



# Gorshenin *Weekly*

**ISSUE #2(71) 01/23/2012**

**Ukraine may complete gas talks with Russia in near future. Issue revolves around Ukraine's gas transportation system**

**On 20 January 2012, Ukrainian Prime Minister Mykola Azarov has said that Ukraine and Russia are nearing the final stage of gas negotiations.**

At the same time, he stressed that Ukraine considers the setting up of a trilateral consortium for managing the gas transportation system the only possible option.

It is worth noting that Azarav said earlier that the Ukrainian party could take Russia to an international court if the gas negotiations failed.

Additionally, Azarov stated before that Ukraine did not intend to buy the amount of Russian gas which is specified in the current contracts. The minimum amount under the contract is 41.6bn cu.m., while Ukraine intends to purchase only 27bn cu.m.

We shall remind you that Ukrainian Energy and Coal Industry Minister **Yuriy Boyko** and Gazprom's CEO **Aleksey Miller** held another round of gas talks in Moscow on 17 January 2012. The negotiations did not have any concrete results.

The mass media reported that the most recent draft of a new Ukrainian-Russian gas contract envisioned the setting up of two joint companies, the ownership of which would be evenly divided between parties. The Ukrainian gas transportation system would be transferred into the ownership of the first company. Then, the company owners – Ukraine's state-run oil and gas trader Naftohaz Ukrayiny and Russia's Gazprom – would “on the basis of consensus” “determine the terms of participation” of other European gas firm or firms in the joint company.

It was suggested to turn the second joint company into a monopoly which would import gas to Ukrainian territory and purchase raw materials from the country's mining companies. There were plans to grant this company the exclusive right to sell gas to domestic consumers and to distribute it among them. The document served as insurance for Gazprom that the rules of the third energy package with the EU will not be implemented in Ukraine. In other words, the joint company was intended to preserve the right to combine the functions of gas extraction, transportation and distribution.

Importantly, the draft contract did not include the provision which would guarantee Gazprom's transit of a certain volume of gas through Ukraine.

At the same time, not only did Gazprom want to receive a share in the Ukrainian gas transportation system but also intended to pay for it with its own shares, rather than money.

Taking into consideration that Gazprom assessed the value of the Ukrainian gas transportation system at 10bn dollars, then the Ukrainian share in the Russian monopoly would be 3.6 percent, the mass media reported.

We would like to note that on 20 January 2012, the Ukrainian National Security and Defense Council took a decision to devise additional ways which would allow Ukraine to ensure a higher level of energy security. “First of all, the issue here is diversification of delivery sources of natural gas,” the secretary of the National Security and Defense Council, **Rayisa Bohatryova**, said.

It is well known that earlier the mass media circulated the information that Ukraine is conducting talks on gas deliveries from Turkey and Romania. If they are successful, then by the end of the year Ukraine will be able to import gas without

the participation of Russia's Gazprom.

It is noteworthy that Gorshenin Institute experts pointed out in their analysis and comments on numerous occasions that there is no conflict between Ukraine and Russia when it comes to the issue of gas. According to them, the countries create the visibility of a conflict which is intended to justify the transfer of the Ukrainian gas transportation system to Russia.

## **Security Service chief appointed Ukraine's new finance minister**

**On 18 January 2012, Ukrainian President Viktor Yanukovich dismissed Finance Minister Fedir Yaroshenko.**

The president appointed **Valeriy Khoroshkovskyy**, who was the chief of the Security Service of Ukraine (SBU), as the new head of the Finance Ministry.

The new appointment stirred a reaction among politicians and experts.

The first deputy head of the opposition Fatherland party, **Oleksandr Turchynov**, believes that the new finance minister will toughen fiscal policy and tax pressure on business.

It is well known that in April 2011, the president signed an order which placed the State Tax Administration and the State Customs Service under the control of the Finance Ministry.

The deputy head of the parliamentary finance committee, **Mykola Katerynchuk**, opined that Prime Minister **Azarov** might also be dismissed following the sacking of Yaroshenko.

A number of politicians and experts share the same opinion.

At the same time, there is a belief that Khoroshkovskyy might be appointed as prime minister in the future. Furthermore, some experts forecast that he might become the new front man of the ruling Party of Regions. Currently, experts and politicians offer no opinion regarding the interest group on whose behalf the new finance minister will act – on behalf of the president and the “family” or the RosUkrEnergogroup.

Writing for the Ukrainian news and analysis website Lb.ua, journalist **Vitaliy Portnikov** said that Khoroshkovskyy's appointment as finance minister “became a symbolic event which signals a new turn in a clash of the clans from the closest entourage of the country's president.” “Prior to this appointment, the limits of clan influence were drawn rather simply. The 'Donetsk' representatives controlled government positions, RosUkrEnergogroup – the presidential administration, the energy sector and partially the law-enforcement agencies. Simultaneously, the position of the presidential family, who kept expressing new desires in business and country management all the way to the National Bank and the Interior Ministry, grew stronger. Mykola Azarov played the role of the main finance controller in this clash, which unfolded on the background of a dramatically deteriorating financial and economic situation in the country..., while not so bright Yaroshenko was only playing the role of assistant to this main controller,” Portnikov opined. According to the author, Khoroshkovskyy himself will aspire to become the “main controller.” At the same time, “by obtaining access to the budget, he will start to distance Donetsk's oligarchs from it, privatizing the state in the interests of the bloc of the RosUkrEnergogroup and the presidential family.”

It is well known that a number of Ukrainian experts and mass media outlets believe that Khoroshkovskyy belongs to the so-called RosUkrEnergo influence group. Its membership includes, in addition to Khoroshkovskyy, a Ukrainian businessman who owns the Group DF holding, **Dmytro Firtash**, the head of the presidential administration, **Serhiy Lyovochkin**, Finance Minister **Yuriy Boyko** and Foreign Minister **Kostyantyn Hryshchenko**. Khoroshkovskyy also has good connections in Russian business circles: back in 2005-06, he headed a big Russian company called Evraz Holding. Khoroshkovskyy owns the biggest Ukrainian media group, U.A. Inter Media Group.

**Ukrainian president appoints acting Security Service chief. Experts diverge on who will serve as the agency's permanent head**

**On 19 January 2012, Ukrainian President Viktor Yanukovich appointed Volodymyr Rokytskyy as acting head of the Security Service of Ukraine (SBU).** Prior to this, Rokytskyy served as the SBU first deputy head. Introducing Rokytskyy to the agency's staff, the president called him one of the most experienced managers.

It is worth mentioning that according to experts, there are several candidates for the post of SBU head: the head of the Foreign Intelligence Service, **Hryhoriy Ilyashov**, the deputy secretary of the National Security and Defense Council, **Volodymyr Sivkovych**, Deputy Prosecutor-General **Renat Kuzmin** and Rokytskyy himself.

Experts also believe that prior to the parliamentary election, the new SBU chief should possess such a quality as absolute loyalty to the head of state.

**Criticism of National Bank of Ukraine might be banned soon**

**The National Bank of Ukraine (NBU) might ban in the near future publication of ungrounded statements which harm its work.**

The mass media cited an informed source as saying that lawmakers were drawing up a draft law at the moment which will envision the possibility of imposing a temporary or permanent ban on the criticism of the NBU actions. Those who ignore the ban will be held criminally responsible.

The NBU explains that "the national legislation of many countries includes a provision that one should not disclose information which might deteriorate an economic situation in the country."

**Lawmakers stripped themselves of right to initiate annulment of international agreements**

**On 11 January 2012, MPs amended the regulations governing the Supreme Council of Ukraine.**

Under the adopted amendments, lawmakers were stripped of the right to propose for consideration draft laws on revocation of international agreements signed by Ukraine. From now on, this is the exclusive right of the president and the Cabinet.

The head of the parliamentary committee for the European integration, former Foreign Minister **Borys Tarasyuk**, believes that from the legal standpoint these amendments violate the Constitution of Ukraine since they restrict the range of legislative initiatives for MPs. At the same time, the politician pointed out that only the Constitution can restrict such right.

In Tarasyuk's opinion, the current government and the ruling Party of Regions, in particular, uses the adopted amendments as a platform from which to defend those "anti-Ukrainian international agreements which have been signed over the past years." "In particular, the issue here is the anti-Ukrainian 'Kharkiv agreements'," the former minister noted.

**Security Service of Ukraine completes investigation into new criminal case against former premier**

**The Security Service of Ukraine (SBU) has completed an investigation into a criminal case launched against former Prime Minister Yuliya Tymoshenko over alleged violations committed by the United Energy Systems of Ukraine (UESU) corporation.**

“Yuliya Tymoshenko is accused of the organization of tax evasion worth over 4.7m hryvnias (588,000 dollars), theft and attempted theft of budgetary funds by means of an illegal reimbursement of more than 25m hryvnias (3.12m dollars) in value-added tax, forgery while in office and evasion of income tax worth 681,000 hryvnias (85,000 dollars). UESU stole budget funds by implementing a financial plan which concealed foreign exchange earnings by means of offshore companies controlled by it,” the SBU press center said.

Tymoshenko and her lawyers have started to read the materials of the criminal case.

The Ukrainian prosecution filed a civil lawsuit over the criminal case with the intention of ensuring reimbursement of funds.

On 17 January 2012, a law on decriminalizing economic offenses came into force in Ukraine. Given the adoption of the law, the SBU dropped the charges of the organization of the concealment of foreign exchange revenue which Tymoshenko was facing under the criminal case launched against her.

**French human rights envoy not granted permission to see Yuliya Tymoshenko**

**On 18-19 January 2012, French human rights envoy Francois Zimera paid a visit to Ukraine.**

As part of the visit, he asked the corresponding Ukrainian agencies to grant him permission for a meeting on 18 January 2012 with former Prime Minister **Tymoshenko**, who is currently being held in Kharkiv's Kachanivsk prison No 54. The French envoy was denied permission. Zimera said that the reason for the denial was the conduct of an investigation into the case against the former prime minister by SBU investigators.

Later, Tymoshenko's lawyer **Serhiy Vlasenko** said that the prison management had intentionally deceived the French envoy in order to prevent him from seeing the former prime minister. According to him, the investigatory actions on 18 January 2012 lasted for 15 minutes – from 12.45 p.m. to 1.00 p.m.

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**Ukraine suffers decline in Freedom House ranking**

**Ukraine worsens its political rights and civil liberties rating in 2011.**

According to the survey conducted by Freedom House, a human rights organization, last year Ukraine moved from the status of "Free" to "Partly Free" countries. It should be noted that Ukraine was in the "Partly Free" category before 2005. In 2006-2010, thanks to improvements in the situation with its political rights and civil liberties, Ukraine switched to the category of "Free" countries. Now, based on the results of 2011, Ukraine backslid into the previously occupied position.

**President of Ukraine to attend World Economic Forum in Davos**

**President Viktor Yanukovich is planning to attend the annual meeting of the World Economic Forum (WEF) in Davos (Switzerland).**

As presidential spokeswoman Daria Chepak reported, most of the president's meetings will be devoted to energy issues. In particular, the president will participate in the events of the Energy Summit as part of the WEF. The WEF will be held January 25-29, 2012. The forum is organized with the support of the Victor Pinchuk Foundation and international investment advisory group EastOne.

It should be noted that WEF events will be attended by President of the Gorshenin Institute Vadym Omelchenko and Chief Editor of the Ukrainian news and analysis website Lb.ua Sonia Koshkina.

**Mykola Azarov: Ukraine can do without IMF loans, but intends to continue cooperation with fund**

**Prime Minister of Ukraine Mykola Azarov is sure that Ukraine can do without loans from the International Monetary Fund (IMF).**

"I have no doubts that we'll do without it. I also didn't have any doubts in this respect in 2011, and we lived through the year without any problems," he said. At the same time, Azarov noted that Ukraine hopes to resume the cooperation program with the IMF as the fund provides the cheapest loans on the market.

The prime minister also said that on January 24, 2012, a Ukrainian delegation headed by newly appointed Minister of Finance Valeriy Khoroshkovskyy will fly to Washington DC to meet senior officials of the IMF.

According to the IMF, this year Ukraine should repay the fund about 3.7 billion dollars.

**Party of Regions expects adoption of land market law in February 2012, World Bank says Ukraine not ready for land market reform**

**The Supreme Council of Ukraine will consider the draft law on land market in February 2012.**

According to Chairman of the Party of Regions' parliamentary faction **Oleksandr Yefremov**, the bill should be passed in the second reading without any haste to eliminate all possible shortcomings in the document.

At the same time, when speaking about criticism of the bill, Yefremov said that "the bill does not satisfy only those who are lobbying interests of foreigners." "They suddenly started to dislike the document as soon as we removed the provision that allows privatization of Ukrainian land by foreign citizens and companies," he said.

In turn, **Serhiy Tereshchuk**, the deputy chairman of the parliamentary committee on agrarian policy and land relations, said that the main concern with regard to the bill is how much agricultural land one company should be able to lease within one area. According to him, this question will be addressed directly in the session hall.

Experts of the World Bank believe that Ukraine is not ready to carry out reform of the land market. "Despite the adoption of the Law on Land Cadastre in the summer [of 2012], over a dozen by-laws have yet to be drafted and approved, which

significantly slows down the implementation of the project and reform on the whole," World Bank analysts say.

**Prime Minister Mykola Azarov does not rule out Ukraine joining Customs Union in "3+1" format**

**Ukrainian Prime Minister Mykola Azarov does not rule out the possibility that Ukraine will join the Customs Union between Russia, Belarus and Kazakhstan.**

"So, now the Customs Union has really started working between the three countries. We will carefully track any feedback, see how it works, we possess all the information: what is positive and what is negative. We do not rule out a possibility to join the Customs Union", - Azarov said.

Azarov recalled that earlier Ukraine offered the 3+1" format of cooperation with the Customs Union. "That is to say, there is a large scope of relations based on the agreements, we look at those relations and we choose, that is absolutely acceptable to us", Azarov said.

A reminder that on 19 January it became known that the Commission of the Customs Union imposed a 26% anti-dumping duty on import from Ukraine of steel forged rolls for rolling mills till 26 June 2014 inclusive.

**Belarus joins trade war between Russia and Ukraine**

**Belarus joins Russia in questioning the quality of Ukrainian cheese.**

"We raise this pressing issue. Butter fat should be substituted with so-called palm oil neither in ice-cream, nor in margarine, nor in cheese, nor anywhere," the Minister of Agriculture of the Republic of Belarus Mikhail Rusyi said.

On January 12, 2012, the Chief State Sanitary Doctor of Russia **Gennadiy Onishchenko** said that the Russian Sanitary Service discovered an excessive amount of palm oil in the cheese supplied to Russia by a number of Ukrainian producers.

In response, Prime Minister of Ukraine **Azarov** said that he sees no reasons for Russia to limit imports of Ukrainian dairy products. According to him, Ukrainian companies produce high quality dairy goods in compliance with all required standards. "Russian cheese factories should try hard to produce cheese of such high quality," he said.

In turn, Minister of Agrarian Policy of Ukraine **Mykola Prysiashniuk** said that "the quality of our cheeses satisfies customers, first of all, within the CIS," and no embargo from the Russian side is expected.

At the same time, the State Veterinary Service of Ukraine said that Russia's lack of a uniform system of comprehensive control over foods turnover threatens epizootic security in Ukraine.

According to experts and mass media, the statements made by the Russian side regarding poor quality of Ukrainian cheese products may be related to the "gas talks", upcoming presidential elections in Russia and Ukraine's switching to European food control standards.

**EU car sales in 2011 drop almost 2%, Ukraine boosts sales by more than 22%**

**Unlike Europe, Ukraine continues growing car sales.**

As reported by the European Automobile Manufacturers Association (ACEA), sales of new cars in the European Union decreased by 1.7% in 2011. The association notes that sales of new cars in the EU have been falling for the last four years.

At the same time, unlike the EU, Ukraine increased its car market in 2011 by a total of 30.8% compared to 2010.

**Crimean separatists receive the right to challenge Crimean autonomy status in court**

**The Supreme Administrative Court of Ukraine allowed to consider on merit the claim regarding canceling the valid constitution of the Crimean Autonomous Republic.**

The plaintiff on the case is the activist of the pro-Russian public organization Sevastopol-Crimea-Russia, **Valeriy Podyachy**. He has been filing complains within courts in Crimea starting 21 November 2008 but every time his complaints were rejected. The case went to the Supreme Administrative Court of Ukraine, and this court forwarded Podyachy's complaint to the Regional Administrative Court of the Crimean Autonomous Republic obliging it to consider the complaint on its merits.

The essence of the case is restore the Crimean constitution approved in 1992 where the Crimea was proclaimed a sovereign state in confederative relations with Ukraine. On 17 March 1995 the Ukrainian Parliament unilaterally cancelled the Crimean constitution. In 1998 a new Crimean constitution was approved where the Crimea was identified as an autonomous republic within Ukraine.

Crimean politicians say the complaint filed by the pro-Russian activist is an act of provocation with no legal basis.

**Ukrainian army to axe 15-20% personnel**

**The Ukrainian army continues reducing number of personnel.**

Ukrainian Defence Minister **Mykhaylo Yezhel** has said that "within the next five years, as a result of reorganization measures, the number of personnel in the Ukrainian army will be cut by 15-20%". Yezhel said that by 2017 the number of personnel in the Ukrainian army will be reduced to 130,000 servicemen.

As you know, based on the law On number of personnel in the Ukrainian army, by 31 December 2012 the number of personnel in the Ukrainian army will be reduced to 184,000 people, out of them military personnel – 139,000. Within one year the number of personnel will be cut by 8,000 people, of whom 5,000 are military personnel.

A reminder that at the end of 2011 the Ukrainian Parliament approved a law submitted by the President of Ukraine that allows the head of the state to use the armed forces without parliament's consent.

It is worth mentioning that according to the public opinion poll conducted by the Gorshenin Institute in September 2011, the majority of Ukrainians (68.3%) believe that the Ukrainian army will not be able to protect the country in case of a real threat from other states.

**Ukraine takes initiative in settling conflict between Moldova and its breakaway Transnistria region**

**Ukrainian President Viktor Yanukovich met his Moldovan counterpart Marian Lupu in Kiev on 18 January 2011.**

The heads of the two states refrained from any comments on the outcome of the meeting.

Nevertheless, media say with references to informed sources, that the subject of the meeting was settlement of the conflict in Transnistria region. In particular, the parties agreed on holding a trilateral meeting between foreign ministers of Ukraine, Moldova and Transnistria region in the Ukrainian city of Odessa at the end of January 2012.



As you know, the newly elected Transnistria region President, **Yevgeniy Shevchuk**, paid a visit to Ukraine on 12 January 2011 to meet Ukrainian Foreign Minister **Kostyantyn Hryshchenko**.

It is also worth mentioning that Yanukovych and Lupu met three times 2011: on 9 July in Crimea, on 2 September at the Council of CIS heads of states, and on 27 September during Lupu's working visit to Ukraine. Mass media consider that during these meetings a tight and trusting relationships was established between the two presidents.

A reminder that an armed conflict erupted in Transnistria region in 1992 lasting several months. As a result, Moldova lost control of the territories located on the left bank of the Dnister river. Peacemakers consisting of the Russian, Moldovan and Transnistria contingents and Ukrainian military observers have been staying in the region to maintain peace in the area of the conflict.

It is also worth mentioning that now rallies continue in Moldova demanding the withdrawal of the Russian peacekeeping contingent. The rallies were started after a tragic incident on 1 January 2012 when a Russian servicemen fatally wounded a Moldovan man who was driving a car.

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An analysis of open-source intelligence allowed Gorshenin Institute's experts to single out several stereotypes about mass rallies in Russia.

Stereotype No 1. The fact that a huge number of people took part in the Moscow rallies means that Russians are dissatisfied en masse with the current government.

Stereotype No 2. For the first time in many years, the Russian mass media – including the three leading state-run television channels – enjoy freedom of speech.

Stereotype No 3. Protests are a consequence of centrifugal processes within the Russian government and within the environment of diverse federal elites.

Stereotype No 4. An unstable social and political situation will politically undermine Vladimir Putin's clout both in Russia and in the international arena.

Stereotype No 5. The fact that Vladimir Putin openly and negatively characterizes rally participants and all those who express their dissatisfaction with the political situation in the country considerably lowers his rating.

This is not a conclusive list of stereotypes that are popular among politically active and democratically oriented stratum of the population and among foreign experts and mass media. We present only the main ones.

Those parts of the Ukrainian society which embrace democratic values would like to believe that Russia's authoritarian system is finally threatened. Some representatives of the Ukrainian government assume that the situation in which Putin finds himself at the moment represents an excellent opportunity to promote Ukrainian interests in the Russian gas price area. Everyone sees what he wants to see.

Yet, let us return to the stereotypes. Stereotype No 1 is the massive nature of the rallies and the fatigue of Russian society from the current government run by Putin and Medvedev. The video broadcasts on TV from the places where the protests took place are beautiful and the massive character of the rallies is indeed record-high. At the same time, the Russian authorities issued permission for organizing the given campaign without any difficulties. And it will similarly give permission for all the future protests. First of all, Vladimir Putin has absolutely no need for pictures of law-enforcers scattering such a mass demonstration, which the entire world will learn about. Second, the safety measures adopted by law-enforcement agencies ensured a 100-percent guarantee that the campaigns both on Bolotnaya Square and Sakharov Avenue would be held peacefully. Third and most important are the numbers. One hundred thousand people are not the whole of Russia and not even the whole of Moscow. This is an absolute minority which poses no threat if proper security is ensured and if the events are correctly covered in the media. That is why conversations about the mass character of the rallies could start only on the

background of the usually scarcely attended “Marches of Dissidents” which for 10 years have served as the embodiment of Russia's public protest. That is why it considers the given campaigns as a difficult but manageable situation.

The topic of stereotype No 2 about the unexpectedly developed freedom of speech enjoyed by the mass media, which informs citizens about the protests taking place, deserves special consideration, too. The main principle of the information commentary on the protests is to show the social status of those partaking in the rallies. They are always depicted as urban residents with money who use the Internet and a plenitude of mobile devices and who have political rather than social demands. All the protesters are well fed and overall successful people who “live well but want to live even better.” This is how an implicit and effective contrast is drawn between successful protesters and the rest of the Russian people. The demonstrations are granted the status of “intelligentsia rallies” which is prudently and technically reflected in TV broadcasts and press publications.

There are no representatives of the work class, teachers, doctors and civil servants – all those who represent the electoral core for Vladimir Putin as a presidential candidate – in broadcasts and publications about the demonstrations.

Now stereotype No 3, which deals with a split in the administrative power hierarchy and its further aggravation. This stereotype has become deeply entrenched following a number of recent government reshuffles that were carried out by the president and the prime minister. But do they signal any serious change in the government system? No, they do not. Vladimir Putin enjoys making technical changes and reshuffles during the decisive political moments in the new history of Russia. One should recall the intrigue over his successor before Dmitriy Medvedev became president as well as the myth corroborated over the years that there is a grave conflict between Prime Minister Vladimir Putin and President Dmitriy Medvedev. Many believed in this myth, while some representatives of the Ukrainian government even attempted to play big politics on the seeming contradictions between Putin and Medvedev.

At the same time, starting from 2009, Gorshenin Institute's experts noted on multiple occasions that there is no and there can be no split between Putin and Medvedev. This is why it is obvious at present that the essence of the government reshuffle is a de facto formation of an electoral station on the basis of the presidential administration.

Our analysis of open-source intelligence and information from confidential sources allows us to speak confidently about the absence of any kind of split within the ruling elites. It is quite the opposite: insignificant hurdles which the Russian government has been experiencing over the past few months force the clumsy administrative machine to operate more cohesively and efficiently, getting rid of the officials who made the government question their utility. From here follows the debunking of myth No 4 about the weakening of Vladimir Putin's clout. All the foreign political partners of Russia should not only avoid but also fear this stereotype.

Lastly, we consider stereotype No 5 which deals with the scorn of the rally participants and opposition which Vladimir Putin expressed on multiple

occasions and which allegedly weakens his presidential rating. The given stereotype gave rise to Vladimir Putin's infamous comparison of a white ribbon – the symbol of the Russian protesters – with contraception. (Verbatim, the statement sounds the following way: “I will tell you frankly, it is indecent but nevertheless: I thought that it was a campaign on fighting AIDS, that those were condoms.”). The liberal public took these words as a personal insult. But did anyone mention how the other – not liberal – public perceived this phrase? One might recall that Putin's phrase which was famous before – “We will corner criminals in the toilet and wipe them out” – in fact become a leitmotiv of his victorious campaign in 2000. It is the same thing now: Putin's statement about “condoms” was addressed to those social groups who do not see themselves standing near the stage on which the opposition delivers speeches. As surveys of public opinion suggest, there are over 90 percent of such people in Russia. And they are the same voting people whose support Putin so much needs at present.

To sum up everything that has been said above, we will draw several conclusions:

- The Russian government counters protests not by means of force but rather by means of an information campaign;
- In the information sphere, the Russian authorities divide protesters into two camps: those who stand on the stage and those who come to express their civil position;
- The expert community is used as a tool of a PR tool and representatives of the government issue their own statements following those of experts;
- The main element of the PR strategy is informational marginalization of the rallies and the contrast drawn between the protest participants and the rest of the Russian people;
- Turning protests into a farce. This is achieved by inserting former Finance Minister Aleksey Kudrin, businessman Mikhail Prokhorov and socialite Kseniya Sobchak into the opposition camp.

Yet, one needs to acknowledge that the toolset used by the Kremlin strategists is not eternal. The list of remedies will have to be expanded to address a new wave of rallies and protests slated for the beginning of February. One can say with a large degree of probability that the team of the Kremlin PR experts will direct their main efforts at the following spheres:

- businessman Mikhail Prokhorov's seizure of the right to an opposition initiative;
- the launch of Aleksey Kudrin's personal political project directed at the moderate opposition groups of the electorate;
- further undermining of the opposition image by means of inserting figures who have an ambiguous reputation in society;
- corroboration of the myth that Facebook revolutions are imposed and exported. It is directed towards the conservative segment of the Russian voting majority;

- the demonstratively positive attitude of the Russian government representatives towards “civil society” which demands change, on the background of a demonstratively squeamish attitude to individuals declaring slogans from the stage;
- the support of the slogans and demands of the protesters by part of the ruling elite;
- implementation of the part of reforms and initiatives announced by Dmitriy Medvedev before the presidential election.

Therefore, the team of Vladimir Putin's PR-experts has a chance to demonstrate his ultimate mastery and to turn protests into one of the main points on the agenda of the presidential election day.

For the full version of the article by the Gorshenin Institute Yevhen Kurmashov, please visit the site: [http://gorshenin.eu/news/122\\_protestsru.html](http://gorshenin.eu/news/122_protestsru.html).

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