

From Olympics to Crimea, Putin Loyalist Kozak Entrusted With Kremlin Mega-Projects

By Oleg Sukhov

MOSCOW, March 28, 2014 (TMT) -- For almost seven years, Deputy Prime Minister Dmitry Kozak focused on making sure Russia was prepared to host one of the country's biggest events in decades, the \$51 billion Sochi Winter Olympics. Just over a month after the Games came to an end, he was handed yet another massive project to oversee — the integration of the annexed region of Crimea into Russia.

Kozak, 55, has been a member of President Vladimir Putin's inner circle for more than a decade — he was even expected by some to be Putin's successor in 2008 — and is sometimes described as the president's handyman for such large-scale endeavors.

"He is Putin's official for special assignments," said Stanislav Belkovsky, head of the National Strategy Institute, a think tank. "Whenever there is a priority project, Kozak is sent there. He is a man with project-oriented thinking, not systematic."

Belkovsky noted that Kozak was unique in this capacity. "Putin does not have any other such official," he said. "It is like having one wife."

Belkovsky said that Putin had deemed Kozak's performance getting Sochi ready for the Olympics successful because he had managed to apply the necessary pressure on the actors involved.

And while most reviews of the Games by athlete delegations and fans were also positive, critics of the Sochi Olympics project allege that billions of dollars in state funds earmarked for it were stolen in corruption schemes on Kozak's watch. The government has denied any large-scale loss of state funds allocated for the Olympics.

Like several of Putin's other close allies, Kozak began his career in Soviet intelligence, working in the military's Main Intelligence Directorate, also known as GRU, from 1976 to 1978.

Putin joined the KGB around the same time, in 1975, after graduating that year from the law department of Leningrad State University. Ten years later, in 1985, Kozak graduated from the Leningrad State law department as well.

Kozak also worked at the St. Petersburg city government at the same time as Putin. He served as a deputy head of City Hall's legal department from 1990 to 1991, as head of the department

from 1994 to 1998 and as a deputy governor in 1998.

With his role as a project manager, Kozak is generally seen as being more of a technocrat than a politician, and he is known for being effective in getting things done behind the scenes.

During his work at St. Petersburg City Hall, he supposedly took a subtle approach to dealing with people, preferring to use persuasion over giving orders, according to a SmartMoney article published in 2007. In that period he was known as the "Cheshire Cat" because of his ever-present smile, Novaya Gazeta reported in 2003.

Kozak has also been described by some observers as extremely hard-working, sleeping at times just three to four hours a night.

After Putin's appointment as prime minister in 1999, Kozak followed him to Moscow, where he was the Cabinet's first deputy chief of staff and then chief of staff from 1999 to 2000. When Putin became president in 2000, Kozak moved to the presidential administration, working as a deputy chief of staff until 2004, and was in charge of administrative reform, which aimed to cut red tape and strip government agencies of excessive functions.

In his newest role overseeing the integration of Crimea and Sevastopol into the Russian state, Kozak will face many of the same kinds of technical challenges posed by preparations for the Sochi Olympics, which required numerous complex construction projects.

"He faces the task of streamlining the work of Crimean authorities," Ilya Dzhus, Kozak's spokesman, said by phone.

Kozak, who is a native of Ukraine's central Kyrovohrad region, will also focus on measures intended to support the Crimean economy, Dzhus said, including the promotion of tourism at Crimean resorts and possibly the creation of a special economic zone on the peninsula.

Alexei Makarkin, a deputy head of the Center for Political Technologies, said Kozak will have to oversee the construction of infrastructure and power and natural gas supply networks in Crimea.

But he will also have to deal with the challenge posed by Crimean Tatars, many of whom have refused to recognize the legitimacy of Crimea's annexation by Russia.

"So he will not be just a technical figure and will have to make political decisions," Makarkin said.

Kozak does have some experience in international political affairs. In 2003, he supervised efforts to settle the conflict between Moldova and its breakaway self-proclaimed republic of Transdnestr.

But Belkovsky said that Kozak failed to reconcile the two sides because he applied excessive pressure on Moldovan President Vladimir Vorovin and Transdnestr leader Igor Smirnov, treating them as his subordinates.

Within Putin's circle of close associates, Kozak has also met with political defeats. In 2004, Putin supposedly wanted to appoint him prime minister but did not because many of Putin's allies objected, Belkovsky said.

"Putin's entourage does not love him but Putin does," Belkovsky said.

When Kozak became the Cabinet's chief of staff for several months in 2004, some observers speculated that he was the gray cardinal behind Prime Minister Mikhail Fradkov and was de facto head of the Cabinet.

From 2004 to 2007, Kozak served as Putin's envoy in the Southern Federal District, which includes Sochi. He became responsible for Olympics preparations after Sochi won its bid in 2007.

The next year, Kozak was tapped as a potential successor to Putin in the 2008 presidential race, but he eventually lost out to Dmitry Medvedev. Instead, he joined the Cabinet as a deputy prime minister under Putin starting in 2008, a position he continues to hold now under Medvedev.

Kozak is sometimes considered a member of the liberal clan of Putin's associates, also known as the "St. Petersburg lawyers," which includes several people who used to work at St. Petersburg City Hall, among them Medvedev and Gazprom chief Alexei Miller. But Belkovsky and Makarkin disagreed, saying he was not a member of any particular such group.

Makarkin said the high-profile projects entrusted to Kozak demonstrated his position simply as a devoted member of Putin's team. "Putin trusts him," Makarkin said. "He is one of his men."

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