

# Putin pardons Russian oligarch Khodorkovsky in overture to the West

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Following his annual multi-hour press conference last Thursday, Russian President Vladimir Putin announced the pardoning of jailed Russian oligarch Mikhail Khodorkovsky. The former head of the Russian oil company Yukos, who had been imprisoned for ten years, was freed on Friday and flew directly to Germany on a private plane.

Putin initially claimed that he acted in response to an appeal received directly from Khodorkovsky, who, bypassing his own lawyers, allegedly wrote to the Russian president and requested his release due to his “family situation.”

The pardon was the outcome of high-level negotiations between Russia and Germany, with Chancellor Angela Merkel’s government having been engaged in talks with the Kremlin over this for some time. At a Sunday press conference held at the Berlin Wall museum, the former oil magnate thanked Merkel and former German Foreign Minister Hans-Dietrich Genscher for intervening on his behalf.

The pardon of Khodorkovsky comes on the heels of a series of domestic overtures to the West and pro-Western Russian opposition. On Wednesday, Russia’s parliament passed a law granting amnesty to thousands of prisoners, including two members of the anti-Putin rock group Pussy Riot.

Charges are also being dropped against four individuals accused in the “Bolotnaya Square” case, in which the government accused individuals involved in a May 2012 anti-government demonstration of numerous legal violations.

Earlier this year, the government ordered the release on bail of opposition leader Alexei Navalny so that he could run in the Moscow mayoral race. In November, Putin appointed former Russian Finance Minister Alexei Kudrin, an advocate of fiscal austerity who

joined the free-market opposition upon leaving office in 2011, to the president’s economic advisory council.

The Kremlin’s moves to release him and other Western-backed figures are a tactical maneuver to reach some accommodation with US and European imperialism, as well as free-market forces within Russia itself, amid rising economic crisis and geopolitical tensions.

While Moscow has pushed back against US and German encroachment on Russian geostrategic interests—opposing the US war drive against Syria and attempts to incorporate the Ukraine into the European Union—it fears a full breakdown of relations with the imperialist powers. Khodorkovsky’s release, along with the Kremlin’s olive branches to the pro-Western, liberal opposition domestically, is bound up with this attempt to stabilize the Kremlin’s relations with imperialism.

In media and official commentary, particular emphasis has been placed on the fact that the oligarch’s release is intended to make Russia more appealing to Western capital. Russian Minister for Open Government Mikhail Abyzov told *Interfax* news agency: “This is an important signal to all those who say that the authorities are doing nothing but tightening the screws. This is a clear signal for an improvement in the investment climate in the country.”

Khodorkovsky’s release was greeted warmly by wide layers of the Russian political establishment, including the free-market liberal opposition, the Communist Party (KPRF), and the far right. KPRF leader Gennady Zyuganov said that “Khodorkovsky has served his due,” praising the pardon as an “act of human kindness.”

For years, the jailing of Khodorkovsky has been denounced by Putin’s foreign and domestic critics as a

major human rights abuse. At the time of his initial arrest, the editorial pages of leading American newspapers—who were then promoting lies about Iraq “weapons of mass destruction” to justify the US aggression of Iraq—waxed indignant over the jailing of Khodorkovsky. Amnesty International labeled him a “prisoner of conscience.”

Khodorkovsky is again being hailed as a democratic icon by various reactionary organizations. On Friday, long-time right-wing dissident Lyudmila Alexeyeva of the Moscow Helsinki Group, an anti-communist human rights organization, proclaimed Khodorkovsky a “spiritual leader” and compared him to “Gandhi, Sakharov, and Havel.”

At his Sunday press conference, Khodorkovsky indicated he would seek to play such a role, saying that he would become a symbol for political prisoners around the world. He also claimed he would remain out of any open engagement in Russian politics.

The effort to portray Khodorkovsky as a martyr for democracy is absurd. Like other Russian oligarchs, whether temporarily in or out of favor with the Kremlin, he personifies the reactionary character of the restoration of capitalism in the USSR in the early 1990s.

At the time of his initial prosecution in 2004, Khodorkovsky was Russia’s richest man, with a net worth of \$15 billion, according to *Forbes*. After having gained a foothold in the banking industry after the Soviet collapse, he moved into oil production, purchasing Yukos in 1995 for only \$300 million. At the time of his arrest, the company was valued at \$30 billion.

In the early 2000s, Khodorkovsky took an increasingly critical attitude towards the Putin regime and was allegedly preparing to use his wealth to bankroll an anti-Putin opposition. When he was arrested, Khodorkovsky was in the midst of a major deal with US-based oil giants Exxon and Chevron, which were reportedly ready to buy as much as a 50 percent stake in Yukos.

The Kremlin viewed this move as tantamount to pursuing an independent foreign policy, as it would have placed much of Russia’s energy resources and source of wealth in the hands of US imperialism.

After two trials for different crimes related to his ownership of Yukos, Khodorkovsky was found guilty

of fraud, tax evasion, embezzlement, and money laundering. Allegations of murder also surrounded him, with speculation that he ordered the contract killing of two business opponents. Besides receiving a lengthy sentence for various financial crimes, much of Khodorkovsky’s assets were seized and Yukos was broken up, with most the company sold to state-backed firm Rosneft.

The overture to the West embodied in the Khodorkovsky pardon is bound up with Russia’s precarious economic situation and the venal character of all factions of the ruling elite that emerged from the restoration of capitalism.

A particular problem facing the Russian economy, and one which the Kremlin has so far failed to counteract, is high levels of capital flight: Russian big business moves a large portion of the profits earned in the country offshore, to financial centers in the major imperialist centers. Since 2008, approximately \$350 billion has been taken out of the country—a process that continues unabated.

In an effort to stem the flood, the Putin regime has implemented a handful of capital controls, including a ban on parliamentary deputies and state officials owning property or bank accounts overseas.

The move, which has had little effect, resulted in some state officials resigning their positions so as to shelter their wealth. In August, the website *Euronews* noted “a higher than usual number of divorces by [Russian] officials, leading many to believe that their foreign assets will remain with their divorced spouses.”



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