal Super PACs (similar to those in the United States), federal nomenclature and business groups. Simultaneously, we see reconfiguration of the regional elites. New political actors tend to bring political influence corresponding to their economic and image resources.

Since virtually all participants of the ruling elite are short on cadre, there is a chance for charismatic leaders from the regions to get on the same team with big players.

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<sup>4</sup> Overview of political risks for the countries of Central Asia, see the report "Assessing political risk for foreign investors in Central Asia: A Comparative Analysis" [[http://minchenko.ru/en/analytics/analytics\\_13.html](http://minchenko.ru/en/analytics/analytics_13.html)]. Overview of political risks for the countries of the Caucasus, see the report "Evaluation of political risks in the region of Transcaucasia (South Caucasus)" [[http://minchenko.ru/en/analytics/analytics\\_16.html](http://minchenko.ru/en/analytics/analytics_16.html)].

## About Minchenko Consulting

Providing consulting services since 1993.

### Main research agenda and services:

- Research of international practices of political and lobbying campaigns;
- Research of political and economic processes in the post-Soviet space;
- Monitoring activities of political and business elites in Russia and the CIS countries;
- Research of Eurasian energy security, military and political security issues;
- Exclusive analysis for government and private sectors.

### Research Projects Permanent monitoring projects

- Monitoring of regional elections in Russia (since 1996);
- Rating political survivability of governors in Russia (carried out jointly with the Centre of Political Conjuncture of Russia, subsequently with the St. Petersburg Politics Foundation, since 2007);
- Politburo 2.0 – analysis of the political elite in Russian Federation (since 2012);
- Assessment of political risks for foreign investors in post-Soviet countries: comparative analysis (since 2013).

### 2015

- Mid-term congressional elections in the United States and the perspective of presidential elections
- Analysis of British parliamentary election: new trends in political technologies;
- Assessment of political risks for foreign investors in the countries of the Caucasus: comparative analysis;
- Monitoring of political conflicts over regulations on the Russian pharmaceutical market (confidential report);
- Monitoring of political conflicts over commuter trains regulation in Russian Federation (confidential report).

### 2014

- Politburo 2.0 and the post-Crimean Russia;
- Technological aspects of 2014 elections to the European Parliament;
- Monitoring of gubernatorial elections in Russia;
- Monitoring of political conflicts over regulations in the Russian automotive industry (confidential report);
- Ukrainian revolution: analysis of the first stage of the revolution and prospects for its development.

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## 2013

- Political risks assessment for foreign investors in Central Asian countries: comparative analysis;
- Politburo 2.0 on the eve of a reboot of political elites in Russia;
- Review of political strategies of Russian governors appointed in late 2011-2012;
- Review of political survival rating of Russian governors;
- Uzbekistan's investment potential: political risk analysis;
- First anniversary of Dmitry Medvedev's cabinet: results and prospects;
- Mayoral elections in Moscow: Programming of Campaigns and Management of Candidates' Reputation;
- Political strategies of governor candidates in 2013.

## 2012

- System of presidential elections: Russian and foreign best practices;
- French presidential elections: analysis of political technologies;
- U.S. presidential elections: analysis of political technologies;
- Presidential elections in Turkmenistan: political and economic risks of Gurbanguly Berdymukhammedov's second term;
- Turkmenistan's investment potential: political risk analysis;
- Vladimir Putin's greater government and Politburo 2.0.

## 2011

- Social engineering and Russian modernization (based on the survey of sentiments of mono-cities residents);
- Post-crisis situation in mono-cities: problems and solutions.

## 2010

- 5th Anniversary of governor appointment system in Russia. Time to return to direct elections;
- 2010 presidential elections in Poland. Candidates and tactics;
- Pre-election situation in the Kyrgyz Republic;
- Future of the South Stream project;
- Political influence index of the heads of 100 largest cities in Russia (jointly with the St. Petersburg Politics Foundation);
- 2010 parliamentary elections in Moldova: analysis of political technologies.

## 2009

- Geopolitical lobbying on the issue of NATO's Eastern enlargement;

- Monitoring of the 2009 European Parliament election;
- Images of Russia and the United States in the lead-up to resetting relations;
- Algorithms for conflict resolution in Russian mono-cities;
- Foreign influence in the 2010 Ukrainian presidential elections;
- Recognition of Abkhazia's and South Ossetia's independence by Russia: year after
- Monitoring of political conflicts over the Federal Law "On the Basic Principles of State Regulation of Trading Activities in the Russian Federation";
- Economic situation in Belarus and vectors of geopolitical lobbying in the President Lukashenko's Team;
- Lobbying and pressure groups in Russia: what changed during the first year of the Putin-Medvedev Tandem;
- New European security architecture and prospects for Kazakhstan Chairmanship of the OSCE.

## 2008

- Political survival rating of Russian governors (joint project with the Centre of Russian Current Political Situation and the St. Petersburg Politics Foundation), 2007-2013;
- Conflict in South Ossetia: geopolitical and image consequences for Russia.

## 2007

- Pressure groups and lobbying technologies in Ukraine (jointly with Kiev Gorshenin Institute of Management Issues);
- Ukraine's energy potential (joint project with Free Europe Foundation, United Communications and Sofia Center);
- Common economic space and lobbying. Pressure groups and lobbying technologies in Russia, Ukraine, Belarus and Kazakhstan: comparative analysis (2006-2007);
- Lobbying by foreign companies in Turkmenistan;
- Scenarios of power succession in Central Asia and Kazakhstan: experience and perspectives;
- Russian Energy Strategy in Eurasia: priorities and technology of implementation.

## 2006

- Optimization of administrative and territorial division in Russia: initial results and future steps;
- Prospect of joining NATO: attitudes of the Ukrainian electorate and experts (jointly with Sofia Center for Social Technologies and Army, Conversion and Disarmament Research Center).

## 2005

- Universal electoral technologies and country-specific features: experience of Russian

political advisers;

- How to get and retain governorship. Second edition. Lobbying technologies in governor elections in Russian Federation (2005-2009);
- Monitoring of Rada elections in Ukraine (2005-2006, 2007).

## **2004**

- 2004 presidential campaign. Comparative analysis of electoral technologies implemented in Russian, Ukrainian and U.S. presidential elections;
- Psychological portraits of candidates for Ukrainian presidency;
- Monitoring of regional parliamentary elections in the Russian Federation: technologies of political party brand promotion (2004-2007).