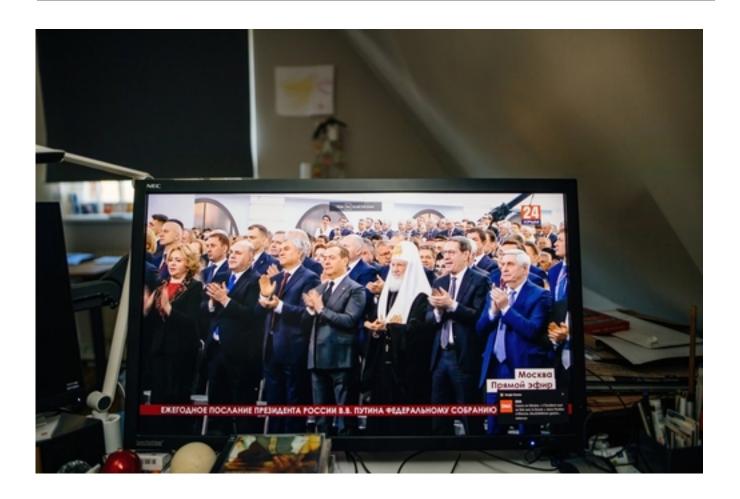


Analysis of today Assessment of tomorrow



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Applause from Putin's elite - addressing the nation as a test of loyalty



Vladimir Putin's address to the Federal Assembly, on the occasion of the anniversary of the Russian aggression against Ukraine, was a classic piece of Franz Kafkaesque absurdity adapted to contemporary Russia. Mainly present were the Russian ruling and upper class: oligarchs, politicians, famous musicians, movie stars, and heads of governmental commercial entities such as Herman Gref and Andrey Kostin, the heads of Sberbank and VTB bank respectively. It is fair to estimate that the average net-worth of a person who attended to listen to Putin speaking likely exceeded 20 million dollars.

A few dozens of fake imitators posing as average Russian people were present among the audience. These rich people frequently broke into applause during Putin's report on the state of the nation; some of the loudest acclaimed their president when he spoke about raising social benefits for those in need.

Billionaires enthusiastic about the minimum wage increase

Putin requested billions of rubles for various social projects and education. He authorised maternity benefits to people of the Donbass and other occupied territories or in those Ukrainian territories which have been claimed, but not yet occupied, by Russia. According to Putin, maternity benefits for Ukrainian people in occupied territories should be effective from the year those payments were granted to the people of Russia: back in 2007. He authorised production of Russian technologically advanced products. He promised money that no one knows where he can find, other than from large Russian commercial entities which have already been asked to contribute to help the government to pay for war expenses.

The most remarkable initiative that day was Putin's announcement about the increase of the minimum wage by 18.5%, making it 19.242 rubles. Putin received a standing ovation following that announcement. It is not a secret that Russian politicians and heads of

governmental entities, such as the bankers Gref and Kostin, are corrupt multimillionaires. Some of them could easily feature at the top of Forbes list, like Igor Sechin (the head of Russian state-owned oil company Rosneft) or Alexey Miller (long-time Putin aid and head of Russian predominantly state-owned gas company Gazprom).

Putin aid Andrey Shuvalov, seated in the audience and shown on camera several times during the online broadcast, is worth more than 200 million dollars, which he acquired as a result of a highly suspicious stock option he obtained from famous oligarch Alisher Usamnov, Putin ally, and former husband of Alina Kabaeva (Putin's mistress). Valentina Matviyenko, the speaker of the Senate, was also present.

Matviyenko's son is a dollar billionaire, who became rich on the back of his mother's political status and government-related projects. Yet all these people stood up in excitement and delivered ovations when Putin announced a pathetic increase of the minimum wage of up to 19.242 rubbles per month, which according to today's rate is less than 300 dollars. Remarkably, Putin's address was in Moscow's central district, a neighbourhood where most restaurants charge about the same 300 dollars or considerably more for a dinner for two with an average bottle of imported wine from Chile. It was the theatre of the absurd as millionaires and billionaires enthusiastically welcomed Putin's proposal to increase the minimum monthly salary by an additional 60 dollars. That sum is not enough to pay for utilities in most Russian cities.

Applauding a war that cannot be won

Putin appealed to governmental companies and private corporations to make highly advanced technological projects in a country which currently cannot even produce an EMV chip for cars or to make much needed insulin. On several occasions when Putin spoke of Russian defenders in Donbass and other regions of Ukraine, people present, listening to Putin, stood up and clapped. These are not ignorant people.

They understand that it is impossible to liberate Ukrainian territories from Ukrainian people, or to make competitive technological products in a country which cannot even produce a decent electric kettle. Many of the people present, the members of Russian elites, nodded their heads as Putin spoke. The head of Russian communist party, Gennady Zyuganov and Sergey Mironov, the head of Russian Socialist Party, were sitting in front row making notes. Their desire to demonstrate loyalty belied common sense. They could have easily requested minutes or audio tape at the end of the show.

Some people were filming Putin's speech with their smartphones, which was not prohibited. The overall atmosphere was liberal. Some of the male politicians were sitting next to their young Hollywood-style female aids. The head of the Russian nationalist party, the LDPR, Leonid Slutsky, was asleep.

Hidden messages from TV broadcast directors

Putin punctuated his complaints about
Western behaviour and the policies of Western
politicians that hurt average Western
hardworking citizens, with enthusiastic
requests for the construction of more roads,
planes, schools, and more weapons to be
produced to defend Russian sovereignty and
its authentic way of life. At one point, Putin
started listing Russia's achievements and great
performances since the West, according to
Putin, began its aggression against Russia.

Putin claimed that the economy is stronger than ever before, and unemployment much lower than in the EU countries. He proudly said that construction has reached record high volumes, and that Russian agriculture is making enormous successes. As Putin spoke of agriculture, Dmitry Patrushev, the head of Ministry of Agriculture and son of Nikolai Patrushev, the all powerful head of the Russian Security Council, appeared to the TV audience on several occasions. This might have been a message or acclamation to Nikolai Patrushev, the number two most powerful man in the country.

Will they sink together?

Putin mentioned those "short-sighted" Russian people who kept their property in the West. It was highly amusing and ironic to watch the excitement and ovations of the Russian elites when Putin spoke of some unwise Russian people who had had their property seized by the West because they had failed to listen to him when he, as he claimed, had suggested many times that all Russian entrepreneurs must be patriotic and keep their properties and savings only in Russia.

Quite a few people who were present there, including Sechin, Gref, Kistin, Matviyenko and Miller have been subject to Western sanctions and as a result, lost their properties, houses, savings and yachts. Yet, they appeared wildly supportive of Putin's scolding of those unwise and unpatriotic Russians who took their valuables to unsafe and unjust Western jurisdictions.

The audience wants to continue to make money from their status. Putin wants their loyalty, and in exchange he will keep attempting to compensate them. Even if he is not able to reward them in the same manner as before, they will be happy to keep what they have embezzled in the past, and which is still safe from Western sanctions. They all need to survive. The Russian elite are in the same boat as Putin and he knows it. The address to the nation was actually not intended for the nation. It was a dialogue between Putin and his elite about mutual survival.