

Who Wants Anatoly Chubais Dead?

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By Jason Bush

As Russian electricity boss Anatoly Chubais was chauffeured into work from his country house 40 kilometers west of Moscow on the morning of Mar. 17, would-be assassins awaited him. First they tried to blow up his armored BMW with a roadside bomb. Then they opened fire with Kalashnikovs, spraying Chubais' car and an escorting Jeep containing his bodyguards. A brief firefight ensued, and the failed killers fled into the woods beside the road. No one was hurt.

That much everyone agrees on. But from here the story gets murkier. Since the roadside ambush, Russia has been awash with competing theories about who tried to kill Chubais and why. Chubais, after all, makes no ordinary target. In addition to occupying the directorship of United Energy Systems, Russia's state-owned electricity monopoly -- which is among the largest companies in the country -- he serves as leader of one of Russia's two biggest liberal parties, the Union of Right Forces.

UNLIKELY SUSPECT.

Tensions have run high in Russia of late. Recent months have seen the climax to the long-running battle between President Putin and the Yukos oil company, terrorist attacks in Moscow and Beslan, public protests over benefit reforms, and the election protests in neighboring Ukraine, which sent shock waves through Moscow's political Establishment. Does the attempt to kill a leading businessman and politician signify instability in Russia's own political system? That depends on which theory you believe.

The official version of events sure seems hard to swallow. Within hours of the attack, the police arrested their prime suspect, Vladimir Kvachkov, a 57-year-old retired colonel who formerly worked for the GRU, Russia's military intelligence. According to eyewitnesses, two camouflaged assassins piled into a waiting getaway car, a green Saab 9000, as they tried to make their escape. Witnesses made note of the license plate, and police quickly traced the car to its owner -- Kvachkov's wife. Later that day, they found the offending vehicle parked outside the couple's Moscow apartment, where they also discovered traces of explosives. They arrested Kvachkov on the spot.

An open and shut case? Perhaps -- if you can view Kvachkov as simply an incompetent amateur, driving away in his own car in full view of others and then parking it outside his residence. If this sounds strange, the alleged motive strains credibility even further. Kvachkov owns a dacha near Chubais', not far from the site of the ambush. According to police sources quoted in the Russian media, Kvachkov is said to have felt personal animosity toward Chubais because of a minor road incident or a dispute over land.

PLAYING COY.

Russians are a suspicious people. No surprise, then, that many believe Kvachkov was framed. "This is the first time in the history of high-profile contract killings that the suspect involved has been accused of doing something as ridiculous as shooting at the target with his own pistol, stabbing him with his own knife, or fleeing the scene in his own Saab," Yulia Latynina, a well-known journalist and political commentator, wrote in the *Moscow Times* on Mar. 23.

One other problem with the personal grudge theory: Chubais himself said from the start that he knows who hired his assailants, but won't say who. If the assassins were guns for hire as Chubais maintains (and everybody else assumes true), whoever hired them made a careless choice by picking Chubais' neighbor to carry out the job.

Chubais has dropped some hints in the past as to who he thinks wants to get him. In an interview with the *Financial Times* in November, he said he had already survived three assassination attempts, "the last of which

was done about 18 months ago and has purely political motives. These people hate me because they said I sold off Russia."

ECONOMIC MOTIVE.

That's a reference to Chubais' controversial role as the top economic adviser to then-President Boris Yeltsin in the 1990s. Chubais' radical privatization program made him unpopular because it seemed mainly to benefit a handful of billionaire oligarchs. In that interview, Chubais seemed to imply that militant nationalists or communists wanted to kill him as punishment for his economic reforms.

This theory, however, has few takers as an explanation for the most recent assassination bid. Aggrieved citizens rarely vent their anger over economic policies by resorting to Kalashnikovs. Instead, most people who have ventured an opinion think Chubais was targeted because of a high-level dispute about money or power -- the usual motive for such hits.

So was it business or politics? Or both? On the face of it, the business theory sounds plausible. Since 1998, when Chubais took on the task of reforming United Energy Systems, he has spearheaded a plan to split up the power giant. It's already being broken into separate generation and distribution companies, slated for eventual privatization.

UKRAINE PRECEDENT.

A number of leading political figures have publicly declared that they think the reforms led to the attack. "In my opinion this is another gangster showdown during which the energy system is being redivided," Russian Communist Party leader Gennady Zyuganov told the newspaper *Argumenty I Fakty* on Mar. 23.

However, electricity sector analysts remain skeptical. They can see little benefit from getting rid of Chubais now. Most of the key decisions affecting the planned reform have already received government approval. "Bumping off Chubais wouldn't solve the problem. The reform process is well under way now," says Stephen O'Sullivan, head of research at Moscow investment bank United Financial Group.

That leaves the possibility that Chubais' affiliation with Russia's liberal opposition triggered the attack. True, the party amounts to only a tiny faction that doesn't seem much of a threat to the Kremlin. But it won a heavyweight supporter recently when former Prime Minister Mikhail Kasyanov threw in his lot with it. And the Kremlin is undoubtedly growing jittery because of events in neighboring Ukraine, where a revolution led by Western-leaning opposition leader Viktor Yushchenko toppled the government last year. Yushchenko was the target of an assassination bid last year, generally assumed to have been the work of elements in the former Ukrainian regime.

MORE HYPOTHESES.

The political theory seems a dubious proposition, however. Chubais is unpopular not only with many voters but also with other leading liberal politicians, making him more of a political liability for the opposition than an asset.

One possibility is that, having spent many years near the top echelons of power, Chubais has compromising information on someone important.

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There are other, stranger theories, such as that Chubais staged the attack himself as a publicity stunt. Whatever the truth, investors in Russia must surely hope that, after all the drama of recent months, the excitement and political intrigue will die down a bit between now and 2008, when President Vladimir Putin will step down. Russia being Russia, though, you can probably bet safely that those hopes won't be met.

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