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Business Leaders Voice Alarm to Putin Over 'Frightening' Nationalizations – Vedomosti

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kremlin.ru

Dozens of Russian business leaders expressed alarm to President Vladimir Putin about the "frightening" number of nationalizations that have taken place since the invasion of Ukraine, the Vedomosti business daily reported Friday, citing four anonymous sources familiar with their late-night meeting this week.

One of the sources told the publication that while "everyone understands the context and nuances of each case" involving state seizures of private businesses, the trend over the past year and a half "cannot but disturb."

A high-level government source told Vedomosti that officials tried to "completely dispel" the businessmen's fears of possible Kremlin efforts to overturn the privatizations that marked Russia's switch from a state-run to a market economy in the 1990s.

Business owners left the two-hour meeting with "the feeling that it would not be easy" to get the Kremlin to agree to higher taxes to accommodate increased war spending instead of tightening its fiscal policies, Vedomosti said, citing a participant.

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The Kremlin said Thursday that the meeting at Putin's residence outside Moscow addressed steps to improve Russia's investment climate and create conditions for companies transferring assets to the Russian jurisdiction from "unfriendly" countries.

Kremlin spokesman Dmitry Peskov declined to comment further on Vedomosti's report of the meeting with around 80 businessmen and officials.

Among those in attendance were Sberbank CEO German Gref, Russian Railways head Oleg Belozerov and Kamaz head Sergei Kogogin, as well as presidential aide Maxim Oreshkin, First Deputy Prime Minister Andrei Belousov and Economic Development Minister Maxim Reshetnikov.

Hundreds of mostly Western companies have either fully exited or scaled back operations in Russia since it launched a full-scale offensive on Ukraine 21 months ago.

Russia has imposed a series of financial burdens for businesses seeking to exit the country as it faced unprecedented sanctions for invading Ukraine.

The threat of nationalization has been described as part of the Kremlin's "carrot-and-stick" approach to punishing the United States and European countries that have seized Russian assets while rewarding those that have not.

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