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By Yuri Bender  
All to play for



Getty

Club president Rinat Akhmetov with Shakhtar players

Despite the taste of coal dust and air pollution from the metallurgical works, Donetsk is a surprisingly attractive city of poplar trees, roses and Greek-style outdoor cafes grilling skewered chicken shashlik.

Situated in the east of the country only a short distance from the Russian border, the industrial landscape of Ukraine's fifth-largest city is dominated by the 51,500-seat Donbass Arena, home to Shakhtar Donetsk, the country's leading football club.

Since the impressive \$400m stadium's opening in 2009, the FC Shakhtar brand has quickly permeated the city's consciousness. The club sponsors free health drinks in local restaurants, while its distinctive orange and black crest, revamped by Interbrand, the image consultant, is embossed almost subliminally onto the grey slabs of the city's spotless pavements.

By contrast, the country's historic capital Kiev – a 12-hour ride to the west on a rickety overnight train – boasts golden-domed cathedrals dating back to the 11th century, cobbled lanes winding down to the Dnieper river and gently rolling wooded hills.

It is also the home of Dynamo Kyiv, FC Shakhtar's great rival and the club that – until recently – dominated Ukrainian football.

Hundreds of thousands of foreign fans are expected to visit Donetsk next summer when Ukraine, together with Poland, co-hosts Euro 2012, the first major international football tournament to be held in eastern Europe since the fall of communism.

But while Europe's leading footballing nations will compete on the pitch for the right to be crowned European champions, an equally enthralling battle will be played out in the background – one that pitches the tightly-knit Donetsk clan of business and sporting interests against an interconnected alliance of figures from Kiev and Dnipropetrovsk, another powerhouse industrial city. At stake is not just sporting domination, but the right to run resource-rich Ukraine for years to come.

The undoubted head of the Donetsk clan is Rinat Akhmetov, FC Shakhtar's billionaire owner and the classic man from nowhere. Ukraine's richest man, worth \$16bn, according to Forbes magazine, Akhmetov saw his wealth more than double last year. The son of a coal miner, Akhmetov's dream to use football as a vehicle to rebuild what was then a downtrodden region of eastern Ukraine began more than a decade ago, before other oligarchs such as Roman Abramovich, Russian owner of Chelsea Football Club, and Alisher Usmanov, the Uzbek second-largest shareholder in Arsenal Football Club, began to take a serious interest in the sport.

Today, a squad of players that includes eight Brazilians is put through its paces by Mircea Lucescu, Donetsk's Romanian coach, who famously instructs his charges to read poetry rather than frequent the city's nightclubs.

One of the players who follows this unorthodox diet of culture and training is Dmytro Chygrynskiy, a long-haired 27-year-old centre-back who prefers to speak Ukrainian, the dominant language to the west of the Dnieper, rather than the Russian-Ukrainian mix that is more common in the Donbass region.

"Dima", who holds a master's degree in liberal arts, talks engagingly about the Shakhtar training system, which he joined at 17 and has stayed loyal to ever since, apart from a year's interlude at Barcelona, Europe's dominant football team. "Shakhtar is well on the way to becoming the Barcelona of Ukraine," he says. "But we don't need to copy the Catalans. We will find our own path to becoming one of Europe's top teams."

In charge of business strategy is Joe Palmer, a smooth-talking Londoner who was formerly a marketing consultant with Portsmouth FC, in England. When he arrived at Shakhtar almost two years ago, the club's typical attendance was 27,000 – still well above the Ukrainian Premier League average of 7,000. Now however, Shakhtar regularly beats domestic all-comers in front of crowds of 34,000. Some Uefa Champions League games could sell out three times over. It is Palmer's dream to inject some of the UK's football-crazy culture into Ukraine, and his marketing machine has gone into overdrive as Euro 2012 approaches. The latest instalment is a video in which Gaitana, the African-Ukrainian singer, comes on as a substitute for Darijo Srna, the team captain.

"I said to Rinat [Akhmetov] that kids back home [in the UK] couldn't get enough football," Palmer explains. "If we didn't have a ball we would kick a Coke can down the street. You don't yet see that enthusiasm in Ukraine."

To encourage a new generation of fans, ticket prices start at just 15 hryvnia (\$1.88). Under the direction of qualified entertainers, younger supporters repeatedly chant Shakhtar, which means "coal miner" in Ukrainian, rather than the traditional Russian of Shakhtyor, favoured by their fathers. This "rebranding process" runs parallel to Akhmetov's own reinvention as a patriotic Ukrainian oligarch.

He is the president of System Capital Management (SCM), Ukraine's largest industrial conglomerate, which employs 200,000 workers in sectors such as mining, energy, finance and engineering. SCM has important overseas interests: steel holding Metinvest, a subsidiary, has pumped \$1bn into a coal mine in West Virginia in the US.

Those close to Akhmetov say he is keen to reinvest part of his sizeable fortune in Ukrainian society. His foundation dispenses \$30m a year to philanthropic causes, including towards the eradication of tuberculosis.

At the same time, he is more than happy to flaunt his vast wealth. Earlier this year SCM paid £136m (\$214m) to buy the 25,000sq ft penthouse flat at the exclusive One Hyde Park development in London's fashionable Knightsbridge, per square foot the most expensive piece of property anywhere in the UK.

Together with Yulia Tymoshenko, the jailed former prime minister, Akhmetov is one of few public figures in Ukraine to inspire awe and loyalty. But the pair have also had some spectacular run-ins.

Almost as soon as she came to power in 2005, Tymoshenko reversed a cut-price \$800m transfer of Ukraine's largest steel mill to Akhmetov and another investor who had been authorised by the previous government of Viktor Yanukovich. The plant was subsequently resold to Mittal Steel for a more realistic \$4.8bn via a live television auction.

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Tymoshenko's highly controversial detention, however, for exceeding authority in gas price negotiations with Russian counterparts, has postponed her presidential ambitions.

In the background, historically, there have been regional tensions. Some believe that the fatal booby-trap bomb that killed Akhat Bragin, local overlord and the previous Shakhtar president, in 1995 was part of a feud between criminal groups from Donetsk, the city from where most of Ukraine's current elite hail, and Dnipropetrovsk, the one-time home city of Tymoshenko.

In politics, however, the most effective weapon can be a game of football. The victory of Akhmetov's old Donetsk friend Yanukovich in last year's presidential election was widely credited to the feel-good factor following Shakhtar's victory in the final of the 2009 Uefa Cup in Istanbul, where the two were captured by television cameras hugging each other in celebration.

When people at Shakhtar talk about "the president", they are not referring to Yanukovich – whose Party of the Regions Akhmetov reportedly bankrolls – but Akhmetov himself.

"The 3 per cent by which Yanukovich beat Tymoshenko in 2010 is a legacy of Shakhtar's win in Istanbul," says Vadym Karasyov, Ukraine's best-known television political pundit.

Drinking black tea with lemon in his top-floor office on Kiev's Gorky Street, Karasyov paints a picture of intense rivalry in sport, business and politics that has defined the fortunes of not only Akhmetov but also of Grigoriy and Igor Surkis, the multimillionaire brothers who finance Dynamo Kyiv.

The pair prospered during the early 1990s, when football clubs enjoyed a variety of tax advantages. The position of the older brother Grigoriy is also envied by his rivals. As president of the country's football federation, Grigoriy has final say in managerial appointments to Ukraine's national team and played a pivotal role in securing Ukraine's right to co-host Euro 2012.

"While Surkis and Akhmetov appear to have business-like relations, I think there is mutual suspicion and hostility," says Karasyov. "If Tymoshenko eventually wins her [legal] case, the Surkis brothers will be stronger." But for now, he says, Akhmetov "has the better stadium and Shakhtar's success affirms his personal brand".

The transfer of power is evident for all to see. "Before, there was only Dynamo," says Oleg Luzhny, the former Arsenal defender who is now Dynamo's assistant coach. But now, he continues, "Shakhtar's players are at a higher level as they are more expensive. Football is growing, but Dynamo is standing still. Without him [Akhmetov], nobody would have done anything in Donetsk".

Dynamo won European trophies in 1975 and 1986, and reached the Uefa Champions League semi-final in 1999. However, the club's Soviet-era stadium, open to the elements, remains inadequate for Champions League football, and holds barely 17,000 spectators. This is a sore subject with Igor Surkis. When I asked about a new stadium as the club president casually chatted to fans and reporters in the car park after a match, I was aggressively shoved aside by his personal minder.

Even the return of 35-year-old local football hero Andriy Shevchenko has failed to lift the gloom, despite Dynamo being neck-and-neck with Shakhtar at the top of the league. Many Dynamo fans have deserted the club in recent years, and the remaining disgruntled spectators sometimes voice their discontent by chanting ribald anti-Yanukovich slogans, leading to occasional arrests.

Yanukovich was also jeered during October's official opening of Kiev's vastly over-budget Olympic Stadium where the Euro 2012 final will be held and where Dynamo expects to play any major European games.

Opposition leaders claim money has been diverted from essential needs such as school textbooks to shore up the \$14bn cost of the tournament to Ukraine's budget. This is astronomical for one of Europe's poorest countries, with a GDP per capita of just \$3,000, according to the IMF. They also complain that public construction contracts for stadia, roads and air terminals were awarded, without competitive tenders, to favoured Donetsk companies.

Even the government has tacitly admitted to mishandling the Euro 2012 preparations by ensuring that private rather than public money is at the centre of a bid to stage the 2022 Winter Olympics in the Carpathian mountains.

But until Ukraine develops a stronger sense of national identity, the sometimes damaging regional divisions will only widen.

"During Soviet times, ethnic and religious identities were totally submerged," says political analyst Karasyov. "But even today, rather than asking about your ethnic origin or your nationality, people want to know whether you are from Lviv, Kiev or Donetsk. Only after hearing your answer will they judge where your loyalties lie."

<http://www.ft.com/intl/cms/s/0/2e7eb72e-13f4-11e1-9562-00144feabdc0.html>

### *Гра варта свічок*

*Сотні тисяч іноземних вболівальників, як очікується, відвідають Донецьк наступного літа, коли Україна разом з Польщею прийматимуть Євро-2012, перший великий міжнародний футбольний турнір у Східній Європі після падіння комунізму. Але в той час, як провідні європейські футбольні країни змагатимуться на полі за корону чемпіона Європи, одночасно з цим буде проходити не менш захоплюючий бій - зійдуться згуртований донецький клан, який представляє інтереси бізнесу і спорту, з альянсом взаємопов'язаних фігур з Києва та Дніпропетровська, іншого промислового міста з електростанцією. На кону не якість лідерство в спорті, а право на керування багатоміліардними природними ресурсами Україною на довгі роки вперед.*