The Unexplained Wealth Order legislation and London's financial aristocracy

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Zamira Hajiyeva, the wife of former Azerbaijani state banker Jahangir Hajiyev, is the first person to be investigated by Britain's National Crime Agency (NCA) under an Unexplained Wealth Order (UWO).

Jahangir Hajiyev is currently serving a 15-year prison sentence in Azerbaijan for a massive fraud operation involving the embezzlement of tens of millions of pounds from the country's International Bank. Zamira is being investigated by the UK financial authorities on the suspicion that she enjoyed an extravagant life in London on the proceeds of his crimes.

In 2009, a company based in the British Virgin Islands—traced back to the ownership of Hajiyev and his wife—bought an £11.5 million home in Knightsbridge. The five-bedroom property is currently worth around £15 million. It is conveniently located within minutes of the luxury Harrods department store, where Hajiyeva spent £16 million across 35 credit cards in 10 years—nearly £4,500 a day. Her other known purchases include more than £10 million buying the Mill Ride Golf Club estate in Berkshire and £31 million (£42 million in today's money) on a private jet. These stand to be seized if Hajiyeva cannot provide an account of how she lawfully acquired the money to purchase them.

As with all such moves against corruption by the ruling elite, an individual—and a very easy target in this case—is being used to distract from the untold billions of pounds worth of criminal wealth that has been allowed, and encouraged by successive governments, to find a comfortable home in the capital. The timing of the introduction of UWOs into legislation this January was not accidental. They were introduced as part of the British ruling elite's ever more hysterical anti-Russia campaign. Although a UWO has not yet been levelled against a Russian, the legislation is also designed to give the government leverage over influential Russian oligarchs possessing UK investments.

UK government manoeuvres against one or two, or even one group of foreign-born oligarchs are utterly hypocritical. They will not in any way alter London's status as a playground for the super-rich and haven for illegal wealth. In fact, the city has provided a safe retreat especially for those who made their fortunes plundering the state assets of the former Soviet Union and Eastern Europe.

Following the dissolution of the Soviet Union in the early 1990s, the UK opened its arms wide to the newly minted elite, fabulously enriched by their asset stripping of the former Soviet republics. In 1992 only one Russian was granted British citizenship, but by 2002 the number had grown to 806. This was such a phenomenon that London became known as "Moscow on Thames" or "Little Moscow" to this group, who enjoyed the effusive support of the British establishment. In 2015, the BBC aired a documentary, "Rich, Russian and Living in London," detailing the staggering levels of wealth and spending of this tiny layer.

The same process took place as China was opened up as a capitalist market, and Chinese millionaires and billionaires overtook their Russian counterparts as the main group applying for UK residency and citizenship.

Hajiyeva is a prime example of this process. She was given permission to live in the UK under a Tier 1 investor visa—better known as a "golden visa." Individuals are granted residency in return for investing £2 million in UK bonds or shares and are then eligible for indefinite leave to remain or full citizenship after five years. The five years are cut to three for an investment of £5 million and two for £10 million.

More than 3,000 visas were granted under this scheme since it was set up in 2008, 60 percent of them to Chinese and Russian nationals. Between March 2017 and March 2018, the number of applications increased 46 percent over the previous year.

Multiple watchdogs have pointed to the visas and the residency they lead to as simply tools for laundering shady or illegal wealth.

Hayijeva's case echoes that of Madiyar Ablyazov a few years ago. He was granted a Tier 1 visa in 2009 and given

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indefinite leave to remain in 2013 on the basis of UK investments made by his father, Mukhtar Ablyazov. The pair owned Carlton House located on the prestigious The Bishops Avenue. Some of the properties on the street go for up to £65 million. The house is equipped with seven bedrooms, an indoor swimming pool complex and a 10-person Turkish bath. Mukhtar was, from 2009, investigated for and charged with carrying out a massive, multibillion-pound fraud against the BTA bank in Kazakhstan and has been on the run ever since.

The vast majority of such crimes never see the light of day, let alone ever reach trial. The National Crime Agency estimated that as much as £90 billion is laundered through the UK economy each year, with the vast bulk of it through London. In 2015, the capital was named the money-laundering centre of the world's drug trade by an international crime expert.

The case of Jahangir Hajiyev and Zamira Hajiyeva must be put in proper perspective. The media focus on their case is aimed at obscuring the main issues. The fact is, the likes of Hajiyeva and Ablyazov participated as members of a super-rich milieu, characterised by grotesque decadence, and are distinguished only by the fact that they were born in another country.

Honoré de Balzac observed in 1835 that the "secret of great fortunes without apparent cause is a crime forgotten, for it was properly done." Never was this truer than today. In the luxury shops and restaurants of central London, Hajiyeva could rub shoulders with the likes of Sir Philip Green—whose billionaire fortune was buoyed by raiding his retail workers' pension fund —and Mike Ashley— another billionaire, who was made rich from the super-exploitation of thousands of Sports Direct workers.

Hajiyeva's lawyer, James Lewis QC, perhaps revealed more than he intended when he defended his client's enormous wealth by describing her husband as not merely a modestly paid banker but a stereotypical "fat cat international banker" who could easily afford such extravagances. In other words, the lifestyle of a major fraudster is comparable to that afforded to any number of international oligarchs and financial swindlers. In fact, as proved by the Hajiyev case, they are relatively small fry in comparison with their British and international counterparts.

If unexplained wealth legislation was to be seriously focussed where it should be, it would need to be aimed against the capitalist elite of Britain and every nationality. What about the "unexplained wealth" that is hidden by the British financial aristocracy in tax havens such as Panama, as exposed in the Panama Papers revelations, or in Jersey where an estimated £1.2 trillion of wealth was being hoarded, in large part due to its zero corporate tax rate? What about the unexplained wealth hidden in the British Virgin Islands—that in 2012 was the fifth largest recipient of foreign direct investment globally with inflows at $72 billion?

There are around 4,900 "ultra-high-net-worth" individuals, with assets of over £21 million, based in London. Their number has climbed by 28 percent in the last decade. The capital is home to 86 billionaires, whose extravagances make Hajiyeva's Harrods shopping bill appear as loose change. Her £15 million house is a tenth of the value of One Hyde Park, which was purchased earlier this month by property tycoon Nick Candy—becoming the most expensive property ever to be sold in London. Other penthouses in One Hyde Park have previously gone for £140 million and prior to that £137 million for a triple-storey penthouse sold to Ukrainian billionaire Rinat Akhmetov.

Not content with the best residences money can buy, London's financial oligarchy now frequently reside in and are commissioning so-called "iceberg homes," where living space is expanded through massively expensive underground extensions. More than 4,650 basement builds were granted planning permission in the richer London boroughs between 2008 and 2017. These plans include, according to the *Guardian*, "at least 376 swimming pools, 456 cinemas, 996 gyms, 381 wine stores and cellars, 340 games and recreation rooms, 241 saunas or steam rooms, 115 staff quarters, including bedrooms for nannies and au pairs, 65 garages, 40 libraries, two gun stores, a car museum, a banquet hall and an artificial beach."

In every sense, such vast squandering of wealth for the pleasures of a sated few—made possible by all manner of criminality, stock market speculation and immense exploitation of the working class—in the context of a population suffering rocketing levels of poverty, homelessness and hunger—is just as obscene as anything done by Hajiyeva and her spouse.

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