

Browder Challenges Shuvalov at Forum

By [The Moscow Times](#)

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Shuvalov speaking at Thursday's Davos session. He responded to Browder's query about the Magnitsky case. **Virginia Mayo**

DAVOS, Switzerland — William Browder, who once had about \$4 billion invested in Russia through his Hermitage fund, spoiled on Thursday a Russian show in Davos meant to woo investors.

Browder said he had to flee Russia after accusing officials of corruption and saw some of his firms being stolen from him by Interior Ministry officials.

One of his lawyers, Sergei Magnitsky, died in jail in 2009 from what Browder says was torture.

The case has shaken investor confidence and drew criticism from Western organizations and governments. President Dmitry Medvedev ordered an investigation into the case and fired several officials, but Browder says the main culprits remain unpunished.

"The president of the country called for an investigation into the people who killed my

lawyer," Browder told a panel chaired by First Deputy Prime Minister Igor Shuvalov and a hall packed with Western executives.

"One year after the investigation, people who killed the lawyer have been promoted higher by state orders. ... My question to you, Igor, is what will prevent other investors to have the same experience after my experience in Russia," he said at the discussion, titled "Russia's Next Steps to Modernization."

Shuvalov took more than five minutes to answer Browder's questions, but his remarks seemed addressed more to the audience than to Browder himself.

"We know this case very well. ... Twenty people were fired immediately. ... It was not a case which was forgotten the next day," he said in English.

"Unfortunately, I don't know the results of the investigation and the end of the case. ... The past is always very important, although not always positive, but we need to concentrate on the future," he added.

"You have to acknowledge the country is changing for the better. If every year we can say that the rule of law is becoming better — not perfect but better — then I think I'm doing my job," he added. "We need to work together."

Browder's remarks came in sharp contrast to praise for Russia from top global CEOs, including PepsiCo and Alstom.

Most CEOs whose companies have large deals and ventures in Russia spoke in very gentle terms about the need for increased transparency and barely mentioned corruption and the rule of law, often named by other investors as Russia's main problems.

"The government is doing everything possible to encourage foreign investors," said PepsiCo CEO Indra Nooyi, praising Prime Minister Vladimir Putin for a speedy blessing of PepsiCo's latest acquisition in Russia in late 2010, which she said was granted within hours.

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