

Putin Meets More With Bankers Than With Oilmen

By [Anatoly Medetsky](#)

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Vladimir Putin may be the prime minister of the world's largest oil producing country, but surprisingly he has never officially met the chief of Russia's largest oil company, Rosneft, for a one-on-one conversation.

Instead, his most frequent tete-a-tete meeting partners from the business community during his three years in office were bankers: Andrei Kostin and German Gref.

The choice obviously has a lot to do with the fact that the banks these men run — VTB and Sberbank, respectively — are state-controlled and dominate the local lending landscape, making them an important tool for the government in rebuilding an economy ravaged by the economic crisis.

But a short distance to the pinnacle of power may also work in both directions and give additional lobbying advantages to the business executives that get a chance to walk through

Putin's door.

Kostin holds the record for meeting Putin more often than any other executive of state-controlled or private companies. He first visited the prime minister just four weeks after Putin received the title in May 2008. Since then he logged a total of 11 one-on-one appointments, according to the Cabinet's web site.

Gref comes in a close second with nine such meetings. He most recently met Putin on July 6 and May 21.

"Sberbank and VTB are not just the biggest lenders, but they also have the mission of raising the competitiveness of banking institutions at large," said Olga Mefodyeva, an analyst at the Center for Political Technologies, a think tank. "They are part of the effort for economic expansion and a better investment climate."

At the latest meeting, Putin and Gref mentioned the privatization of 7.5 percent in the bank, scheduled for September, and spoke about first-half profit and mortgage rates. The Cabinet's web site normally publishes only the opening remarks of the conversations.

In addition to what's in the public domain, Gref may have discussed the expansion of Moscow city limits, said Pavel Tolstykh, director of the Center for the Study of the Issues of Interaction Between Business and Government, a think tank. A proposal by Mayor Sergei Sobyanin and Moscow region Governor Boris Gromov, made a week after Gref and Putin met, brightens the future of Sberbank's land holdings, called Rublyovo-Arkhangelskoye, which happen to fall within the new boundaries that President Dmitry Medvedev tentatively approved.

In previous private audiences, Gref may have also brought up the recent agreement for his bank to acquire the investment company Troika Dialog, while Kostin may have gained approval for taking over Bank of Moscow.

Another frequent visitor at Putin's office — third most popular with eight one-on-one appointments — has been Vladimir Yakunin, president of the state-owned Russian Railways. An old neighbor of Putin's at a dacha community outside St. Petersburg, he runs the country's biggest employer.

Putin's spokesman Dmitry Peskov said it was only "working rationale" that dictated how often Putin lends his ear to business executives and the gamut of appointments.

VTB said only that Kostin received invitations to meet the prime minister "in the interests of developing one of the strategic credit organizations." The press offices of Sberbank and Russian Railways didn't respond immediately to requests for comment.

Although Alexei Miller is chief of Gazprom — the country's largest corporation and the world's second most profitable publicly traded company — he still doesn't qualify for more than a single appointment every year, except during turbulent times. He met Putin as many as five times during a gas trading standoff with Ukraine in 2009.

Not all the state-controlled giants have guaranteed access to Putin for their chief executives. He delegates responsibility for some of the big companies to his most trusted deputies, Mefodyeva said.

First Deputy Prime Minister Viktor Zubkov looks after the country's third largest bank, state-owned Rosselkhozbank, the farming sector lender. Deputy Prime Minister Igor Sechin oversees Rosneft.

As prime minister, Putin didn't hold a single one-on-one meeting with a Rosselkhozbank chief and either the previous Rosneft chief Sergei Bogdanchikov or his replacement Eduard Khudainatov, despite the companies' heavyweight status in their industries and Rosneft's hefty contribution to federal coffers.

"Sechin is a really strong independent resource in the energy area," Mefodyeva said.

Nevertheless, when it comes to the private sector, Putin does meet a least one oil industry captain. In fact, LUKoil chief Vagit Alekperov, whose company is second largest in the domestic oil industry, is the private economy champion in one-on-one meetings with the prime minister. They met four times.

Pyotr Aven, president of Alfa Bank, the country's largest private bank; and Vladimir Yevtushenkov, chairman of oil-to-telecoms holding Sistema, are the next runners-up to Alekperov, each with three tete-a-tete appointments under their belts.

Meetings like this may show either the lobbying power of companies, or that the government values the opinion of these executives in drafting policies, or wants to enlist them for projects of national importance, Mefodyeva said.

Putin met with Vladimir Lisin, the richest Russian on the latest Forbes list of the world's most affluent people, in September 2010. He also sat down to talk with some other top 10 Russians on the list, such as Severstal chief Alexei Mordashov and Renova chief Viktor Vekselberg. Alekperov ranks No. 8 on the Forbes list.

But some of Putin's wealthiest fellow citizens have never spoken with him in private, at least officially. They include Mikhail Prokhorov, Oleg Deripaska and Roman Abramovich.

Putin, in fact, met all three to discuss "work-related projects," Peskov said.

An "overwhelming proportion" of Putin's meetings are on record, Peskov said. "But there are also appointments that stay out of the spotlight."

Number of one-on-one meetings with Putin

State-owned or state-controlled companies

1.	Andrei Kostin	VTB	11
2.	German Gref	Sberbank	9
3.	Vladimir Yakunin	Russian Railways	8
4.	Alexei Miller	Gazprom	7
5.	Sergei Kiriyenko	Rosatom	6
6.	Vladimir Dmitriyev	Vneshekonombank	4
7.	Sergei Frank	Sovkomflot	3
	Nikolai Tokarev	Transneft	3
8.	Roman Trotsenko	United Shipbuilding Corporation	2
	Anatoly Chubais	Rusnano	2
	Valery Nazarov	Rosagrolizing	2

9.	Vitaly Savelyev	Aeroflot	1
	Oleg Budargin	Federal Grid Company	1
Private companies			
1.	Vagit Alekperov	LUKoil	4
2.	Vladimir Yevtushenkov	Sistema	3
	Pyotr Aven	Alfa Bank	3
3.	Viktor Vekselberg	Renova	2
	Vladimir Strzhalkovsky	Norilsk Nickel	2
4.	Vladimir Lisin	Novolipetsk Steel	1
	Dmitry Pumpyansky	TMK	1
	Alexei Mordashov	Severstal	1

Sources: Russian government, The Moscow Times

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3