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Meet Elena Baturina: Russia's only female billionaire



Yelena Baturina in her Mayfair office. CREDIT: ANDREW CROWLEY/TMG

By **Margarette Driscoll**
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Where else would you find Russia's richest woman but a stone's throw from Claridge's? Elena Baturina's discreet but luxurious Mayfair office is just around the corner. If she has her eye on one of the capital's grandest hotels she doesn't let on, but a chain of fabulous hotels – so far in Russia, Austria, Ireland and the Czech Republic – is just part of her enormous business portfolio. Baturina, 54, made her \$1.06 billion fortune in construction but has since added hospitality, renewable energy, agriculture and stud farming.



Russian billionaire business woman Elena Baturina in her Mayfair office. CREDIT: ANDREW CROWLEY/TMG

Russia's only female billionaire owns homes in Moscow, Spain, Austria, London and has a 5,500 hectare farm in Hampshire but has resisted the Ferraris, super-yachts and football teams beloved of her male counterparts: "Russian businessmen are boys playing with toys, their toys are just very expensive," she smiles. "It comes from our deprived, poverty-stricken, Soviet childhoods... it's compensation. Just wait, as several generations of wealthy Russians they will become, as the European elite would say, 'civilised'."

With businesses in ten countries, homes in four and an addiction to travelling – she has recently been scuba-diving in Malaysia – Baturina says she mostly "lives on a plane" but London is now as close to home as it gets. Her two daughters, Elena, 25, and Olga, 23, studied here and Baturina's think tank, *Be Open* – which links promising young minds to established figures in academia and the arts – is working with London school-children. On Saturday, *Be Open* co-sponsored an event at City hall in which children asked to imagine they were "mayor for a day" put forward ideas to improve London (the results included putting jokes on street bins to cheer up its grumpy inhabitants). Baturina has just been appointed a trustee of Sadiq Khan's Mayor's Fund for London: "It's a pleasure to see how much our ideas and aspirations in regard for support for younger generations are in tune," she says.

Baturina's rise to super-wealth is every bit as dramatic as that of Roman Abramovich et al, but, perhaps because she is a woman, she has remained below the radar. She grew up in a working-class family in Moscow. There was no money to send her to university so she left school to work in a tool factory, alongside her mother, father, sister and two aunts, putting herself through a degree at the Moscow Management Institute in the evenings.

"I was learning how to organise production management and in my second year I was required to have a managerial job," she says. "When the factory director heard I was leaving he apologised because he could not promote me. This was the Soviet Union. There was a tendency to preserve professional dynasties."

But everything was changed. She became a research fellow at Moscow's Scientific Research Institute, specialising in urban development, and in 1989 – just as the Berlin Wall was about to come down – was one of a number of academics tasked with overseeing the creation of co-operatives: "the first shoots of private business in Russia".

This proved to be the most important period of her life in two senses. Though the government soon tried to clamp down, private enterprise proved an unstoppable force: "I had organised so many co-operatives it would have been strange not to start my own. The opportunities were endless because nothing existed in the Soviet Union at the time."



Former Moscow's Mayor Yuri Luzhkov (L) and his wife, businesswoman, billionaire Elena Baturina (R) attend the state awarding ceremony at the Kremlin in Moscow, Russia. CREDIT: KHALA SVETLOV/GETTY IMAGES

More importantly perhaps, she met and later fell in love with the chairman of the co-operatives committee, Yuri Luzhkov, 27 years her senior and a widower with two sons. Luzhkov was elected mayor of Moscow in 1992. As a couple, they presided over the transformation of Moscow from a drab, post-war shell, into an international hub, replete with gleaming glass and steel skyscrapers – until Luzhkov's dramatic fall from power in 2010.

Russia's political structure meant that regional governors had huge influence, the mayor of Moscow being the most powerful of all, a rival to the president and prime minister. Baturina insists she kept her business interests separate from her husband's political influence, but one of her little anecdotes speaks volumes about how corruption pervades Russian society.

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Elena Baturina

When her daughters were aged around 10 and 8 she began to suspect the top grades they were attaining at school were too good to be true. She had them independently assessed and found gaps in their knowledge: "Their marks were too high because everybody – including their teachers – wanted to do 'something nice' for the mayor," she says. Rather than keep checking, she opened her own school, with strict instructions to the teachers that marking should be fair.

For Baturina, the school was a sobering glimpse of Russia's new elite. "It was expensive, so the pupils were from wealthy families and seemed to talk of nothing but material things. When my girls were small I used sparkling lights to make constellations on the ceiling of their bedrooms. These children also needed something romantic, something outside themselves that could distract from material things."



Russian billionaire business woman Elena Baturina says she put her children first when choosing coats to live in the UK. CREDIT: ANDREW CROWLEY/TMG

Her children's school, along with land she owned in Moscow, was confiscated by the Russian government after her husband fell out with prime minister (then president) Dmitry Medvedev in 2010. Luzhkov was accused of corruption and fired from the mayoralty. Afraid for their daughter's safety, they decided the girls should move to London and Baturina came with them. Elena recently completed a masters in East European politics at UCL and now works in her mother's hotel business. Olga is studying interior design in Chelsea.

"They were teenagers at the time and I must give them their due, they never say a word about how hard it must have been to change their lives that way. Their father warned them that if he did not support Medvedev in the coming elections, there would be trouble, so they knew something was coming," she says.

"Throughout my working life I had tried to find a balance between my three obligations as a mother, a wife and an entrepreneur. If you choose one, the other two will always suffer. The most important thing is to find some balance so guilt doesn't overwhelm you. Seven years have gone by and I still think I did the right thing. I chose the weakest link, the children, and I chose to follow them."

Luzhkov, now 81, eventually decamped to Britain too and runs their farm in Hampshire while Baturina concentrates on business. A business that is so successful it has allowed her some very expensive hobbies – she has amassed one of the world's biggest private collection of Imperial porcelain and plays golf on her own course.

Being a woman in the construction industry largely proved an advantage. Men underestimated her ability "very frequently, especially at the start. Every male entrepreneur who entered my office felt it necessary to polish his ego and tell me about how great he was – it would go on for hours. But while he was preening like a peacock, I would note his weaknesses and use them in negotiation."

It remains true, though, that many deals are made informally "in the sauna, while hunting, or drinking" and sexism in the workplace – and beyond – is rife. Time, though, has calmed her relationship with Russia and she now makes frequent visits to Moscow. "It's a different city – or maybe I'm different," she says.

Of course, on the international stage, relations are more fraught. The Russian government has been accused of meddling in the American elections. Last week, President Trump's former national security adviser Mike Flynn admitted he had lied to the FBI about his contacts with the Russian ambassador in the run-up to the vote. The Russians are suspected of interfering with British politics too: Theresa May said recently that Russia was aiming to "weaponise information" by planting fake news stories aimed at undermining Western institutions.

The blowback from this has been a perceptible change of attitude towards the Russian community in Britain. Increasingly, they are seen as tricky and dishonest: she has even heard that some of her countrymen are anglicising their names to avoid passing the taint to their children. For Baturina, though she understands the sentiment, it's a step too far: "You have to be yourself. As soon as you forget about your roots you are nothing," she says.