

Save paper and follow @newyorker on Twitter

Profiles | **JANUARY 12, 2015 ISSUE**

TABLE OF
CONTENTS

Remote Control

Can an exiled oligarch persuade Russia that Putin must go?

BY JULIA IOFFE

It has been a year since the guards at a prison camp just below the Arctic Circle told Mikhail Khodorkovsky, a former oil tycoon and once the richest man in Russia, to pack his things. They put him on a plane to St. Petersburg; there they handed him a parka and a passport and put him on a flight to Berlin. Since that day of release and exile, Khodorkovsky has been living outside Zurich and travelling to capitals throughout the West, making speeches, accepting awards, and hinting broadly at a return to Russia. He will tell anyone who asks that, after a decade in various prison camps, he would not mind displacing the man who sent him there—Vladimir Putin.



Mikhail Khodorkovsky, a former oil tycoon who got rich in the post-Soviet legal vacuum, makes an unlikely democracy activist.

PHOTOGRAPH BY DAVIDE MONTELEONE / VII

One warm, drizzly evening this past September, Khodorkovsky was in Paris, speaking to an audience at the Opéra, on the Place de la Bastille. He is fifty-one now; he's become stockier since his release, and his graying hair has grown out of the prison buzz cut. He was dressed casually, as always, in jeans and a sweater, and spoke in a quiet, well-mannered voice. Still, as he took questions onstage from a journalist from *Le Monde*, he displayed none of the modesty of his forebears in dissent. Andrei Sakharov would never have spoken of taking up residence in the Kremlin. "It wouldn't be interesting for me to be President of the country when the country is developing normally," Khodorkovsky said. "But if the issue becomes that the country needs to overcome a crisis and undergo constitutional reforms, the main aspect of which is the redistribution of Presidential power to the courts,

parliament, and civil society, that part of the job I would be willing to do.”

When it came to Putin, his remarks were sly, glancing. “It’s hard for me to say that I’m thankful,” he said of his release. “But I am glad.” It was quite the understatement from a man who, once estimated by *Forbes* to be worth more than fifteen billion dollars, had been reduced to a life of manual labor. In the camps, Khodorkovsky never knew if he would ever be released. And when he finally was, in December, 2013, it was as a public-relations gesture before the Sochi Olympics—when Putin still cared about the West’s opinion of him.

That evening in Paris, the audience was thick with Russian émigrés. For more than a century, Paris has been home to waves of Russians in flight. At the end of the nineteenth century, Lenin lived there unhappily; he called the city a “foul hole.” After 1917, he was replaced by the White Russians who had fled his Bolshevik regime. The Russian authorities estimate that nearly two hundred thousand people have left the country in the past year, a record for Putin’s Russia. The figure does not include the unofficial émigrés escaping the increasingly authoritarian atmosphere of Moscow and the deepening economic crisis. They cluster in London, Paris, and New York, and in nearby capitals like Riga and Prague.

In 2011 and early 2012, while Putin was Prime Minister, pro-democracy forces in Moscow staged a series of mass demonstrations, but once he returned to the Presidency, in May, 2012, he cracked down on political opposition and independent media. He has made plain that there is not much room anymore for dissent—not from a former billionaire with political ambitions, like Khodorkovsky, and not from the urban middle class, which had dreamed of transforming Russia into a European-style democracy.

*“I will always cheer you on,
but I will never ‘Woo-hoo!’
you.”*

BUY THE PRINT »



These days, many of those who still agitate for a freer Russia assemble abroad. The editor of Lenta.ru, once the most popular news site in Russia, was pushed out because of the site’s reporting on the war in Ukraine; most of the editorial staff resigned in protest. Part of the team moved to Riga,

where it has established a new Web operation, called Meduza. Ilya Ponomarev, once a vaguely oppositional figure in the Russian parliament, is now living in San Jose, California. Anna Veduta, the press secretary of the opposition leader and anti-corruption campaigner Alexey Navalny, is studying at Columbia University. Navalny's lieutenant, a banker named Vladimir Ashurkov, is in London, having fled a set of trumped-up criminal charges. Leonid Bershidsky, one of Russia's most prominent columnists, is writing about Russia's ills from Berlin. Sergei Guriev, an economist who once advised both the Kremlin and Navalny, now teaches in Paris, at the Institut d'Études Politiques. Rustem Adagamov, one of Russia's leading bloggers, is in Prague. Khodorkovsky's Open Russia, a loose affiliation of journalists and activists, has its nerve center there, too.

There is a long history of opposition figures pondering and trying to influence the Russian condition from abroad. In the nineteenth century, Alexander Herzen, a liberal populist living in exile in London and Geneva, published essays in his journal, *Kolokol (The Bell)*. (The tsar, Alexander II, was an ardent reader and eventually agreed to free the serfs.) Leon Trotsky edited *Pravda* while living in Vienna. Lenin, who, after Paris, lived in Zurich, not far from where Khodorkovsky lives now, began publishing his Communist newspaper, *Iskra (The Spark)*, in Germany.

Today, according to one study, Russians spend more hours on social media than does any other nationality. Operations like Meduza and Open Russia can reach many millions, despite the Kremlin's attempt to shut down access to opposition sites. Khodorkovsky believes that he is well positioned to affect the course of Russia, even from abroad. For one thing, he is rich. Of his original fortune, he is said to have about half a billion dollars left (he himself insists that it's a hundred million). And although he remains physically cut off from the ferment of Moscow, he has taken to Twitter and Facebook to rally Russians both inside and outside Russia's borders. The question is whether anyone is listening.

After Khodorkovsky's talk, I ran into Arina Ginzburg, the wife of the late Alexander Ginzburg, a Soviet-era dissident who, in 1979, was exchanged for two Soviet spies imprisoned in the U.S., and eventually settled in Paris. She had gone to the talk even though she was ill and had been housebound for months. She was surprised by

Khodorkovsky's declaration of intent, but also pleased. "It's the opening of a second front," she said. "And I support it."

In an office near the Bastille, Khodorkovsky was making an attempt—a digital attempt—to lay the groundwork for his political return. Sitting at a desk, he tried to make effective use of a Microsoft tablet and a MacBook Air. He typed awkwardly and read aloud from the tablet, looking up occasionally into a camera that beamed his voice and image to activists in Moscow, Nizhny Novgorod, Yaroslavl, Yekaterinburg, Barnaul, and other Russian cities via Google Hangout. None of these technologies had been in wide use when he went to prison, in 2003.

The way forward, Khodorkovsky said, was to form a horizontal network among like-minded, Western-leaning Russians—Western “adaptants”—which the state could not easily destroy. He was counting on the ten or fifteen per cent of Russians who fit this category. In some cities, like Moscow and St. Petersburg, he believed, it could be as high as a third. This amounted to a “minority within a minority,” he conceded, but in Russia a progressive, or radical, minority has always been the engine of political change. “It is this network movement for a law-based government, one that is open to its citizens, that I propose to call Open Russia,” he said. He was arrested during a tour for the first iteration of Open Russia, in 2003. He founded the organization, in 2001, as a way of fostering European values in Russia.

The first activist to speak on the Google Hangout was Sergei Aleksashenko, a former deputy finance minister and deputy head of the Russian Central Bank, who fled to Washington in 2013. He warned the virtual attendees that they needed to work toward the “political enlightenment of the population,” not simply talk among themselves. Fyodor Krasheninnikov, the head of the Institute for the Development and Modernization of Public Relations, emphasized, from his office in Yekaterinburg, that it was “impossible to achieve this inside Russia. . . . It has to be done from the outside.” He cited the unfortunate example of the post-Soviet nineteen-nineties, when almost none of those who had emigrated in the seventies and eighties returned home to share with their countrymen what they had learned abroad.

“I just wish I could loosen up



Dmitry Gudkov, a young
opposition deputy in the Russian

like you.”

BUY THE PRINT »



parliament, rattled off a list of the challenges that the activists were facing: Russia, after the annexation of Crimea, had become an international pariah;

Western sanctions were stifling economic development; emigration was again bleeding the country of its most educated citizens. “We risk losing as many people in ten, fifteen years as we gained by annexing Crimea,” he said, speaking from Nizhny Novgorod. Russia, he added, was moving toward “catastrophe.”

Then the screen went dark. The connection had been severed—almost certainly by the authorities. Out of a national population of a hundred and forty-three million, about fifteen thousand people were watching the conference. Few were tweeting about the event or writing about it on Facebook. Khodorkovsky pressed on, but almost every other city faced some sort of obstacle. In the second hour, the studio in Nizhny Novgorod was stormed by a few dozen pro-Kremlin activists who had been bused to the event by local police escorts.

The authorities’ exertions made the conference seem far more threatening than what it was: a digital version of the traditional dissident kitchen table, with everyone asking the old familiar questions: *Kto vinovat? Chto dyelat?* Who is to blame? What is to be done? Other classics were reprised, too: Is Russia Europe or Asia? How do we enlighten the population? Can we blame Russians for wanting to emigrate? When will the regime collapse?

Activists in Moscow reacted to the Hangout with embarrassment. Maxim Katz, who had been the deputy chair of Navalny’s 2013 mayoral campaign, sent in a question, which Khodorkovsky’s co-host read out loud. “What I see now is a home video recorded on a Web camera with the participation of all the same people that I’ve been seeing for many years, who are saying all the same things,” Katz said. “When are we going to stop whining about our difficult life and the impending collapse, and do something well—for example, a teleconference?”

Khodorkovsky later told me that if he’d seen the same level of chaos and technical incompetence at his old oil company he “would’ve fired everyone.”

Over the past few years, the Russian opposition has grown accustomed to defeat and disarray. On May 6, 2012, a probable police provocation turned a peaceful pro-democracy protest in the center of Moscow into a violent confrontation between unarmed demonstrators and riot police. In two days, nearly a thousand people were arrested, some plucked from cafés and metro stations. Several dozen of those protesters are still in prison.

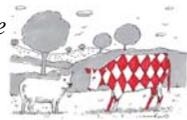
Putin has taken an aggressively revanchist course. At his direction, the Russian parliament passed anti-gay legislation, a law prohibiting Americans from adopting Russian children, and measures restricting protests and the ability of foreign-funded N.G.O.s to operate inside Russia. One law restricts bloggers and has blocked many anti-Putin Web sites; these are now accessible inside Russia only through proxy servers. Another requires Western Internet companies to store their user data inside Russia—and to turn it over at the government’s request. Still other laws propose to keep critics out of Russia, and a recent measure restricted foreign ownership of media companies. Several editors-in-chief of publications that are critical of the government have been pushed out, and, last January, the Kremlin began what has become a war of attrition against TV Rain, Russia’s last independent national television channel. Putin continues to threaten the preëminent liberal radio station, Echo of Moscow. Navalny, the opposition movement’s de-facto leader, was sentenced to indefinite house arrest, largely banned from using the Internet, and swamped with trumped-up criminal charges. On December 30th, a court in Moscow sentenced Navalny and his brother Oleg to three and a half years in prison. However, it suspended Alexei’s sentence, a maneuver that most believed was intended to deny him the status of a martyr while sidelining him from politics and forcing him to suffer as he sees his brother go off to the camps.

After the Sochi Olympics came the Russian sallies into Ukraine and, with them, the increasingly jingoistic rhetoric from the Kremlin and from state broadcasters. This anti-Western tilt has met with widespread approval among average Russians, and has left Khodorkovsky’s Western “adaptants” feeling increasingly isolated. The state press—following Putin’s lead—refers to them as “national traitors” and as an unpatriotic “fifth column.”

It is unclear to what extent the current economic crisis in Russia will

“My mom was a Holstein-Friesian, and my dad was the King of Diamonds.”

BUY THE PRINT »



affect politics, Putin, and public opinion. Westernized, urban Russians are watching their high standard of living melt away.

Slammed by low oil prices and Western sanctions, the ruble has plummeted to record lows, causing runs on stores. Food prices have spiked; the demand for foreign currency has increased as Russians turn in their rubles and spirit money out of the country. Many are using that cash to buy apartments in European countries that provide residence status for homeowners. The mood in Moscow is verging on desperate, particularly among the elderly and the poor and those who long for new leadership. Navalny certainly can't lead a movement anymore, at least not for the time being. But can Khodorkovsky?

Now that he is out of prison, he no longer has martyr status or immunity from criticism. “The moment he disappeared from Russian life as a victim, interest in and attention to him waned,” Masha Lipman, an independent political analyst in Moscow, told me. Khodorkovsky hasn't been a part of daily Russian life for more than a decade. His closest advisers are in exile, too. As Lipman put it, “He doesn't live here—he doesn't have a feel for what it's like. It takes away from his ability to be an alternative authority.”

Still, Khodorkovsky is preparing for a revolution, convinced that Putin, despite his overwhelming popularity and his support inside the military and the security services, will soon fall from power. Khodorkovsky's efforts may seem quixotic or irrelevant to almost everyone in Russia who bothers to pay attention, and yet he persists. He has people inside Russia organizing activists and preparing them for the 2016 parliamentary elections, even though he doesn't believe that they will have an effect on real politics in the country. He has launched a Web site where Russian journalists write about the government's many sins. One of his allies is busy working on a post-Putin constitution. Less than a year out of prison, Khodorkovsky has grandly declared that he would guarantee Putin's safety if he left power peacefully.

“When the moment comes, the leftists will be organized, the neo-Nazis will be organized, and Putin will have the special services at his disposal,” an Open Russia activist told me. “And, when it's go time, we want to have our hundred thousand people in the mix, too.”

At a press conference held by Putin on December 18th, a day before the one-year anniversary of Khodorkovsky's release, a journalist asked Putin if he regretted the decision. In a letter to Putin last year, Khodorkovsky asked for clemency, and volunteered that he wouldn't get involved in politics should Putin let him out. Had Khodorkovsky violated the deal? "It is true, Mr. Khodorkovsky applied for clemency," Putin said. "And it seemed that he wasn't going to get involved in politics." But that wasn't why Putin released him. "I made the decision on humanitarian grounds. He wrote then that his mother was seriously ill," Putin went on. (Khodorkovsky's mother had been given a diagnosis of terminal cancer; she died in August.) "And, you know, a mother—that's sacred. And I say that without the least bit of sarcasm."

As for Khodorkovsky's political ambitions, well, "that's his choice," Putin said. "He has the right, just like any citizen of the Russian Federation." He added, "Godspeed. Let him work."

After a long day in Paris spent talking to Russian activists and discussing his Presidential ambitions, Khodorkovsky and a few members of his team made their way to Brasserie Lipp, the French establishment's old standby across town, on Boulevard-Saint-Germain. Khodorkovsky skipped the Bordeaux and foie gras, ordering instead a large glass of vodka and herring with potatoes. He was happy and relaxed. His thoughts were turning to an upcoming trip to New York and Washington. Since he'd already declared his desire to run Russia, someone at the table asked him a question posed to all contemporary politicians: how did he feel about gay marriage? "You know, people are like lemmings," Khodorkovsky said, his eyes twinkling behind rimless glasses. "Whenever there get to be too many of them, they always find ways of limiting their reproduction."

Khodorkovsky offered opinions on a number of issues that evening. He thought Obama was too much of a lawyer. He told a couple of salty stories from *tyuryaga*, "the clink." He recalled with fondness an old acquaintance, the unfortunate Kenneth Lay, the late C.E.O. of Enron, who was, in Khodorkovsky's estimation, a thumbs-up kind of guy. The whistle-blowers in that case outraged him: why did people glorify cowardly spies and traitors, and put them on magazine covers?

"To make it look like an



Maria Logan, one of Khodorkovsky's lawyers, who was

accident.”

BUY THE PRINT »



in charge of dealing with foreign reporters, looked increasingly pained as her eyes darted from Khodorkovsky to me and back again. “Mikhail Borisovich,” she said, with a strained laugh, “we

need to talk—especially before your trip to America!”

For a prisoner of conscience, Khodorkovsky did not have an especially principled youth. Born in 1963, he grew up in a communal apartment in Moscow. He studied at the Mendeleev Institute of Chemistry and Technology, where, like nearly everyone else, he joined the Komsomol, the Communist Youth League. Many of his peers who are now in the opposition merely tolerated the Komsomol, mainly to keep from being expelled from university. Khodorkovsky saw it as a career opportunity and rose to become the deputy head of the Komsomol at the institute. “If I had met him in the eighties, I would’ve crossed the street,” Natalia Gevorkyan, a well-regarded Russian journalist, told me. She got to know Khodorkovsky when she was covering the emerging class of oligarchs in the nineties. Khodorkovsky has since hired her as a consultant.

He didn’t see the problem, and still doesn’t. “I believed in the Party without cluttering my brain with ‘ideologies,’ ” he says, in “Prison and Freedom,” a memoir on which he collaborated with Gevorkyan while he was in prison. He compares political ideology to a computer’s operating system—what’s the difference, really?—and says that in his youth he “didn’t know about the dissidents.”

Khodorkovsky told the journalist Chrystia Freeland that all he ever wanted was to become a “red director,” the manager of a large Soviet factory. His father is Jewish, so that career path was unrealistic, but Khodorkovsky learned how to exploit a loophole in the changing way that the Soviet Union financed itself, and that was how he made his fortune. The scheme was described by David Hoffman, then the *Washington Post’s* Moscow bureau chief, in his book “The Oligarchs.” In 1987, a year after graduating from the institute, Khodorkovsky used his Komsomol connections to get seed capital and open a small business. It took the largely useless virtual credits that the central planners issued to Soviet factories and converted them into highly valuable hard currency. By 1988, when the average salary in the Soviet

Union was around a hundred rubles a month, Khodorkovsky's firm was raking in millions. With two and a half million rubles, he founded Menatep Bank.

By 1989, he had opened an offshore bank account in Switzerland, one of the first of the Russian oligarchs to do so. (Khodorkovsky denies this, saying that he didn't open his first personal account in the West until 1997.) Through Menatep, Freeland writes, in her book "Sale of the Century," Khodorkovsky and his business partners bought computers abroad and sold them at home for many times their original value. He also began to import other goods—fake Napoleon cognac, stonewashed jeans—with which he laundered Soviet credits, transforming them into cash. He was exploiting the very system he had served as a Komsomol leader.

In 1992, just after the Soviet Union fell, Khodorkovsky and his partners published a manifesto called "Man with a Ruble," which declared, "Our compass is profit. Our idol is the financial majesty, capital." In an interview with the Miami *Herald*, he said that although he had once been a fervent believer in Communism, he had undergone a "total rethink." He said, "If the old Mikhail had met the new one, he would have shot him."

Boris Yeltsin's post-Soviet government implemented radical market reforms but instituted almost no legal structure to control them. Khodorkovsky was perfectly positioned to take advantage. Menatep became an official bank for the Russian Ministry of Finance. Here, too, Khodorkovsky identified a lucrative loophole. One of his lieutenants at Menatep bragged about the scheme to Hoffman. The Ministry of Finance would deposit, say, six hundred million dollars in Menatep Bank, to be disbursed to pay salaries in the regions. Menatep would delay those payments and funnel the six hundred million into high-yield investments for three weeks. In that time, salaries in the regions went unpaid, but Menatep earned millions on the investment. (Khodorkovsky denied this, saying that three weeks was a normal amount of time for a transfer in those days.)

Khodorkovsky began to amass the bulk of his wealth in 1995, when the oligarchs devised a scheme by which their banks lent money to the Yeltsin government, which was desperate for cash. In exchange for the loan, the banks would hold shares of handpicked state enterprises as

“Sorry for working so late—did I wake you?”

BUY THE PRINT »



collateral. If the government defaulted on the loans, as everyone involved knew it would, the banks would be allowed to sell off the collateral in order to recover their money.

Khodorkovsky, who had set his sights on the oil enterprises that were unified under the name Yukos, lent the government \$159 million in exchange for forty-five per cent of Yukos. When the government inevitably defaulted, Menatep organized an auction to sell off the collateral—Yukos. With some maneuvering, Khodorkovsky was able to shut foreign investors out of an initial auction, and then disqualified a troika of domestic participants. When the auction was over, Hoffman writes, a Menatep affiliate was the owner of a controlling stake in Yukos that it had purchased at an extreme discount. Khodorkovsky disputes this account, claiming that he turned a rotting Soviet enterprise around: two years later, Yukos, a company that Menatep had effectively sold to itself, was valued at nine billion dollars.

Khodorkovsky was thirty-four. After acquiring Yukos, he sent his enforcers to establish control of the extraction companies. Then, according to an article published in *Foreign Affairs*, in 2000, by Lee Wolosky, who was at the time the deputy director of the Economic Task Force on Russia at the Council on Foreign Relations, Yukos began using a tactic called transfer pricing. Yukos would buy oil from the extraction companies at an artificially low price and sell it abroad at the much higher market price. In early 1999, Yukos bought two hundred and forty million barrels of oil from its subsidiaries for \$1.70 a barrel. It sold the oil abroad for fifteen dollars a barrel. In the first half of that year alone, according to Wolosky, Yukos made eight hundred million dollars. Khodorkovsky says that this was not illegal under Russian law at the time, and that these estimates don't take into account duties and other costs.

Very little of this wealth was making it back to the parts of the country that were producing it. Instead of paying taxes, which could have been used to repair the decaying Soviet infrastructure, Khodorkovsky and his colleagues were depositing the funds in an offshore network. “Whole regions of Russia are being impoverished” by such tactics, Wolosky

wrote.

Vladimir Petukhov, the mayor of Neftuyugansk, where Yukos had its main production facility, appealed to the Kremlin to investigate Yukos's practices. In May, 1998, he led a protest in Neftuyugansk that disrupted a Yukos shareholders' meeting. Several weeks later, he was shot to death on the street. Police labelled the murder a contract killing. Khodorkovsky has consistently denied any role in Petukhov's death and has never been charged with the murder. His former chief of security, however, is serving a life sentence for it, as well as for one other murder and two attempted murders. Leonid Nevzlin, a former business partner of Khodorkovsky's, who moved to Israel in 2003, was convicted in absentia in 2008 for Petukhov's murder, among others. Nevzlin dismisses the convictions as charades—a reasonable claim, given the political nature of the cases.

When, in 1998, the Russian government defaulted on its debt, provoking a severe economic crisis, Yukos barely survived. According to Hoffman, Khodorkovsky was deeply in debt to Western banks, and he dodged his creditors. One of his tactics involved the transfer of almost all Yukos's assets to obscure shell companies, which left his American shareholders and his Western creditors holding only the company's debt. Another involved flooding the market with millions of new Yukos shares, diluting Western shareholders out of existence.

The 1998 financial crisis pushed Khodorkovsky to another "total rethink." He realized that he had to insulate himself and insure that he would be able to keep his wealth. He decided to sell Yukos to one of the big Western oil companies. To do that, though, Yukos had to become the kind of outfit that a publicly traded company like Shell or BP could buy. Khodorkovsky began to peel back the layers of the company that he had designed to be inscrutable. He opened Yukos's books, distributed dividends to his investors for the first time, and paid his taxes.

He also began to try to change the context in which Yukos existed, to make Russia more transparent and predictable to Western investors. While engaged in talks with Chevron, Khodorkovsky launched Open Russia. To this day, he is not shy about his motives. "Our position was that, in order for our capitalization to grow, we needed a more transparent political system," he told me.

Although Putin came to power promising to rein in the oligarchs, he disliked Khodorkovsky's new direction, according to Natalia Gevorkyan, who helped conduct the interviews with Putin that make up his autobiography, "First Person." After being elected to the Presidency, in 2000, Putin began to surround himself with K.G.B. alumni and friends from St. Petersburg, men who had fallen behind in the nineties. Now that they were in power, the imposition of legal structures and transparency was not in their interest; it would only prevent them from amassing the sort of wealth that Khodorkovsky had.

"I'm leaving early, before mission creep takes over."

BUY THE PRINT »



By 2002, Putin had driven two powerful oligarchs—Boris Berezovsky and Vladimir Gusinsky—out of the country and seized their media assets.

According to Nevzlin,

Khodorkovsky didn't understand the signals the Kremlin was sending: show fealty or leave. On February 20, 2003, at a business round-table with Putin, Khodorkovsky pointed to a questionable deal that had caught his attention as an oilman. He implied that Igor Sechin, an old friend of Putin's who was also in the K.G.B., had enriched himself through the deal. When Khodorkovsky asked Putin to look into it, Putin snapped, "Yukos has excess reserves, and how did it get them?" The message was clear: you got yours, now stay out of the way as we get ours.

In the months that followed, Yukos's offices were raided by the prosecutor general's office. That summer, shortly after Khodorkovsky's fortieth birthday, his lieutenant Platon Lebedev was arrested. Yukos employees fled the country, and Khodorkovsky's friends and lawyers advised him to do the same. He refused. "Hiding, weaving conspiracies, sitting in the bushes, perhaps that was the right course of action," he writes in his memoir, "but I don't know how to live like that and I don't want to."

When secret-police commandos stormed his private jet at five in the morning during a refuelling stop in Siberia, Khodorkovsky told me, he felt "total relaxation." He was charged with fraud and tax evasion that had allegedly cost the state billions of dollars, and was facing a possible ten-year prison sentence. Within a few years, the Kremlin dismantled Yukos and handed it over to Sechin, who became Russia's new oil czar.

At a hearing the day after Khodorkovsky's arrest, the judge ordered him held without bail. The eventual trial, everyone knew, would be stage-managed from the start by Putin. Khodorkovsky turned to his lawyer, handed him his watch and his wedding ring, and said, "It's O.K. This is an important experience, too."

Khodorkovsky was sentenced to nine years in prison, and was sent first to a labor camp near the Chinese border. The camp is situated on a blustery, dusty steppe where temperatures can drop to -30° centigrade. The Russian prison system has changed little since the days of the Gulag, an observation that Khodorkovsky made in "Prison and Freedom." "The prisoner is not quite a person," he writes. "Rather, he is chattel whose value to its 'owner' has increased markedly from the first half of the last century. That is, you shouldn't kill him, but you can and should beat him. You shouldn't starve him, but neither should you spend too much time thinking about the quality of the food."

Despite the dubious business dealings and the less than altruistic push to democratize Russia, Khodorkovsky became Russia's most famous political prisoner. For years, his lawyers smuggled to Russian and Western newspapers high-minded treatises that he had written. Khodorkovsky also funded an effective public-relations operation, with representatives all over the world. He exchanged letters with well-known liberal intellectuals such as the novelists Boris Akunin and Lyudmila Ulitskaya and the Polish dissident Adam Michnik. Whenever Khodorkovsky's lawyers had a hearing in Moscow, crowds of supporters showed up to rally at the courthouse. Suddenly, the man who nearly everyone believed had fleeced the country of billions had become for Russian liberals a symbol of Kremlin persecution.

In his memoir, Khodorkovsky describes how, even in prison, he was the master of his fate and his surroundings. When he arrived, the camp administrator addressed him using the informal *ty*. "I didn't say anything, and just looked at him, puzzled," Khodorkovsky writes. The administrator quickly switched to the formal *vy*. Khodorkovsky claims to have had good relationships with every rank of prisoner—from the shadow "authorities" to the snitches. He fought camp administrators by making official complaints and going on hunger strikes.

On instructions from Moscow, Khodorkovsky was put to work in the

sewing factory, making uniforms for Russian officialdom. The modern Gulag produces a billion dollars' worth of goods annually, using inmates as slave labor. The daily quotas are often too big to fill, even when prisoners work around the clock. (Unfilled quotas result in punishment, often corporal.) "I looked at the equipment and decided: it's a trap," Khodorkovsky writes. "You can't fill the quota on these machines, the quality of the stitch is crap. It's a setup." So he wrote an official complaint and purposely failed the sewing exam. He was transferred to a job on the loading docks, a position that he found acceptable.

"Oh, well, this is going to be awkward."

OCTOBER 31, 2011

BUY THE PRINT »



Once, while Khodorkovsky was asleep, his cellmate stabbed him in the face. "Boy, was there a lot of blood," Khodorkovsky writes.

This kind of stubborn persistence and nonchalance impressed his admirers. "The penal colony isn't scary," he observed. "It's full of average people, and your place in that world depends on you, and more on will than on strength. You can't be scared. The result is a vile and filthy life that is worse than death. And death, well, what is death? The risk is low, just two or three per thousand inmates a year."

He began to observe the prison colony from the vantage point of an anthropologist. "I didn't have strong emotions, not for the prosecutors, not for Putin, not for Sechin," he writes. "It was all like autumn rain: an unpleasant phenomenon of nature, nothing more."

At one point, he notes that, while repatriation after five years in jail would be difficult, after ten it would be impossible: "In most cases, the human psyche is distorted irreversibly."

The day after his appearance at the Opéra, Khodorkovsky met with Vera Krichevskaya, the well-known Moscow television director and one of the founders of the independent TV Rain. Slowly squeezed out of the business for her oppositional views, Krichevskaya is effectively blacklisted in Moscow and now lives in London. She corresponded with Khodorkovsky while he was in prison and, after his release, gave him a crash course in what he had missed. He kept asking about newspapers. She explained Huffington Post and

BuzzFeed. He wanted to create a television channel; Krichevskaya insisted that he do something digital. O.K., he liked BuzzFeed, could they do a BuzzFeed Russia? Krichevskaya got in touch with BuzzFeed. BuzzFeed politely declined.

In Paris, they discussed a new media startup, sources present at the meeting confirmed to me, but Krichevskaya and her team were uneasy: Khodorkovsky wanted to be part of the editorial process.

Earlier this year, Khodorkovsky opened negotiations to become an investor in Meduza, the new media outlet based in Riga. The staff feared that his involvement would get them branded as an opposition organization, rather than as an independent publication. One person close to the project said, “He’s a toxic investor.” It is a worry that others have expressed privately as Khodorkovsky has tried to recruit them for Open Russia: when you’ve spent all this time fighting for independence from the Kremlin, why become the pawn of a man with such obvious ambitions? Some complain that his views of journalists haven’t changed much since the nineties, when reporters could be bought and sold, and “hit” pieces could be ginned up for the right price.

If the Russian majority has been trained to think of Khodorkovsky as a fat cat who robbed the nation, the liberals who supported him while he was in prison feel free to criticize him now that he is out. Some are wary that his old business habits could leach into his organization. When Open Russia hosts an event in Russia, for example, it makes local activists pay for the space. Open Russia also doesn’t pay most of the people who work for it, insisting that they are volunteers.

Even Khodorkovsky’s allies are concerned that, for someone with such grand political ambitions, he does not yet have an entirely firm grasp of the issues. According to one adviser, Khodorkovsky believes that the United States is a parliamentary democracy, nor does he seem to understand with any real precision how democracies and their institutions work. He doesn’t speak or read any language but Russian with any fluency, which helps give him a narrower, and sometimes inaccurate, view of the world. He doesn’t fully understand modern politics and economics, but thinks he does, because he once ran a huge Russian company. “When he speaks about oil, he’s very sure of himself, and that’s not the case when he talks about politics,” Guriev, the exiled Russian economist, told me in September. He has tried,

delicately, to steer Khodorkovsky in the right direction, suggesting books to read, correcting him when he's wrong. And he has made progress, Guriev says.

The sense that Khodorkovsky is often out of touch, paired with his vaulting ambition, makes some of his supporters anxious. When I met with Krichevskaya at a Paris café after her meeting with Khodorkovsky, she was hesitant about the prospect of building a media portal on the terms that he proposed. "I don't want to do propaganda," she told me. "I have no desire to participate in the war." In the end, she pulled out of the project.

"Up gets you nowhere."

JULY 23, 2007

BUY THE PRINT »



A couple of weeks later, in early October, Khodorkovsky went on a political tour of Washington and New York. He gave the keynote speech at a meeting of Freedom House, in Washington. He dined

with Washington's foreign-policy establishment and complained about what he saw as the Obama Administration's weakness in the face of Putin's increasingly aggressive foreign policy. In New York, at the Council on Foreign Relations, he appealed to the U.S. to return to a position of moral strength, recalling the simple verities of the Cold War, when Russians saw in the West "a sort of moral example for ourselves."

One morning, I joined Khodorkovsky as he travelled from Washington to New York, on the Acela. The speech he had given at Freedom House was getting some play in the Russian blogosphere, and he was pleased that he had said some "non-politically correct things" to the famously sensitive Americans.

It was 10 A.M., and Khodorkovsky had already polished off a can of Red Bull. He was lively, charming, and vague. What did he have in mind for Russia? He was looking for "points of consolidation." He wanted to unite the ten or fifteen per cent of Russians who are Western "adaptants," without alienating the other hundred and forty million people in Russia.

I asked Khodorkovsky if he was hatching a coup. The Russian people,

he said, “are not ready for a coup.” He sounded both resigned and disappointed. He would try to help keep things from getting worse in Russia, but that was not the way to improve the lot of Russian liberals. “The only way to improve things is through violent methods,” he explained, smiling, as if he had reached the satisfying end of a mathematical proof. “You—we all—are not ready for these methods. So then let’s agree that we’re going to use the methods we can use in order not to worsen our situation.”

He went on, “The key question that the Kremlin is posing to society is: If not us, who? And society, spooked by the nineties, is afraid of not having an answer to this question.” He added, “It’s spooked by the fact that, because of the crisis of management, we got what we got.”

I asked him if he felt at all responsible for what happened in the nineties. “Oh, come on,” he said. “This theme of ‘feeling guilty’ or ‘you’re not feeling guilty.’ Let’s drop to our knees and start repenting. Look, I was not part of the system of management, for understandable reasons.”

If Khodorkovsky has a political future, it will depend both on the clarity of his vision and on whether people feel that he has been cleansed and changed by a decade in prison. Almost everyone in Russia associates him with the chaos and exploitation of the nineties; many blame him for degrading the idea of private enterprise and for helping to create a popular desire for a strong hand—a Putin. And yet he is unapologetic. “When people say, ‘It was impossible to live back then without violating the law,’ I say, ‘Come on, don’t make me out for a fool,’ ” he said, with a sneer. “When there are so few laws and they’re so imperfect, you have to be a total idiot not to be able to find a way to do what you want without violating the existing laws.”

He had only taken colossal advantage of a nearly lawless landscape. “Back then, I didn’t grasp the fact that people of a slightly older generation than me simply couldn’t adequately assess the opportunities in front of them,” he said. “In this case, we are—or I was—also victims of the same problem. Because we got property but in a flawed way.”

He went on, “We weren’t the Rockefellers, but we weren’t modern Americans, either.”

As for his sins, he said, “My answer is very simple: ‘Guys, I’ve done

my time. And other people's time. And done time for all your notions of morality.' And, to those who say I should've done more time, you try doing ten years. But I have the kind of experience that a lot of people don't. I have managerial experience, I have the experience of managing in a crisis, I have the experience of surviving in a complicated situation, and look: success, success, success, success. Yes, in the confrontation with the machine of state, I lost. I apologize for that." He looked at me, pleased with his answer, and crushed the empty Red Bull can.

"Your kid throws up a lot."

APRIL 4, 2011

BUY THE PRINT »



When I asked him about Putin, he replied, "There were a couple of instances in prison when I said, 'It's better for you to not do this, because if you do this, you'd better kill me.' " As he spoke, his

voice diminished nearly to a whisper. Employees of Yukos used to say that, when you can barely hear Khodorkovsky, that's when he is at his angriest. "I just don't like games without rules. Either you play by the rules or you play without rules. There's no middle ground."

Khodorkovsky believes that his life may be in peril. "I am the personal enemy of Putin, and he is the only one who can give that command," he said as the train approached Penn Station. Khodorkovsky's tough speech in Washington had been published, and there had been threats. The fact that Khodorkovsky felt danger so keenly himself removed any compunction about asking other Russians to risk something. His pattern of remaking himself was unchanged. He was ready for revolution, even if few others were ready to join. "O.K., I did ten years—it's not the end of the world," he said. "I've started from scratch several times. It's not the end of the world." ♦

Julia Ioffe has written about Russia for many publications, including *The New Yorker*, where she published a profile of Alexey Navalny.

RELATED STORIES
