

Wealthy Russians, Putin bicker about Olympics

By Stephanie Baker and Ilya Arkhipov, Bloomberg

In August, Russian President Vladimir Putin flew to the Black Sea resort of Sochi, where his country is spending a record \$48 billion on the 2014 Winter Olympics. A regular visitor, with an official residence in town, Putin watched mixed-martial-arts contests at Oblaka nightclub with Russian Prime Minister Dmitry Medvedev and Kazakh President Nursultan Nazarbayev.

After the first fight, the leaders suddenly were plunged into darkness for almost three minutes, giving them a taste of the blackouts that have plagued Sochi for years. Putin, poker faced when the power returned, strode into the ring to congratulate the fighters as the tournament concluded.

“Here in Russia, we have always valued and respected men who know how to stand firm to the last,” he said.

Putin is bracing for a fight of his own in the mad rush to the Feb. 7 opening ceremony, Bloomberg Markets magazine will report in its January issue. With concerns about terrorist attacks, lack of snow and anti-gay laws dominating headlines, Sochi has endured its share of pre-Olympics tension.

Yet another, potentially longer-lasting battle is playing out behind the scenes – involving Putin’s government, some of Russia’s wealthiest industrialists and a state-owned bank. The government is demanding that the country’s biggest companies stand firm on commitments to bankroll the games.

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