

What's The State of Oligarchs in 2023? Wealthier and More Powerful

Published

David Lingelbach and Valentina Rodríguez Guerra



Russia's President Vladimir Putin is pictured during the press conference. MIGUEL RIOPA/AFP via Getty Images

Around the world, 2023 has been a good year for oligarchs. Defined as those who acquire wealth or power, then utilize one to gain the other, oligarchs have steadily increased their role in the global economy and international order since the late 1980s.

As of the end of November, 23 oligarchs were ruling as heads of state or government, the highest of any year we've observed and compiled in a dataset. This compares with 21 oligarchs a year earlier. This metric is the best approximation we currently have to measure the presence of oligarchs in our world.

Underneath these numbers, however, are several interesting stories. First, with the election of Bola Tinubu this year, Nigeria — sub-Saharan Africa's largest economy — once again is ruled by an oligarch. He follows Ibrahim Babangida (president from 1985 to 1993) and Olusegun Obasanjo (president from 1976 to 1979, and again from 1999 to 2007), both of whom accumulated substantial wealth and power. Second, in Ecuador we witnessed the swapping of one oligarch for another, as the unpopular Guillermo Lasso was replaced by Daniel Noboa, who is wealthier still. Third, Thailand saw the return of the oligarchs in the form of Srettha Thavisin, who became prime minister with substantial support from Thaksin Shinawatra, an oligarch deposed in a 2006 coup.

As we have gained new information, we have added additional oligarchs to our dataset. Recep Tayyip Erdoğan, leading Turkey as president and previously prime minister since 2003, owns or controls wealth that we estimate at more than \$1 billion. His trusted associates have also increased their wealth under his rule by more than \$1 billion cumulatively. Viktor Orban, Hungary's prime minister from 1998 to 2002, and then again from 2010 to the present, also joins our dataset. We estimate his net worth at somewhere between \$100 million and \$1 billion, and his trusted associates have also accumulated wealth in excess of \$1 billion. We continue to evaluate the inclusion of others in our dataset.

A few oligarchs lost their roles as heads of state or government during 2023. Aside from Ecuador's Lasso, Ruben Vardanyan, billionaire and de facto prime minister of Artsakh (Nagorno Karabakh), stepped down from that role early in the year, and was then arrested by Azerbaijani authorities when this territory reverted to their control.

And some oligarchs have found their wealth and power challenged during the year. Russian President Vladimir Putin continues to hold his own as the war with Ukraine approaches its second anniversary. As we have discussed previously, we remain relatively sanguine about his prospects to maintain — if not enhance — his already substantial wealth and power.

Of course, oligarchs don't just exercise power through their decision-making roles alone. They also work behind the scenes to shape agendas or, even more potentially insidious, change the ways in which we think and act. In that respect, 2023's biggest development in the oligarch space is likely to be the rapid progression of artificial intelligence (AI). At present, we still count as oligarchs, only those humans who are behind AI. Yet, we are already thinking about a not-to-distant future where non-human actors such AI might be counted as oligarchs too.

Looking ahead to 2024, we guess — as we did last year — that the number of oligarchs serving as heads of state or government may increase by one or two over the year. As billionaire politicians become more common around the world, this trend seems likely to hold for the foreseeable future. It's less important who the specific future oligarchs might be, and more important to understand that the rise and influence of oligarchs in general seems here to stay.

Finally, as the year closes, we have increasingly considered how or whether oligarchs might be better regulated. While much of our work has focused on how modern oligarchs think and act, it's important to understand that some oligarchs are vulnerable and can be brought to heel. They can be denied the use of the strategies that bring them wealth and power. They can simply be dominated by others with more wealth and power. They can sometimes be term-limited out of power. And, once in a while, the misfortunes of economic crises can bring them down.

Here's the thing: As some oligarchs fade from the scene or are pushed aside, others spring up to replace them — in increasing numbers, and increasingly where we can't see them as easily.

And we do not see that changing anytime soon.

David Lingelbach is a professor of entrepreneurship at The University of Baltimore. He lived and worked in Russia from 1994 to 1999, where he served as president of Bank of America — Russia and worked with Vladimir Putin.

Valentina Rodríguez Guerra is an author and oligarch researcher.

Their book, *The Oligarchs' Grip: Fusing Wealth and Power*, is published by De Gruyter.

