ONLINE CHRONICLES

NET IMPACT

One man's cyber-crusade against Russian corruption.

BY JULIA IOFFE

Late on a snowy evening, Alexey Navalny, a lawyer and blogger known for his crusade against the corruption that pervades Russian business and government, sat in a radio studio in Moscow. Tall and blond, Navalny, who is thirty-four years old, cuts a striking figure, and in the past three years he has established himself as a kind of Russian Julian Assange or Lincoln Steffens. On his blog, he has uncovered criminal self-dealing in major Russian oil companies, banks, and government ministries, an activity he calls "poking them with a sharp stick." Three months ago, he launched another site, RosPil, dedicated to exposing state corruption, where he invites readers to scrutinize public documents for evidence of malfeasance and post their findings. Since the site went up, government contracts worth nearly seven million dollars have been annulled after being found suspect by Navalny and his army. Most remarkably, Navalny has undertaken all this in a country where a number of reporters and lawyers investigating such matters have been beaten or murdered.

By now, Russia's reputation for corruption is a cliché, but it is impossible to overstate how it defines public life at every level, all the way to the Kremlin. Russia is one of the few countries in the world to slip steadily in Transparency International's annual rankings. Out of a hundred and seventy-eight countries surveyed in 2010, Russia ranks a hundred and fifty-fourth, a spot it shares with Cambodia, Guinea-Bissau, and the Central African Republic. Corruption has reached such extremes that businesses involved in preparing the Black Sea resort of Sochi for the Winter Olympics of 2014 report having to pay kickbacks of more than fifty per cent. The Russian edition of *Esquire* recently calculated that one road in Sochi cost so much that it could just as well have been paved with, say, nine inches of foie gras or three and a half inches of Louis Vuitton handbags. In October, President Dmitry Medvedev announced that a trillion rubles—thirty-three billion dollars—disappears annually on government contracts. This is three per cent of the country's G.D.P.

In the studio, Navalny sat next to Evgeny Fedorov, a doughy, bespectacled member of the Duma and a fairly high-ranking member of United Russia, the political party led by Prime Minister Vladimir Putin, which today dominates Russia. Fedorov had been invited on the air to debate an assertion that Navalny had made in the same studio two weeks earlier. When asked by a radio host what he thought of United Russia, Navalny had said, "I think very poorly of United Russia. United Russia is the party of corruption, the party of crooks and thieves. And it is the duty of every patriot and citizen of our country to make sure that this party is destroyed." United Russia announced its intention to file suit against Navalny for slander. Unfazed, Navalny responded with a poll on his blog asking readers whether they agreed with his assertion that United Russia was in fact a party of crooks and thieves. (Of forty thousand respondents, 96.6 per cent agreed with Navalny.) Then he announced a contest to design a poster using the "crooks and thieves" line as a slogan.

Sitting beside Navalny in the studio, Fedorov fumbled nervously with a stack of colored folders and a thicket of scribbled notes. Without looking at him, Navalny drew a sheet of paper from a slim file in front of him and began to read through a list of members of United Russia's leadership council. He pointed out that one of them, the former governor of oil-rich Bashkortostan, had unified the region's oil industry and installed his son as the chairman of the resultant conglomerate. Navalny then noted that the governor of the Krasnodar region, where Sochi is, had a twenty-two-year-old niece who had somehow come to own a major stake in a multimillion-dollar pipe factory, a poultry plant, and a number of other businesses. The governor of the Sverdlovsk region (Boris Yeltsin's birthplace), Navalny said, has an eighteen-year-old daughter who owns a plywood mill and a dozen other local businesses. "How does all this wonderful entrepreneurial talent appear only in the children of United Russia members?" he asked. "What business schools did they attend?"

Fedorov dismissed this as meaningless invective. (All the officials have denied any wrongdoing.) He accused Navalny of terrorism and of working to undermine the country, implying that he was receiving financing either from the C.I.A. or from the U.S. State Department, if not both.

"Honestly, what you've just said is shocking," Navalny said, perfectly deadpan. "I thought that, since you brought so many documents with you, you'd be able to raise substantive objections about the facts of corruption in United Russia, which, I think, are totally obvious."

Fedorov also wanted to contest Navalny's assertion, taken from the official property declarations posted on the Russian parliament's Web site, that Fedorov, a career civil servant, is the owner of five apartments, a house, a summer cottage, and two cars, one of which is a Mercedes. The house is a wreck, Fedorov protested, flashing pictures to the host, and he owns only four apartments. As for Navalny's assertion that United Russia provides political cover for the corrupt officials in its ranks, Fedorov had a simple bit of advice: "It's pointless to discuss each of these examples on its own. There is a clear procedure. In instances where the law is broken, the procedure works," he said. "Write to us. The President even said so himself: 'Give us the facts!' "

"But I've been writing for many years," Navalny burst out. "That's the whole point!"

Three centuries ago, when Peter the Great was trying to turn feudal, agrarian Russia into a modern state, he encountered a major source of friction inside the system. "Corruption affected not only the finances of the state but its basic efficiency," Robert Massie wrote in his biography of the Tsar. "Bribery and embezzlement were traditional in Russian public life, and public service was routinely looked upon as a means of gaining

private profit. This practice was so accepted that Russian officials were paid little or no salary; it was taken for granted that they would make their living by accepting bribes."

Despite the wild fluctuations of Russian history since the early eighteenth century, not much has changed in this regard. Almost anyone can be bribed—sometimes with horrific consequences. In August, 2004, two passenger planes fell out of the sky within three minutes of each other, killing eighty-nine people. It turned out that they were downed by two female suicide bombers who had bribed an airport security officer with five thousand rubles—around a hundred and seventy dollars—to let them onto the planes. Government officials don't just accept bribes but actively solicit them: businesses have become used to approaches by officials who hint that a certain sum will prevent "problems." It has not gone unnoticed that many civil servants live in luxury that doesn't square with their modest official salaries. United Russia's own survey of people who wanted to join the party showed that almost sixty per cent said they were motivated by a desire to solve personal problems, and nearly half were drawn by the opportunity to earn money on the side.

In recent years, Medvedev, eager to lure foreign investors back to Russia, has declared war on corruption. Nonetheless, according to the Interior Ministry's Department of Economic Security, the size of the average bribe has quadrupled since Medvedev's election, and many state projects are now undertaken simply to create a pool of money that can then be siphoned off by interested parties. Elena Panfilova, the head of Transparency International's Russian operation, told me that there are two reasons for this: first, as the government fights corruption, bribery becomes more risky, and so the price goes up. "Second, is what is called the Last Day of Pompeii syndrome," she said. "Everything's about to collapse, so grab everything you possibly can." This has led to such scenes as police pursuing the car of a federal official, who began to toss a million rubles out of the window for fear that the cops would catch him with the bribe money and arrest him.

Fighting corruption in Russia is a dangerous business. "Alexey is causing tangible harm to corrupt, criminal, crooked officials who are not used to people standing in their way," the Internet entrepreneur and opposition blogger Anton Nossik said. "It's more dangerous here now than it used to be. Corporations are clearly not into killing—they use P.R. and the courts—but some small official in the provinces whom Alexey deprived of his million dollars could easily send someone after him." Such things have happened before. A lawyer named Sergei Magnitsky uncovered a scheme by which a group of Interior Ministry officers allegedly stole two hundred and thirty million dollars from the state. In 2008, those same officers had him arrested as he was seeing his children off to school. For nearly a year, Magnitsky was kept in Moscow jails, in conditions so filthy that his health rapidly deteriorated. Denied treatment, he died handcuffed and screaming in pain. He was thirty-

Alexey Navalny calls his pursuit of corrupt institutions "poking them with a sharp stick." Photograph by Stefano de Luigi.

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seven. There is also the recent case of Mikhail Beketov, a journalist who published exposés of corruption and abuse of authority in the Moscow region and was beaten so badly that he is now crippled and unable to speak.

Navalny and his supporters are keenly aware of such brutal reprisals. "I have a lot of respect for what he's doing, but I think they'll arrest him," I was told by a high-ranking employee at a state corporation that Navalny is investigating. "He's taunting really big people and he's doing it in an open way and showing them that he's not afraid. In this country, people like that get crushed." When I asked Navalny's mother, Lyudmila, if she was afraid for her son, she melted into tears before I even got the question out. "I have forgotten what normal sleep is," she said. "I believe in what he's doing, he's doing the right thing, but I'm not ready. I'm not ready for my son to become a martyr."

Lyudmila and her husband, Anatoly, own a wicker factory, which they founded in the mid-nineties, southwest of Moscow. I met her in her office there, and she showed me a black-and-white photograph of two young parents holding a crying baby. "Here he is, with his mouth open, like always," she said.

Alexey was born in June, 1976, near Moscow, in Butyn, a military town closed to the public. His father was a Red Army communications officer. Lyudmila was a young economist and a loyal Communist. Navalny's paternal grandmother was a Ukrainian peasant, and Alexey spent the first nine summers of his life at her cottage, in the countryside just outside Chernobyl. In late April, 1986, when Navalny was ten, his uncle called Lyudmila, and told her she shouldn't send Alexey that summer: there had been an explosion at Chernobyl's nuclear power plant. As the Soviet government downplayed the disaster, Navalny's entire paternal family was evacuated and resettled. Many of them suffer from thyroid and liver problems to this day. "Alexey doesn't talk about it much, but Chernobyl had a very big influence on him," Lyudmila says.

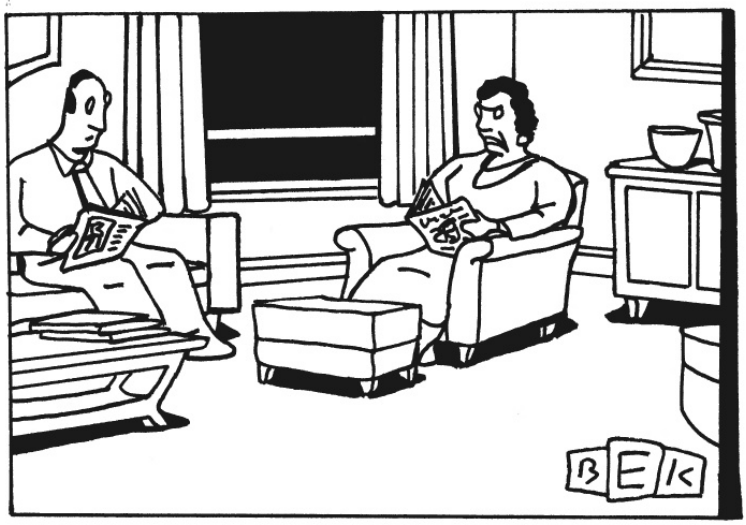
Navalny grew up in a series of military towns in the Moscow region. He was a capable but unexceptional student with a habit of telling his teachers what he thought of them. In 1993, he entered Peoples' Friendship University, in Moscow, famous for educating students from the Soviet Union's Third World allies, and decided to study law. He recalls finding his college education uninspiring and corrupt: slipping a fifty-dollar bill into your exam booklets insured a passing grade. He graduated in 1998.

While he was still in school, he went to work at a Moscow real-estate company. "Working there taught me how things are done on the inside, how intermediary companies are built, how money is shuttled around," Navalny says. At the same time, he obtained a master's in finance, and, in 2001, he quit real estate to be a full-time stock trader. He also married a young economist named Yulia Abrosinova, whom he met when they were both vacationing in Turkey.

In 1999, in the fading days of Boris Yeltsin's Presidency, Navalny joined Yabloko (meaning "apple"), a party that had represented the liberals in government since soon after the fall of the Soviet Union. After Putin came to power, in 2000, Yabloko was increasingly marginalized. Navalny quickly became frustrated with the party dynamic and, as Sergei Mitrokhin, the current party head and Navalny's political mentor, puts it, "made his presence known." According to Navalny, "There was constant antagonism between the normal people in the party and some kind of hellish, insane, crazy mass of the leftovers and bread crusts of the democracy movement of the eighties."

In 2005, Navalny teamed up with Maria Gaidar, the daughter of a legendary Yeltsin-era economic reformer, to create a movement called Da! (Yes!). Da! set out to engage an emerging generation of Russians who were too young to have experienced the end of Communism and had come of age in a wealthier, more apathetic time. Its aims were diffuse, but the movement spread to many Russian cities. One key component was the hosting of debates. "The idea was that, because there are no free debates and no free media, we decided we're just going to rent a bar, invite two people, and they're going to debate," Navalny explains. "To our surprise, it was a super-popular project. The limiting factor was the size of the space." Gaidar has described it as "an alternative way to socialize," and this proved to be one of the project's biggest legacies. Young Russians met older, more established politicians and journalists. The debates—witty, raucous, bawdy—gave a community of politically engaged Russians a chance to form the kinds of rivalries and allegiances that the Putin administration was working to dissolve. They ended when neo-Nazis and soccer hooligans started showing up and brawling. (Navalny was arrested for roughing up one of the intruders.)

By then, though, Navalny was deep in conflict with Yabloko's leadership. The party had been excluded from the government in 2007, when it lost its last four



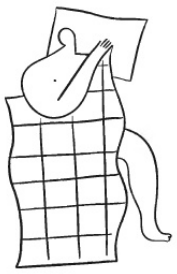
"If it's all random, why are you always here?"

seats in the Duma. After this disaster, Navalny publicly pushed for the ouster of Grigory Yavlinsky, a founder of the party and hero of the democracy movement in the nineteen-eighties. Navalny recalls being summoned to a meeting called by the party's federal council (of which he was a member) to discuss his "membership in the party." The stated reason was Navalny's espousal of nationalist views. He had been photographed attending planning meetings for the Russian March, a hardline nationalist march that has coursed through Moscow, sometimes violently, every November since 2005, chanting such slogans as "Russia for Russians!" Liberal parties had reacted to the Russian March with horror, branding it a neo-Nazi parade. Navalny argued that the event attracted more "normal" participants than "sieg heilers," and that liberals were making themselves irrelevant by failing to address an upswell of nationalism in a constructive way. At the meeting with Yabloko's leadership, Navalny delivered a sarcastic speech, at the end of which he jumped up and yelled "Glory to Russia!" and stormed out of the room. The whole council, except for one member, voted for his expulsion.

Navalny works in a somewhat spartan office in downtown Moscow, where he runs a small corporate law firm. In the dead of the Russian winter, the radiators don't always work, and Navalny's secretary, delivering his tea, shivered in a puffy jacket.

Navalny has four employees and hires additional attorneys as needed. He claims that he takes on just enough work to pay salaries and to feed his family, devoting the rest of his efforts to anti-corruption initiatives. As his fame has grown, so have his fees. "For Moscow, they're well above average," he says. Navalny works at a doughnut-shaped conference table, behind drifts of paper and a laptop bristling with memory sticks. Propped up against one wall is a dry-erase board. When Navalny describes corruption, he covers the board in arrows and circles, explaining merrily as he draws, as if he were telling an amusing anecdote. He anthropomorphizes delinquent companies as "guys" and dismisses complex chains of shell companies as "utter trash" and "total hell." At times he seems almost delighted at the sheer absurdity of it all.

Navalny's campaign against corporate corruption began in late 2007, when he decided to acquire some stock in Russia's big state companies. He figured that companies like Gazprom (the state gas monopoly), Rosneft (the state oil concern), and Transneft (the government's oil-transport monopoly) should be safe and profitable investments. He was also curious to see what went on inside these notoriously opaque institutions. So he bought a few shares in each company, as well as in a couple of state-owned banks. All told, he spent about forty thousand dollars.



He quickly noticed that the companies, despite surging commodity prices and prime access to Russia's vast natural resources, paid surprisingly small dividends. Then he learned, from a newspaper article, that Transneft had donated three hundred million dollars to charity in 2007 alone. The sum was more than ten per cent of its profits that year and more than it spent on maintaining its entire network of pipes, but Transneft did not disclose where the cash went. "No one had seen any traces of this charity," Navalny told me. "I spoke to many managers and employees of the biggest charity organizations, and they said they'd never seen this money." As the owner of two shares of Transneft, he wrote to the company's president. "Please provide me with a list of organizations that received financial support in 2007," he wrote, noting that "philanthropy is not one of the goals and objectives of the company."

Transneft declined the request for information, so Navalny went to the Interior Ministry's Economic Security Division and asked them to open a criminal investigation. This is how the investigation proceeded: A detective asked Transneft to give testimony regarding the charges. They didn't, so he closed the case. (The state prosecutor's office overruled this decision, and reopened the case.) Then the detective went to Transneft, but was unable to question anyone. He closed the case. (The prosecutor's office overruled this, too.) Then the detective stopped doing anything at all. When Navalny appealed to the court, the detective claimed to have lost the case materials. (The court recognized Navalny's claim of negligent inaction.)

The progress of the investigation was perhaps unsurprising. Transneft is one of the biggest companies in Russia, and transports ninety-three per cent of the country's oil. More important, it is owned by the Kremlin, and the energy minister is the chairman of the board. "I can understand this cop," Dmitry Volov, a soft-spoken young lawyer who takes all Navalny's various cases to court, told me. "He's some average detective in the Interior Ministry. Yesterday, he had an apartment robbery. This morning, he had a drunken brawl. And this afternoon he gets an allegation of a theft of seven billion rubles from Transneft. So he starts getting nervous. But, most likely, the case comes with a note from his superiors, saying, 'Vasya, don't make too much of a fuss. We'll cover you on this. Just don't make any sudden moves.' "

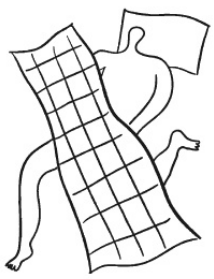
Nearly three years later, Transneft has refused to provide Navalny with the documents he requested, challenging his claim to be a shareholder of the company. The corporation also stalled in court, waiting for the result of an appeal by Rosneft to Russia's Constitutional Court, arguing that a law giving broad access to shareholders is unconstitutional. In February, the Constitutional Court, to everyone's surprise, rejected Rosneft's reasoning, and a Moscow arbitration court ruled that Navalny was indeed a shareholder and that Transneft had to provide the documents he requested. Transneft is appealing the decision.

In the meantime, the press has tried to figure out where the three hundred million dollars could have gone. A report in *Vedomosti*, the Russian business daily, alleges that Transneft funnelled the money to two organizations: the Assistance Fund and the Kremlin-9 Fund. It was unclear what exactly the Assistance Fund did, as there were a hundred and forty-four establishments with the same generic name. The Kremlin-9 Fund, on the other hand, officially supports the Federal Protective Service (the Russian analogue of the Secret Service). When I asked the fund's president what his organization does, he said, "Go look it up on the Internet," adding "I'm not a pedagogue!" With some coaxing, he man-

aged, "We help veterans and current employees. There are lots of unpredictable situations in life." When I asked if their funding came from Transneft, he told me it was "an accounting secret." When I asked a Transneft representative where the charity money went, he responded, angrily, "We don't like to publicize such things. We don't do charity for the P.R." And he compared Navalny to Goebbels.

Navalny discovered similarly odd arrangements at other government companies in which he owned stock. Gazprom turned out to be buying gas from a small independent gas company, Novatek, through an intermediary, Transinvestgas. A police investigation discovered that only a few days before Gazprom bought the gas from Transinvestgas it had turned down an opportunity to buy exactly the same gas directly from Novatek for seventy per cent less. Transinvestgas then channelled at least ten million dollars of the difference in price to a consulting company, which, the police found, had been registered using two stolen passports.

One of Navalny's favorite cases involves V.T.B., a major Russian bank, eighty-five per cent of which is owned by the government. (Russia's finance minister is chairman of the board of directors.) Navalny discovered that V.T.B. purchased thirty oil-drilling rigs from a Chinese company. But, instead of buying them directly, it purchased them at a fifty-per-cent markup through an obscure intermediary, registered in Cyprus, which kept the difference—a hundred and fifty million dollars. Navalny's face hovers between laughter and incredulity as he describes the setup. "I've been working on this for a long time, and I've been able to find almost all the documents," he told me, digging around in his stacks of paper. The difficulty for V.T.B., he claimed, was that there were problems leasing the drilling installations. "You can't hide drill rigs," he said. "You can't sink them, you can't toss them out. It's four and a half thousand train cars of equipment." Navalny found out that the rigs were being stored in Yamal, a remote northern region. He went to see the rigs for himself and took a cameraman to film what he saw. "It's literally a boundless snowy field which is sown with thousands of tons of metal," he said.



Both cases are pending; Gazprom denies Navalny's charges, and V.T.B. declined to comment. The investigations, meanwhile, have progressed slowly. The detective assigned to the Gazprom case has repeatedly summoned people to his office for questioning, only to reschedule their appointments when they arrive.

Navalny's latest project is the Web site RosPil. Navalny often claims, with some irony, that RosPil is really just doing Medvedev's work. The site would not be possible without Medvedev's initiative, two years ago, to post online all government requests for tender—the documents whereby government entities announce their need for goods or services to potential bidders. Almost immediately, reports of strange deals started surfacing in the press. One regional governor arranged to buy thirty gold-and-diamond wristwatches; a spokesman explained that they were gifts to honor local teachers, but the deal was abruptly cancelled when the press got wind of it. The Interior Ministry ordered a hand-carved bed made of rare wood, gilded. St. Petersburg authorities ordered two million rubles' worth of mink for seven hundred patients in a psychiatric institution. Medvedev's own Presidential Administration was found to have ordered ten million dollars' worth of BMWs; a representative explained that "we are not rich enough to buy cheap things."

The idea for RosPil came about when Navalny was tipped off that the Ministry of Health and Social Development was inviting bids to build a two-million-dollar network to connect doctors and patients. Whoever won the contract would have all of sixteen days to develop the site. Navalny wrote that "without a doubt" the site had already been designed for a much lower sum, leaving an ample margin for kickbacks. He asked his readers to send official complaints to the Federal Anti-Monopoly Agency, and nearly two thousand of them did, crippling the agency, which is obliged by law to respond to each complaint. The Health Ministry annulled the contract. Meanwhile, Navalny's readers had found two more Ministry projects involving big sums of money for technology systems to be built in an impossibly short amount of time. Navalny blogged about them, and these, too, were quickly cancelled. At the same time, Navalny was waging a relentless smear campaign against the official who granted the contracts, whom he dubbed Mr. Unibrow. After the third deal was annulled, Mr. Unibrow resigned. "The time that passed between my first post and his resignation is a week," Navalny told me, beaming.

The success of the Unibrow campaign brought a cascade of e-mail, all with links to similar contracts. But, Navalny explains, "I can't, by myself, replace the Anti-Monopoly Agency and the state prosecutor's office. And so the idea was born to make a site where people could do it themselves." Any visitor to the site can submit a government request for tender to public scrutiny, and, if it is deemed suspicious enough, it is posted to the main page, where registered members discuss the merits of the complaint. An expert associated with the site evaluates whether the price, the parameters, and the schedule are reasonable; if not, Navalny trumpets the alleged fraud on his blog, often causing the agency responsible to be buried in hostile correspondence. In effect, RosPil is an attempt to crowdsource Navalny's work, which, given the dangers inherent in such work, seems wise. RosPil spreads the risk involved in exposing corruption, and provides a kind of insurance: if anything happens to Navalny, RosPil can continue to function, and may embarrass the government into reforming itself.

One recent evening, as Navalny negotiated rush-hour traffic, he got a call from his younger brother, Oleg. Oleg was calling about a suspicious government contract that Navalny had blogged about that morning. The Ministry of Industry and Natural Resources of the Chelyabinsk region, in the Ural Mountains, was inviting bids for the "improvement, development, and expansion" of a software system. It was willing to pay twenty-five million rubles, or more than eight hundred thousand dollars. Oleg had found a programmer who could do the job for a million rubles, or thirty-five thousand dollars. "Yes!" Navalny exclaimed. Then, more

YOUR BLINDED HAND

Suppose that
everything that greens and grows
should blacken in one moment, flower and branch.
I think that I would find your blinded hand.
Suppose that your cry and mine were lost among numberless cries
in a city of fire when the earth is afire,
I must still believe that somehow I would find your blinded hand.
Through flames everywhere
consuming earth and air
I must believe that somehow, if only one moment were offered,
I would
find your hand.
I know as, of course, you know
the immeasurable wilderness that would exist
in the moment of fire.
But I would hear your cry and you'd hear mine and each of us
would find
the other's hand.
We know
that it might not be so.
But for this quiet moment, if only for this
moment,
and against all reason,
let us believe, and believe in our hearts,
that somehow it would be so.
I'd hear your cry, you mine—
And each of us would find a blinded hand.

—*Tennessee Williams*

calmly, "Good. O.K. Bid on it. And if they say no, then we'll really destroy them."

Navalny sifted through documents that said the work involved an obscure software system called Magellan, and that one of the goals of the "improvement" was to "eliminate routine work." In his post, he tore into the dry documents with sarcastic glee. His tone has become his trademark and conveys a shared assumption with his readers: this is how things are done in Russia.

"These boys want to eliminate routine," Navalny wrote. "This is, no doubt, a good goal. But exactly what part of the Chelyabinsk Ministry of Industry will be rid of routine by the expensive Magellan system?" He went on, "And here, by the way, is our hero, Valery Valentinovich Prudskoy, the minister of industry and natural resources, and the organizer of this request for tender." Navalny added a picture of a grim-looking bureaucrat. "From Valery Valentinovich's face, we can see that he desperately wants to eliminate routine." Navalny had some questions for Valery Valentinovich. Why invent a new system for document processing when this is one of the most widely developed types of software products? "How much did Magellan cost if its improvement costs nearly a million dollars?" Navalny asked. "We really hope that, as a result of this post, V. V. Prudskoy will curb his appetites, will postpone the purchase of yet another apartment, and that the contract will be concluded based on the market price and the size of the project." Instead, the ministry annulled the request for tender.

In February, Navalny announced that he was seeking contributions for RosPil. Within a week, he had collected more than a hundred and twenty thousand dollars. "People donating money is extremely significant, given Russians' cynicism," Aleh Tsyvinski, a Yale economist who has become a sort of mentor to Navalny, says. "Russia is a rich country, and people are now thinking about things other than basic necessities. Writing to Navalny is, in some ways, a way of exercising power. He is tapping into a huge demand for a grassroots movement."

Since RosPil started, it has registered more than a thousand users and five hundred experts. According to a tally maintained on the site, the project has caused requests for tender worth 188.4 million rubles, or $6.6 million, to be annulled. The projects have ranged from strange data systems for the Russian military to a new, overpriced Web site for the Bolshoi Theatre. Most recently, Navalny highlighted the request for an Audi 8L, armored to the hubcaps, for the finance minister of the Russian Republic of Dagestan, at a cost of three hundred thousand dollars. "I'm positive that the presidents of many of the world's countries get around in more modest cars," Navalny wrote. Five hours after the post went up, the request was cancelled.

"Navalny is making stealing just as dangerous as it is now safe," Anton Nossik, who is involved with the project, says. "He's changing the public's and the bureaucrats' perception of the risks."

Navalny has also managed to turn mere supporters into fellow-fighters. "Alexey gives people an opportunity to become civic activists without joining an N.G.O. or a political party," Elena Panfilova told me. "He is galvanizing the grass roots, and he can change Russia." On a recent Friday night, I watched Navalny debate the dean of an élite Moscow university closely tied to Medvedev. Hundreds of students pushed to get into a room crowded with photographers and TV cameramen. The debate itself was an esoteric affair, dealing with the legal details of legislation on government requests for tenders, and it went on for four hours. And yet almost no one left. The night seemed to upend the common assumption that young Russians are apathetic.

It was also evidence of Navalny's growing star power. Last fall, when Moscow was waiting for the Kremlin to appoint its new mayor, Russia's leading newspaper, *Kommersant*, held an informal online election for the post. Navalny won in a landslide, with forty-five per cent of the vote. (Second place went to "no one," with fourteen per cent.) "This

is a huge responsibility for me," Navalny told me. He makes no secret of his political ambitions. "Without any doubt, I am striving for power," he has said publicly. "He's a natural-born politician," Masha Lipman, a prominent Russian political analyst, says. "If Russia were a country with an open-field political competition, he'd be assured of a brilliant political career. He might even become a Presidential candidate."

Part of Navalny's appeal is his rejection of Russian liberalism, which he sees as being hopelessly out of touch with a country that is fundamentally conservative. His nationalism is unapologetic and even shocking. In a series of humorous videos on YouTube, he can be seen advocating the repatriation of illegals (while footage scrolls of people of Asian appearance moving swiftly through an airport) and the use of pistols against lawless undesirables. But he is adamant that he's a pragmatist, not an ideologue. "There's a huge number of questions that we should be discussing, and not handing over to the nationalists," he says. Migration, for example, is a major issue in Russia, which has the most immigrants in the world after the U.S. Current estimates range from seven million to twelve million, many of them from the North Caucasus or former Soviet republics like Tajikistan. Most of them are undocumented. This, Navalny argues, keeps migrant laborers in the shadows and without basic rights, and is also a major source of friction. When Moscow exploded in ethnic riots in December, a poll showed that more than sixty per cent of Russians felt suspicious of or irritated by people of non-slavic nationality. "When we make these questions taboo and don't discuss them, we hand over this extremely important agenda to the radicals," Navalny says.

Vladimir Milov, another young opposition politician, told me that, while Navalny would make a fine Presidential candidate, the ingrained mistrust that Russians have of politics would make the transition difficult. "The big challenge ahead for him is that, as soon as he steps into big politics, he will lose the people who thought they were just writing letters." Still, Navalny has always tried to remind his supporters and volunteers that what they're doing is inherently political. Nossik says that Navalny "is the first person in the Russian opposition in a very long time who understands opposition not as a process of creating an alternative political *nomenklatura* but as one of real action."

One evening, Navalny drove me to his apartment in one of Moscow's far-flung bedroom communities. Even with light traffic, it's an hour from the city center. His wife, Yulia, was waiting for us with dinner. We sat in the small but tastefully remodelled kitchen, eating a shrimp salad and a cheese platter. Navalny's children—a blond, lanky nine-year-old daughter named Dasha and a toddler son named Zahar with hair the color of corn silk—periodically ran in, demanding helpings of shrimp.

Yulia trained in international economics, but seems to relish the role of a politician's wife. "I support him. I read his blog. I read everything that's written about him," she told me. "He is doing something he loves, and it's good for the country. I know that sounds pompous." She spoke with evident pride, albeit in a sardonic style that echoes Navalny's: she said she would be subject to undue pressure if she answered my questions in front of him. "He's going to wink, and mouth the answers."

Yulia supports her husband's decision to keep guns in the house, shares his stance on nationalism, and, like him, has never considered leaving Russia, unlike an increasing number of Russians their age. Navalny recently held a six-month fellowship at Yale, but, despite his mother's pleas, the Navalnys were determined to return to Moscow. Dasha loved American schools, and Zahar still speaks in a jumble of English and Russian, but Navalny had bought round-trip tickets. "I hate to say it," he explained, "but, after the novelty wore off, I had this cliché moment of a Russian émigré abroad: I really missed black bread. I know it's stupid, but I really missed it."

Navalny took classes at the Yale business school, worked with law professors, and learned about the American political system. "I didn't completely decipher it, but it's still really interesting to see how these small groups are created and then begin to influence politics," he said. "The Tea Party, for example. It's an incredible thing: some old ladies got together and are now hammering at Obama from all sides." He wanted to organize a similar movement in Russia.

At Yale, he maintained his blog and published his most startling leak to date—a dossier relating to the construction of Transneft's East Siberia–Pacific Ocean pipeline, alleging graft on a colossal scale. Navalny estimated that as much as four billion dollars were being siphoned off, and the documents ignited a media storm in Russia. The Kremlin reacted with characteristic disdain—Putin took the opportunity to publicly praise Transneft a few days later—and Transneft's president called Navalny "a village idiot." A month later came a development that Navalny interprets as official retaliation: the prosecutor's office in Kirov was reported to be investigating claims that Navalny had pressured a local official to sell timber on unfavorable terms. "I won't say I'm not concerned at all," he told me. "I could get seven years."

Neither Navalny's home nor his office seems especially well protected, and when Navalny files a suit he frequently uses his home address. As I rode the metro back from his apartment, I wondered about the risks he was taking. When we first met, at a sushi restaurant near his office, he spoke about what he sees as the cowardice of liberal Russian businessmen—his natural constituency—who are too scared to stand up to government corruption. "I don't understand this position," he said. "First of all, it's boring. Second of all, forgive me if this sounds pompous, but it's better to die standing up than live on your knees." He was similarly dismissive of the people who think that he or anyone else is fighting a well-oiled, repressive machine. "I disagree, because the people who work in business at a high enough level can tell you that there's no machine at all," he says. "It's all a fiction. That is, they can destroy a single person, like Magnitsky or me or Khodorkovsky. But, if they try to do anything systemically against a huge number of people, there's no machine. It's a ragtag group of crooks unified under the portrait of Putin. There's no super-repressive regime. There are no mythical Cheka agents that we need to be scared of. It's just a bunch of crooks." When things happened to opponents of the system, he said, it was because they showed up individually. "But if tomorrow ten businessmen spoke up directly and openly we'd live in a different country," he said. "Starting tomorrow." ♦