

# Russian Businessmen Tap Into Upswell of Patriotism

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February 23, 2015



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A Chechen tycoon has set up a patriotic business association aimed at curbing Russia's winner-take-all capitalism and encouraging responsible local investment under the banner of love for your country.

The association is called Avanti and was presented this month at Moscow's Ritz-Carlton hotel — but don't let the Italian name and the U.S.-run launchpad overshadow the association's patriotic credentials.

The name is inspired by a slogan used by former Italian Prime Minister Silvio Berlusconi to energize Italian youth. The hotel? Well, most of Moscow's premier joints are run by foreign brands. Which, Avanti might say, is part of Russian's problem.

Avanti describes itself as a "social platform for the development of business patriotism in Russia" and aims to shift the core culture of Russian capitalism. Chechen Umar Dzhabrailov, a former senator who is bankrolling the association, is quoted on its website as saying: "Without ideology entrepreneurship becomes a banal process of profiteering. What does that lead to? The ugly habit of making money in Russia and hoarding cash in foreign hideaways."

Capital flight is a chronic Russian problem, and \$150 billion fled the country last year as the wealthy shifted cash overseas amid Western sanctions on Moscow over its role in the Ukraine crisis.

Avanti will support entrepreneurs who "invest money into their own country like real patriots," Rakhman Yansukov, Avanti's president, told The Moscow Times.

### **Growing Patriots**

The initiative is in step with the times. Russia is in the economic doghouse but is bubbling with patriotism as Putin confronts the West in Ukraine.

Avanti's launch saw the Ritz conference hall crammed with businesspeople, many of whom had come up in Putin's Russia, and the event bustled with anti-Western rhetoric alongside the calls to support young entrepreneurs, small businesses and industrial and agricultural self-sufficiency.

Backed by the wealth and connections of Dzhabrailov, Avanti promises to provide free business education programs and work with companies to overcome financial and bureaucratic barriers and share organizational expertise. It will form a business club to pool resources, share information, provide discounted financial services and lobby government. It will also promote sports programs.

### **Business + Patriotism =?**

But most of the businesspeople interviewed by the Moscow Times at Avanti's event were lukewarm on the organization's patriotic message.

What they wanted was for Avanti to settle their problems with bureaucracy.

When pushed, many of them began to echo the association's talking points. They criticized greedy self-interest, spoke of the long-overdue injection of values into business and, in one case, said Russia should cut its reliance on imports, especially in the face of Western pressure.

The Soviet bloc was based on self-sufficiency, but cheaper and often better foreign goods flooded into Russia after communism's collapse in 1991. A new class of businesspeople made money buying and selling, but production collapsed.

Avanti is not the first to offer a solution. National business lobby groups and foreign trade chambers have sweated to promote and protect small business in recent years. Laws have increasingly incentivized localization of production, and ministers years ago began identifying small and medium-sized businesses as an essential engine of sustainable growth.

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## **Loving the State**

Like most Russians, Avanti loves Putin. But there is tension between the association's adamant support of Putin's policies and good conditions for business.

Putin has been accused of strengthening the state at the expense of business, and government ownership of the economy is growing as Western sanctions and the falling price of oil depress economic growth and force major companies to seek state aid. Last year saw a raft of anti-business moves, from legislation banning advertising on cable TV to delays of scheduled privatizations and the court-ordered nationalization of the Bashneft oil company while its owner sat under house arrest.

But both Dzhabrailov and Yansukov insist that the Kremlin is fundamentally pro-business.

Dzhabrailov is quoted on Avanti's website as saying Putin's recent calls for tax freezes and a reduction of checks on companies showed that support of small businesses had become "the zeitgeist."

Yansukov tried to square the circle: "The government is moving in precisely the right direction," he said. "Business and government cannot exist without one another ... Entrepreneurs should first work for themselves and then for the state."

## **Learning to Love**

Marina Bushuyeva, who runs a transport company in Moscow with her husband, Alexei, said what patriotism comes down to is love. This sounds simple but is not, she said.

A metaphor about kittens illustrates this: "Do you know what young children do with kittens? All small children do the same thing. They take them in their hands," she said, cupping her hands on the tabletop as if squeezing, "and throttle them."

"They must be taught to love."

Avanti's manifesto wants to educate: "Our main aim is to develop a feeling of responsibility among business for their own courtyard, street, town, region and country."

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Original url:

<https://www.themoscowtimes.com/2015/02/23/russian-businessmen-tap-into-upswell-of-patriotism-a44149>