The Khodorkovsky Syndrome

When Putin came into power in 2000, he clearly understood that, having come into de jure authority, he now needed it de facto. He wanted unilateral power, first and foremost for himself and for his team, having learned the lessons of the 1990s, when the real national leaders, alongside Boris Yeltsin, were the major Russian oligarchs, who appointed ministers and even proposed candidates for the position of Prime Minister. With all of this in mind, Putin decided to take down the 1990s establishment. In order to do this, his administration needed control over the media, especially television. The patterns of media consumption in Russia are such that 80% of the population gets the majority of its news from three networks (namely ORT, RTR, and NTV). In order to ensure that the President and his decisions are presented in the proper light, it was essential to take over these networks. As soon as four days after Putin’s inauguration, on May 11, 2000, the offices of Media-MOST were searched. By June 13, 2000 Vladimir Gusinsky [the oligarch behind media conglomerate Media-MOST], found himself in solitary confinement, awaiting interrogation. He bought his freedom and the permission to leave the country by transferring his ownership of NTV and other media outlets to a Gazprom subsidiary. The autumn of the same year, oligarch Boris Berezovsky was forced to stay on in London [where he was later granted political asylum]. The following year, his shares in television network ORT were revoked.
The first phase had been successful. Having taken almost all of the major media outlets under government control, Putin was ready for the next step: taking over big Russian business. He had already gotten rid of the oligarchs Berezovsky, Gusinsky, bank magnate Alexander Smolensky, and other, less prominent figures, who all now lived abroad. Although spreading true fear through the business elite was something Putin wasn’t able to achieve immediately, he had nonetheless already garnered the heartfelt support of the Russians who had been waiting for a President who would finally put the nation in order.

At first, Putin’s actions did not make the intended impression on major Russian businessmen, who were already well aware that anything was possible in Russia and were working on their plan B’s in the West anyway. Seeing how much fun disgraced oligarchs were having in their palaces in England and Spain, on their yachts, and so on, those who were left behind couldn’t buy into or comprehend the strength and intentions of the new regime. They needed to be stunned with an example they would never forget; they needed to be scared straight.

- A selective justice system is the most dangerous weapon in a regimes arsenal. It completely destroys the moral standards and belief in justice among the general population.

Since time immemorial, the best tool for ruling people has been the stick and carrot. Putin perfected this method. He took all of Russia’s wealth for himself and his friends. His motto: Not only do I not interfere in the affairs of my supporters, I even help them do business. And those who are against me, I crush. The latter point needed to be proved. It was essential for Putin to show what he could do to even the most powerful of the oligarchs, even the one who thought he was safeguarded by the number of Western shareholders in his company. Putin needed to flex his muscle with the utmost theatricality, he needed to put on a show, a masquerade, a hijacking. So who would he make an example of? Which of the oligarchs should he choose as his victim?

The following criteria was used to make this decision: it had to be one of the top five richest and most powerful men in Russia. He would have to be young and healthy, since his prison term would be at least 20 years. It would be good if he had an educated air, wore glasses, and better yet, came from a Jewish family, which would especially appeal to a certain segment of the population.

Out of all of the Russian oligarchs, Mikhail Khodorkovsky fit the bill the best. Without
dwelling on the case against Khodorkovsky, which is described elsewhere in length and detail, I only want to emphasize that in his business dealings, Khodorkovsky employed the same devices and made the same kinds of decisions as the other Russian businesses of his time. Like the rest of his fellow magnates, he took advantages of the same legislative loopholes that allowed him to increase his profits or easily acquire enterprises and other holdings. He was also always prepared to fulfill any requests from the administration, as he had done with Yeltsins inner circle. This factor was especially important. Following this trial, every oligarch was supposed to easily imagine himself in Khodorkovskys shoes.

The most important conclusion to draw from all of this was that it wasn't very important whether or not Khodorkovsky was in the right. What was important was that starting with Khodorkovsky, the Russian justice system proved that it could be used to put some chosen figure behind bars for an indefinite period of time, while allowing another person who had committed the same crime to not only stay off the stand, but even be rewarded, and tossed a few mineral deposits or factories at will. A selective justice system is the most dangerous weapon in a regimes arsenal. It completely destroys the moral standards and belief in justice among the general population. If the government chooses one criminal out of ten for a severe punishment, letting the other nine go, there can be no rule of law, order, or justice to speak of in that nation. Implementing a system of selective justice is the prerogative of a Tsar, someone who can order executions and grant pardons without any respect for any authority other than himself. It was not until after the trial of Khodorkovsky that Putins inner circle started referring to him as the Tsar, and Russia ceased to be a nation ruled by law.

Thus, Putins first objective had been achieved. Fear had been instituted and instilled in the people. This fear wasn't of the government, but of the man governing, the only man in the country with the power to giveth and taketh away (liberty, business, money).

The second, no less important part of the plan which is overlooked now, was more insidious. There was a rumor intentionally spread among the business community that what was really behind the cruel verdict were Khodorkovskys financial violations, but his political activities. That he was being punished for allegedly intendeing to buy up the loyalty of a significant portion of the Duma deputies as though this wasnt a common practice among other oligarchs. This rumor sent the message to all other Russian businessmen that they were to only involve themselves in business and any independent political activities or financial interventions into the political sphere could only be undertaken with the express permission of the Kremlin. Any violations would be subject to grave repercussions. This was the most important result of the Khodorkovsky case, and it allowed Putin to destory the possibility of any real opposition to his regime by preventing any such movement from receiving the financial support of the business community. True political competition is only possible when the opposition has the same opportunities as the party of power in terms of receiving official financial support from the people and the business world. The possibility of receiving the financial support of the people had been successfully blocked by the Draconian law on political parties that made it practically impossible to register a new
political party whose principles differed from those of the Kremlin. As for the business world, after Khodorkovsky, giving any kind of support to an opposition movement was simply out of the question.

Following the Khodorkovsky trial, all of the big money in Russia has come under the control of the Tsar and his friends, as well as the businessmen and bureaucrats who accepted the ban on any unsanctioned economic or political activities. Every businessman knows that any departure from these established norms will be punished severely and leave them completely ruined or at least picked clean. Shady government officials are kept in check with compromising information on their generally criminal sources of income.

Putins successful mission has sealed Russias fate such that since 2004, it has been ruled by Putins own oligarchy, a group of extremely wealthy businessmen and government officials with the Khodorkovsky Syndrome in the back of their minds at all times. With his cruel and illegal decision, Putin permanently bound himself to Khodorkovsky. The question of when Khodorkovsky will be released has only one answer, When the regime that put him behind bars is toppled. The converse is true, as well: Putins power will continue unchallenged until Khodorkovsky is freed.