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The Sergei Magnitsky Story

*Speech by William Browder
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Dear Ladies and Gentlemen,

Thank you for inviting me here today to share the story of Sergei Magnitsky.

The reason I am here is because Sergei was my lawyer and he died a horrible and tragic death in my service. It is my duty to his memory and his family to make sure that justice is done.

The story starts out more than fifteen years ago when I moved to Russia. I set up an investment fund called the Hermitage Fund and became the largest foreign investor in that country. In this role, I discovered that many of the companies that I invested in were corrupt and the managers were stealing enormous amounts of money from the companies and the shareholders. I decided to fight the corruption by exposing it through the mass media. This obviously created some very high-powered enemies, and in 2005 I was expelled from Russia and declared a threat to national security.

In 2007, police officers raided my Moscow office, seized all of our official corporate documents and then used those documents to expropriate our investment holding companies. Then through a complicated scheme involving a number of government officials, they were able to ultimately steal \$230 million in taxes that we had paid to the Russian government in the previous year.

While all this was going on, I engaged Sergei Magnitsky, a smart, 36 year-old Russian lawyer to investigate everything that was going on and to try to stop these state-sanctioned crimes. In his research, he found damning evidence of high-level Russian government officials who were involved in the theft of the \$230 million. Instead of turning a blind eye, as most people in Russia would have done, Sergei bravely decided to testify against the officials involved. One month later the same officials he testified against came to his home at 8 in the morning, and arrested him in front of his wife and two children.

They put him in a pre-trial detention cell and began to pressure him to withdraw his testimony. They put him in cells with fourteen inmates and eight beds, and left the lights on twenty-four hours a day to deprive him of sleep. They put him in cells with no heat and no window panes in December in Moscow, and he nearly froze to death. They put him in a cell with no toilet, just a hole in the floor, where sewage would bubble up. After six months of this, his health started to break down. He lost twenty kilograms, had severe stomach pains, and was diagnosed with pancreatitis and gallstones. Prison doctors told him he needed an urgent operation, and this scheduled for August 1, 2009.

One week before the operation, the Interior Ministry officials overseeing his detention came to him with a Faustian bargain. If he dropped his allegations about the state officials' involvement in the crime and signed a false confession saying that he stole the \$230 million, then he would get the medical care he needed. Despite the horrific physical pain he was suffering, he refused to sacrifice his integrity. For him, living a life of truth was more important than his physical comfort.

In response to Sergei's refusal to compromise himself, the Interior Ministry immediately moved him to a maximum-security detention center called Butyrka. It is widely recognized as the most brutal detention facility in Russia. Most significantly for Sergei, it had no medical facilities to treat him. At Butyrka, his health completely broke down. He suffered from constant agonizing pain. He could neither sit down nor stand up because the pain was so intense. He and his lawyers desperately applied for medical attention and filed 20 different written requests to all different agencies of the Russian judicial system. Despite his increasingly desperate situation, every single one of his written requests was either ignored or rejected.

On the night of November 16, 2009, his body finally gave out and he fell into critical condition. Only now did the officials finally move him back to the original detention center that had the necessary medical facilities. But instead of treating him, they immediately placed Sergei in an isolation cell, chained him to a bed and allowed eight riot troopers with rubber batons to beat him for one hour and eighteen minutes until he was dead.

He was 37 years old. He left a wife, two children and a dependent mother.

How do we know all this?

Because Sergei Magnitsky did something that is unprecedented in the history of the Russian penal system. He wrote it all down in the form of 450 legal complaints in his 358 days in detention. His legal complaints read like a modern day Gulag Archipelago. These records describe the sadistic way he was treated in granular detail, documenting who did what to him at every stage of his ordeal. These documents are truly heartbreaking because they leave nothing up to the imagination. When you read them, you feel like you are there with Sergei as he was being slowly tortured to death.

Because of the huge amount of detail, and the heroic and honorable way that Sergei tried to survive his ordeal, his story struck a raw nerve and pierced the thick skin of indifference in Russia. More than 4,000 articles have been written about the Magnitsky case and according to polls, 68% of Russians are aware of his name and his story. His case has become the most well-documented and emblematic cases of the torture, corruption and state-sanctioned murder in modern Russia. Sergei Magnitsky is now the Russian equivalent of Steve Biko, the murdered anti-apartheid activist from South Africa.

While every facet of his story is appalling, what makes this case truly significant on an international scale is the high-level government cover-up that followed.

On the day after he died, the Russian Interior Ministry made a public announcement saying that Sergei Magnitsky had never complained about his health despite the numerous written rejections signed by Interior Ministry officers refusing his repeated desperate requests for medical treatment.

Eight days after he died, the head of the prison where Sergei was beaten with rubber batons wrote in a formal statement that no violations were found in the way that Sergei was treated, even though the man who wrote it was the same person who authorized the use of the rubber batons that ultimately killed Sergei.

The Head of the Moscow court publicly exonerated all of her judges, even the two who denied Sergei's desperate pleas for medical attention.

In the summer after Sergei died, the Interior Ministry said that the officers whose families suddenly became conspicuous millionaires after the theft of \$230 million, had all earned their money legitimately.

Shortly after that, the Interior Ministry was asked by journalists where the \$230 million had gone. These officials replied with a straight face that they couldn't find it because the truck carrying all the documents had exploded.

We are now two years, three months and seven days since Sergei Magnitsky was killed in a state-sanctioned murder.

58 out of the 60 officials identified by the U.S. Helsinki Commission as playing key roles in this murder and cover-up have been exonerated by the Russian government.

The only persons who have been blamed for this tragedy are the two lowest level prison doctors, both of whom were charged with negligence for not diagnosing the right illness.

Nobody has been investigated for the torture and murder of Sergei Magnitsky uncovered or of the large-scale corruption he discovered and exposed.

And to add a huge insult to this enormous injury, the Russian Prosecutor's Office is now taking the unprecedented step of prosecuting Sergei Magnitsky posthumously. For the first time since legal records began in Russia in 1497, a dead man is being put on trial.

And if that was not bad enough, the same officials who killed Sergei are now summoning his grieving mother as a witness in the case against her dead son.

I am sure that everyone of you who hears this story wants to do something. You can't be a human being and not want to see justice in this case.

What can you do?

Everyone's first instinct is to make public statements of condemnation. Those are always helpful, but based on the behavior of the Russian government in the face of the damning facts of this case over the last two years, we are long past the point of making statements that have any impact on their behavior. Unfortunately, they don't.

The only thing we have found that gets their attention are real personal consequences.

What should those consequences be?

The murder of Sergei Magnitsky was not a crime of politics, of ideology or of religion. This was a crime of money. The state officials who falsely arrested, tortured and killed Sergei Magnitsky did it to cover up their involvement in the theft of \$230 million from their own country. And because these people like to commit their crimes in Russia and then spend their money in the West, the one thing we can do is to take away their ability to travel to the West and spend their ill-gotten gains in the West.

This is a simple policy. It costs nothing to implement and it strikes right at the core of their whole system.

I started working on his concept of visa sanctions and asset freezes two years ago and I have made a lot of progress. In the US, there is piece of legislation called the 'Sergei Magnitsky Rule of Law Accountability Act', which will freeze assets, ban visas and name the names of the people who killed Sergei Magnitsky as well as other perpetrators of gross human rights abuses. This bill has been co-sponsored by 30% of the entire US Senate on a bi-partisan basis. I predict it will pass this year.

Similar legislative measures were introduced in the Canadian parliament, the European Parliament, Dutch Parliament, Polish Parliament, and many others.

This is a new weapon in the fight against human rights abuses. Because, unlike North Korea or Belarus, Russia is highly integrated into the West, the officials in Russia who commit these crimes are exposed and vulnerable in the West. They like to take their vacations in the West, buy properties in the West and send their kids to schools in the West. Most of all they want to have the option of fleeing to the West when inevitably, their brittle regime falls. Taking away these privileges hits them right where it counts.

Selectively cancelling visas and freezing assets may not be real justice in a case like this, but if we are successful in creating some real and painful consequences in a situation where, until now, these people have enjoyed absolute impunity, perhaps the next time a Russian investigator is asked by his boss to torture a false confession out of an innocent prisoner, he may think twice. He will know that his boss won't be able to protect him from losing the assets he holds outside Russia or his ability to travel to the West. He may choose to call in sick instead of carrying out the order. If that happens, then perhaps Sergei's death will save another life, and at this point in this terrible ordeal, that would be one positive outcome that would honor Sergei's sacrifice.

As parliamentarians and members of the OSCE, I am calling on you to help me pass similar resolutions in your own parliaments to take away the visas and to freeze the assets of the people who killed Sergei Magnitsky and to bring some measure of justice in this tragic story.

Thank you.