

Senator Seats, Political Loyalty Lure Tycoons to Polls

By [Alexandra Odynova](#)

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Among a motley crowd of 20,000 candidates to win seats in local legislatures nationwide last weekend were three prominent tycoons who had good, if varied, reasons to dabble in regional politics.

Mikhail Slipenchuk and Alexander Lebedev won seats in legislatures in Buryatia and Kirov, respectively, while Chelsea football team owner Roman Abramovich was re-elected in Chukotka.

Slipenchuk, 46, a geographer-turned-investment banker who ran for the Yeravna district council on United Russia's ticket, crushed his sole opponent, a Communist who works in forestry, with 65 percent of the vote.

The businessman, whose net worth was put by Forbes at 11.5 billion rubles (\$400 million) last year, was registered as a resident of the local Ozernoye village in 2008.

"I became one of the main tax payers in the district," he said in e-mailed comments Tuesday. "I became interested in where the budget money goes and how it is spent."

He said that as a lawmaker he would pitch business ideas to local residents, although he conceded that his political work would largely be done long distance.

But there appears to be a practical reason behind his bid as well, because Slipenchuk has been lobbying the government for years to permit metals mining in Ozernoye.

The local deposit, managed by the East Siberia Mining Co., could produce 6 million tons of various ores, mainly lead and zinc, by 2013, but it will take \$1 billion to fully develop it, Slipenchuk said last year.

Another potential reason to drive tycoons to remote nooks may be new legislation, in effect since January, that says only people who serve as local lawmakers can become senators in the Federation Council.

Slipenchuk acknowledged that he was interested in the opportunity.

"I didn't have such an aim originally. But if an order comes, I will work at any other level," Slipenchuk said, without elaborating on who might give the order.

Billionaire banker Lebedev, elected to the Sloboda district council as an independent with a modest 39 percent of the vote, denied that he was seeking a springboard for the Federation Council.

His bid was more of a "charity project," Lebedev, worth \$2.1 billion according to Forbes last week, wrote on his [blog](#) after the elections. "It will be interesting to test myself at this place — to make a pilot project and see if modernization is possible at such a level," Lebedev wrote in a reference to President Dmitry Medvedev's much-touted modernization program.

Abramovich, incumbent speaker of the Chukotka regional legislature, scored the biggest victory of all, winning 92 percent of the vote.

"Abramovich's decision to stand for re-election signals his ongoing commitment to the region," his spokesman John Mann said by e-mail, adding that the businessman continues to attract investment to the region.

Abramovich's fortune is estimated at \$13.4 billion, or 26 times larger than Chukotka's budget of 14.8 billion rubles (\$517.8 million) for [this year](#).

Abramovich served as Chukotka's governor from 2000 to 2008. He was widely believed to dislike the job, supposedly imposed on him by the Kremlin, and spent much of his time at his home in Britain. But the money that he shelled out for Chukotka residents from his own pocket made him popular in the region.

Overall, the tendency to mix business and politics is not new in Russia, giving entrepreneurs a chance to prove their political loyalty and give their constituencies an economic boost, analyst Alexei Minayev said.

"It's convenient for both sides," said Minayev, who works for Rye, Man & Gor Securities. "The businessmen feel safer, while the authorities lure big investments to their regions."

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