

THE  TIMES

MAGAZINE

30.04.16

PUTIN'S ENEMY No 1

The fall and rise of
Mikhail Khodorkovsky



'I AM A DANGER TO HIM'
THE EX-OLIGARCH GOING HEAD TO HEAD WITH PUTIN



He's got both the fortune and the determination to challenge Vladimir Putin, and ten years in prison haven't deterred him. In a rare interview, Mikhail Khodorkovsky tells Giles Whittell why he'll risk everything – including assassination – to bring democracy to Russia

PORTRAIT Phil Fisk

With his family, 1992. Right, from top: meeting Putin, 2002; during sentencing, May 2005



The first time I meet Mikhail Khodorkovsky he's sitting in a large, wood-paneled room in his London headquarters, smiling at his mobile. Earlier in the day, a British public inquiry found that Vladimir Putin "probably" authorised the gruesome murder of Alexander Litvinenko, the Russian MI6 agent poisoned in London with polonium. The Kremlin says the accusation is propaganda, but Putin's cronies have gone further. His henchman-in-chief, a Chechen chieftain known for his pet tigers and private army, has put out a message on social media saying all traitors deserve the same fate as Litvinenko, starting with Khodorkovsky.

"It's OK," Khodorkovsky says. "It's almost funny. I get this all the time."

When you're public enemy No 1 in Putin's Russia, assassination is an occupational hazard. When you're trying to save the country at the same time, showing fear is not an option. Khodorkovsky is the former oligarch who threatened to run against Putin and paid with ten years in jail. Since then he has ruled out a quiet life again by breaking a promise – to himself, to his family, to the Kremlin's own Voldemort – not to re-enter politics. He has committed himself to the extremely dangerous task of replacing Putin with the democracy that a generation of young Russians has been denied, and one of his survival mechanisms, when Putin's goons project menace in his direction, is to project it back.

"In the heads of many people in Russia, I am the anti-Putin," he says softly. "As of

'FOR VLADIMIR PUTIN, HAVING SUCH AN ALTERNATIVE TO HIS RULE IS A THREAT'

today I am not an immediate danger to him, but I am still a danger to him. For Putin, having such an alternative to his rule is a threat. If he continues to make the kind of mistakes he is now making with terrifying regularity, this threat will grow."

You take 52-year-old Khodorkovsky as you find him: thick sweater unzipped at the neck; voice so quiet you have to stay still to hear what he's saying; no bodyguards; no hint of the billionaire he once was or the inmate he became.

It is a little over two years since his midnight release from a work camp in the Russian Arctic stunned those who had been waiting for it for a decade. In that time the biggest of Putin's mistakes, as Khodorkovsky sees it – the invasion of Crimea – has changed everything for both him and his supporters. It was a line crossed; proof of totalitarian intent. There could be no more accommodation with the regime; just regime change, and he has given himself ten years to bring it about.

It could happen. Khodorkovsky used to represent a clique of tycoons despised and envied for their wealth. For some, he still does. For many, time has changed that. His years in jail have been a long ritual of redemption that resonates deep in the Russian psyche. He has

name recognition and a compelling backstory. He has a plan to replace Putin and the money to put it into action, and no one else does.

In Khodorkovsky's ordered mind, his ten-year plan began with his release. He will take stock in 2024, the year Putin is supposed to stand down if he serves another full term after this one. Already, sanctions and inflation are hurting consumers and Khodorkovsky is bidding for their attention with some success. Last month he was ranked Russia's best-known opposition figure.

From nondescript offices a block south of Oxford Street he is polling, plotting and politicking. His Open Russia foundation is fielding about 20 candidates in Russia's parliamentary elections in September – which is not many, but 20 more than Putin would like. His invitation is to anyone who shares a few basic principles, which he ticks off on the fingers of one hand: "The need for regular changeover of power based on fair elections. An independent judiciary. An end to unacceptable isolationism. We think we should be building a nation state, not an empire. And, of course, protection for private property."

Khodorkovsky uses video conferencing to keep in touch with prospective candidates from Moscow to Siberia. Fellow exiles live-stream political discussions to the motherland from a studio on the ground floor. Constitutional lawyers draw up plans for the longed-for transition from Putinism back to sanity.

It's an expanding bubble of activity less than two miles from a Russian embassy that is no doubt watching carefully. It could pop, or it could start a story etched in history. What

does Putin make of it? In public he's said little about Khodorkovsky's political ambitions since announcing his release in December 2013. On that occasion he was minded to be generous. "Godspeed," Putin said. "Let him work." In private, however, some speculate that he regretted the release almost at once. If so, it is hard to avoid the conclusion that Khodorkovsky and his family, like Litvinenko and the opposition politician Boris Nemtsov – gunned down on a bridge below the Kremlin last year – may be at risk.

His 26-year-old daughter, Anastasia, joins us for sandwiches in the basement at a later meeting and evinces a cool fatalism. "The UK is as safe as it gets," she says. "But you can't be 100 per cent sure. What was true of Litvinenko is true for us. If somebody needed me or my father or any member of my family dead, we would be. There's nothing you can do about it."

Her father wears the same mask of unconcern. "I don't think Putin is actually giving instructions to kill people," he says. "I want to believe that. Unfortunately, the people who surround him make mistakes. They over-reach themselves." He says he doesn't think much about personal security even so. "Because if you do, you just go mad."

Rewind 13 years to early 2003. Khodorkovsky is the richest person in Russia and 16th richest in the world. As principal shareholder of the Yukos oil giant, he is estimated to be worth \$16 billion. Although not given to conspicuous consumption, he has built a large compound outside Moscow where he lives with fellow Yukos executives and their families. He bestrides Russia, building pipelines from Siberia to China and a political base in the first incarnation of Open Russia. Increasingly, he bestrides the globe as well. International markets love his company because it has adopted western accounting standards and produces as much oil as the whole of Libya. When in Washington, he drops in on Vice-President Dick Cheney. When in Texas, it is for talks about selling a \$25 billion stake in Yukos to Exxon. He's 39.

Relations with Putin, never good, are worsening. The man from the KGB is trying to impress on the oligarchs that they can keep their fortunes only if they stay out of politics. The man from Yukos is trying to sell a strategic asset to the Americans and mount a bid for the presidency.

First, though, Khodorkovsky has something to get off his chest. On February 19, 2003, at a meeting of entrepreneurs with Putin in the Kremlin, he dared to lecture the president on the price of corruption, which he put at \$30 billion a year. His fate hinged on that meeting, and he knew it. On live TV he would clash openly with Russia's new tsar on the subject that underpinned every facet of its



PRISON TAUGHT HIM TO TRUST NO ONE AND SLEEP WITH ONE EYE OPEN



kleptocracy. One of Khodorkovsky's less sympathetic biographers has written that he was so nervous, his voice was breaking.

So, was it?

"Just a minute."

Khodorkovsky reaches for his iPhone. "A German journalist sent me this," he says. It's a link to a YouTube clip of the Kremlin meeting, which we watch. His voice is loud and clear. "Technology is a wonderful thing," he says. "I don't think my voice is breaking." In truth, if you listen to the whole speech there is an occasional tremor, but it's his fearlessness that Khodorkovsky remembers.

He felt it was his duty to speak truth to power, and power didn't like it. To Putin, the chutzpah – from a man who'd bought Yukos in a highly controversial auction for just

Left: under escort to court, October 2010. Below left, from left: with his first wife, Elena, mother, Marina, father, Boris, and son Pavel

\$309 million – was unendurable. In front of Russia's two dozen next richest men, he gave Khodorkovsky a dressing down on the subject of allegedly unpaid taxes. In the following weeks and months, the full force of the state was unleashed against him. Exile or penitence might have saved him, but he would not consider them. The die was cast.

Five years ago, the German filmmaker Cyril Tuschi released a documentary on Khodorkovsky's rise and fall that included a dramatic reconstruction of the moment he was detained. The location is Novosibirsk airport in the middle of Siberia. It's dark, before dawn on October 25, 2003. In the film, armed men in ski masks storm a business jet, knocking aside an aide and marching their man off to a waiting military transport. Khodorkovsky has seen the sequence and says it's overdone. The truth is more interesting.

"I was ready for this," he says. "I believed I still had a chance of resolving the problem, but I assessed the risk of arrest as higher than 70 per cent. So we boarded the plane and someone pointed out the window. I could see that the perimeter of the airport was ringed by masked troops, and then the plane was boarded by a different group. It was clear that whoever sent them had thought about avoiding conflict, because I knew these people.

"I've never told this story because they asked me not to, but they've all retired now so I can. These men were Alpha Group [Russia's SAS]. Those surrounding the plane were local, but the ones who boarded it were from Moscow and I knew them. They were good people. They asked me very politely to board their plane and I complied."

Khodorkovsky was flown to Moscow as a witness in a fabricated tax-fraud case brought against a colleague. Only once absorbed into Russia's vast and pitiless courts system, with its attendant gulag, was he too charged with tax evasion and arrested. He was allowed to hand his watch and phone to his lawyer. "And that was the moment of transition from freedom to being captured."

The previous four years had been so intense, he says, that it felt as if a whole life had been compressed into them. He had experienced risk but also wealth, freedom and possibility like almost no one else on earth. In the final few weeks alone he had flown 17 times between Russia and America, building networks of support for himself and his company in expectation of what was to

come. Then, in the space of a few hours, his horizons shrank to those of a holding cell, and his status to what the Soviets called a *zek*. Ever since, he has denied interviewers the satisfaction of confessing to a single moment of despair. When I put it to him that the transition from plutocrat to prisoner must have been hard to handle, he smiles thinly. "I'm structured differently," he says. "I live inside my head."

For the record, his head is large. The hair on top is close-cropped and grey. The face is clean-shaven where back in the Nineties there was a thin moustache. It's an open-looking face, but access to the thoughts behind it is strictly on a need-to-know basis. In Anastasia's company, Khodorkovsky can laugh as if he's still getting used to being free again, but most of what he says is painstakingly considered.

He is a picture of self-control, although he hints things could have turned out very differently. "It was a big challenge for me not to get lost or lose myself on this new way that I've chosen since my release from prison," he says. Is he talking about losing his public profile or his bearings – his sense of direction? "Both."

His life in prison was certainly tough enough to give a weaker man PTSD. He has said there is nothing to remember from his years inside, but that is his way of sealing them off from the present. He has written a short book of vignettes, *My Fellow Prisoners*, which stands comparison to the literature of the Soviet gulag and shows why his experience of the post-Soviet one will mark him for life.

One fellow prisoner was a drug addict he calls Kolya, whom Khodorkovsky first met just before his release, then again six months later. In the interim, Kolya reoffended and was fitted up for yet another crime – a theft from an old woman. He refused to play along.

"So they sent him back to his cell 'to think it over,'" Khodorkovsky writes, having checked Kolya's account with other witnesses. "After a while he knocked on the cell door from the inside; when they opened the food hatch his guts came flying out. Kolya had 'opened himself up' ... Full-on hara-kiri. The scar is as wide as a finger and stretches halfway across his belly."

Another cellmate attempts suicide with a torn sheet and lives only because Khodorkovsky holds up his body until help comes. A third is a sheep-hustler who has put his daughter through school on the proceeds from 9,000 black-market lambs, then declined the option of paying back the collective farm he stole them from. "We sit there drinking our tea. Two men no longer young, who have made the choice to go to prison ..."

It's by turns mournful and shocking, lamenting Russia's lost souls and carefully pitching to speak for them. Most of these encounters took place in a work camp six time zones east of Moscow on the edge of an

old uranium mine. Before being sent there, Khodorkovsky says he went on hunger strike for a month for fear his interrogators would try to extract confessions from him with psychotropic drugs. Not long after his arrival, he was slashed in the face in his sleep by a cellmate who later claimed to have been put up to it by plain-clothes officers.

The nightmare ended suddenly. After two trials and ten years inside, one of Khodorkovsky's most powerful foreign supporters, the German statesman Hans-Dietrich Genscher, advised him to write to Putin requesting his release to see his ailing mother before she died. "I asked, 'Does that require me to admit to anything?' Because this conversation had happened before." He was told no. The question of guilt was off the table. He wrote the letter. Five weeks later, asked for a Khodorkovsky update at the end of his annual marathon press conference, Putin said casually that ten years was "serious punishment" and a pardon would be signed

'THE ELITE WILL LOSE EVERYTHING IF PUTIN GOES, SO THEY WILL STICK WITH HIM'

in the "nearest future". By the next evening, Khodorkovsky was a free man in Berlin.

He says prison taught him to trust no one and sleep with one eye open. Above all, it taught him patience. "He knows how to wait," says Yevgeny Chichvarkin, a former mobile-phone millionaire who, like Khodorkovsky, has gravitated to London in exile. "Most politicians can't wait, but he can. He can play the long game. He knows his goal, and he knows how to move step by step, not very fast, but forwards."

Chichvarkin first met Khodorkovsky in 2003, in a village outside Moscow where he owned a phone shop close to the Yukos compound. By the time he left Russia, he owned 5,000. As a sideline he now runs Mayfair's most expensive wine emporium but, like Khodorkovsky, he would like, sometime, to go home. He has joined forces with Open Russia to advise on messaging and ideology.

He has no illusions about the scale of their task. Support for genuinely democratic parties is "between zero and zero point zero per cent", he says, understating current polling only slightly. Nor does Chichvarkin doubt the risks of associating himself publicly with Khodorkovsky. Earlier this year Alla Perfilova, a pro-Kremlin megastar chanteuse better known as Valeriya, took a selfie with Khodorkovsky while passing through London. It was posted on Instagram. A twitterstorm

ensued and, according to Khodorkovsky, Valeriya's next Kremlin concert was cancelled. Alert to such signals, Chichvarkin reckons that even if he might not have been arrested returning to Russia before this new joint venture, he definitely would be now.

For Khodorkovsky's supporters, his toxicity as a selfie partner is positive. It means he is right about the anxiety he is causing in Moscow, and there is no doubt that prison has transformed his image, at least among fellow exiles who come to hear him speak in London. "I was doubtful at first, but he's inspiring," one tells me after a sell-out talk. "He manages to convey excitement and charisma. And people know his story from prison. He betrayed no one. That has earned him massive respect even from political opponents."

Historically, *zeks* have not risen up to lead the country. Khodorkovsky hopes to change that. He sees little hope of a palace coup. That would require someone close to Putin to be brave or greedy enough to move against him, for example to end the pain of sanctions imposed because of his adventures in Ukraine. He runs through the factions of courtiers, from technocrats and ex-KGB strongmen to Putin buddies and outright criminals legitimised by sheer proximity to power. He knows most of them. ("The Russian elite is very small and I form an inextricable part of that elite," he says. "I know a lot of people.") But the stakes are highest for those best placed to plot: "Every one of these people understands perfectly well they are losing something as a result of sanctions. Whereas if Putin were to go, they would lose everything. So they will stick with Putin come what may."

Which leaves alive the hope of an opportunity created by Putin stepping down. If it comes, peacefully or chaotically, Khodorkovsky wants to be poised to seize it. He would do so by offering a two-year transition plan and himself as temporary national crisis manager. In a best-case scenario, round-table talks between democratic groups would produce a transitional government with the job of preparing Russia for free elections. A worst-case scenario would be much messier, but Khodorkovsky's argument is that the messier it gets, the more useful his sort of CV would be.

He makes much of his credentials as a tough liberal rather than a woolly one. Among his chillier boasts is that as head of Yukos he had to fire 100,000 people. He knows what it is to be feared, and this factors into a judgment he hopes one day to have to make – when to go back to Russia. If he went now he believes he would be arrested at once, so something has to give: "The key point is that my immediate arrest on my return must be

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either too dangerous for those in power or more dangerous than me being free.” Chichvarkin reckons it’ll take two to eight years for the regime to weaken to this point.

And so Khodorkovsky waits. With his second wife, Inna, he moved from Switzerland to England last year because work and Anastasia (who lives near Shoreditch) were pulling them here. They bought a house between London and Brighton, have a London home and the offices on Hanover Square, too, and plenty of money to run them.

Estimates of what Khodorkovsky spirited out of Russia before the Putin expropriation machine went to work on Yukos range from \$100 million to \$170 million. He doesn’t quibble with either number; just says he’s glad he has enough to fund Open Russia’s work. “For now, the Russian opposition lacks resources. People are afraid to donate. Business is scared, and in this situation my ability to independently finance opposition activity is very important. No one can say I received this money from a foreign government. All Russia knows I have enough not to have to ask America for money, and that’s important because people want to know that even if I’m not a perfect citizen, I am a citizen, and it’s my money.”

‘MONEY IS A TOOL TO REACH MY TARGET, AND THE TARGET IS A NEW RUSSIA’

An assistant says she thinks the \$100 million figure is about right. But you can’t help thinking it may be on the low side. “When I was young, I noticed I can easily convert time into money,” Khodorkovsky admits. He found this out importing computers in Russia’s Communist twilight, before opening banks and exporting oil in its wild capitalist rebirth. The reverse conversion, money into time, is harder to pull off, although he says he’s tried. He tells a story about flying from Moscow to Texas once in four hours flat in a supersonic business jet – which is impossible, because there’s no such thing as a supersonic business jet, but you get the idea. Life before prison was frantic.

When I ask what happened to his \$16 billion – as in, who’s got it now? – Khodorkovsky notes dryly that it was never real money. It was the value markets attached to his stake in a company that he worked hard to transform from Soviet rust heap to world-beating energy giant. The decision to take control of that

company and fold its assets into the state-owned Rosneft, now Russia’s biggest oil company, was Putin’s, he says. But as far as Khodorkovsky knows, Putin was pushed into that move by his old friend Igor Sechin, Putin’s former chief of staff in the St Petersburg mayor’s office. Sechin now runs Rosneft, “and pays himself \$30 million a year”.

Khodorkovsky may resent people like Sechin. He may regret not seeing more of Anastasia and his three other children as they grew up. (He has an older son, Pavel, by his first wife, and twin boys with Inna.) But he isn’t bitter. He has said he has no desire to see Putin put on trial, and believes that when change comes to Russia, a full-scale purge of the bureaucracy, however corrupt, wouldn’t be “practical or right”.

He has much less money than he did, or than Roman Abramovich does. He hasn’t met up with the Chelsea owner since his release and admits they aren’t friends, but expresses sympathy for him as a billionaire in the public eye. Back in Russia, at any rate, that meant constant worry and presidential-style security.

“For me, money has always been a tool,” he says. “I need as much of it as necessary to reach my target, and the target now is a new Russia.” With that he shoulders a backpack, student style, and slips out into the night. ■

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