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Politics or Revenge? Billionaire Gleb Fetisov is Arrested

By Anatoly Medetsky

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Gleb Fetisov is suspected of fraud. **Sergei Nikolayev**

A Moscow court has arrested billionaire political leader Gleb Fetisov, weeks after he ramped up his political ambitions by partnering up with prominent opposition figures and launching a new political party.

A fellow leader of the party suggested that the arrest was retaliation by influential private depositors who lost millions of dollars when a bank formerly owned by Fetisov was shut down by the regulator in January.

Worth $1.9 billion, Fetisov is one of the richest people to have ever found themselves behind bars in Russia's post-Soviet history, after former Yukos chief Mikhail Khodorkovsky and media magnate Vladimir Gusinsky. He is now the only billionaire at the helm of a Russian political party, following Mikhail Prokhorov's recent handover of leadership of the Civil Platform to his sister.

The Basmanny Court on Friday ruled to arrest Fetisov for a period ending April 20, hours after Investigative Committee spokesman Vladimir Markin announced the billionaire's detention. Fetisov is suspected of fraud at Moi Bank, which he sold in December, Markin said.

A Fetisov aide denied any wrongdoing by the businessman and attributed his prosecution to the recent advances in Fetisov's political career, including his banding together with a prominent Kremlin critic to launch a new party.

"All that was done to him suggests reprisal or revenge for his political activity," the party said in a statement following Fetisov's detention at a Moscow airport, as he returned from a foreign location where he underwent medical treatment.

In January, Fetisov stepped up his independent political profile by joining forces with a vocal detractor of the government, Gennady Gudkov, and merging their parties to create the People's Political Party Green and Social Democratic Alliance. They co-chair the new political force.

Previously, the party rallied support for Greenpeace activists sitting in prison awaiting trial after climbing a Gazprom oil rig in the Arctic to protest drilling in the region's fragile ecosystem. The political group also sued Gazprom in an unrelated nature preservation case, but unsuccessfully.

Gudkov said the suspicion of fraud was a "feeble" excuse for the arrest, insisting the true reason was retaliation for teaming up with government opponents like State Duma Deputy Ilya Ponomaryov and himself. The party last week nominated Ponomaryov, who was a prominent figure in the protest movement that swept through Russia after disputed parliamentary elections in December 2011, to run for mayor of Novosibirsk after the local election commission rejected his bid as an independent.

Gudkov suggested that the government might be mopping up any pockets of political independence at home in light of the popular uprising in Ukraine, which toppled Russia's ally President Viktor Yanukovych in February.

"The authorities are scared and are throwing people in jail indiscriminately," he said by phone. "Fetisov is not the kind of a radical opposition activist that would rally furiously in the street."

The arrest will undercut the party's preparations for the elections to the Moscow City Duma and other regional elections in September, Gudkov said. He held out the hope, however, that the situation around Fetisov would not affect the finances of the party, to which the businessman is a major donor.

Andrei Kochetkov, head of political research at the Fund for the Development of Civil Society, headed by a former chief of the Kremlin's internal policy department, said the investigation of Fetisov was unrelated to politics. A relative newcomer on the scene, Fetisov has not yet shown himself as a figure to be reckoned with, Kochetkov said.

The businessman ended up in the cross hairs of law enforcement agents because of genuine concern over his role in the downfall of Moi Bank, Kochetkov said. On Jan. 31, the Central Bank

decided that the lender was no longer solvent, and stripped it of its banking license, leaving the state's Deposit Insurance Agency to pay out more than 6 billion rubles ($166 million) to the defunct bank's private depositors.

Fetisov sold his 90 percent stake in Moi Bank in December, but Mikhail Sukhov, deputy chief of the Central Bank, which regulates the banking sector, said the lender had been in trouble before the change in ownership.

"One needs to make a clear distinction here between political motives, which are not visible, and the ghosts of the past, which still haunt Fetisov," Kochetkov said. "I regret that there are entrepreneurs who attempt to find shelter from prosecution by engaging in political activity."

In the 1 1/2 years prior to the sale of his stake in Moi Bank, Fetisov was not involved the bank's management, the businessman's party said in its statement Friday.

Oleg Mitvol, chief of the party's executive committee, said some of the lender's well-connected depositors might have pushed for Fetisov's apprehension, Forbes reported. Certain individuals who kept their money at the bank have enough clout with the Investigative Committee, the magazine reported Friday, citing a wealthy businessman acquainted with Fetisov.

One of the victims of the bank's flop was film director Nikita Mikhalkov. According to Vedomosti, he had 200 million rubles ($5.5 million) of his personal money — and 100 million rubles more belonging to companies he controls — on the bank's accounts.

Fetisov said he also lost money, more than 2 billion rubles, when the bank collapsed. He threatened in early February to take the lender's owners and executives to court if they did not pay him back.

Moi Bank is just one of the business assets that Fetisov sold last year to focus on politics, saying the possessions might provide a convenient target for his opponents in the government, a precaution that does not seem to have helped.

During the sell-off, he unloaded the largest of his holdings, a stake in telecoms holding company Altimo. Fetisov made his fortune from building the company with Mikhail Fridman's Alfa Group in late 1990s.

Fetisov was a member of the Federation Council, the parliament's upper chamber, between 2001 and 2009, chairing the committees for financial and economic policy. After a brief stint in business, Fetisov returned to politics in 2012, when he registered a party jointly with Mitvol, and has since then been building up his political presence.

His new ally Gudkov has given the party a greater oppositional flavor — the pro-Kremlin State Duma ousted Gudkov from its ranks after he proved to be one of the most vocal supporters of the street protests two winters ago.

Contact the author at medetsky@imedia.ru

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