



The 'Hard' Russian Oligarch Behind Facebook's New Money



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05/27/09 02:19PM Filed to: FIELD GUIDE

8.80K



The *Financial Times* reports that "among the biggest backers" of Facebook's new funder is **Alisher Usmanov**. He might be playing sugar daddy to a freewheeling social network, but the Russian oligarch is also known as a "**devourer of websites**" that dared to mention certain allegations about his past.

Facebook's new \$200 million funding round does not directly involve Usmanov. Instead, it comes through an internet holding company run by **Yuri Milner**, the Russian who parlayed a Penn MBA and stint at the World Bank into a key role in some of his country's earliest stock deals. Facebook is said to covet his ties to the Russian government. The rising star plans to take his company public within three years.

But Usmanov is a major source of Milner's money, to say nothing of his connections, joining marquee investors like Goldman Sachs and Renaissance Capital. An owner of newspaper and TV properties in Russia, the former Soviet

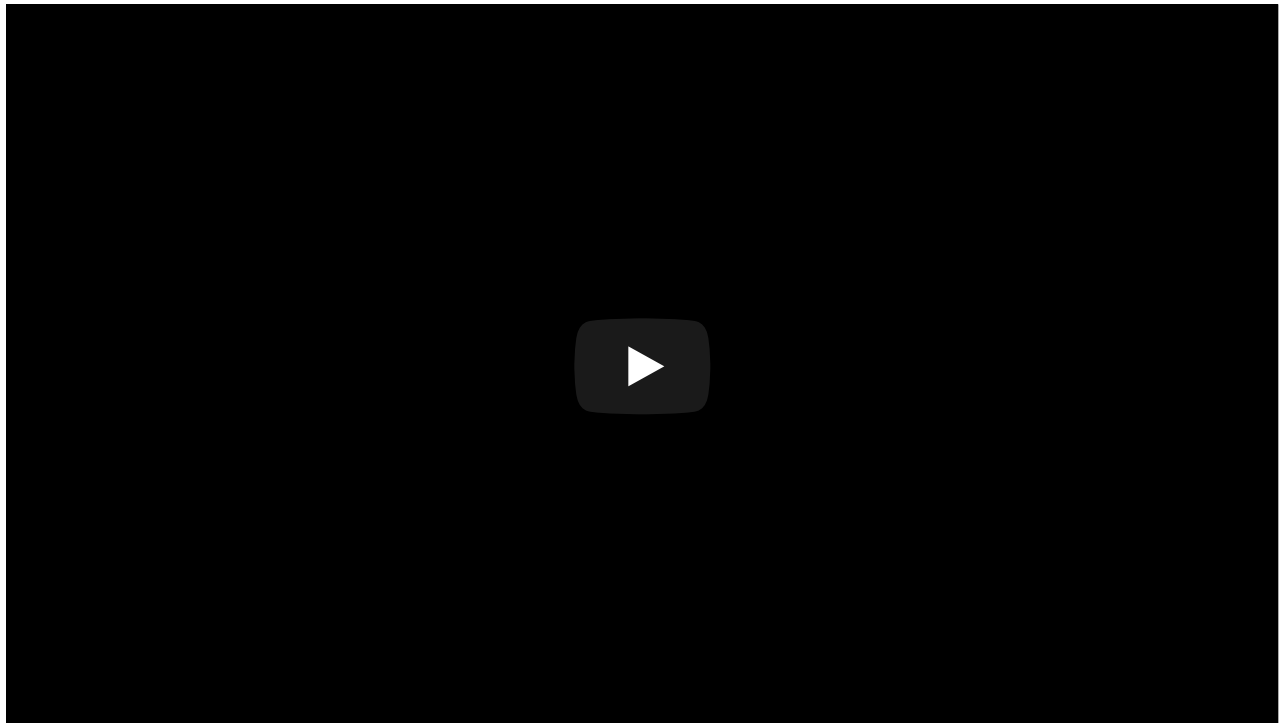
prisoner now finds his interests enmeshed with new forms of media on the other side of the globe. So he's worth getting to know.

Claim to global fame: Usmanov owns 24 percent of London football club Arsenal. After the oligarch and his London-based partner Farhad Moshiri increased their stake in the team, directors **threw up roadblocks** to his ever taking control of Arsenal. The team is widely loved among the English.

Worth: \$1.5 billion, **according** to *Forbes*, down from \$5.5 billion **in 2007**.

Source of wealth: As the Soviet Union started to liberalize, Usmanov launched a venture **selling plastic shopping bags**. He made still more money buying and selling shares of other businesses in the early days of Russia's equity market. Eventually, he acquired former Soviet metals factories and mines. His investments now also range from gas giant Gazprom to a mobile phone network to media properties.

Nickname: "**The hard man of Russia.**"



'Gangster' censorship controversy: Craig Murray, Britain's **outspoken** former ambassador to Uzbekistan, in 2007 alleged on his website that Usmanov served jail time in the old Soviet Union not as political prisoner, as the billionaire has claimed, but because he was a "**gangster and racketeer**." Usmanov was only released, Murray further alleged, because Uzbek ruler Islam Karimov did a favor for an "Uzbek mafia boss."

Usmanov's London lawyers not only **had the article removed by Murray's Web hosting provider but also warned various bloggers to remove posts referring to the allegations**. The move backfired, **drumming up blogger outrage and bad press** for Usmanov who, some noted, declined to challenge Murray's claims directly in a libel case, despite British laws heavily favoring libel plaintiffs. (In an interview **outlining his version of events**, Usmanov later said he would file a libel claim if Murray could prove himself sane.)

Diamond controversy: A company controlled by the diamond corporation De Beers named Usmanov in a suit **alleging "fraud" and "unjust enrichment"** in a fight over ownership of a diamond mine in northern Russia. Usmanov's press agents have denied the charges in strong terms.

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