

A guide to the new 'east-ablishment' ; (1) They made their billions out of Russia's natural assets, and now they're spending them cultivating British high society. William Cash scythes his way through London's new crop of oligarchs (2) LONDON EXPOSED

Cash, William. **Evening Standard** [London (UK)] 06 Feb 2004: 16.

---

## ▣ Abstract (summary)

(1) SEEKING ASYLUM: [Boris Berezovsky] (RIGHT) BOUGHT HASCOMBE COURT FROM [Chris Evans] FOR 10 MILLION (2) IT'S RUSSIA HOUR: HON [Nat Rothschild] WITH HIS PARENTS LORD AND LADY ROTHSCHILD (LEFT). ABOVE: PRINCE AND PRINCESS [Michael] OF KENT (3) HOME AND AWAY, ABOVE: [Roman Abramovich] WITH HIS WIFE [Irina]. LEFT: ROMAN'S 72 MILLION YACHT THE PELORUS IN THE SOUTH OF FRANCE (4) LONDONGRAD, ABOVE FROM LEFT: JESSICA DE ROTHSCHILD; MODEL [Tamzin Greenhill]; [Naomi Campbell] WITH HER CLOSE FRIEND AND 'SHOPPING COMPANION', THE CONTROVERSIAL CHECHEN TYCOON [Umar Dzhabrailov] (5) ROMAN EMPIRE, LEFT: ABRAMOVICH WITH WIFE IRINA AT ANFIELD. BELOW: FYNING HILL, ABRAMOVICH'S HOME IN WEST SUSSEX. BELOW LEFT: HIS CURRENT LONDON HOME IN KNIGHTSBRIDGE (6) IN THE MONEY, CLOCKWISE FROM ABOVE: [Peter Simon] WITH HIS DAUGHTER JESSICA; LORD AND LADY DARESURY; THE MARQUESS AND MARCHIONESS OF READING (7) JOIN THE CLUB, LEFT: ABRAMOVICH WITH HIS MENTOR, THE EXILED BORIS BEREZOVSKY. ABOVE: WITH RUSSIA'S RICHEST MAN, [Mikhail Khodorkovsky], WHO WAS ARRESTED AND CHARGED WITH FRAUD (8) VICTORY IS OURS, FRONT ROW FROM LEFT: OLAFUR RAGNAR GRIMSSON, PRESIDENT OF ICELAND; ROMAN ABRAMOVICH; EUGENE TENENBAUM (ROMAN'S 'VOICE' IN ENGLAND) AND EUGENE SHVIDLER IN THE DIRECTORS' BOX AT STAMFORD BRIDGE (9) WELL-OILED, ABOVE: VLADIMIR PUTIN AND TATYANA YUMASHEVA AND YELTSIN. ABOVE RIGHT: HER HUSBAND VALENTIN YUMASHEV. RIGHT: YUKOS CHIEF MIKHAIL KHODORKOVSKY WITH SIBNEFT PRESIDENT EUGENE SHVIDLER

## ▣ Full Text

When Chris Evans received an 'out of the blue' offer of Pounds 10 million for Hascombe Court, his mock-Tudor mansion in Surrey, he had no hesitation in accepting: it made him Pounds 4 million profit. The buyer was Boris Berezovsky, a former Soviet maths academic turned opportunist billionaire oligarch who didn't own a car until he was 40 (even then it was a Lada).

For the ranks of Russian oligarchs living in Britain, it is not enough to have hundreds of millions in the bank. Life is getting socially competitive.

They also need to count the upper echelons of British society among their friends.

Russians (just read Chekhov or Tolstoy) have always been obsessed with aristocracy and having killed most of their own in 1917, it seems they have now developed a fascination for ours.

Hascombe Court, built in 1908, boasts eight bedrooms, landscaped gardens designed by Gertrude Jekyll, luxury riding stables, a swimming pool and enough estate cottages to house the inhabitants of a small Russian province.

Just half an hour's drive from London, it is the perfect place for Berezovsky to play host to his new coterie of smart English friends who include Prince Michael of Kent and the Marquess of Reading, both of whom have enjoyed his hospitality at his Pounds 20 million villa off Cap d'Antibes.

Simon Reading, whose great-grandfather was Viceroy of India, told me he includes Berezovsky among his friends. They first met in Moscow in the early Nineties where Reading was looking to explore business opportunities.

'Boris wanted an entree into the City and to understand a sophisticated financial apparatus that didn't exist in Moscow. What would be more normal than to come to London? I helped fix him up with a few introductions.' It was with Berezovsky that Reading met Roman Abramovich, owner of Chelsea FC, at a restaurant in St Tropez, the chosen resort of the oligarch pack. Abramovich was ready to be charmed by the well-connected Marquess. After all, cultivating such contacts had certainly done Berezovsky no harm. After making a Pounds 1.5 billion fortune from the sale of Russian oil assets, Berezovsky was granted asylum in Britain last year after the Home Office was persuaded to look favourably on his application.

President Putin and Russian authorities wanted him repatriated to face charges of fraud.

Abramovich seems to have emulated his former mentor Berezovsky in learning the importance of having friends in high places. His first step towards social acceptance was during his business apprenticeship to Berezovsky. The older man spotted the young entrepreneur and promoted him to positions of enormous power and wealth within his oil company during the chaos of the Nineties.

Via Berezovsky, Abramovich ingratiated himself with the inner circle around President Yeltsin, known as 'The Family', which at the time was the elite of Russian society.

He cruised around the Mediterranean with Yeltsin and his daughter Tatyana.

Abramovich and thrice-married Tatyana were never more than friends, but they remain close and are thought to see each other in London. She is now married to Russian expolitician Valentin Yumashev and they also live in London. Yumashev was Yeltsin's former chief of staff, and was himself no stranger to the advantages of buying into Britain's elite: he sent his daughter by a previous marriage, Polina, to Millfield, the Somerset boarding school, while he was still a member of the Soviet government. Both Polina, who is now married to the aluminium magnate Oleg Deripaska, and Tatyana chose to give birth in private London clinics, while Tatyana sent her son, Boris Junior, to Winchester.

Another oligarch who uses UK contacts assiduously is Umar Dzhabrailov, a shopping-mall tycoon who is a tiny, charming but ruthless Chechen. He is Naomi Campbell's close friend and a former Russian presidential-candidate who has shown Tony Blair around Moscow. Naomi has been friends with Umar for years and has invited him to stay on Flavio Briatore's yacht with Briatore himself. She has also introduced him to P Diddy. Another member of the Russian oligarch pack who is wedded to London is Ralif Safin, a founder of Lukoil, who educated his son Marat at the LSE. His daughter Alsou, Russia's most famous pop star, also lives here. Like Safin and Yumashev, Abramovich will use his children's education as a way of climbing up the social ladder.

When he recently said that he loved England, he added that he was 'satisfied that his children will get the best education in the world here'. Which may suggest that he already has his sons down for Eton.

The fear of being locked up Russia's richest man, his friend Yukos oil tycoon Mikhail Khodorkovsky, is currently

languishing in a Russian jail cell on charges of fraud and tax evasion is said to haunt Abramovich on a daily basis. It no doubt worries the other oligarchs, too. Their response is to use their money to buy influence here. 'Being in London is all about

legitimising themselves and their money,' a Russian associate of Roman confides.

'Abramovich is keen to be seen to do deals with highly respectable City people, in the hope that some of their respectability will brush off on him.

Russians are very insecure. They love English titles.' So who is willing to befriend an oligarch? At the top of Abramovich's invitation list is the Rothschild family. Lord Rothschild, who is also a close friend of Khodorkovsky, is a regular guest in the directors' box at Stamford Bridge.

According to his office, Rothschild is a 'keen Chelsea supporter' and has been a VIP guest of the elusive new 'Chelski' chairman on a number of occasions. Another regular guest is Lord Rothschild's heir, the Hon Nat Rothschild, along with his relations Jessica, David and Anthony de Rothschild, and glamorous friends Zoe Appleyard and Tamzin Greenhill, the model who once dated Jay Kay.

Apparently, Jacob was first introduced to Abramovich through his son Nat.

Nat seems to know the Russian billionaire who is top of the UK earnings list with an income of Pounds 547 million better than most, not least because they are both in their thirties and share an interest in the Byzantine Russian financial world.

Nat, I have learnt, has recently set up his own company called JNR standing for Jacob and Nat Rothschild specialising in providing expert 'financial services' in Russia. Ring Nat's office JNR has offices in New York and London, the latter based at Lord Rothschild's grand offices at St James's Place and you will be connected to one of two charming and very Russian-sounding 'assistants' called Anna and Enya respectively. Repeated calls to JNR's office to clarify the exact nature of Nat's 'friendship' with Abramovich were not returned.

It was the super-well-connected Jacob Rothschild who helped introduce the billionaire widow of banker Edward Safra, Lily, to Prince Charles, and helped establish her in London. Is he now doing the same for Khodorkovsky, Abramovich and the other oligarchs?

Khodorkovsky's outings in London are rather restricted at the moment due to his being locked up, but he has clearly not been forgotten by Jacob Rothschild.

I attended a champagne reception in the Hermitage Rooms at Somerset House recently to celebrate the publication of Lord Snowdon's new book Snowdon on Russia. Guests included Lord Linley and Lord Rothschild. Both the glossy book and the reception were funded by the Open Russia Foundation, set up by Khodorkovsky in 2001 to promote 'international corporate philanthropy'.

One of the galleries at Somerset House is named after the jailed oligarch.

After reminding the smart Establishment gathering that 'these rooms' would not have been possible without the 'support' of Khodorkovsky, Jacob Rothschild said: 'He has suffered a lot. I'm sure everyone's thoughts are with him in this room.' But of course.

The oligarchs' presence in Britain has also been very welcome to Lord Daresbury, the chairman of Highland Gold, a successful City fund, and his fellow directors. This is because buccaneer businessman Roddie Fleming has helped Abramovich make a fortune for Highland Gold's aristocratic investors.

Roddie, a merchant banker and relative of James Bond creator Ian, sold his family bank Robert Fleming Holdings to Chase Manhattan for almost Pounds 5 billion. Now he runs a small merchant bank that invests principally in Russia. He

brokered a deal whereby Highland Gold invested Pounds 40 million in an obscure Russian gold mine owned by Abramovich near the border with China and Mongolia last year.

They made a Pounds 200 million profit. Other businessmen linked to Abramovich include Monsoon and Accessorize founder Peter Simon, whose ex-wife Kate had a lengthy affair with James Hewitt, and the London-based dealmaker Simon Rubin.

England has historically always welcomed new money and has unlike other European countries such as Italy or Austria an unusually mobile class system that allows for rapid social advancement to the highest circles relatively easily once you know where to educate your children and buy your silver and chinaware (Abramovich's ex-Aeroflot air stewardess wife Irina, 34, was recently spotted buying a dinner service set for their private jet at Thomas Goode in Mayfair). Buying property in the right place is also vital: FDP Savills estate agents estimate that about one-third of buyers in Mayfair and Knightsbridge are Russians.

Abramovich has a 424-acre country estate in West Sussex, Fyning Hill, bought for Pounds 12 million from Australian media mogul Kerry Packer. It was formerly owned by King Hussein of Jordan and boasts its own clay-pigeon shooting range, a go-kart track, stabling for 100 horses, two polo fields, an equestrian centre and rifle range.

Even so, Abramovich's social acceptance by the Establishment (helped by membership of Annabel's, held since 1996) has been unusually rapid. By buying Chelsea, and turning the club around with his injection of cash for new players, Abramovich's strategy appears to be to reinvent himself as a European hero who would be untouchable by the Russian state. Others have had similar ideas: Vladimir Potanin, who has been courted by Tony Blair among others, was rumoured to be interested in Arsenal FC; Safin has investigated the possibility of obtaining Manchester United, while other oligarchs have been connected to Leeds and Fulham.

One reason the oligarchs like investing in London is that their security experts regard it as being much safer than any other European capital from a kidnapping point of view. Berezovsky was granted asylum in the UK on the grounds that he risked assassination in Russia. Since arriving here, he has bought Stanley House, just off the King's Road, Hascombe Court in Surrey, an estate in Wentworth and a flat in Belgravia.

Acquiring a totally new set of social friends is also a way for the Russian oligarchs to forget about the misery of their own past. Abramovich was a poor Jewish orphan from Omsk whose mother died from an abortion and whose father died in a construction accident. With his own past continually probed by journalists, Russians state officials, politicians and tax inspectors, curious to know how a penniless orphan grew so rapidly to become the 49th richest man in the world, Abramovich's rich and socially influential English friends are an important part of his selfpreservation plan.

'Russians like continuity, they like titles and associating with aristocracy because it gives them a sense of stability,' an associate of Abramovich remarked to me. 'Roman is like any other Russian who has come from nothing.

He is looking for self-respect and self-esteem.' Much of the schmoozing takes place on Russian-owned yachts and villas in the South of France. Naturally, Abramovich has his own fleet of luxury yachts one of which, the 355ft Le Grand Bleu, was bought from Microsoft founder Paul Allen for Pounds 50 million; another, The Pelorus, cost a staggering Pounds 72 million to entertain his new English friends. Now the new oligarchs have the best tables in the best restaurants and the Brits are invariably their guests.

Abramovich, of course, now has his own Pounds 10 million luxury villa in the South of France to entertain his wealthy and aristocratic new friends.

Or there is always his castle in Bavaria.

Perfect for a spot of skiing. It's all a very long way from Omsk.

Who's who: the Russian oligarchs

OLEG DERIPASKA, 35 Estimated wealth: Pounds 820m from aluminium An associate of Abramovich, Deripaska made his money from aluminium. Comes to London once a week to improve his English, has a house here and watches Chelsea play. A friend of Rothschild, he sponsored an exhibition in Somerset House in 2003.

Married to Polina Yumashev, daughter of Yeltsin's chief of staff.

MIKHAIL FRIDMAN, 39 Estimated wealth: Pounds 2.3bn from banking and oil Started out washing windows and selling theatre tickets on the black market. Then established Alfa Bank. Recently sold 50 per cent of Tyumen Oil to British Petroleum in a Pounds 3.72 billion deal which Tony Blair helped broker. While he likes doing business with the UK, his wife and two children live in Paris.

MIKHAIL KHODORKOVSKY, 40 Estimated wealth: Pounds 4.4bn from oil Studied economics and then sold computers. In 1995, he purchased Yukos, Russia's largest oil company. He became a target of the Kremlin's anti-oligarch crackdown and in October was seized at gunpoint by federal agents on charges of fraud and tax evasion. A friend of Rothschild, he has donated money to Somerset House. He lives in Moscow where he has a wife and four children.

He donated Pounds 550,000 to the US Library of Congress and set up the Open Russian Foundation, with Henry Kissinger as a trustee, to donate to museums, hospitals and universities.

VLADIMIR POTANIN, 42 Estimated wealth: Pounds 1bn from aluminium Born into a smart Soviet family, Potanin became a metal trader. He made billions through loans-for-shares and threw a party at the height of the crash for 100 friends in a nightclub in Courchevel. Was Yeltsin's deputy prime minister. Has met Tony Blair and gives Pounds 550,000 annually to the Guggenheim Museum.

ROMAN ABRAMOVICH, 37 Estimated wealth: Pounds 3.1bn from oil Owes his success to Berezovsky, who introduced him to Yeltsin's inner circle. In 2002, he became Governor of Chukotka.

Abramovich purchased Chelsea FC in a deal exceeding Pounds 140 million. He owns homes in London, West Sussex, Moscow and St Tropez .

BORIS BEREZOVSKY, 57 Estimated wealth: Pounds 1.65bn from oil and cars Made his first millions from cars. Later, took over Aeroflot, the oil company Sibneft, and ORT, the state's largest TV network. Was charged with complicity to fraud, complicity not to return hard currency from abroad, and money laundering. In March, was arrested for defrauding the region of Samara of nearly Pounds 1.1 billion in 1994 and 1995. A London court granted him asylum, protecting him from extradition. Lives in London and in his Pounds 20 million home on the Cap d'Antibes.

TATYANA YELTSIN, 43, AND VALENTIN YUMASHEV, 47 Estimated wealth: Pounds 550m from TV The daughter of ex-President Boris Yeltsin and her third husband, Yumashev, have a fortune derived from a media empire bought with money through loans-for-shares. They have both educated children here. He was sacked as Yeltsin's chief of staff but retained his influence with the help of his wife, who was her father's closest advisor.

UMAR DZHABRAILOV, 44 Estimated wealth: Pounds 820m from property A Chechen with a ferocious reputation and a liking for high society. The model for a Chechen mafia boss in a Frederick Forsyth thriller, he made his money in advertising and property. In 2000 he ran against President Putin. Has courted friendship with Princess Michael of Kent, Tony Blair, Naomi Campbell, Flavio Briatore and P Diddy.

RALIF SAFIN, 49 Estimated wealth: Pounds 1.1bn from oil Educated his son at the LSE.

Daughter Alsu is Russia's biggest pop star and lives in London. Made his fortune as a founder of Lukoil. Has a custom-built Mercedes that cost Pounds 250,000 and was sniffing around Manchester United.

Has now quit Lukoil and has a seat in the Russian senate.

Lives in Moscow.

## Illustration

Caption: (1) SEEKING ASYLUM: BORIS BEREZOVSKY (RIGHT) BOUGHT HASCOMBE COURT FROM CHRIS EVANS FOR 10 MILLION (2) IT'S RUSSIA HOUR: HON NAT ROTHSCHILD WITH HIS PARENTS LORD AND LADY ROTHSCHILD (LEFT). ABOVE: PRINCE AND PRINCESS MICHAEL OF KENT (3) HOME AND AWAY, ABOVE: ABRAMOVICH WITH HIS WIFE IRINA. LEFT: ROMAN'S 72 MILLION YACHT THE PELORUS IN THE SOUTH OF FRANCE (4) LONDONGRAD, ABOVE FROM LEFT: JESSICA DE ROTHSCHILD; MODEL TAMZIN GREENHILL; NAOMI CAMPBELL WITH HER CLOSE FRIEND AND 'SHOPPING COMPANION', THE CONTROVERSIAL CHECHEN TYCOON UMAR DZHABRAILOV (5) ROMAN EMPIRE, LEFT: ABRAMOVICH WITH WIFE IRINA AT ANFIELD. BELOW: FYNING HILL, ABRAMOVICH'S HOME IN WEST SUSSEX. BELOW LEFT: HIS CURRENT LONDON HOME IN KNIGHTSBRIDGE (6) IN THE MONEY, CLOCKWISE FROM ABOVE: PETER SIMON WITH HIS DAUGHTER JESSICA; LORD AND LADY DARESBUY; THE MARQUESS AND MARCHIONESS OF READING (7) JOIN THE CLUB, LEFT: ABRAMOVICH WITH HIS MENTOR, THE EXILED BORIS BEREZOVSKY. ABOVE: WITH RUSSIA'S RICHEST MAN, MIKHAIL KHODORKOVSKY, WHO WAS ARRESTED AND CHARGED WITH FRAUD (8) VICTORY IS OURS, FRONT ROW FROM LEFT: OLAFUR RAGNAR GRIMSSON, PRESIDENT OF ICELAND; ROMAN ABRAMOVICH; EUGENE TENENBAUM (ROMAN'S 'VOICE' IN ENGLAND) AND EUGENE SHVIDLER IN THE DIRECTORS' BOX AT STAMFORD BRIDGE (9) WELL-OILED, ABOVE: VLADIMIR PUTIN AND TATYANA YUMASHEV N E YELTSIN. ABOVE RIGHT: HER HUSBAND VALENTIN YUMASHEV. RIGHT: YUKOS CHIEF MIKHAIL KHODORKOVSKY WITH SIBNEFT PRESIDENT EUGENE SHVIDLER

Copyright Associated Newspapers Ltd. Feb 6, 2004