

Tarnished Executive Joins Right Cause

By Natalya Krainova

August 25, 2011



A businessman implicated in four corruption probes, including a notorious 1996 incident involving a Xerox box full of dollars being smuggled out of the Russian White House, will become a senior official with the Right Cause party.

Arkady Yevstafyev, 51, general director of the Moscow-based investment holding E-Union, was handpicked by Right Cause's leader, billionaire Mikhail Prokhorov, to head the party's branch in the Saratov region, Kommersant reported Thursday.

Prokhorov did not publicly comment on the appointment, but the incumbent in Saratov, Igor Tanatin, said the party needed a "person on the federal level" to compete locally against United Russia.

The ruling party is expected to field political heavyweight Vyacheslav Volodin, a deputy prime minister, in Saratov for the State Duma elections in December.

"It doesn't matter if someone was in a scandal in the 1990s; there was no criminal case,"

Tanatin told Kommersant.

"And every big businessman has a story from the 1990s," he added in a reference to a decade remembered as a time of rampant lawlessness.

Yevstafyev, a one-time aide to unpopular 1990s privatizations architect Anatoly Chubais, is expected to be formally appointed to the post at a party conference next week, Tanatin said in an interview published Wednesday in Versia-Saratov.

Some observers voiced skepticism that his bid would do Right Cause any good. Regional political analyst Oleg Fomin told Kommersant that the party's core target, businessmen, will not be "horrified" by Yevstafyev's past.

Yevstafyev first made headlines during the presidential campaign of 1996, when he worked at the elections headquarters of Boris Yeltsin. In July of that year, Yevstafyev and businessman Sergei Lisovsky, head of Yeltsin's campaign, were busted leaving the governmental building on Krasnopresnenskaya Naberezhnaya with \$538,000 in cash in a Xerox machine box.

Officials opened two investigations into charges of theft and illegal currency transactions, but quietly dropped both sometime after Yeltsin's victory. Analysts at the time ascribed the incident to a feud between various clans in Yeltsin's camp.

In 1997, Yevstafyev was implicated in an unrelated inquiry into overpriced royalties of \$90,000 for a book on privatization in Russia that he co-wrote. The case cost Chubais, another co-author, his job in the Finance Ministry, but was closed in 1999.

In 2002, prosecutors opened a criminal case against Yevstafyev on fraud charges over a bank loan that a foundation he ran allegedly failed to pay back, but the case was closed three months later.

In 2006, the Prosecutor General's Office opened a criminal case against Yevstafyev on charges of fraud and evading taxes worth 105 million rubles (\$3.6 million) during his tenure at the helm of Moscow power monopoly Mosenergo, from which he resigned after a citywide blackout in 2005. It was not immediately clear Thursday what became of the probe.

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