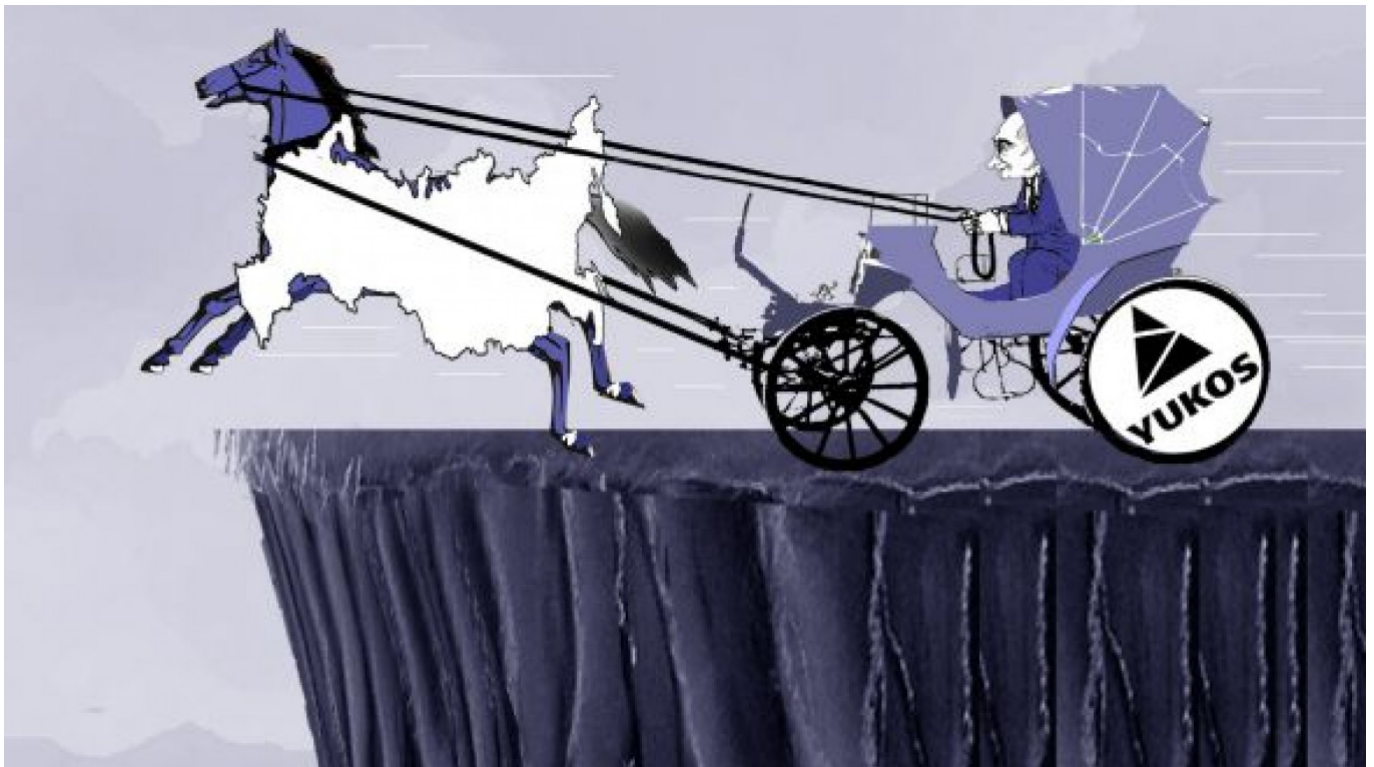


# How Khodorkovsky's Arrest Ruined Russia

By [Victor Davidoff](#)

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Ten years ago, on Oct. 25, 2003, Yukos CEO Mikhail Khodorkovsky was arrested. On the day of his arrest, no one realized the significance of the case against Khodorkovsky and Yukos. But today it is clear. It was a case against the entire country, and the sentence given to Khodorkovsky and his associate Platon Lebedev was a verdict for Russia. The current political and economic system is to a great extent the result of the trial of Khodorkovsky.

To be fair, by the time Khodorkovsky was arrested, the first stone in the authoritarian system had already been laid. Soon after Putin came to power, the free press was under attack and the influential television channel NTV had lost its independence. Without an independent press, the state-controlled mass media was able to shape public opinion against Khodorkovsky and Lebedev. The coverage of their case was highly tendentious, and no alternative opinions by legal experts or lawyers were aired. Television showed stories about murders allegedly ordered by Khodorkovsky and his plans to overthrow the government.

Putin's autocratic system was formed to a large extent as a result of Khodorkovsky's arrest and trial.

The second victim of the case against Yukos was the independent judicial system. The head of state gave many public signals that were easily read by judges and then carried out. This was particularly obvious during the second trial of Khodorkovsky and Lebedev in the Basmanny court in 2008, after which the phrase "Basmanny justice" came to describe an entire Russian court system that was dependent on the authorities.

The Yukos case also had serious economic consequences. The state company Rosneft quickly took control of the larger part of the company assets. This was the start of Putin's "New Economic Policy" in which the main role was played not by independent players but inefficient state-controlled behemoths.

Khodorkovsky's arrest altered the relationship between business and politics in Russia. Yukos openly funded oppositional parties like Yabloko and the Union of Right Forces. Since then, business executives who dare to finance the political campaigns of people and parties out of favor with the Kremlin soon feel the full weight of state pressure. This usually begins with financial audits and often ends with criminal charges and the destruction of their businesses.

As political scientist Vladimir Kara-Murza [wrote](#) on his Ekho Moskvy blog, "The essence of the current regime came out in the case against Khodorkovsky: suppression of other points of view and independent thought and the subordination of big business to the Kremlin's rules of the game. After Khodorkovsky's arrest, big business avoided like the plague any hint of support for opposition or civic groups that the Kremlin did not like."

Certainly one of the main victims of the case against Yukos was the Russian nongovernmental sector. Through his Open Russia foundation, Khodorkovsky had funded many philanthropic projects, including educational projects for young people, the Federation of Internet Education, the Club of Regional Journalism and projects of human rights NGOs. Today, business stays far away from any NGOs that deal with human rights issues or support the independent media.

One of the leaders of the Civic Platform party, Valery Fedotov, [summed](#) it up on his LiveJournal blog: "The arrest of Khodorkovsky was the beginning of the shift to a new era: from democracy, however unstable it may have been, to authoritarianism with clear elements of dictatorship; courts as punitive machines; siloviki dedicating most of their time to racketeering and extortion; dozens of entrepreneurs behind bars; the impunity of state officials; and the growing lawlessness of everyone else. All this is the consequence of the case against Yukos."

Khodorkovsky's sentence ends in about 10 months. It is hard to say if he will be released. The same investigative team that handled the first two cases against Yukos is still hard at work. They are questioning the experts who provided independent analysis of the second

Yukos case, including Tamara Morshchakova, a former member of the Constitutional Court. Another independent analyst they questioned, Sergei Guriev, emigrated to France in May to avoid possible arrest.

Although Khodorkovsky has insisted publicly many times that he has no plans for political activities when he gets out of prison, the prospect of freeing the "Russian Mandela" can only worry Putin.

It is worth remembering what the late Yelena Bonner, who was married to Soviet human rights activist Andrei Sakharov, [wrote](#) after the verdict in the second Yukos case: "I call upon everyone in Russia and all the friends of the Russian nation in the West to do everything possible — and more — for the release of Khodorkovsky and Lebedev. Their freedom is the freedom of the country from authorities who, like drunk drivers, are driving Russia toward the abyss. Remember how it was with Sakharov. Under pressure from the West and disorder in the country, Gorbachev returned him [to Moscow] from his exile [in Gorky]. And almost immediately, on the very next day, the country had changed. Sometimes an optimistic prediction comes true."

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