

**THE IMPACT OF POLITICAL AND  
BUSINESS INTERESTS ON THE  
CONTEMPORARY RUSSIAN MEDIA.**

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A THESIS  
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## LIST OF GRAPHS

- 1: Incidents involving media/state relations
- 2: Incidents involving officials denying media access to information
- 3: Conflicts between the media and the local authorities in the provinces

**LIST OF ABBREVIATIONS**

CPSU	The Communist Party Soviet Union
CV	Curriculum Vitae
EBRD	European Bank for Reconstruction and Development
FSB	Federal Security Service
GDF	Glasnost Defence Foundation
GDP	Gross Domestic Product
ISP	Internet Service Providers
KGB	Committee of State Security
MFK	International Finance Corporation
NATO	North Atlantic Treaty Organisation
NTV	Independent Television
ORT-TV	Russian Public Television
POW	Prisoner of War
PPS	Presidential Press Service
PR	Public Relations
RTR	State owned Television Channel
RUJ	Russian Union of Journalists
SBS-Agro	Stolichny - Agroprombank Industrial Group
TASS	Telegraph Agency of the Soviet Union
TV	Television

## LIST OF WORDS

Blat	Giving and receiving of favours (Chapter 3.1)
Glasnost	Openness
Glavlit	Chief Administration for the Affairs of Literature and Publishing Houses
Gosizdat	State publishing
Jihad	Islamic holy war
Kukly	Puppets
Narodnost	Linkage to the masses
Nomenklatura privatisation	Definition can be found in chapter 3.6
Oblast	Provincially based media
Obshchaya Gazeta	Joint newspaper
Obyektivnost	Objectivity
Ofitsioz	Published state information
Oligarchs	Russian Business elite
Partiinost	Belonging to and expressing ideology of the CPSU.
Perestroika	Rebuilding, one of Gorbachev's policies starting in the mid to late 1980's.
Persona non grata	A 'non-person,' someone's existence erased from history.
Piratizatsiya	Pirating
Politburo	Ruling body of communist party in Soviet Union.
Prikhvatizatsiya	Grabbing
Privatizatsiya	Privatisation
Privilgentsia	Privileged group of people
Rayonny	Regional and city level of publication
Samizdat publications	Underground Press
Socialist pluralism	Permissibility of more than solely state ideas during Late 1980's.
The Family	Definition can be found in chapter 3.9
Vzyatka	The take, i.e. bribe

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## ABSTRACT

This thesis examines the impact of political and business interests upon the news content of the contemporary Russian media. The main period of focus is on the era of the Second Republic ( 1991 - ), with an in-depth analysis from 1996 - 2000. I make a brief description of the Soviet era media with the intention of trying to draw any influences which may have carried through into, and influence the present day Russian media.

Russia's situation is unique, this has come about through a set of circumstances over a long period of tradition and history. Russian society displays a blending of old and new ideas. To try and explain the contemporary situation the thesis grapples with issues such as corruption, politics and business. By shedding light on these issues, actions and choices made by the participants become more comprehensible.

The later chapters of the thesis attempt to identify specific pressures on the media. Media assets have become valued property in contemporary Russia. I endeavour to illuminate any patterns established by those who seek to control the media. Suggestions for the motivations which drive politicians and businessmen to aspire to control the media are advanced, to explain why the media industry is vigorously contested, as the industry itself is very unprofitable.

The content of chapter VII seeks to find explanations for the vulnerability of independent media to financial takeover or influence ( from political and business organisations ). Among the topics to be covered are events such as the economic crises and an inability of some mass media organisations to make the transition from communism to democracy.

## 0.0 Chapter Objectives

The objectives of this first chapter are to lay the theoretical and historical framework for this thesis. By dealing with these two aspects, I intend to make the current trends occurring in Russian society to be a part of an overall process and not an isolated incident or series of incidents.

Firstly, I shall give a brief explanation of the theories which will be utilised. There are several theories which are to be used, the reason for this is the inability to apply one theory to the Russian situation. Russia has a unique circumstance, which has been strongly influenced by the past. An indication of the importance attached to the relevance of the past to the present has been seen in the study of history ( at educational institutions ). History's perceived importance in shaping Russia's future is a topic in itself, at this point I will only mention the concept.

The initial theories which I study give the focus for the thesis. I have chosen the theories of *Critical Enlightenment* and *Semiotics ( Self and Other )* to analyse the material that has been collected. The theories on how media organisations function, mainly reflecting how media operate in a 'Western' setting form the basis of other models in the thesis.

By profiling the business magnates who own a large portion of the privately owned mass media, a picture on similarities of personalities and agendas may emerge. The three personalities I have chosen are the most influential in Russian politics and business. By making clear issues such as ownership of the media entities, the dimensions of the emerging political conflict becomes more transparent to the reader.

For a large part of the 20th Century ( 1917 - 1991 ) the Russian media has been forced to follow Soviet doctrine. Media of the present day Russian Federation have been shaped to some extent, by this past. It is my intention to briefly investigate the Soviet media in order to discover what influences have carried through into the present day situation.

## 0.1 Introduction

The modern media is an influencer and shaper of public opinion. Media organisations are also subjected to influence from business and governmental organisations, who realise the potential power of harnessing this influence. Events which are now shaping the Russian media are indicative of the wider trends of society, and are rooted in Russia's past. A centralised conformity is being sought and imposed by the Kremlin. The

result being media organisations getting ensnared in the drive to centralise political power.

Over the past decade there has been a struggle to gain power over the media in Russia. The conflict over ownership has intensified since Vladimir Putin's election as the President of the Russian Federation in March 2000. A harder stance has been taken by the government against media who wish to retain editorial freedom and print what they wish. New laws are being enacted, these will enhance the government's position as the *Gatekeeper*<sup>1</sup> in the flow of information and news.

For the above reasons, a focus on what is currently occurring in the Russian media is essential for understanding the current economic and political climate. Although the main conflict revolves around the TV channels ( because it is considered to be the most influential news medium ), other forms of media should not be neglected.

Scholars have produced some recent works regarding various parts of the Russian media's world. Ellen Mickiewicz has written an extensive book on Russian television ( *Changing Channels: Television and the Struggle for Power in Russia* ), Laura Belin's work on the recent Russian elections ( found on the *Radio Free Europe / Radio Liberty* website, [www.rferl.com](http://www.rferl.com) ), Ivan Zassoursky's work on power play in the Russian media ( *Mass Media of the Second Republic, Media and Politics in Russia in the Nineties, Russian Media in the Nineties: Driving Factors of Change, Actors, Strategies and the Results*, found at [www.geocities.com/zassoursky](http://www.geocities.com/zassoursky) ) and Frank Ellis's book on the emergence of the internet in Russia ( *From Glasnost to the Internet: Russia's New Infosphere* ).

This thesis intends to make a study into the influences, political, business and historical on the present development of the Russian media. My main focus is on television and newspaper based media, however, I will also look briefly at radio and the internet. By making such a broad study of the media I intend to show that the current events in the Russian media are part of a 'bigger picture' and not isolated individual events.

Conflict between the media and the Kremlin has intensified since the election of Vladimir Putin as the Russian Federation's second President. I believe that a possible reason for this tension is Putin's desire to resurrect a strong, centralised state. And in such a state, the compliance of the media is necessary to carry to the public messages designed to bring about this change. A type of 'synthesized reality,' to bring about these

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<sup>1</sup>The *Gatekeeper* is a person or organisation which controls what information is released and which information is not passed on.

attributes into society, in much the same way that 'Socialist Realism' was designed to inspire the Soviet people to achieve bigger and greater feats.

My study is limited by several factors. One of these considerations is that the study has the potential to cover many different aspects ( such as media ownership, suppression of information, official and 'unofficial' censorship and the re-emergence of a strong central state ideology ), this thesis covers some but not all of these aspects. I am bound by brevity ( namely a word limit ) to keep the points which I do raise short and concise. The sheer distance between Russia and New Zealand offers some difficulty in accessing some information. Books which deal with my thesis content are difficult to find due to the 'cutting edge' nature of the material.

The internet has been the main source of my primary information. What I am studying is occurring at present which has made the internet an invaluable tool. Information has been drawn from a wide variety of internet sources; from websites dedicated to journalistic freedom of speech ( in Russia and in the West ), newsgroups ( from the Netherlands, USA and Russia ) and media websites ( Radio Liberty and Strana.ru ).

After having conferred with several scholars who work in the field of the contemporary Russian media. Ellen Mickiewicz, Laura Belin, Leslie Holmes and Ivan Zassoursky, they have lent me their support through allowing me access to recently completed works. Leslie Holmes's work *Anti-Corruption Campaigns* gives an insight into how political mileage is extracted from 'uncovering' corruption. Laura Belin's articles, written for *Radio Liberty* about topics such as media ownership and the elections have been a rich source of information. *Changing Channels*, written by Ellen Mickiewicz offers a good description on the politics of Russian television. The articles written by Ivan Zassoursky provide a good understanding of the potential path of the Russian media in the future.

I have sourced a wide variety of literature ( in book form ) covering such aspects as corruption, history and the Russian / Soviet media. This mainly 'historical' information is designed to place the contemporary material into context, to offer an understanding for why an event has transpired.

The vast amount of information obtained via the internet caused me to decide against searching for information from Russian newspapers and magazines.<sup>2</sup> The availability of some Russian newspapers and magazines has meant that sourcing them can be difficult, although some of these articles are available on the internet based newsgroups.

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<sup>2</sup> Articles from Russian newspapers and magazines are already available from the Russian based internet newsgroups. There is also the consideration of obtaining timely information, papers and magazines can be difficult to find.

Some information may have been left out due to the cut off point ( approximately August 2000 ), which has been imposed due to the rapidly moving nature and massive amount of information available. The information already collected needs to be analysed without being bogged down by constantly collecting new material.

In the first chapter I intend to lay out the theoretical framework, to give an understanding of the perspective(s) which will be used. These theories come from a variety of origins, Soviet social theories, media theories and the new critical enlightenment theory.

After the theories have been made clear to the reader, an understanding of the current private media ownership is discussed. The three most influential owners, politically and economically are profiled. The intention of this section is to inform the reader of possible bias which may occur in newspaper and television articles further on in the thesis.

A historical overview of the Russian media during the Soviet era. The intention is to identify the underlying principles and strategy of the media during the Soviet period. Later in the thesis, I will make a study to see if any of these influences have carried through into the present.

Chapter two gives an insight into the tangled intrigue of Russian politics and the inseparable Russian business environment ( from the oligarch's perspective ). Alliances formed by politicians and businessmen influences the nature, type and perspective of news disseminated by media groups. The volatile nature of politics in Russia is looked at to determine possible explanations for the actions of some leading Russian politicians and the oligarchs.

Corruption has been closely linked to Russian politics and the media for some time. Chapter three aims to establish these links, in the past politicians have used the corruption platform ( through media 'exposes' of corruption ) to launch their political ambitions and to rid themselves of political opposition. Gorbachev, Yeltsin and Putin have used this tactic with the aid of a 'friendly' media. The role of the media in this process is also scrutinised.

The Second Chechen War ( chapter four ) has had a profound impact on editorial freedom in the Russian Federation. Freedom of speech issues which are taken for granted in the Western world, are slowly being eroded. The government has developed the 'defence of the state' catch phrase as a pretext for abolition of media's freedom of speech. The Kremlin's attempts to control the flow of information to the public ( national

and international ) has ushered in a specific vocabulary. This 'newspeak' is designed to create the division between right and wrong, good and bad.

Chapter five's subject matter, elections in the Russian Federation, has a pivotal influence on the media's present day form. Traditionally, media in Russia are subjected to greater than 'normal' restrictions during the electoral process. I intend to identify these pressures, and how these pressures affect the way the media is able to operate. One of the main factors which inhibit coverage of the elections is the law which prohibits non-political parties from discussing the political candidates. The collusion between the state and the media, especially in the 1996 and 2000 elections prevented an unbiased picture of events.

Some important events are touched upon in chapter six. These events are significant because they have affected or altered relations between the media and the government ( or the business interests ). Consequently, this has an impact upon what is reported and how it is reported. Some of the mechanisms used to influence the nature of what is reported by the media are investigated. Some of the pressures faced by the contemporary Russian journalist include the threat of physical violence, the prospect of arbitrary search and arrest and even a return to the Soviet method of incarceration in a psychiatric institute.

The commercial effects on media formation and operation are the focus of chapter seven. Questions such as how the media have been affected by the August 1998 crisis and the search for economic survival are raised and studied. Recent attempts by the Kremlin to obtain financial control of *ORT* and *NTV* have raised some questions and suspicions of the Kremlin's true agenda. Is it as the Kremlin says, for the good of the people? Did the owners of *ORT* and *NTV* contribute to the demise of their media empires?

## **0.2 Principal Theories for the Thesis**

### *Critical Enlightenment:*

The area of critical social theory has a specific focus on "issues of power and justice and the ways that the economy, matters of race, class, and gender, ideologies, discourses, education, religion and other social institutions, and cultural dynamics interact to construct a social system." ( Denzin & Lincoln, 2000, P. 281 ).

Critical theory was developed in the 1930's by three German academics. Herbert Marcuse, Max Horkheimer and Theodor Adorno moved to the United States after the

Nazi accession to power in 1933. The theory of critical enlightenment derives from critical theory.

Critical theory's role is to analyse the competing power interests between groups and individuals within a given society. A focus is made on identifying who gains and who loses in certain circumstances. An argument of criticalists stipulates that privileged groups sometimes have an advantage in supporting the status quo, to protect their advantages.

It is therefore the goal of critical enlightenment to reveal the winners and losers of specific social systems by which such power plays are present.<sup>3</sup> I shall attempt to apply this theory to the complex interaction which operates between the Oligarchs, media organisations and the Kremlin.

My argument is that the oligarchs ( especially Gusinsky and Berezovsky ) are the result of the previous power regime, as represented by the former President Yeltsin. Putin's election as President has brought about a partially new power regime, which has no place for some of the oligarchs. The incumbent power system ( the oligarchs ) are therefore fighting for their power and privilege, in some cases their very existence. They want to see the old power base maintained.

#### Dualist Theory ( Self and Other ):

In the book *The Semiotics of Russian Culture*, Lotman and Uspenski ( 1984 ) claim that the dual semiotic model of binary opposition was formed in 18th Century Russia. Their argument revolves around the premise that there were only two outcomes in Russian culture, right and wrong, good or bad. There is no room for neutrality or 'grey' areas, everything is black or white.

Dualism was first applied to the reforms of Peter I, which created Russia as a partly Easternised and partly Westernised state. This was a departure from the past, when Russia was considered to be an Eastern nation.

At any one period of time, two sets of mutually opposed mechanisms within a given culture are said to operate at given time. One of these mechanisms has a tendency toward diversity and the "polyglotism" of culture.<sup>4</sup>

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<sup>3</sup>Editors Denzin, D. K. & Lincoln, Y. S., *Handbook of Qualitative Research, 2nd Edition*, Thousand Oaks, Sage Publications, 2000, p. 281

<sup>4</sup>Uspenski, B. A., Ivanov, V. V., Lotman, J. M., Toporov, V. N. & Pjatigorski, A. M., *Theses on the Semiotic Study of Cultures*, Tartu, Tartu University Press, 1998, p. 27.

The other mechanism which operates concurrently, has the inclination toward uniformity. An attempt will be made to organising a conformist culture.<sup>5</sup>

Lotman and Uspenski claim that this tendency is uniquely Russian. The bipolar Russian values did not hold in the 'Catholic Christian West,' which had an allowance for a neutral state of being.

According to Uspenski cultures may be "oriented toward writing ( text ) or toward oral speech, toward the word or toward the picture [...]." <sup>6</sup> Russia's rich literary past indicates that text is of significant value to the Russian culture. Text has a history of carrying more meaning and being more than just a form of entertainment. A dry narrative of events, such as in the Western style press, is instead made in the form of political or moral analysis. The meaning which is transmitted is more emotionally charged.

Russian bipolarism did not end at the end with the death of Tsar Peter I. The Soviet regime exploited the concept throughout their tenure in power. The use of this strategy did not solely apply to labeling the foreigner as the enemy. Stalin used bipolarism to rid himself of any possible vestiges of opposition by tarnishing people as 'enemies of the people.'

The popularity of exploiting bipolarism seemingly waned during the early Yeltsin years. From 1996 however, the political leadership has shown themselves to be willing and able to exploit this tool. Recently in the Second Chechen War, a concerted effort has been initiated by the Kremlin to vilify the Chechen people. It is my intention to apply the dualistic theory to the Chechen situation. Media coverage has portrayed a struggle of good ( the Federal Russian forces ) against evil ( the Chechen leadership ), an evil which according to the Kremlin will stop at nothing to destroy the Russian state and its people.

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<sup>5</sup>Ibid.

<sup>6</sup>Ibid., p. 28



## CHAPTER I: FOUNDATIONS OF THE MODERN RUSSIAN MEDIA

### 1.0 Media Theory

In this part I shall deal with the concepts of how the media operate, the significance of the media, social functions of the media, requirements for freedom of the press and lastly, some theories of the press will be outlined. Most of the material from this section has been drawn from *Mass Communication Theory: An Introduction (McQuail)*.

#### 1.0.1 The significance of the mass media

According to McQuail, there are five ways in which the mass media are able to manipulate or form public opinion:

- (1) Power Resource: it is a possible medium of determining control and innovation in society. The mass media is the principle way in which information that is vital to the viability of most social institutions is disseminated and received.
- (2) Location (or Arena): this is where many aspects of public life, at a national and an international level are played out.
- (3) Media as a Source: the media provide a major source of definitions and images of social reality. As a source, this is the place where the construction of societies and groups culture and values occur. And where these concepts are stored and expressed.
- (4) Fame: the means of attaining publicity and effective performance in the public arena by, in this instance, politicians.
- (5) Normal: this is the measure by which society deems what is normal and that which is abnormal. It is a benchmark that the public uses to make judgments based on that society's current value system of normality.

#### 1.0.2 Social functions of the media

Functionalist theory: social practices and institutions are explained in terms of individual and societal needs. When applied to the media these needs include such things as: order, integration, guidance, motivation, adoption, socialisation and continuity. Society is perceived as a working system of linked subsystems, of which the media is one of the subsystems. The media is portrayed as self-directing and self-correcting. (McQuail, 1994)

According to Functionalist theory, the media specify certain social functions. In this role the media may reinforce existing values and beliefs or may act to change incumbent values and beliefs. There are five aspects of social function; information, correlation, continuity, entertainment and mobilisation.

(1) Information: in the constantly changing world in which we live, the media are the providers of information about what is happening at a local level and news concerning the larger international community. Through the information provided by the media, indications regarding relations of power are put forward.

(2) Correlation: this is where opinions are formed. By commenting on events through explanation and interpretation the process of consensus building begins to take place. Through the way in which the news is presented orders of priority are set and the relative status of the news is given.

(3) Continuity: through the nature of the events covered the media may either express itself in the dominant culture, thereby maintaining a commonality of values. Or recognize other subcultures and new cultural developments which will help create a new set of values.

(4) Entertainment: the primary function of the entertainment aspect is to provide a source of amusement and relaxation, resulting in a reduction in the level of social tension.

(5) Mobilisation: various societal objectives may be campaigned for, issues of politics, the economy, environmental concern and freedom of speech.

### **1.0.3 Requirements for the freedom of the press**

There are certain conditions and expectations to be met before the label of a 'free press' can be given. The expectations may differ slightly from culture to culture, there are however some common attributes associated with a truly free press.

The issue of censorship is pivotal to the issue of press freedom. Governmental controls such as licensing and censorship restrict what can and will be said. A news organisation should be able to publish the news and opinions that it wishes to express, without fear of punishment or reprisal. In addition to the publishing of the news, access with regard to the collection, should also be equally unimpeded.

Bound in the ideal of the right to communicate, the public should have free reception of and access to all points of view and news.

With the advent of vast commercial empires, in which media organisations have been swallowed up, comes the concern over the influence on the type and nature of the communication of information by the owners. Socialist theorist and author, Altschull stated in his second law of journalism that 'the contents of the media always reflect the interests of those who finance them.'<sup>7</sup>

## 1.1 Theories for the press

Today, the Russian media fulfills the above mentioned roles. However, a tendency exists for the primary function to alternate over time. During the Soviet era the primary function of the press was to inform and inspire the people. But, during the immediate period after the collapse of communism the function shifted to informing and mobilising the reader on issues such as abuses of power and position. An economic downturn and the realities of the market economy saw yet another shift, this time to entertaining the reader ( based on a tabloid style format ) in order to boost the circulation of their product. At present there is a tendency to return to a Soviet style function of the media, but set in a 'democratic' form of government.

There are four theories for the press. They are; Social Responsibility theory, Soviet theory, Authoritarian theory and Libertarian theory ( McNair, 1994 ). I shall apply relevant material concerning the media, to the following theories; Soviet theory, Authoritarian theory and Libertarian theory. The reason that I have chosen the above mentioned theories and have excluded the Social Responsibility theory, is because I feel that these theories are more appropriate and applicable to the situation in Russia. There has been some element of these outlined theories at some point of time in Russian history. The elements which I refer to are with regard the functions of media in society. I am unable to apply the Social Responsibility theory to the Russian media during any period in Russia. For this reason I have excluded the Social Responsibility theory from analysis in this thesis.

Soviet theory: was the predominant theory throughout Eastern Europe in the post-war period and in Russia from the end of 1917. Soviet theory originates from the social theories that were postulated by Karl Marx and Fredrich Engels, and at a later date were refined by Vladimir Lenin. The media was assigned the position as a collective

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<sup>7</sup>McQuail, D., *Mass Communication Theory : An Introduction*, London, Sage Publications, 1994, p. 162

agitator, propagandist and educator in the construction and maintenance of the communist state.

Marx and Engels formulated the theory of historical materialism. This theory formed as the guiding basis for Soviet institutions, including the media. Their conclusion was that the state serves particular 'estates' or interests and not for the benefit of the wider community.<sup>8</sup> Lenin revised the ideas of Marx and Engels.

Lenin had envisaged two roles for the media in the newly established communist state. An ideological role and an organisational role. The ideological role involved the media as an agitator and collective propagandist.<sup>9</sup> Author Ellen Mickiewicz made a clear distinction between agitation and propaganda. Agitation was to be directed to a mass audience, but limited in content. These messages had a wide applicability and an emotional impact upon the target audience. Propaganda is directed at a smaller and more politically literate individuals. The messages are more complicated and theoretical in nature.<sup>10</sup> Lenin made it clear that he thought of propaganda as a goal, the socialisation of the members of society to communist convictions [...] to disseminate a particular image of social reality which corresponds to the values of a socialist society, and [...] to create a particular kind of attitude towards reality amongst the people to whom the image is addressed.<sup>11</sup>

The second major function of the press was an organisational part. Duties were to be dictated by the necessity to collect process and disseminate information on a massive scale. In order to achieve this goal a large and coordinated organisation had to be created, for the purpose of initiating a socialist revolution in Russia. Lenin considered that the effectiveness of the party and the effectiveness of the media were inseparable.<sup>12</sup>

Media were organised into four administrative levels, in a pyramid style hierarchy;

- (i) Central All-Union publications - produced in Moscow and distributed throughout the country.
- (ii) Republican Media - each of the 15 republics had its own media organisation which was affiliated to them.
- (iii) *Oblast* - provincially based media.
- (iv) *Rayonny* - regional and city level of publication.

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<sup>8</sup>McNair, B., *Glasnost, Perestroika and the Soviet Media*, London, Routledge, 1991, p. 10

<sup>9</sup>Ibid., p.16

<sup>10</sup>Ibid., p.17

<sup>11</sup>Ibid., p.17

<sup>12</sup>Ibid., p.18

Another common form of publication was the so-called 'wall newspaper' which were published in individual towns, villages, factories and collective farms. These were usually no more than a sheet of paper, and dealt with local issues. <sup>13</sup>

There were four founding principles given by Lenin to guide those that worked in the media. These principles are:

- (i) *Partiinost* (belonging to and expressing ideology of the CPSU)
- (ii) *Obyektivnost* (objectivity)
- (iii) *Narodnost* (linkage with the masses)
- (iv) *Glasnost* (openness)

No Soviet leader from Stalin to Gorbachev ever rejected these ideals publicly. <sup>14</sup>

*Partiinost* is founded upon the premise of importing a subjective factor into social development. Social consciousness and the way in which this is expressed has a class basis. And that class interest decides the direction of the CPSU's spirit. <sup>15</sup>

In the social hierarchy, the media were subordinated to the communist party. Although the party did not favour freedom of expression, the media were expected to participate fully in the social and economic development of the state with an emphasis on culture and information. Lenin voiced his opinions on the question of freedom of the press early on, "newspapers must become the organs of the various party organisations, and their writers must by all means become members of these organisations." Further to this he added, that the notion of an absolutely free press was a bourgeois myth. <sup>16</sup> The state demanded that the diversity of the social structure and culture were to be reported in a manner that was both serious and responsible.

Emphasis on the diversity of the press was an important issue. The media were expected to cater to all of the different national and ethnic groups in the Soviet Union. An importance was placed on national self-determination within the framework of the socialist state. In 1918 Soviet newspapers were published in twenty languages. By 1990, the number of languages in which the papers were published had risen to 55. <sup>17</sup> It must be noted, that although an ethnic diversity was encouraged and existed, at no point was ideological diversity encouraged. Soviet Socialist Realism dogma demanded a

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<sup>13</sup>ibid., p. 45

<sup>14</sup>ibid., p. 18 - 19

<sup>15</sup>ibid., p. 19

<sup>16</sup>ibid., p. 20

<sup>17</sup>ibid., p. 46

uniform ideological approach to all matters. Any deviancy from the state ideology would incur some kind of punishment.

*Obyektivnost* is embodied in the belief that Soviet ideology had elements of the scientific worldview and the revolutionary dogma of a class, that was blended together giving a truly objective world account. "The Soviet press brings to the people a scientifically based knowledge of nature and society, guided by the theory of Marxism-Leninist (before the death of Lenin it was historical materialism) and developed from a methodical analysis of the appearance of reality."<sup>18</sup> This view is further reinforced by a deputy editor of the journal *Mezhdunarodnaya Zhizn*, whose observation was that "from the point of view of a certain system of values, which do not distort events but give a perceptual framework for understanding them."<sup>19</sup>

Soviet journalists did not attempt to deny that they gave a certain bias to the articles, but they did justify this action. There was the belief that there were two aspects of socialist propaganda. A scientific component which supports what is written. The other aspect is of value judgmental character, which has the potential to arrive at different conclusions.<sup>20</sup> Lenin was once quoted as saying that the factual accuracy is less important than "the truth of exposition, the degree to which coverage is illuminated by party policy, and the coverage of facts in their totality."<sup>21</sup> This point could be viewed as having some relevance to the media situation in present day Russia.

*Narodnost* translates approximately to accessibility or linkage to the masses. A strong belief in Soviet dogma was that the masses play a decisive role in history. And that, in order for the press to be able to communicate to the masses, the press will be in alignment with the masses way of thinking. Alfyorov ( a Soviet historian ), on the subjects of *partiinnost* and *narodnost*, "the principles of communist *partiinnost* and *narodnost* are inseparable. If the principle of communist *partiinnost* signifies the precise ideological and organisational orientation of press activity, then the principle of *narodnost* indicates for whom and with whose help the system of mass media functions."<sup>22</sup>

A two-way system of communication existed in the Soviet media. It was felt that the media should be receptive to the thoughts and ideas of the masses. In order to achieve this, the media were to serve as an intermediary, a link between the masses and the

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<sup>18</sup>Ibid., p. 23

<sup>19</sup>Ibid., p. 23

<sup>20</sup>Ibid., p. 22

<sup>21</sup>Ibid., p. 24

<sup>22</sup>Ibid., p. 24

party. This would enable a flow of ideas from below. An important method of obtaining these ideas were the letters to the editor. This was a very popular means of communication, every year the Soviet media received some 60 - 70 million letters.<sup>23</sup> Yet, not all letters were free from censorship. Allowing readers to write letters to the editor was a rhetorical gesture by the party leadership to give the impression that the state media exists to benefit the masses.

The state used the media to transmit what they expected from society, by reinforcing or discouraging certain kinds of behaviour. In 1919, Lenin considered the future role of the press. "We must set to work systematically to create a press that will not entertain and fool the people with political sensation and trivialities, but will submit the questions of everyday economic life to the people's judgment and assist in the serious study of these questions."<sup>24</sup> The press was used to publicise 'good news', which was meant to have a positive effect on the morale of the masses. By giving people a goal to emulate or better. The end goal being the creation and maintenance of a strong Soviet state.

In order to make state sponsored information more readily available to the population a vast network of media organisations was set up. There were many specialist publications catering to specific sections of the Soviet community. For instance the paper *Trud* was aimed at a factory worker readership. The print media were very popular, by 1990 some 8000 newspapers and 1500 journals existed in the Soviet Union. Newspaper circulation amounted to 180 million copies, with an average of 400 copies per 1000 people.<sup>25</sup>

A possible explanation for this phenomenon was that it was virtually impossible not to subscribe to papers or journals. The reason for this is that schools and work places often imposed on people, through the trade unions and other organisations, subscriptions. By subscribing people were in fact purchasing a 'badge of loyalty' to the Soviet system. Newspapers and journals were also cheap during the Soviet period.

McNair tackles the issue of highly inflated circulation rates in a recent work. "Where Soviet newspapers regularly claimed to have circulations of 20 million copies, even the most successful titles of the late 1990's were selling no more than 5 million copies."<sup>26</sup>

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<sup>23</sup>ibid., p. 25

<sup>24</sup>ibid., p. 26

<sup>25</sup>ibid., p. 47

<sup>26</sup>Curran, J. & Park, M - J., *De-Westernising Media Studies*, London, Routledge, 2000, p. 83.

Another important means of communicating to the people was by the use of radio. At the time of the communist takeover, most of the Russian population was illiterate. This proved to be a problem, which necessitated designing propaganda which targeted specific groups in a manner which could be understood by the audience. Often this meant that a very simplistic style of propaganda was directed at the working class. Radio was to prove important for two main reasons. Firstly, radio could reach the masses easily. So long as the people had a radio they could receive information, no matter where they lived in the Soviet Union. The second reason was that the listening audience did not need to be literate to receive the message. Much work was done to develop radio networks throughout the country.<sup>27</sup>

*Glasnost* has to do with openness in the conduct of party affairs. There were two connotations, a positive and a negative (critical) aspect.

In the capacity of the positive role the media were to publicise large and significant events that were occurring in the Soviet economy. This was done with the intention of providing positive role models for the workers.<sup>28</sup> A historian, Alexander Sovokin described *glasnost* as “the popularisation of everything positive and good which has sprung up in the course of creating a new society, and of all authentic culture left behind by the previous generations and civilizations.”<sup>29</sup>

In addition to publicising and encouraging positive events, negative social and economic cases were discouraged. This was done by using adverse publicity, and directing it at the transgressing party. As outlined previously, this carried out with the intention of maintaining the public effort in the continued development of the state.<sup>30</sup>

It is clear from the above analysis that the Soviet media could be partly described in terms of the authoritarian theory. However, as this thesis will demonstrate, the Post-Soviet media is authoritarian in many respects.

Authoritarian theory: the political rulers will meter censorship and punishment to those who dare to breach their rules and guidelines. The most likely conditions present for this theory to occur is under conditions of military rule, dictatorial regimes or in democratic societies in a state of extreme emergency. The theory's principles might state the prevalent desire under conditions such as a nation at war or in response to terrorism.

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<sup>27</sup> McNair, B., op. cit., p. 48

<sup>28</sup> Ibid., p. 29

<sup>29</sup> Ibid., p. 29

<sup>30</sup> Ibid., p. 29



When applied, the main aim of this theory is to protect the existing social order and its members. To these ends, clear and narrow limits on media freedom are set.

During *perestroika*, there was a relaxation on the restrictions imposed on the media by the state. This 'thaw' period continued ( for the privately owned media ) during the earlier years of Yeltsin's rule. When Putin was elected as the second Russian President, he began to slowly implement restrictions on the media. Putin's pressure on the media has steadily increased, perhaps signaling a return to the situation where the media is subordinate to the state.

Journalists working in the contemporary Russian media face the threat of two 'forces' trying to restrict their freedom. The new Russian business class has taken over media outlets. As pointed out by Altshull, the media's editorial independence "becomes subordinated to the business interests of their new proprietors." <sup>31</sup>

Another group aiming at 'moderating' press content is the parliament. McNair gives an account of how the parliament has retreated into a more conservative mindset. "The conservative - controlled parliament advanced a succession of pro-censorship bills aimed at restricting the ability of the press to act as a genuine 'fourth estate' [...]." <sup>32</sup> Some of the 'causes' used by this group to bring media under tighter government control are moral degeneration and press irresponsibility.

The authoritarian theory fits closely the situation faced by the Russian media today. The Second Chechen War has given the state the pretext to enact or threaten to enact parts of emergency powers. Russian media have been issued an ultimatum regarding the nature of what they print and broadcast. The government have backed their threats with the use of such measures as: not giving the media access to information which they are seeking, using the tax police to intimidate those that do not follow the governments wishes and threatening to enact repressive laws. Conflict in the Chechen War was the pretext for the Kremlin's 'defence of the state from the threat of Chechen terrorism.' This subject will be discussed further in Chapter IV.

*Libertarian ideal:* The ideal rests upon the underlying assumption that the press should be 'a free market place of ideas,' a place in which the best ideas will receive recognition and the poorest would fail. As such, the fundamentals of individual rights to freedom of speech, opinion, assembly and religion are paramount. To extend on this concept further, a free press is seen as an essential and integral part of a free society.

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<sup>31</sup>Curran & Park, op. cit., p. 84.

<sup>32</sup>Ibid., p. 84 - 85.

With regard to content of an autonomous press, it is the view that the truth will emerge from the presentation of alternative opinions. This enlightened approach believes that the free flow of ideas will help to create a better, more progressive society and is strictly against any interference with a free press.

With the collapse of communism, and before the firm establishment of the new order, there was a period of uncertainty throughout society. During this period there were few laws which constrained the media. The media found themselves to be free, in the sense that there were not any rigidly enforced guidelines that dictated everything that they did. In a traditional Libertarian ideal setting, the press operates in a liberal democracy. Although Russia was not a liberal democracy at this time, the state was too weak and not established enough to take on the free press in a struggle over censorship issues. This gave the media an opportunity to print just about anything.

By the late 1980's some of the more progressive publications included *Argumenty i Fakty*, *Ogoniok* and *Moskovskie Novosti*. These papers and journals grappled with some of the issues of the day, something unheard of during the long years of Soviet censorship.

The attempted coup of August 1991 divided the media into two camps. Pro-reformists supported Gorbachev and the pluralisation of society. The anti-reformists supported the coup plotters and a return to a more hard-line form of communism. After the failure of the coup and the collapse of communism, repercussions of media support were felt. Media which supported the coup plotters were discredited and went into decline, such as the paper *Pravda*. Reformist media were held up as 'cultural heroes' and were able to continue ( for example *Izvestia* ).<sup>33</sup>

Some organisations looked to the West for inspiration. *Nezavisimaya Gazeta* modeled itself closely on the British newspaper of the same name, *The Independent*.<sup>34</sup> There were a great many points of view expressed by truly free and independent news organisations. Events in the Russian media during the early 1990's closely followed the libertarian model of the press.

During the period immediately following the failure of the August 1991 coup, the press experienced a kind of euphoria. They believed the press had the potential in becoming an effective 'Fourth Estate,' and could at least exert some influence on the future direction of Russia's reform process.

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<sup>33</sup>Ibid., p. 83.

<sup>34</sup>Ibid., p. 83.

Newspapers such as *Segodnya*, *Nezavisimaya Gazeta* and *Moskovsky Komsomolets* rank among the new 'liberal' press ( differentiating them from the press in the late Soviet era ). An increase in independent newspapers, coupled with pressure from the new owners for a more profitable enterprise has seen some decline in serious issues in favour of a more tabloid style layout.

## 1.2 Political Communication

Brian McNair, in his book *An Introduction to Political Communication* uses the definitions of Denton and Woodward ( 1990 ) extensively in describing political communication. The issues surrounding what defines a political communication are complex and broad, as are the issues of politics in Russia. The press is often used by its owner to express their interests. Politics and business are closely tied, at times seemingly inseparable from each other. Media barons vie for positions of influence and favour by attacking each other and their political foes through the newspapers and television channels. I shall discuss some specific examples in chapters 2.5 ( *Berezovsky's Challenge* ), 3.6 ( *The Russian Privatisation Process* ) and 6.12 ( *Purpose Built Media* ).

Denton and Woodward define political communication as the;

public discussion about the allocation of public resources ( revenues ), official authority ( who is given the power to make legal, legislative and executive decisions ), and official sanctions ( what the state rewards and punishes ). [...] the crucial factor that makes a communication 'political' is not the source of a message, but its intent and purpose. <sup>35</sup>

By this definition, political communication does not necessarily originate from the government or politicians. What makes a message 'political communication,' is that the message is designed to have an impact upon the political thought process. As such, a further definition needs to be made, to define groups that make purposeful communications about politics.

According to McNair, there are three groups that constitute those that perform purposeful political communication.

- (A) Politicians and political actors: every type of communication by these groups, that is done with the aim of realising a particular goal.

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<sup>35</sup>McNair, B., *An Introduction to Political Communication*, London, Routledge, 1999, p. 3 - 4.

- (B) Non-politicians: communications that are directed at the first group by interest groups such as voters or newspaper columnists.
- (C) The media: media analysis of politics ( and of the politicians, as defined in the first group ) that takes the form of news reports and editorials. <sup>36</sup>

McNair explains three parts to political 'reality.' The reality is determined by who the observer is, of the three groups that have been defined above.

- (A) Objective political reality: this category is made up of political events as and when they occur.
- (B) Subjective political reality: how politicians and citizens interpret political events.
- (C) Constructed political reality: this is how political events are covered and reported by the media. <sup>37</sup>

Russian business interests lobby the politicians for both power and wealth. The most powerful lobby groups are made up by the Russian business elite, the so-called oligarchs. These oligarchs are a wide and varied group of business and political interests. Some will make use of the existing politicians to achieve their aims, others will become the politicians making the decisions ( such as Berezovsky ). Part of the financial interests held by the more powerful oligarchs ( as outlined in the section relating to media ownership ) are media groups, which are used to disseminate the owners point of view to the public and to the politicians.

By controlling the media, the oligarchs are to an extent able to influence the constructed reality. The control over constructed political reality in turn, has an influence on subjective political reality. This is because of the oligarchs through their media holdings, limit the content and focus of news. The public will form opinions on what they are able to view, read or listen to. Recent events ( the Kremlin's crackdown on the media ) signal the government's realisation of the importance of controlling the flow of information ( and consequently the interpretation of the information which is supplied ).

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<sup>36</sup>Ibid. p. 4  
<sup>37</sup>Ibid. p. 12

### 1.3 Media Baron Profiles

In this section I shall look at the most influential personalities in the present day Russian media and their immediate past. Most of these businessmen come under an organisation referred to as the Oligarchy. The background of this organisation reveals why the modern media is taking the current course of development.

The so called Oligarchy was founded in the ashes of the privatisation of state industries during the process of dissolving the apparatus of the defunct communist state. By using connections, left over from the old Soviet system, these men were able to acquire vast wealth in a very short period.

The following profiles are of the oligarchs, who own large interests in the mass media. It is not the complete list of those who are referred to as the oligarchs.

#### 1.3.1 Vladimir Gusinsky

Was born in 1952. He was educated at the Gubkin Institute of Petrochemicals and Natural Gas. Gusinsky began as a theatrical producer in the provinces. In the mid-1980's he started co-operatives that sold office supplies. In 1988 after Gorbachev had authorized co-operatives, *Infeks*, a legal and business consulting co-operative was founded. Through various contracts obtained by *Infeks*, Gusinsky was able to found *Most Bank* in 1989. *Most Bank* was used to finance Gusinsky's operations, growing very wealthy due to various lucrative government contracts, such as the handling of Moscow city's finances. During this period Gusinsky developed a close relationship with Yuri Luzhkov (the current mayor of Moscow), who was at this time vice mayor in charge of construction. Through this special relationship Gusinsky was able to extend his influence. By 1994 *Most Bank* had become one of Russia's largest banks.

Gusinsky has considerable media holdings under the umbrella of the *Most Group*, which has made Gusinsky one of Russia's most influential media barons. At one point Liberals had held up the media groupings controlled by *Most Group* as being the most objective and independent in Moscow. However, this reputation has been ruined by an association with *Most Banks* political activities.<sup>38</sup>

The media organisations in which *Most Group* maintains an interest include: *NTV* television company, radio *Ekho Moskvyy*, *Seven Days* publishing house, *Segodnya* daily,

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<sup>38</sup>11.4 *Media and the Government*, Media in the CIS, European Institute for the Media, 1999. [www.internews.ru/books/media1999/56.html](http://www.internews.ru/books/media1999/56.html), 3 January, 2000.

*Itogi weekly, Smena daily, Novaya Gazeta, Obshchaya Gazeta, Seven Days* entertainment magazine and *Karavan* entertainment magazine.<sup>39</sup>

### 1.3.2 Boris Berezovsky

Was born in 1946. He started as a mathematician and an expert on decision theory in an institute of the Soviet Academy of Sciences. He began his business career in 1989 as the general Director of *Logovaz*, the first capitalist car dealership in Russia. He made his initial fortune buying Lada cars manufactured by *Avtovaz* at a discount price and then reselling the cars at a much higher price. By 1994, his financial empire encompassed banking, oil and media assets. Berezovsky's appointment as the Deputy Security Council Secretary in 1996 raised some controversy. He had made promises to withdraw from business activities on assuming this governmental role. However, this was not believed and culminated in his dismissal from office in November 1997.

*Forbes Magazine* referred to Berezovsky as the head of the Russian Mafia in 1996 and went on to claim that this is how he is able to expand his 'legitimate' business empire. *Forbes* stated that during the auction of *Sibneft Oil*, Berezovsky and Smolensky had intrigued behind the scenes to exclude their rival *Oneksimbank*. Berezovsky has repeatedly denied these claims and is in the process of suing over the allegations. He is an active member and initiator of gatherings in the Oligarchy.

Media organisations in which Berezovsky / *Logovaz* hold an interest include: *ORT TV, TV-6, Nezavisimaya Gazeta, Novye Izvestiya* daily, *Ogonyok* weekly and *Matador* entertainment magazine.<sup>40</sup> Two of Berezovsky's business allies include Mikhail Khodorkovsky of *Menatep Group* and Aleksandr Smolensky of *SBS-Agro*. Through this arrangement further influence is exerted on the following: *Stolitsa* magazine, *Kommersant* (weekly and daily), *Dengi* business journal, *Domovoi* entertainment magazine, *Avtopilot* entertainment magazine, *Literaturnaya Gazeta* and a stake in *Independent Media*.<sup>41</sup> Khodorkovsky reputedly told the *Central European Economic Review* in 1996, that "to develop a major corporation you need the support of the government."<sup>42</sup>

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<sup>39</sup><http://home1.swipnet.se/~w-10652/robber/gusinsky.html>

<sup>40</sup>(1) *Boris Berezovsky, Cars and Aeroflot, Media and Political Baron*, swipnet, 2000.  
<http://home.swipnet.se/~w-10652/robber/berez.html>, 18 March, 2000.

(2) Special Report, *Russian Financial Empires: LogoVAZ*, RFE/RL, January 1998.  
[www.rferl.org/nca/special/rufinance/logovaz.html](http://www.rferl.org/nca/special/rufinance/logovaz.html), 4 March, 2000.

<sup>41</sup>[www.rferl.org/nca/special/rufinance/sbs-agro.html](http://www.rferl.org/nca/special/rufinance/sbs-agro.html),  
[www.rferl.org/nca/special/rufinance/menatop.html](http://www.rferl.org/nca/special/rufinance/menatop.html)

<sup>42</sup>(1) Special Report, *Russian Financial Empires: Menatep*, RFE/RL, January 1998.  
[www.rferl.org/nca/special/rufinance/menatop.html](http://www.rferl.org/nca/special/rufinance/menatop.html), 4 March, 2000.

(2) Special Report, *Russian Financial Empires: SBS-Agro*, RFE/RL, January 1998.

### 1.3.3 Vladimir Potanin

Was born in 1961. Potanin attended the Moscow Institute for International Relations and after graduation went to work for the Ministry of Foreign Affairs. Through the connections that were developed in Foreign Affairs, Potanin managed to gain a US\$10,000 loan from *Vneshekonombank* (the foreign trade bank) to start up *MFK* and *Oneximbank* in 1993. Potanin served as First Deputy Prime Minister from August 1996 until March 1997, resigning after receiving criticism that he was not able to keep his governmental and business affairs separate. *Oneximbank* has obtained and maintained many government accounts. These accounts include; 1993 paying agent for Finance Ministry bonds and servicing bank for Moscow's external economic activities, 1994 depository and paying agent for Treasury obligations, 1995 authorized bank of the federal agency which handles bankrupt enterprises. The bank also had seven Foreign Ministry accounts worth approximately US\$150 million in foreign currency. From 1995 until 1997 the bank managed Customs Service accounts. Political patronage has enabled *Oneximbank* to rise to a very powerful position in a short period.

*Forbes* has named Potanin as the most wealthy Russian and one of the world's top ten smart businessmen in 1998. The magazine estimated his net worth to be US\$1.6 billion. Now head of the country's largest industrial group, *Interros Group*, some twenty former state owned companies are included. *Interros* is made up of many branches that are involved in import/export, heavy industry, banking and media.

Potanin through his company *Interros*, also controls several media organisations which include; *Russky Telegraf* daily, *Izvestiya* daily, *Komsomolskaya Pravda* daily, *Ekspert* weekly, *Prime* news agency and radio *Evropa Plus*.<sup>43</sup>

## 1.4 Mass Media During Soviet Times

There was, and still is some debate as to the exact role played by the media during the Soviet era in Russia. In spite of disagreement about aspects of the media, there was some agreement as to the role and direction as guided by the communist hierarchy. The literary media was very popular in the Soviet Union's highly educated society. In a 1967 survey of newspaper and magazine sales in the Moscow and Leningrad regions it was found that 1500 copies were sold for every 1000 people. In the rural areas this

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[www.rferl.org/nca/special/rufinance/sbs-agro.html](http://www.rferl.org/nca/special/rufinance/sbs-agro.html), 4 March, 2000.

<sup>43</sup>(1) Special Report, *Russian Financial Empires: Oneximbank*, RFE/RL, January 1998.

[www.rferl.org/nca/special/rufinance/oneximbank.html](http://www.rferl.org/nca/special/rufinance/oneximbank.html), 4 March, 2000.

(2) *Vladimir Potanin, Import/Export, Heavy Industry, Media and Banking*, Swipnet, 2000.

<http://home1.swipnet.se/~w-10652/robber/potanin.html>, 4 March, 2000.

declined to 820 copies for every 1000 people.<sup>44</sup> Freedom of speech from a Western point-of-view was restricted. Initially, there was no strongly felt attitude toward restricting the freedom of the press, but the events of July 1917 changed the attitudes of the Bolshevik leadership. Conditions were attached as a condition for the right to publish. Gradually, the Bolsheviks consolidated and expanded their control of the media. This was done by enacting a series of repressive laws.

Karl Marx, when talking on the subject of the role of the press in society, “the first condition of freedom of the press is that it is not a business activity.”<sup>45</sup> From the time of Lenin’s earliest writing, a role was being defined for a new breed of media with a clear set of objectives. Ellen Mickiewicz, the Director of the De Witt Wallace Center for Communications and Journalism at Duke University ( Durham, USA ) narrowed the role of the press as follows, “the most important function of the Soviet Press is the socialization or education of its citizens. [...] to point out roles and models for imitation or avoidance.”<sup>46</sup>

In the role as disseminator of information from the state and that of an institution of socialization there were strict guidelines to be followed. This process was explained in *Post-Communism and the Media in Eastern Europe*, “how knowledge was disseminated and portrayed was vital for the survival of communism, stifling alternative concepts or critiques of the existing order.”<sup>47</sup> In order for the authorities to maintain a facade, on which their ‘ideal’ society was built a list of taboo subjects was created. Discussion or reporting of these topics was strictly forbidden. An American journalist claimed to have seen at least part of this list which included crime, drugs, accidents, natural disasters, occupational injuries, official organs of censorship, security intelligence, schedules of travel for the political leadership, income and purchasing power structure at home and abroad, arms sales abroad, crime and morale problems in the armed forces, hostile actions against Soviet citizens abroad, special payment and education of athletes.<sup>48</sup>

The Soviet authorities were relatively open about censorship issues, Nozhin states that “there is no such thing as neutral information today. All information has an ideological character, and can be the object of class struggle.”<sup>49</sup> The media were seen as a means to win the ideological struggle that was taking place between communism and capitalism. For this reason, the media held a pivotal role. A Soviet source in

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<sup>44</sup>Mickiewicz, E., *Media and the Russian Public*, New York, Praeger Publishing, 1981, p. 54

<sup>45</sup>Editor Gardner, C., *Media, Politics and Culture: A Socialist View*, London, Macmillan Press, 1979, p. 119

<sup>46</sup>Mickiewicz ( 1981 ), op. cit., p. 53

<sup>47</sup>Editor O’Neil, P. H., *Post-Communism and the Media in Eastern Europe*, London, Frank Cass & Co Ltd., 1997, p. 1

<sup>48</sup>Mickiewicz ( 1981 ), op. cit., p. 54

<sup>49</sup>McNair ( 1991 ), op. cit., p. 20



*Glasnost, Perestroika and the Soviet Media* (McNair) backs this claim by saying that the “mass media under socialism not only express public opinion, they are the most important means of its formation.”<sup>50</sup>

The spark that ignited the imposition of censorship started with the Kerensky government reintroducing censorship, which was aimed at silencing *Pravda*, on July 12, 1917. Soon after the Bolshevik takeover after the October Revolution, a decree was issued and published in *Pravda* on the 10th of November, 1917. This decree strictly forbade any press organisation which openly opposed or was insubordinate toward the new Soviet authority. This was initially done as a temporary measure.<sup>51</sup> Shortly after this a Revolutionary Tribunal for the Press was established on December 18, 1917. The Tribunal was to be the watchdog, with the task “to suppress the provocative activities of the bourgeois newspapers.” The result was that some 3200 publications ceased to exist within one year of this decree being enacted.<sup>52</sup>

Lenin justified his act of censorship in the First Congress of the Third International in 1921.

This freedom (of the press) is a deception while the best printing presses and the biggest stocks of paper are appropriated by the capitalist, and while the capitalist rule over the press remains [...] In capitalist usage, freedom of the press means freedom of the rich to bribe the press, freedom to use their wealth to shape and fabricate so-called public opinion.<sup>53</sup>

Another law which was designed to eliminate the non-party press was enacted on November 21, 1917. The law gave the state a monopoly on advertising. This had the effect of cutting the privately owned media from their main source of income.<sup>54</sup>

With this amount of importance attached to the potential power of the media, the state wanted to keep a strict control on the flow of information in the Soviet Union. A debate developed among the Bolshevik hierarchy on press freedoms, and some of the Bolsheviks argued that if the public was presented with a number of conflicting views, they would realise the ‘correctness’ of the Bolshevik position.<sup>55</sup> The position taken by these moderate Bolsheviks closely matches the Libertarian Ideal, the foundation of media ideology in the Western world.

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<sup>50</sup>Ibid., p. 1

<sup>51</sup>Ibid., p. 35

<sup>52</sup>Ibid., p. 36

<sup>53</sup>Ibid., p. 35

<sup>54</sup>Ibid., p. 36

<sup>55</sup>Kenez, P., *The History of the Soviet Union From the Beginning to the End*, New York, Cambridge University Press, 1999, p. 33

In the first step in establishing this control, new laws were introduced. When the first Soviet Constitution was introduced in July 1918, private ownership of press, printing and broadcasting facilities was outlawed.<sup>56</sup> By March 1919 Russia's media was either operated or controlled by the Bolsheviks.

To ensure compliance with the State's wishes a state agency, *Gosizdat* ( State Publishing ) was established in May 1919. The effect of this creation was to centralise publishing and give the government a monopoly on all printing supplies. *Gosizdat* also had the power of the use of censorship at its disposal.<sup>57</sup> And with Stalin's rule, all non-party publications had ceased to exist by 1929.<sup>58</sup> Rigid conformity to Socialist Realism was enforced by the Stalinist era. All forms of communication were strictly supervised throughout the production process. Certain issues were not allowed to be discussed and other issues were mandatory. One third of all films produced during Stalin's rule were forbidden to be exhibited.<sup>59</sup>

## 1.5 Late Soviet Media

There was a vast information network was created in the Soviet Union, by 1988 there were some 8000 media organisations.<sup>60</sup> But the control of information was almost absolute. Expectations from their political masters demanded that certain state information was to be published, often at the expense of any other news or features. This state information was given the term *ofitsioz* by Soviet Journalists, and included such items as obituaries for deceased state and party leaders, congratulations or condolences to foreign governments and accounts of important official events (such as the draft law on co-operatives or visits by foreign dignitaries recorded verbatim).<sup>61</sup>

The control of information by the state is well exemplified by what happened during the Chernobyl accident. The disaster occurred on April 25, 1986. *Vremya* had a small item on the night of the 28th of April, 1986 which only stated that something was wrong. It was not until May 6, 1986 that information on what had actually happened began to flow freely.<sup>62</sup> This seems to have signaled the beginning of the breakdown of the control of information flow.

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<sup>56</sup>McNair ( 1991 ), op. cit., p. 20

<sup>57</sup>Kenez, P., op. cit., p. 68

<sup>58</sup>McNair ( 1991 ), op. cit., p. 39

<sup>59</sup>Kenez, P., op. cit., p. 125

<sup>60</sup>McNair ( 1991 ), op. cit., p. 53

<sup>61</sup>Ibid., p. 21

<sup>62</sup>Ibid., p. 2 - 3

During the communist era there were some 'unofficial' media outlets. There were broadcasts from some foreign radio stations (such as BBC and Radio Free Europe / Radio Liberty) and the so called *samizdat* publications (underground press). The *samizdat* had existed in the Soviet Union since the 1960's. However, the publications had a small circulation, were generally hand typed and the readership was restricted to religious and political dissidents. <sup>63</sup>

At the state's disposal were four methods to control the media. The Party had the right to grant ( or decline ) licences. Due to the communist structure of the economy, the media organisations relied on the state for finance. The state as controller of all property, was responsible for the granting of access to media facilities. <sup>64</sup> The Party also had a monopoly in dictating policy to the media in such areas as training, censorship ( the official censorship agency was *Glavlit* ( Chief Administration for the Affairs of Literature and Publishing Houses ). Senior media personnel also checked what to be published in the papers and as a means of ensuring a continued political reliability of media workers by the state. The *Politburo* and the Central Committee Secretariat were tasked with the responsibility to select senior workers. For instance, the chairman of *TASS* was selected in this manner. Senior workers were also co-opted into leading Party committees. <sup>65</sup>

By the mid to late 1980's a change began to occur in Soviet politics, which was to flow on effect to how the media operated. The new leadership under the rule of Gorbachev, began the reforms of *perestroika* and *glasnost*. The original aims of these policies was to revitalise a stagnant Soviet society, but to remain within the existing political system.

Gorbachev urged and encouraged a return to *glasnost*, the type of *glasnost* that was created by Lenin. The critical aspect of *glasnost* was meant to strengthen the state by pointing out and discussing any weaknesses, had been suppressed since the rise to power of Stalin. <sup>66</sup>

Part of this 'new' process involved going into the past. A sort of reclamation of Soviet history. Those previously *persona non grata* in Soviet culture ( such as Bukharin and Trotsky ) were rehabilitated. And the excesses of the Stalinist regime was brought out into the open for the public to witness. <sup>67</sup>

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<sup>63</sup>Ibid., p. 4

<sup>64</sup>Ibid., p. 49

<sup>65</sup>Ibid., p. 50

<sup>66</sup>Ibid., p. 53

<sup>67</sup>Ibid., p. 62

A gradual breakdown of Socialist Realism, as portrayed by the state began to occur with the advent of new technologies in the 1980's. New technologies such as faxes and videos began an "information contamination."<sup>68</sup> The ideological hegemony of the state was being broken down. The large and cumbersome state censorship apparatus was ill-prepared to cope with these new inventions, which had the capacity to quickly disseminate information.

The event which ended the Communist Party's absolute control over what news was told to the public, occurred on the 6th of May, 1986. Deputy Prime Minister Sherbina gave a full account of the disaster at Chernobyl in a news conference. After this monumental disclosure, disaster news became a more common item in the Soviet news.<sup>69</sup> Reports on previously taboo subjects started to become common, such as reports on crime ( including crime statistics ). The media was given access to unclassified material. This was a vast amount of material, so lists were created and these lists were distributed to the media.<sup>70</sup>

Gorbachev knew that resisting change would be a very difficult proposition. Instead, he wanted to adapt the media to a PR effort aimed at reasserting a version of domestic socialist values and a change in Russia's image abroad.<sup>71</sup> The new term given to this program was *socialist pluralism*, a term which was to emphasize the state's acceptance or tolerance of new ideas.<sup>72</sup>

To consolidate and to ensure the continuation of these gains in freedom for the media, a new law was brought into force. The Law on the Press came into being on July 12, 1990. This law guaranteed individual citizens and their organisations ( i.e. the media ) broad rights to access and disseminate information. Authorities had their obligations, in relation to these rights laid out. Legal and administrative sanctions were revealed, should the law be broken.<sup>73</sup> The media did not need permission to print everything. There was still a list of unapproved topics, these include printing of; state secrets, inciting unrest, pornography, inciting criminal acts, exclusivity ( based on religion, race etc. ) and intolerance. Banned topics such as these were considered to be an "abuse of press freedom," if they were published. The result was some kind of legal or administrative sanction.<sup>74</sup>

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<sup>68</sup>Curran, J. & Park, op. cit., p. 80.

<sup>69</sup>McNair ( 1991 ), op. cit., p. 66

<sup>70</sup>Ibid., p. 79

<sup>71</sup>Curran & Park, op. cit., p. 81.

<sup>72</sup>Ibid.

<sup>73</sup>McNair ( 1991 ), op. cit., p. 104

<sup>74</sup>Ibid., p. 106

An important point to note at this stage is the new press freedoms did not extend to television. Gorbachev's administration regarded television as being too important to be left to its own devices.<sup>75</sup> The Communist Party felt that television was a lot more powerful and effective medium to transmit messages to the public.<sup>76</sup>

There were several objectives to the Law on the Press. It was designed with the intention of regularising relations between the media and;

- (i) The Party and the state machine
- (ii) Founding organisations, to which the media are affiliated
- (iii) Journalists who work for the media organisations
- (iv) Soviet society collectively
- (v) The international communications system.<sup>77</sup>

## 1.5 Chapter Findings

The current owners of the private media organisations in the Russian Federation, have similar backgrounds. They ( Berezovsky, Gusinsky and Potanin ) worked in the apparatus of the old Soviet bureaucracy, where they gained a network of contacts. These governmental contact networks enabled them to acquire wealth and assets.

Each of the oligarchs, described in chapter 1.7 has a large industrial and financial empire. In order for them to protect their interests and lobby the government for further influence and property, the oligarchs developed a need to acquire media assets.

Under the Soviet regime, the role of the media included informing and inspiring Soviet citizens into desired mode(s) of conduct. The communist party realised the potential value of the media, they developed radio and television networks to cater for the state's 'educational' requirements. The media were subordinate to the state. Various themes and subjects could be classified as taboo or mandatory.

As the newly established Bolshevik regime slowly consolidated its power, press freedoms were curtailed. State monopolies on the materials needed in the printing process were instituted. A state monopoly on advertising severed privately owned media from their main source of income. The powerful state organ *Gosizdat* emerged, which was charged with the responsibility of overseeing media operations.

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<sup>75</sup>Curran & Park, op. cit., p. 83.

<sup>76</sup>For further information on the power of TV read Mickiewicz, E., *Changing Channels: TV and the Struggle for Power in Russia*, Durham, Duke University Press, 1999.

<sup>77</sup>McNair ( 1991 ), op. cit., p. 105

Lenin introduced censorship after a debate in 1919. During this debate some Bolsheviks argued that the public would conclude that the Bolshevik argument was best, after sorting through a variety of opinions. This argument appears to be similar to the Libertarian ideal, the Western media's ideology.

By the time of Stalin's reign, the strict application of Socialist Realism was enforced. Lenin's original guiding principles were to give direction to the media, no communist leader ever renounced these principles.

Literacy was actively encouraged in the Soviet Union. The effect of this was to nourish the popularity of reading and an interest in literature. Polls conducted on the level of newspaper and magazine usage, showed high consumption levels. These figures are somewhat offset by the artificial manipulation of usage, by making subscription a requirement of membership for instance.

Gorbachev's media reforms, embodied in the 1990 media law granted the Soviet media editorial freedom and made it illegal to interfere with news content. Censorship in the Soviet Union had begun to disintegrate as early as 1986, when a public announcement on the Chernobyl incident was televised.<sup>78</sup> Media reforms carried out under *Perestroika* were to form the basis of the early post-communist media.

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<sup>78</sup> This broke the rule of forbidding the dissemination of bad news, which was thought of as being detrimental for morale by the communist leadership.

## CHAPTER II: BUSINESS AND POLITICAL INFLUENCES ON THE MEDIA

### 2.0 Chapter Objectives

In 1987, well-known human rights activist Andrei Sakharov said “a state is bound to be more dangerous if it is not governed openly by the people, but secretly by political forces that are not widely known or understood.”<sup>79</sup> Russian politics has had a turbulent history, the main period of focus in this chapter is on the last decade of political activity.

An aim of this part of the thesis is to try to draw links between the business community ( as represented by the oligarchs ) and the Russian government. One of the points which will be pondered: ‘Is there any clear distinction/separation between politics and business?’

Particular attention is to be paid to Putin’s rise to the Presidency, and the implication(s) of this in the wider business and political community in the Russian Federation. Some measure of tension has been generated by Vladimir Putin’s election platforms, especially the pledge to distance all oligarchs from power. I shall examine some of these repercussions, as the oligarchs own a large share of privately owned media in Russia.

### 2.1 Russian Politics

The modern Russian state began with the gradual breakup of the Soviet Union. Russia has only known two presidents since the collapse of communist power, President Yeltsin ruled seemingly single handedly for nine years. The Yeltsin years have been marked by political instability and economic crisis. There have been numerous changes of governmental posts, parliament has been suspended and presidential powers have been greatly strengthened. Putin’s election as the next President have brought a new series of changes in the administration and handling of power structures in Russia . His promise of renewing a strong central authority have brought some controversy concerning the methods used to bring this goal to fruition.

The Russian presidential elections of June 1991 saw the communist party monopoly broken and the first free elections in some seventy years. Six candidates contested these elections ( including Boris Yeltsin and Vladimir Zhironovsky ). Democracy was however interrupted by the communist coup of August 1991.

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<sup>79</sup>Keane, J., *The Media and Democracy*, Cambridge ( MA ), Blackwell, 1991, p. 127

The resolution of the August 1991 coup did not see an end to political conflict. During the summer of 1992 a confrontation began between the legislative and executive branches of power. Yeltsin attempted to outmaneuver his opposition by scheduling a national vote of confidence referendum in April 1993, which he won with 58.7% expressing their trust in the President. The result of President Yeltsin's referendum victory was the drawing up of a new constitution for the Russian Federation. Parliament's new legislative structure was to be called the Federal Assembly, which was divided into two parts. A Federation Council was formed, also known as the upper house. The lower house was referred to as the State Duma.<sup>80</sup>

On the 21st of September, 1993 decree number 1400 was signed by Yeltsin which dismissed the members of the Supreme Soviet and the Congress of People's Deputies and set a time for elections for the Federal Assembly. New elections were scheduled for December 12, 1993.<sup>81</sup>

During the changeover from communism to democracy, the composition of the ruling elite has changed relatively little. Sakawa in his book writes that, "it was out of the old Soviet order that the new Russia was born."<sup>82</sup> The communist bureaucrats simply changed hats, from communists to democrats. They used their influence to establish themselves once more, as the new elite. "The new Russian elite [...] with the old Party-State and managerial structures was greatly over-represented."<sup>83</sup>

The dissolving of the old communist structures of power did not put an end to the conflict however, two weeks of political maneuvers ensued. Forces loyal to Vice-President Alexander Rutskoi and the Parliamentary Speaker Ruslan Khasbulatov attempted to seize the Mayor of Moscow's office and the offices of *Ostankino*. On October 4, 1993 the rebellion was suppressed by the storming of the White House by government troops.<sup>84</sup>

The new constitution was put to referendum on December 12, 1993 along with the elections. Campaigning for the referendum was intense and the state-owned networks urged a 'yes' vote for the change, at the same time shutting out any opponents.<sup>85</sup>

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<sup>80</sup>European Institute for the Media, *11.2 Political Background, Media in the CIS*, 1999.  
[www.internews.ru/books/media1999/54.html](http://www.internews.ru/books/media1999/54.html), 3 January, 2000.

<sup>81</sup>ibid.

<sup>82</sup>Sakawa, R., *Russian Politics and Society*, London, Routledge, 1996, p. 159

<sup>83</sup>ibid., p. 163

<sup>84</sup>[www.internews.ru/books/media1999/54.html](http://www.internews.ru/books/media1999/54.html), op. cit.

<sup>85</sup>ibid.



The elections was a mixed victory for the government. Although the new constitution was adopted, which also granted dominant executive status to the President and limited the direct influence of parliament, the government block did poorly at the polls.

- *Russia's Choice* ( pro-government ) won 78 of the 450 seats.
- *The Liberal Democratic Party* ( Vladimir Zhirinovsky ) won 63 seats.
- *The Agrarians* won 55 seats.
- *The Communist Party* won 45 seats.<sup>86</sup>

The parliamentary elections, although not an astounding victory for the government block, gave Yeltsin a lot of power and reduced the effectiveness of any opposition which may arisen in parliament. Yeltsin had the power to block anything that he did not like with his veto.

Events of the next year saw a war break out in Chechnya and a continuing decline in the Russian economy. Elections were set to be held on December 17, 1995 in which a record of 43 political groups were set to contest the elections.<sup>87</sup>

State Duma elections were held on December 17, 1995, the result was a resurgent communist party gaining the upper hand. Poor economic and political performance saw government support fall sharply.

- *The Communist Party* won 157 of the 450 seats.
- *Our Home is Russia* ( government's party ) won 55 seats.
- *The Liberal Democratic Party* won 51 seats.<sup>88</sup>

Communist victory in the 1995 State Duma elections was a serious cause for concern for Yeltsin and was an indicator of what was to come in the 1996 presidential elections if nothing was done. The presidential elections were won by Yeltsin, the conduct of the election is described in detail in section 1.6.1 'The government / oligarch partnership.'

The period up to and including 1999, was marked by unstable government and politics. Yeltsin spent a lot of time in hospital due to his ailing health. He was expected to stay in office until the year 2000. However, due to ill health, the strains of office and a rapidly deteriorating economic and political situation he resigned from office early. His chosen successor, Vladimir Putin took over the reigns of power.

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<sup>86</sup>Ibid.

<sup>87</sup>Ibid.

<sup>88</sup>Ibid.

Putin's rise to power was quick and dramatic. Yeltsin had realised that time was limited and he needed to ensure that a suitable heir was appointed before his departure. If an 'unreliable' was chosen, then it was possible that the business of Yeltsin and the 'Family' would come under scrutiny. Within a very short period of time, Putin had risen from obscurity in the ranks of the FSB ( successor to the KGB ) to become the Director of the FSB. The next position held by Putin was Prime Minister, after Yeltsin sacked the previous Prime Minister. Yeltsin's shock resignation in December 1999 meant that Putin became the acting President of Russia. The political move was a shrewd stroke, as Yeltsin's popularity was at a low and it gave time for the country to get accustomed to their new leader, prior to the March 2000 elections.

The March 2000 elections were surrounded by allegations of political deals and a collusion between the media and the government. This was somewhat reminiscent of the 1996 presidential elections. Conduct of the press and the government during the 1999 and 2000 elections is examined in chapter V of this thesis.

## **2.2 The Political Struggle**

The struggle for power in the Russian Federation has been a bitter 'war' between business and politics, and between the oligarchs. Media outlets have been used as the medium which conveys various political communications to the public and to the Kremlin. A major source of the conflict among the oligarchs has been the process of privatisation, which is periodically carried out by the government. The change of presidential leadership has sparked further agitation between leading oligarchs, vying for influence over Russia's new direction. After Putin's confirmation as the country's new President in March 2000, he has caused some concern among the business community and regional leadership. Putin announced the new approach of a 'dictatorship of law,' this signaled that he intended to create a strong central state. The proposed regional reforms and the announcement that all oligarchs will be kept equally distant from power has brought about an information war with one oligarch in particular, Boris Berezovsky.

## **2.3 The Information War**

The redistribution of property has resulted in the business elite becoming bitterly divided. Such division was caused by the huge value of the assets being privatised. This tension and conflict spilled over into the media. Vsevolod Bogdanov, President of the Russian Union of Journalists said that "one can immediately see whose money is behind the news reported in the majority of Moscow's newspapers - just by reading the

headlines.”<sup>89</sup> A dispute over how the economic and political ‘rules,’ and how these should be applied to the government’s privatisation scheme, initiated the tension.<sup>90</sup> Attacks by the media were not restricted to attacking the oligarchs, but spread to attacking politicians as well.

Further privatisation of state enterprises continued in August 1997. This was the auctioning of shares in the telecommunications giant *Svyazinvest*, and the mineral company *Norilsk Nickel*. Anatoly Chubais and the then First Deputy Prime Minister, Boris Nemtsov, were regarded as being responsible for the administration of the privatisation process.<sup>91</sup> Both Chubais and Nemtsov became the targets of intense lobbying by various financial interests.

*Uneximbank* ( Potanin ) was granted both *Svyazinvest* and *Norilsk Nickel* in the auctions by the government.<sup>92</sup> Responses to the outcome by the losers of the bid were fast. Gusinsky and Berezovsky accused Nemtsov and Chubais of rigging the auctions.<sup>93</sup> Berezovsky went further and said that “if Nemtsov continues failing to listen to the concerns of the business community [...] he risks losing its support.”<sup>94</sup> Hinting that he had the power to make or break Nemtsov’s political future, depending on how favourably ( or not ) Berezovsky’s financial ambitions were fulfilled by Nemtsov. The thinly disguised threat, using Berezovsky’s reputation as a major power broker in the Kremlin seems to have been backed up with action. Currently, both Nemtsov and Chubais are locked in political obscurity.

The information war came to a head when Yeltsin summoned six of the oligarchs ( including Potanin, Smolensky and Gusinsky, and Berezovsky was absent ) to the Kremlin, to obtain a pledge that they would cease fighting amongst themselves and with members of the government. Yeltsin made it clear to them that ‘the state is above corporate interests.’<sup>95</sup> Yeltsin delivered a similar message on May 26, 1998 in an international journalists conference in Moscow, when he accused the media magnates of ‘censoring the news for their own purposes.’ He also stated that ‘accurate and objective reporting’ was at risk because ‘corporate ownership openly interfered in editorial policy.’<sup>96</sup>

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<sup>89</sup>Fossato, F., *Russia: Media, Money and Power – An Analysis*, Radio Free Europe / Radio Liberty, 26 September, 1997.

[www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html](http://www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html), 1 March, 2000.

<sup>90</sup>*Ibid.*

<sup>91</sup>*Ibid.*

<sup>92</sup>*Ibid.*

<sup>93</sup>*Ibid.*

<sup>94</sup>[www.internews.ru/books/media1999/54.html](http://www.internews.ru/books/media1999/54.html), op. cit.

<sup>95</sup>[www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html](http://www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html), op. cit.

<sup>96</sup>BBC News, *Yeltsin Slams Media Owners*, 26 May, 1998.

[www.ejc.nl/mn/showresultnews.hmx?1548](http://www.ejc.nl/mn/showresultnews.hmx?1548), 3 April, 2000.

Yeltsin's comments seem to carry a certain amount of hypocrisy though, his retention of power was largely due to the co-operation of the media. These issues are discussed further ( relating to the December 1999 and March 2000 elections ) in the second chapter.

When Berezovsky was sacked from the post on the Security Council, coverage from the various newspapers gave a clue to the ownership of the papers and the dynamics of the oligarchs politics. Berezovsky was sacked in November 1997, papers that were owned by him wrote of Berezovsky as a parting hero and insinuated that the consequences of this dismissal would have negative implications for Chubais and Nemtsov. Two papers which wrote using this point of view were *Vremya* and *Itogi*. Papers that were under the *Interros* group of companies control ( Potanin ), such as *Komsomolskaya pravda* and *Izvestiya*, hailed Yeltsin's move as a long overdue step.<sup>97</sup>

Despite Yeltsin's plea for reconciliation, the oligarchs have continued to feud over the spoils of privatisation. A financial analyst, who wanted to remain anonymous summed up the situation. "Alliances including on opposite sides, all members of Russia's financial elite have been set up for the privatisation of different assets and they will remain at war until the battle is over."<sup>98</sup>

## 2.4 Putin's Rise To Power

Electioneering by Putin prior to the presidential election of March 2000 resulted in two pledges. Years of uncertainty and seemingly endless manipulation by the oligarchs ( of the political system and the economy ) made people yearn for a stronger central leadership. To meet these feelings Putin pledged to distance all oligarchs equally from power. The second pledge was Putin's plan to establish a 'dictatorship of law'.

On July 8, 2000 Putin addressed both houses of parliament in his first state of the nation address. A portion of his speech contained his ideas on the defense of the state, and the building of a strong central state. In his address, Putin said "the only real choice for Russia is to be a strong country, strong and sure of itself."<sup>99</sup>

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<sup>97</sup>Belin, L., 'How Financial Dependence Slants News Coverage,' *Politicisation and self-censorship in the Russian media*, Radio Liberty, November 1997.

[www.rferl.org/nca/special/rumediapaper/financial.html](http://www.rferl.org/nca/special/rumediapaper/financial.html), 1 March, 2000.

<sup>98</sup>Fossato, F. & Kachkaeva, A., *Russia: Financial Interests Continue to Control Media Outlets*, Radio Liberty / Radio Free Europe, 13 March, 1998.

[www.rferl.org/nca/features/1998/03/F.RU.980313140318.html](http://www.rferl.org/nca/features/1998/03/F.RU.980313140318.html), 4 March, 2000.

<sup>99</sup>Reuters, *Highlights of Putin's State of the Nation Address*, 8 July, 2000.  
Johnson's Russia list # number 4391, July 9, 2000.

One of the methods that Putin intends to use to achieve a strong central state, is the rule of law, the so-called 'dictatorship of law.' President Putin believes that a strong set of laws will clarify what is expected of the country's citizens, to bring order to a chaotic Russia. "We need to get all the authorities, all citizens to be aware of their responsibilities before the country." <sup>100</sup> A message that echoed the famous inauguration speech of President Kennedy, "ask not what your country can do for you, but what you can do for your country."

In Russia's chaotic present, a proposed cure, that of patriotism was hinted by Putin. There is some concern that what makes Russia unique and different is being lost. If these lost Russian traditions and culture are revived, a renaissance of the Russian state will soon follow. "The unity of Russia is strengthened by the patriotic nature of our people, by our cultural traditions, memories [...] ." <sup>101</sup> An emphasis was placed on patriotism and unity during the speech, on the premise that a strong central state can only exist if people feel strongly for their motherland and if the people are unified in their purpose.

One of Putin's concerns is the nature of the relationship between Moscow and the regions. The governors of the provinces have been given a free reign since the dissolution of the Soviet Union. Governors of the eastern spans of Russia, and the more remote areas, rule these regions as their own ( independent of Moscow's authority ). Events such as the scramble to grab Russia's wealth in the privatisation auctions, a rising rate of crime and a harsh life for the ordinary citizen have created a desire for the re-emergence of a strong central state. In the electioneering prior to the March presidential elections, Putin offered an appeal by promising a dictatorship of law. Implying that this would bring stability back into peoples lives. For this to work, the power of the regional governors needs to be broken.

Power is to an extent diffused, some of the Kremlin's wishes are not carried out, especially if they do not further the local governor's ambitions. Some of the regions are ruled by the governors as states within a state. "The regions should not compete for power [...]. We have created little islands of power, but there are no bridges to connect them."<sup>102</sup>

Chechnya is Putin's achilles heel. The Chechen problem brought him to power, but also has the potential to see his removal, if not solved soon. "The situation in the

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<sup>100</sup>ibid.

<sup>101</sup>ibid.

<sup>102</sup>ibid.

republic has become complicated to such a level that the territory has become a springboard for the expansion of international terrorism into Russia.”<sup>103</sup>

The recent attacks by the government on *Media-Most* have another possible meaning, other than the suppression of a free press. As outlined earlier ( described in detail in section 2.4 ), the media is largely controlled by the oligarchs. Putin made the pledge to end the oligarchs grip on Russian politics. In order to send a message to the oligarchs, he needed to make an example of a media group. *Media-Most* has the reputation for being one of the most independent and outspoken media organisations in Russia ( when they refused to follow the Kremlin’s wishes on what is allowed to be shown in the coverage of the Chechen war ). If the government had succeeded in bringing *Media-Most* to its knees, then other media groups, which were less independently minded would soon bow to their pressure and the oligarchs would lose their voice. This test case could become a blueprint for tackling the other media organisations under the control of other oligarchs.

The detention of Vladimir Gusinsky, *Media-Most’s* head, and the attacks on *Media-Most* did not have the desired effect. Instead of crushing resistance to the Kremlin will, the actions of the Kremlin united the previously divided and feuding oligarch community. In an unprecedented move the oligarchs displayed open solidarity and supported Gusinsky. On 14 June, 2000, seventeen of Russia’s most prominent business leaders published an open letter to the prosecutor general, Vladimir Ustinov. In the letter, the oligarchs labeled Gusinsky’s arrest as a political vendetta and a threat to democracy in Russia. <sup>104</sup>

In an interview at *Radio Mayak*, one week from the election, Putin said that the oligarchs influence was largely due to their “merging of power with capital.” Putin went on to issue the threat that “such a class will cease to exist. [...] Unless we ensure equal conditions for all, we won’t be able to pull the country out of its current state.”<sup>105</sup> Putin’s comment has brought him into conflict with the oligarchs. One of the more outspoken oligarchs is Bons Berezovsky.

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<sup>103</sup> *ibid.*

<sup>104</sup> *Russia’s ‘Oligarchs’ Rally Behind Fallen Comrade*, EJC News Media Digest, 15 June, 2000. [www.ft.com/ft/gx/cgi/ftc?pagename=View&c=Articles&cid=FT35TBB5H9C&live=true&](http://www.ft.com/ft/gx/cgi/ftc?pagename=View&c=Articles&cid=FT35TBB5H9C&live=true&), 16 June, 2000.

<sup>105</sup> *Oligarchs Will Become Extinct, Putin Vows*, Agence France Presse, 19 March, 2000. [www.russiatoday.com/news.php3?id=143908&text](http://www.russiatoday.com/news.php3?id=143908&text), 20 March, 2000.

## 2.5 Berezovsky's Challenge

In May 2000 Berezovsky was openly boasting about his prowess as the power broker of Russian politics. He talked of his role in being able to persuade President Yeltsin to resign, and in promoting the next President to office, Vladimir Putin. By late July 2000, however with the political fortunes seemingly turning against him, Berezovsky has been taking a different approach. He has begun to distance himself from the government and into the position of opposition. When Berezovsky was in the process of resigning from parliament he parted with a message, "I do not want to take part in the destruction of Russia and the creation of an authoritarian regime. There is a deliberate campaign being unleashed, aimed at destroying big business in Russia. All power is being concentrated in the President's hands."<sup>106</sup>

But what are Boris Berezovsky's exact motives for this sudden change in political affiliation? Are there any ulterior motives? A possible reason for Berezovsky's actions are related to recent events of the political past.

Boris Berezovsky has tried to exert his influence on the newly elected President Putin very quickly. It was a blatant attempt by a political actor to influence his audience ( President Vladimir Putin ) with subjective political reality. In late March 2000, a paper owned by Berezovsky printed an article which reminded Putin of who was responsible for getting him into the presidential office, and the possible consequences if he forgot.

Putin's planned reforms have the potential to seriously disrupt the way that Berezovsky will be able to conduct his business deals in the future. The plans to strengthen the central government at the expense of the regional governors means that separate business deals with the regions may not be allowed. And it is in the regions where the vast wealth of natural resources are located, at present in the control of the governors.

Recently, Putin has also pledged to crackdown on the oligarchs, to distance them all from power. Berezovsky's proximity to power has placed him as a target of this crackdown. Another of Putin's election promises was to tackle the problem of corruption. When the government was headed by Prime Minister Yevgeny Primakov, a charge of embezzlement and money-laundering was laid against Berezovsky in 1999. When Yeltsin removed Primakov as Prime Minister, Berezovsky's arrest warrant was lifted.<sup>107</sup> Kaspe was quoted as saying "Berezovsky clearly understands that his number

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<sup>106</sup>Fred Weir, *Russian Moguls Cry Uncle*, Christian Science Monitor, 25 July, 2000.  
Johnson's Russia List #4421, 25 July, 2000.

<sup>107</sup>Ibid.

is coming up. That is why he has been moving for the past month into opposition to Putin. When the police come for him, he wants to be able to say it is about political repression, not a criminal investigation.”<sup>108</sup>

During April and May 2000, Berezovsky's business 'transactions' were subjected to intense scrutiny by the Prosecutor General's Office. One of the investigators assigned to the *Aeroflot* case, Nikolai Volkov was prepared by early April 2000 to officially lay charges against the oligarch. Berezovsky was accused of fraud and money-laundering, an estimated US\$400 million made by *Aeroflot* was transferred to two of his financial companies ( *Andawa* and *Forus* ) in Switzerland. An additional charge of creating a criminal association is under consideration.<sup>109</sup>

Berezovsky does not intend to be passive in his resistance to the likely scenario of his business being curtailed. He has made two announcements, firstly that he is stepping down as a deputy in the State Duma ( supposedly as a mark of protest because Putin's style of leadership ). The second announcement was that he is consolidating his media assets into a single company, to protect his political interests.<sup>110</sup> Through the newspaper *Nezavisimaya Gazeta*, Berezovsky made it quite clear that he intended to use his media empire as a political weapon, that would enable it to serve as an "important political lever" in challenging President Putin.<sup>111</sup>

Initiating an information war with Putin's administration, Berezovsky continues to try and influence public opinion and the government through his media assets. In May 2000, Berezovsky had published an open letter which criticised Putin's plans to limit regional power. Andrei Ryabov, a political analyst at the Moscow Carnegie Centre, said that "the letter is a pretext to form a new opposition of regional leaders and oligarchs."<sup>112</sup>

Yevgenia Albats, an independent journalist based in Moscow, went on to describe an article published in another paper owned by an oligarch that she refers to as BAB ( Boris Abramovich Berezovsky ). The article alleged, in a half-hearted manner that election fraud had taken place. This article refuted previous election claims;

According to information from unofficial sources, acting President Vladimir Putin won around 42% of the vote on March 26, not the 44.8% the

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<sup>108</sup>Ibid.

<sup>109</sup>*Gusinsky Will Laugh Until Berezovsky Cries*, 22 May, 2000.  
www.smi.ru, 23 May, 2000.

<sup>110</sup>*Russian Tycoon Announces Media Plan*, EJC Media News Digest, 19 July, 2000.  
www.newsday.com/ap/international/ap978.htm, 20 July, 2000.

<sup>111</sup>Ibid.

<sup>112</sup>Feifer, G., *Berezovsky's Letter Dominates*, The Moscow Times, June 1, 2000.  
Johnson's Russia List #4339, 1 June, 2000.



Communists say that he got, and certainly not the 52.5%, as the Central Election Commission has stated. Putin received 10.5% of his votes as the result of outright election fraud.<sup>113</sup>

Berezovsky claimed that he was worried about Russia's future, he did not want to see the end of democracy. *Izvestia* took a more cynical approach as to possible motives for writing this letter. The newspaper claims Berezovsky views himself as a kind of father figure to Putin (because of his help at the elections), the letter was a public attempt to control Putin, who was making decisions which were independent of 'The Family.'<sup>114</sup>

The letter contained eight suggestions, which Berezovsky wanted put to a public referendum. These suggestions would ultimately enhance the regions independence. Berezovsky's proposals would also give him more opportunity to interfere with regional politics. The sixth suggestion would benefit Berezovsky, because Prosecutor General Ustinov is an associate of Berezovsky's.

- Ask President Putin to cancel the decree which establishes the seven federal districts.
- Use direct popular elections to create the Federation Council.
- To pass legislation that the dismissal of elected regional and local leaders will only be carried out by the will of voters.
- Delineate and unify respective rights and obligations of the federal centre and the regions in a single, standardised federative agreement.
- Retain present system of creating organs of local government, while strengthening legislation which gives their independence from regional leaders and accountability to voters.
- Establish local prosecutor's offices, which are directly accountable to the Prosecutor General's Office, for overseeing compliance to the constitution.
- To introduce a common legislation which would establish the criminal liability of regional executive officials for specific violations of the federal law.

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<sup>113</sup>Albats, Y., *Power play: Oligarch's Message Clear to Careful Readers*, Moscow Times, April 6, 2000.

<sup>114</sup>Feifer, op. cit.

- To have the law dismissing or appointing the regional heads of regional offices of federal agencies canceled. This should be agreed to by the regional leaders.<sup>115</sup>

Putin's intended reforms have been labeled as a mistake and 'Soviet.' Berezovsky told Reuters on June 2, 2000, "what Putin is suggesting is destroying the principle of the vertical division of power. It is the centralisation of vertical power [...] in other words, the Soviet system of government. [...] but this is a mistake."<sup>116</sup>

The destruction of the vertical division of power which Berezovsky refers to is the power relationship between the regions and Moscow. Putin has announced that he wants to reform the provinces, and part of this reform entails amalgamating Russia's 89 provinces into seven administrative regions. The proposed reforms would also give Putin the power to sack the governors and place administrators of his choice in place of the governors.

Putin's threatened 'dictatorship of law' has the potential to ruin Berezovsky. Promises of keeping the oligarchs from power and to investigate alleged acts of corruption have proved popular with the Russian public. In a *Reuters* conducted poll, Putin received a 73% rate of approval for his conduct in July 2000.<sup>117</sup> Berezovsky relies on his contacts within the inner circle of power in order to conduct his business. If the Kremlin is successful in its pursuit of the oligarchs, with Berezovsky shutout of the inner circle and his past business deals are used against him, then he will be finished. So far, Berezovsky's reaction to the pressure exerted on him and the other oligarchs, seems to be out of the desire for the self-preservation of his business interests and himself. In the nine years since the fall of communism, during the rule of President Yeltsin, Berezovsky has amassed a fortune and he has a lot to lose if Putin is successful.

## 2.6 Chapter Findings

In the period prior to March 2000, when Putin was elected President of Russia, the distinction between business and politics was blurred. These two groups overlapped each other's societal roles. Former President Yeltsin allowed this because the oligarchs gave him support through their media networks. In this symbiotic relationship, the oligarchs were granted access to valuable privatised assets and legal transgressions were ignored.

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<sup>115</sup>Ibid.

<sup>116</sup>Reuters, *Russian Businessman Dubs Putin's New Plan "Soviet,"* 2 June, 2000.  
[www.russiatoday.com/news.php3?id=165524](http://www.russiatoday.com/news.php3?id=165524), 3 June, 2000.

<sup>117</sup>*Putin's Popularity Rises Again*, RFE/RL Newslines, 2 August, 2000.  
[www.rferl.org/newslines/1-rus.html](http://www.rferl.org/newslines/1-rus.html), 3 August, 2000.

Originally, the oligarchs invested in media assets with the intention of using them as a means to an end. They sought to use the media to influence dealings with the government. It is the goal of the oligarchs to develop and expand certain governmental policies, such as privatisation. McNair hints at this motivation, when the oligarchs started to buy-out media assets. He also contends that, although this is no different from other media magnates motives in the West, what does differ is the scale of influence wielded by the oligarchs.<sup>118</sup>

Putin needed to distance himself from Yeltsin's tarnished legacy if he was to be elected to the presidency by the Russian people. Yeltsin may have selected Putin for this reason, he also needed a 'reliable person' in power to protect him from possible legal repercussions of his ( and the 'Family's' ) deals during his reign. Russians had grown cynical and wary of the prevalent political cronyism. The main thrust of Putin's policies were aimed at re-establishing a strong centralised state, thus breaking up the fragmented regionalised power structures of the Yeltsin years.

Part of the intended plan for ensuring the Kremlin's control was the separation of business and politics, which was embodied in the notion of distancing the oligarchs from political power. This position threatened the oligarchs very existence, which relied heavily upon maintaining political connections to create financial gain.

The oligarchs needed to protect the status quo if they were to maintain their privileged existence. Media assets were brought into play by both sides of this power play. In this instance the media's objective was to construct political reality and to mobilise public opinion on the issue.

Mass media manipulation of public opinion relied on the premise that the media is a source of information. Both sides of this power play consider the media to be a major source of definitions and images of social reality. Thus a major PR campaign by the Kremlin and the oligarchs began.

During Yeltsin's tenure as President, Berezovsky earned a reputation as the Kingmaker of Russia. In the immediate post March 2000 election period, Berezovsky began to remind Putin that it was he, who brought him to power. Boris Berezovsky through his newspaper network, urged Putin to remember who are his friends.

Berezovsky's actions best epitomise the political maneuvering occurring to gain political advantage over the opponent. He resigned as a deputy in the State Duma and

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<sup>118</sup>For further reading on this issue consult Curran & Park, op. cit., pp. 79 - 94.

pledged to unite his media assets in order to fight Putin's resurgent 'authoritarianism.' By doing this Berezovsky has placed himself in the position of political opposition. If Putin tried to begin any legal proceedings against him, Berezovsky would be able to say that he was a political martyr. Gusinsky had begun this process a long time prior to Berezovsky, when he was arrested ( Gusinsky ) many rallied behind him. Berezovsky's late actions seem at best opportunistic.

## CHAPTER III: THE INFLUENCE OF CORRUPTION ON THE MEDIA

### 3.0 Chapter Objectives

The objective of the first part of this chapter is to establish that corruption is not new to Russia and has existed for many centuries. Corruption has become endemic throughout Russian society, more so in recent years. I will attempt to put forward some possible explanations for why corruption occurred in the past and why corruption continues to be a problem in the present day.

Various methods have been tried by the leadership, to try and break the cycle of corruption. These attempts have usually met with, at best limited success, because of the entrenched nature of the problem. A lack of willingness to tackle the problem and vested interests have proved to be the undoing of anti-corruption measures.

Political leaders have used 'the fight against corruption' as a means to dispose of opposition or to gain votes ( through popularity ). Secretary - Generals of the Communist Party, including Andropov and Gorbachev tried to purge corruption from Russian society. More recently, both Yeltsin and Putin used the promise of a crackdown on corruption as a popular policy during their election campaigns.

The 'no-holds barred' fight among the oligarchs to acquire privatised state assets has seen many dubious business transactions. As media organisations are tied to different oligarchs, the reporting of 'irregularities' is dependent on who committed the transgression ( such as the owner of the media or his rival ). New reports are used to cover the actions of the owner and to 'expose' the dealings of his rivals. To what extent this regime operates, will be determined in chapter 3.6 and 3.7.

### 3.1 Blat

The concepts of *blat*, although closely linked to ( and sometimes involving ) corruption, differ in some respects. *Blat* has a long history in Russia. The distinction between the two concepts, *blat* and corruption, is at best blurred, but they are different.

Author of *The Russian Mind*, Hingley describes the system of *blat* as "the system of illicit deals and under-the-counter arrangements. [...] frequently used, for example, by factory managers who seek to fulfill the norms imposed by the economic plans without

necessarily pursuing direct personal gain.”<sup>119</sup> *From Perestroika to Privatisation* clearly defines the parameters of *blat*,

in some cases money was used to facilitate exchange, in other cases another currency such as vodka was improvised, but often the process would be based upon informal barter of goods and services or even less specific forms of giving and receiving favours. [...] operated both at the level of relations between enterprises and government institutions, and in the relations between individuals.<sup>120</sup>

*Blat* relied upon the ability to build an effective network of friends and acquaintances, to gain access to goods and services in a mutually beneficial series of relationships.

The myriad ways in which people cultivated and used personal connections to circumvent bureaucratic controls over scarce resources [...] everything that was obtainable under administrative auspices was also obtainable, and generally believed to be often obtained by the manipulation of personal connections.<sup>121</sup>

The concept of *blat* and its use is not new. Shortages which began to occur in the Soviet economy helped to make the use and the acceptance of *blat* more widespread. A normalisation occurred, as is explained in Cox's *From Perestroika to Privatisation*, “management's ability to behave in these ways depends upon certain expectations of other people's behaviour. That is if large numbers of people engage in *blat* it must mean that they expect others to be receptive to propositions.”<sup>122</sup>

*Blat* and bribery are closely linked terms, but there are some major differences between the two concepts. Author, Alena Ledeneva stressed some differences in her book *Russia's economy of favours: Blat, networking and informal exchange* ( P. 39 );

- In *blat*, the parties concerned have ties ( friends, family or acquaintances ), no such tie exists in deals involving bribery.
- Once the bribe is given, the relationship between the parties often ends. *Blat* involves a continuity of relationship(s).
- Law prohibits bribery, but no mention of *blat* is made.

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<sup>119</sup>Hingley, R., *The Russian Mind*, London, The Broadly Head, 1978, p. 148

<sup>120</sup>Cox, T., *From Perestroika to Privatisation: The Politics of Property Change in Russian Society 1985 - 1991*, Aldershot, Avebury, 1996, p. 29

<sup>121</sup>*Ibid.*, p. 30

<sup>122</sup>*Ibid.*, p. 29

The importance of *blat* as it relates to the media, is not a direct influence on how news is told, but how the media came to be under the influence of the oligarchs. Personal networks were, and still are of vital importance to those who wish to conduct business in the Russian Federation. The oligarchs background is mostly from the old Soviet *nomenklatura*, the ruling elite. Connections and personal ties helped these oligarchs to create vast economic empires. Methods used by the oligarchs in the creation of their empires created a need to develop an effective means with which to defend what they had amassed ( as well as a tool for lobbying the government ). Russian media organisations have found a difficult existence in the new market economy, often seeking financial support, the oligarchs were willing to offer this assistance, but at the cost of editorial freedom. Thus, various media organisations have been drawn into various economic groupings ( such as *Most* group and *Interros* ).

### 3.2 Definition Of Corruption

A definition needs to be made of the word corruption, in order to fully understand the nature of this phenomenon. Corruption comes in many different forms and a number of variations exist. In a short and simplistic view “corruption is the misuse of public power for private profit.”<sup>123</sup> However, corruption does not mean the same to everyone, motivation and the impact of corruption vary. According to nobribes.org, there are two separate categories of corruption: ‘according to rule’ and ‘against the rule.’

A broader definition of corruption by nobribes.org gives a better insight into some of the mechanisms involved in the process. “Corruption involves behaviour on the part of officials in the public sector, whether politicians or public servants, in which they improperly and unlawfully enrich themselves, or those close to them, by the misuse of the public power entrusted to them.”<sup>124</sup>

The Oxford English Dictionary offers the following definition, the “perversion or destruction of integrity in the discharge of public duties by bribery or favour, the use or existence of corrupt practices, especially in a state, public corporation, [...] etc.”<sup>125</sup>

Author Carl Friedrich’s definition shall be the last offered. He describes corruption as deviant behaviour associated with a particular motivation, normally that of private gain at public expense [...] whenever a power holder who is charged with doing certain things, that is a responsible functionary or office

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<sup>123</sup>Reference centre: *Understanding corruption, ‘Definitions of Corruption,’* Anti-Corruption network for Transition Economies, 2000

[www.nobribes.org/rc\\_understanding.shtml](http://www.nobribes.org/rc_understanding.shtml), 4 April, 2000.

<sup>124</sup>Ibid.

<sup>125</sup>Editors Heidenheimer, A. J., Johnston, M. & Levine, V. T., *Political Corruption: A handbook*, New Brunswick, Transaction Publishers, 1989, p. 7

holder, is by monetary or other rewards, such as the expectation of a job in the future, induced to take actions which favour whoever provides the reward. <sup>126</sup>

By using the common traits of this selection of definitions, a pattern about the nature and definition of corruption emerges. Corruption occurs at a point where the public and private sectors meet, an 'abnormal' behaviour is induced by the desire to enrich oneself at the public's expense. It involves the misuse of public power for private gain, a public official and a private party who is able to corrupt the integrity of the public official.

The European Bank for Reconstruction and Development considers the use of bribes in Russia to be of epidemic proportions, to the extent that the Bank ( EBRD ) describes bribes as an unofficial form of tax.

These may be paid for a variety of purposes, such as to obtain public services, to avoid or alter existing regulations and taxes, to gain government contracts, to obtain subsidies or other state financing, to win influence, and to appease 'predatory' officials. Firms can consider bribes as a cost to be paid for obtaining advantages or preferences from the government or as an unofficial tax [...]. <sup>127</sup>

There are two separate categories of corruption, 'according to rule' and 'against the rule.' These categories refer to the level of legality involved in the acts of corruption, whether the action is carried out within the confines of the law, or not.

'According to rule' corruption occurs when services or contracts are provided legally ( inside the word of law ). For instance a public official may receive illegal private gain for carrying out a task which they are required to do by law.

On the other hand, 'against the rule corruption' involves transactions which are illegal. In this situation a bribe is paid to obtain services, which is not permitted by law. <sup>128</sup>

An article written by Andrei Piontkovsky in the *Russia Journal* concludes that Russia's form of corruption differs from other examples in the world. He describes the situation as "a complete merging of money and power at a personal level - a situation for which even the word corruption is no longer apt." <sup>129</sup>

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<sup>126</sup>ibid, p. 3

<sup>127</sup>EBRD, *Transition Report 1999: Ten Years of Transition*, London, The Stationery Office Publications Centre, 1999, p. 123

<sup>128</sup>[www.nobribes.org/rc\\_understanding.shtml](http://www.nobribes.org/rc_understanding.shtml), op. cit.

<sup>129</sup>Piontkovsky, A., *Putinism: The Highest Form of Robber Capitalism*, The Russia Journal, 9 February, 2000.

[www.russiatoday.com/election2000/rjournal.php3?id=132899](http://www.russiatoday.com/election2000/rjournal.php3?id=132899), 18 March, 2000.



Piontkovsky explains that in 'classical corruption' there are two players - a businessman and the government official ( whom the businessman bribes ). But in the Russian case, the oligarchs assume the officials role or use their influence to obtain the right to select personnel for the official jobs and functions. Boris Berezovsky boosted in an interview with the *Financial Times* that he possessed this power, in October 1996. <sup>130</sup>

### 3.3 Corruption In The Soviet Union

*Vzyatka* ( the take ) has been present and active in Russia long before the arrival of communism. The first recorded incidents, where the state has recognised and tried to do something about corruption dates back to the rule of the Tsars. In Russia, the first recorded law relating to bribery dates back to the reign of Ivan III ( 1440 - 1505 ) and it was during Peter the Great's reign ( 1672 - 1725 ) that the giving of bribes was made a crime. <sup>131</sup> There are several reasons given to try and explain the occurrence of official corruption. At various occasions, Soviet leaders had waged campaigns against corruption. The penalties for those that were caught were very heavy. Media organs were involved in the struggle, they were used to publicise trials of those accused of corruption, to stigmatise those that had transgressed the law and as a deterrent for others.

Author S. Alatas, has postulated three possible reasons for the existence of official corruption in the Soviet Union.

- None of the material benefits are owned by the officials, and they will only possess these benefits as long as they hold their appointment. This creates an atmosphere of uncertainty and stimulates the desire to obtain as much of what they are entitled to before they lose the opportunity.
- Official culture encouraged and normalised corruption. Those who rose through the ranks of the bureaucracy came to perceive the giving and taking of bribes as normal. As a result, corruption became ingrained in the system.

Greed of the leadership is the principal cause. They were permissive toward the ruling elite and cases involving the punishment of high-level corruption was rare. The effect of this was to remove the fear of being caught ( and punished ). <sup>132</sup>

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<sup>130</sup>Ibid.

<sup>131</sup>Alatas, S. H., *Corruption: Its Nature, Causes and Functions*, Newcastle-Upon-Tyne, Athenaeum Press Ltd., 1990, p. 119

<sup>132</sup>Ibid., p. 120 - 121

Heidenheimer, editor of *Political Corruption: A Handbook*, offers alternative reasons for the existence of corruption.

- In the Soviet system, production plans were more important than strict adherence to the law.
- 'Uncovering' corruption might be interpreted by those higher up in the system as laxness on their part for allowing it to happen in the first place. Better to hide the problem and pretend it is not there.
- Those conducting the investigations on corruption are corrupt themselves.<sup>133</sup>

Corruption was recognised as a problem by the Soviet Union's rulers. Strict laws and harsh penalties were instituted in an attempt to stem the problem of corruption. There were also instances where those accused of corruption being subjected to publicity, in an effort to stigmatise the lawbreakers and discourage others. The state began to publicly denounce corruption, and refer to it as ideologically dangerous.<sup>134</sup> *Smena* magazine was reknown for running exposes on official corruption. Some of the stories have included articles on 'special' schools and the buying and selling of office and titles by the elite.<sup>135</sup>

Persons convicted of repeated and/or serious acts of bribery or embezzlement were liable for periods of 8-15 years imprisonment or the death penalty.<sup>136</sup> The threat of the death penalty was not an idle threat. On May 23, 1975, the *Washington Post* reported that 18 people were executed in Russia for economic crimes from mid 1970 until mid 1975.<sup>137</sup>

There were also a series of sweeping campaigns against corruption at the regional level, one of the more notable examples occurred in Georgia. The local party boss, Eduard Shevardnadze waged a campaign in the early 1970's. Some 25,000 people were arrested in the course of the exercise. Shevardnadze received death threats and needed to travel in a blastproof vehicle afterwards.<sup>138</sup>

Inspite of the attempts by the state to battle corruption, overall the result was unsuccessful. Many officials who were dismissed from one department soon became

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<sup>133</sup>Heidenheimer, et al, op. cit., p. 14

<sup>134</sup>Ibid., p. 461

<sup>135</sup>Moynahan, B., *The Russian Century: A History of the Last 100 Years*, London, Pimlico, 1997, p. 234

<sup>136</sup>Heidenheimer, et al, op. cit., p. 453

<sup>137</sup>Ibid., p. 460

<sup>138</sup>Moynahan, op. cit., p. 220

officials in other parts of the Soviet bureaucracy.<sup>139</sup> Diplomat Alexander Yakovlev summed up the reasons for why he believed corruption existed during the Brezhnevian era, "to succeed in anything one had to be sly, to lie, to violate the rules and laws."<sup>140</sup>

Konstantin Simis argued throughout in his book, *USSR: Secrets of a Corrupt Society* ( 1982 ), on the whole Russian people are honest and moral and do not consider stealing from the state as real theft. That the theft was carried out as a matter of necessity, where commodity shortages in society are the norm. And these people would probably not steal from other citizens. This would certainly account for the lower scale corruption( theft from factories, shops, etc. ), the stakes were relatively low, and probably committed for the well-being and survival of the family. Official corruption was another matter, the value of what was at stake was much higher and the crime committed in a more calculating manner. Power and influence was used by the elite to generate and concentrate further power and wealth in their hands ( and in the hands of their 'inner circle' ).

### 3.4 A History Of Corruption In Contemporary Russia

Vaclav Havel, the Czech President gave his analysis of the Communist psyche in his 1990 New Year's address; "we have become morally ill because we have become accustomed to saying one thing and thinking another. The children of communism learned to speak one way among family and closest friends, and another way outside the inner circle. The result is moral schizophrenia."<sup>141</sup> Havel's 'moral schizophrenia' does not relate solely to the Czech Republic, it is a problem throughout the former Eastern Block. And is certainly a contributing factor of the endemic corruption and political cronyism of the Russian Federation.

According to an Internet source, in the final years of the Soviet Union, 30% of all commerce that occurred took place beyond the official economy.<sup>142</sup> Other assertions were also made in the article titled *Where Did All of the Money Go?* Corruption is widespread in the official structures of present day Russia ( such as the police, courts, government and other government departments ). Alexander Gurov, Director of a security research institute at the Ministry of Security ( 1993 article in the *Chicago Times* ) stated that "before, the criminals tried to influence officials with bribes. Today they

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<sup>139</sup>Heidenheimer, Johnston & LeVine, op. cit., p. 461

<sup>140</sup>Moynahan, op. cit., p. 22

<sup>141</sup>Von Der Heydt, B., *Corruption in Russia: No Democracy Without Morality*, The Heritage Foundation, Committee brief No. 13, 21 June, 1995.  
[www.heritage.org/library/categories/forpoll/cbrief13.html](http://www.heritage.org/library/categories/forpoll/cbrief13.html), 13 March, 2000.

<sup>142</sup>*Where Did All of the Money Go?*,  
[www.mother.com/fte/issues.html](http://www.mother.com/fte/issues.html), 4 March, 2000.

already have their own lobby in the government and the parliament -- not to mention the prosecutor's office." <sup>143</sup>

One of the main assertions was that in the final thirty years of the Soviet Union, corruption was rife. <sup>144</sup> The disintegration of the official economy meant that people had to learn to 'survive' by any means. This resulted in a 'normalisation' of corruption as a concept and its use in society. Corruption has allowed individuals ( the oligarchs ) to use political power to accumulate economic power after the fall of communism. The Soviet system's design and functioning created a gap between the formal rules and actual practice, this gap created the temptation for illegal activity and corruption. Russian bureaucratic centralisation of regulatory authority in practice left rule making in the hands of the bureaucrats who profited from this discrepancy. <sup>145</sup>

An equity strategist from *Troika-Dialog* brokerage, James Fenkner, summed up the problems in trying to tackle the present day problems with corruption.

Corruption is nothing new, it is among Russia's oldest and most resilient dragons. It flourished in tsarist Russia and in the later days of the Soviet period and roamed freely throughout Russia during the 1990's privatisation process. Corruption is intractable, largely because those who must fight it are often its core beneficiaries. Given the depth and scope of corruption in Russia, not everyone in power could be replaced. [...] A simple proposition, but a monumental task, given that any real attack on corruption could well have a negative effect for Russia's most powerful persons. <sup>146</sup>

The problem of official crime and corruption is becoming increasingly worse. Russia's crime rate involving public servants has increased significantly, in 1994 there were some 16,600 cases reported which involved government officials ( approximately 1/3 involved bribery ). <sup>147</sup> Figures from the Interior Ministry state that acts of crime and corruption by government officials rose by 35% in 1999. <sup>148</sup> In an interview with *Itar-Tass*, First Deputy Interior Minister Vladimir Kozlov was quoted as saying there were 53,700 crimes committed by, or involving officials, an increase of 35.6% on 1998's figures. <sup>149</sup>

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<sup>143</sup> Von Der Heydt, op. cit.

<sup>144</sup> [www.mother.com/fte/issues.html](http://www.mother.com/fte/issues.html), op. cit.

<sup>145</sup> Editors Nelson, J. M., Tilly, C. & Walker, L., *Transforming Post-Communist Political Economies*, Washington D. C., National Academy Press, 1997, p. 142

<sup>146</sup> Merkushev, V., *But Corruption still Key Issue for Westerners*, 3 March, 2000. [www.russiajournal.com/start/news/article\\_50\\_2371.htm](http://www.russiajournal.com/start/news/article_50_2371.htm), 3 March, 2000.

<sup>147</sup> Von Der Heydt, op. cit.

<sup>148</sup> [www.russiatoday.com/news.php3?id=139710](http://www.russiatoday.com/news.php3?id=139710), op. cit.

<sup>149</sup> *ibid.*

Damage in terms of monetary value, to the Russian economy is enormous and is getting worse. Kozlov assessed the direct damage to the Russian economy in the region of 29.2 billion rubles ( or US\$1 billion ) in 1999. The 1999 figure was 45% higher than for 1998. <sup>150</sup> Capital flight from Russia to Swiss banks is huge, the *London Financial Times* has estimated the value at approximately US\$60 billion. <sup>151</sup>

Interpol's assessment of the crime situation makes depressing news. An estimated 8,000 to 10,000 criminal gangs are currently active. These gangs employ upto 100,000 people, and their influence is extensive. Approximately 40,000 firms and 550 banks are controlled by these organised crime groups. <sup>152</sup>

### 3.5 Government Campaigns Against Corruption

Some measures appear to be being utilised to try and minimise the scale of corruption by the central government. Charges have been laid against 21,000 government officials in 1999. A prominent figure to be charged is the Social Security Minister of the republic of Bashkiria. Several unnamed deputy governors have also been charged. <sup>153</sup>

One of the more bizarre cases of corruption to be brought to the public's attention, involved an admiral from the Russian Pacific Fleet. The admiral sold one of his fleet's warships to a foreign nation in November 1999 for an estimated US\$107 million. <sup>154</sup>

Another case involves four generals in the Ministry of Defence, who stole US\$450 million. It has been alleged that the generals transferred the money through the Russian Central Bank to British United Energy International Ltd. ( which is linked to a Ukrainian company ) for materials, which were supposedly supplied by the Ukrainian Republic. No materials were actually supplied. <sup>155</sup> Actions such as these typify the total disregard that officials display to the consequences.

The administration of Putin is waging a war against the oligarchs and the associated corruption in their financial empires. At the present, five high profile business magnates are under investigation.

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<sup>150</sup>Ibid.

<sup>151</sup>[http://ihr.org/jhr/v16/v16n3p21\\_Michaels.html](http://ihr.org/jhr/v16/v16n3p21_Michaels.html)

<sup>152</sup>Perrot, L., *New Kremlin Tenant Must Tackle Endemic Russian Corruption*, 13 March, 2000.  
[www.russiatoday.com/features.php3?id=142090](http://www.russiatoday.com/features.php3?id=142090), 14 March, 2000.

<sup>153</sup>Reuters, *Official Crime and Corruption on Rise in Russia*, 2 March, 2000.  
[www.russiatoday.com/news.php3?id=139710](http://www.russiatoday.com/news.php3?id=139710), 4 March, 2000.

<sup>154</sup>Perrot, op. cit.

<sup>155</sup>Summary, *Half a Billion U. S. Dollars Was Stolen from the Defence Ministry*, *Nezavisimaya Gazeta*, 2 August, 2000.  
[www.russiatoday.com/press.php3?id=185317](http://www.russiatoday.com/press.php3?id=185317), 3 August, 2000.

One of the more high profile cases currently being investigated is the oligarch Vladimir Gusinsky. He is the owner of the *MOST* group, which includes the largest independent media group in Russia. The prosecutor's case revolves around an alleged US\$10 million being embezzled in state property when he privatised a small television company in 1997.<sup>156</sup>

A former Deputy Prime Minister and the chairman of Russia's largest carmaker, Vladimir Kadannikov is under investigation. He has been accused of massive tax evasion. Vladimir Potanin, another past Prime Minister has been charged with fixing the auction of the state-owned nickel producing giant ( which was one of the reasons for the feud that exists between the oligarchs ).<sup>157</sup> Investigators are making demands on Potanin to pay up to US\$140 million, which is the figure claimed to have been defrauded in the sale of *Norilsk Nickel* ( 39% stake ) to *Interros*.<sup>158</sup>

The other two figures who are currently under the prosecutor office's scrutiny are Anatoly Chubais and Vagit Alekperov. Chubais is a former Deputy Prime Minister and the current head of Russia's electrical monopoly, *Unified Energy System*. Alekperov is the chief of the controversial petroleum giant *Lukoil*.<sup>159</sup> The probe into *Lukoil* relates to alleged tax evasion.<sup>160</sup>

Putin was able to use the threat of a crackdown on the oligarchs to help bolster his popularity prior to the presidential elections in March 2000. This move has proved popular with the voting public. The chief analyst of the Public Politics Centre ( an independent Moscow based 'think tank' ), Svyatoslav Kaspe gave a possible reason for the popularity of this move. "The Russian public hates these businessmen for the way they acquired their wealth while the country was collapsing."<sup>161</sup> A poverty stricken Russian public has grown increasingly resentful of the way the 'New Russians' have amassed their wealth, and the way they flaunt their fortunes.

A barrier to clear corruption, especially in the ranks of parliament, lies in the Russian constitution. The 98th clause of the constitution grants the State Duma deputies immunity during their tenure of power. The clause states that "they cannot be arrested, subjected to search, except cases of detention at the crime scene."<sup>162</sup> A cause for

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<sup>156</sup>Fred Weir, *Russian Moguls Cry Uncle*, Christian Science Monitor, 25 July, 2000.  
Johnson's Russia List #4421, 25 July, 2000.

<sup>157</sup>Ibid.

<sup>158</sup>*Russia's "Robber Barons" Hit by Startling Crackdown*, Agence France Presse, 13 July, 2000.  
[www.russiatoday.com/news.php3?id=178356](http://www.russiatoday.com/news.php3?id=178356), 14 July, 2000.

<sup>159</sup>Weir ( 25/07/2000 ), op. cit.

<sup>160</sup>[www.russiatoday.com/news.php3?id=178356](http://www.russiatoday.com/news.php3?id=178356), op. cit.

<sup>161</sup>Weir ( 25/07/2000 ), op. cit.

<sup>162</sup>Summary, *Immunity: New cause of Troubles Found in Russia*, Izvestiya, 1 July, 2000.

public concern has been that some notable oligarchs have been elected to the Duma ( such as Boris Berezovsky ) thereby avoiding immediate legal consequences for their financial transactions.

### 3.6 The Privatisation Process

The process of a transition from a communist to a post-communist economy has been a difficult time for Russia and fraught with many difficulties. Russia's main means of achieving the transition to a capitalist economy has been via privatisation of state assets. Bearing in mind, that technically there was no such thing as private property in Russia prior to 1991 ( after the Bolshevik Revolution in 1917 ), this meant that the state owned everything. The colossal offering of state assets in terms of sheer number and the value of these assets has made them a tempting target for those with money and power. In a 1997 interview, Berezovsky bragged that he and six other oligarchs owned economic empires which control 50% of Russia's GDP, when these enterprises are combined. <sup>163</sup>

The European Bank of Reconstruction and Development has identified four different stages of privatisation in Russia.

- 1990 - 91: Spontaneous privatisation ( Gorbachev ).
- 1992 - 94: Mass privatisation programme ( tradable vouchers ).
- 1994 - 96: Cash sales of shares.
- 1995: 'Shares for loans' privatisation. <sup>164</sup>

The first round of privatisation in the Russian Federation began in 1992. During the year of 1993 some 6.5 million apartments were privatised, which represented approximately 20% of the total number of apartments. <sup>165</sup> In June 1994 the first round of privatisation ended. By this time, 139 million Russians had invested their government issued privatisation vouchers ( a rate of 94% ) and 70% of Russian industry had been

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[www.russiatoday.com/press.php3?id=174257](http://www.russiatoday.com/press.php3?id=174257), 1 July, 2000.

<sup>163</sup>ibid.

<sup>164</sup>EBRD, op. cit., p. 109

<sup>165</sup>Petro, N. N., *The Rebirth of Democracy: An Interpretation of Political Culture*, Cambridge, Massachusetts, Harvard University Press, 1995, p. 153

privatised.<sup>166</sup> Some 100,000 enterprises had been privatised by September 1994, with 80% of the industrial workforce employed by private industry.<sup>167</sup>

Although privatisation is meant to redistribute the country's wealth to the citizens of Russia, many believe that the process is rigged. The word privatisation ( *privatizatsiya* in Russian ) has been altered in Russian slang, as a reflection of the public's cynicism of the state's conduct. *Privatizatsiya* has been changed to *prikhvatizatsiya* ( meaning grabbing ) or *piratizatsiya* ( meaning pirating ).<sup>168</sup>

The sheer scale of the process is enormous and prone to fraud. A common form of fraud is known as 'nomenklatura privatisation.' This occurs when officials and those with contacts exploit the situation.<sup>169</sup> Nomenklatura privatisation is able to exist because of the large and inefficient Russian bureaucracy. An example of this type of corruption is clearly demonstrated in the loans for shares deal. Oligarchs Vladimir Potanin and Mikhail Fridman managed to acquire a 38% share of *Norilsk Nickel* for approximately 115 million pounds sterling in 1997, the company has been valued since, at 1 billion pounds sterling.<sup>170</sup>

Another factor which has aggravated the temptation for corruption by government officials are the low wages offered to state employees. These low paid workers have a lot of personal power and relatively little accountability ( largely due to the cumbersome structure of the bureaucratic machinery ). Russia has half the population of the former Soviet Union, but the bureaucracy is larger. There were 85 central ministries and departments in the Soviet Union, by 1995 the number of ministries and departments had increased to 137.<sup>171</sup>

By having so much power ( through the issuing of licences and the handling of the privatisation process ) in the hands of the bureaucrats, who are relatively discontent, presented opportunities for those with contacts to play the system. A common scam was for officials to form private companies, buy former state buildings at very low prices, then to re-sell those buildings at huge profits and bank their earnings abroad.<sup>172</sup>

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<sup>166</sup>*Ibid.*, p. 153

<sup>167</sup>Sakawa, *op. cit.*, p. 242

<sup>168</sup>Michaels, D. W., *Capitalism in the New Russia*, *The Journal of Historical Review*.  
[http://ihr.org/jhr/v16/v16n3p21\\_Michaels.html](http://ihr.org/jhr/v16/v16n3p21_Michaels.html), 13 March, 2000.

<sup>169</sup>Sakawa, *op. cit.*, p. 243

<sup>170</sup>Whittell, G., *Putin Tries to Win Back Tycoons' Ill-gotten Gains*, *The Times*, 22 June 2000, p. 16

<sup>171</sup>Michaels, *op. cit.*

<sup>172</sup>Coleman, F., *The Decline and Fall of the Soviet Empire*, New York, St. Martins Press, 1996, p. 372



In other instances, bureaucrats were offered 'incentives' to perform certain duties for 'businessmen.' Such incentives may include all expenses paid overseas holidays, high paying jobs in private firms ( where they do not have to actually do anything ) or cash.<sup>173</sup>

A new class emerged from the privatisation process, a privileged group known as the *privilgentsia*. This group was formed through the acquisition of assets during privatisation ( such as factories, banks and retail shops ), and developed into a middle class.<sup>174</sup>

### 3.7 Media Involvement In Reporting Corruption

The Russian media by virtue of their actions, still operate on the premise that if you control how the message is sent, then control is exercised over how the message is received by readers and viewers. Financial interests ( the oligarchs ) who own the media, routinely use the media as a weapon in an on-going information war. There is nothing subtle about this information war and the public have become wary about the hidden agendas behind the newspaper headlines.

Russian political figures have been the target of numerous exposes of alleged acts of corruption by the press. When such allegations are made by the media, the first question asked is "who benefits from this?"<sup>175</sup> The accuracy of what is alleged is of secondary consideration. Such suspicion of the media's motives has the effect of diminishing the media's role as a watchdog.

A lot of controversy has surrounded the process of privatisation in Russia, many substantiated and unsubstantiated allegations have been levelled at the political and business figures at the centre of the reforms. In August 1997, Alfred Kokh the State Property Committee chairman was fired amid a controversy incorporating the privatisation auctions. The media made a series of allegations, that Kokh had accepted bribes from *Oneksimbank*, the winner of those auctions. Kokh was subjected to an investigation because of the allegations made against him. Apart from Kokh's sacking, there were no other repercussions such as policy changes or reversal of the auctions for which Kokh was criticised.<sup>176</sup>

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<sup>173</sup>Ibid., p. 372

<sup>174</sup>Sakawa, op. cit., p. 163

<sup>175</sup>Belin, L., *The Impact of Media Coverage, 'Politicisation and Self-censorship in the Russian Media,'* Radio Liberty, November 1997.

[www.rferl.org/nca/special/rumediapaper/impact.html](http://www.rferl.org/nca/special/rumediapaper/impact.html), 1 March, 2000.

<sup>176</sup>[www.rferl.org/nca/special/rumediapaper/impact.html](http://www.rferl.org/nca/special/rumediapaper/impact.html), op. cit.

Another high ranking government official who was the subject of a media scrutiny was Anatoli Chubais. *Moskovski Komsomolets* published a transcript of a June 1996 conversation involving Chubais ( at this time a high ranking campaign aide to Yeltsin ) in the autumn of 1996.<sup>177</sup> The transcript was potentially very damaging for Chubais in three ways. He was implicated in the misappropriation of government funds, was found to be lying to journalists about his actions and was caught attempting to obstruct a criminal investigation into the contents of the transcript. The authenticity of the transcript was never challenged in court, which tends to give credence to the case that this transcript was genuine. President Yeltsin however, never reacted to the transcripts publication publicly. Chubais was eventually promoted to become Yeltsin's chief of staff. In March 1997, Chubais was appointed to the government and the investigation into the campaign finance scandal was quietly closed down in April 1997.<sup>178</sup>

The campaign finance scandal of 1996 was not the only business conducted by Chubais to come under the scrutiny of the Russian press. In July 1997, *Izvestiya* alleged that he accepted a US\$3million interest free loan from *Stolichnyi Bank* in early 1996.<sup>179</sup> An article accused Chubais of interfering to help *Stolichnyi Bank* to acquire a state-owned bank ( *Agroprombank* ) in November 1996. As a result of the article, Chubais wrote a letter to the editor condemning the article, but there was no other official reaction and no investigation was started.<sup>180</sup> A closer examination of the interests behind the news reveals that *Izvestiya* is controlled by Vladimir Potanin, a rival oligarch of the owners of *Stolichnyi Bank* ( became *SBS-Agro* after the takeover ).

Boris Berezovsky, an oligarch and politician has been in the media spotlight on several occasions as a result of various business deals. Berezovsky's association with the airline *Aeroflot* has been plagued with scandal. In July 1997, *Moskovski Komsomolets* accused the oligarch of embezzling US\$98 million from the airline and transferring it to a Swiss company which he owns. Some of the other scandals which have been reported by other papers, concerning Berezovsky include ( especially pertaining to his relationship with 'The Family' ); Berezovsky buying Yeltsin's daughters expensive gifts and he pays the salary of *Aeroflot's* Director Valery Okulov ( Yeltsin's son-in-law ).<sup>181</sup>

In some cases, media exposes linking high ranking government officials with acts of corruption have simply 'disappeared.' In August 1997, *Novaya Gazeta* published a transcript of a phone conversation between businessman Sergei Lisovski and Boris

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177 Ibid.

178 Ibid.

179 Ibid.

180 Ibid.

181 Ibid.

Nemtsov. The contents of the conversation pointed to Nemtsov stalling a presidential decree's publication ( the decree was concerning the declaration of income for personal reasons ). The government opened an investigation into how Nemtsov's phone was tapped and how the transcript was leaked to the press. Nemtsov was neither reprimanded nor was there any investigation into his actions.<sup>182</sup> A possible reason for the President not taking action against Nemtsov is that *Novaya Gazeta* is partly funded by Gusinsky. At the time, Gusinsky was waging an information war against Nemtsov and Chubais, due to the controversy surrounding the privatisation auction of *Svyazinvest* ( which will be explained further on in the thesis ).

A lot of the examples which I have given in 1.4.1, although probably genuine examples of official corruption, tend to reflect the political affiliations of their financial backers. If reporting a story of corruption is in the interests of the owner / backer, then it will be reported. This is a trend and part of an ongoing information war, waged by the oligarchs upon each other. The intended audience of these articles is the government, the oligarchs are using their media assets to lobby the government and to gain influence. Boundaries between business and politics are unclear, the oligarch who gains the ear of the President has access to a vast number of state assets yet to be privatised. Such as Vladimir Potanin's shares for loans deal which he made with President Yeltsin. Media interest in official corruption concerns economic and political advantage, not a genuine desire to expose social injustice or a matter of informing the public.

### 3.8 Use Of Corruption In Politics

During the heights of the Stalinist purges, to be called 'an enemy of the people' could result in imprisonment or execution. Stalin used the threat of enemies of the people as a justification for his bloody purges of any opposition ( real or otherwise ) to his rule. With the arrival of capitalism and democracy a new kind of 'enemy of the people' has emerged. The 'public enemy' has become the spectre of corruption and those who are corrupt. However, is the new found strength being used on this crusade directed against the rampant corruption which exists in Russia, or merely used as a tool for the political and economic elite to rid themselves of opposition? Instead of assassinating the person, their character is irrevocably damaged ( by public exposure in the media ) and the end result is the same.

Coleman, in *The Decline and Fall of the Soviet Empire* describes clearly, how allegations of corruption are used for political gain and the consequences of these allegations. "During the communist era, political rivals were purged by using charges of

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<sup>182</sup>Ibid.

ideological deviance. The use of the term political corruption is used to discredit and remove rivals from power. This had the added effect of increasing public awareness and perhaps exaggerating the level of corruption."<sup>183</sup>

Often charges of corruption or financial impropriety are the opening moves of a campaign to undermine the accused, to render them vulnerable to dismissal or their assets are taken over. The accused may or may not be guilty of the alleged crimes. An example of this kind of campaign emerged in November 1998. *ORT* was warned by the government to pay back state loans. In spite of initiating emergency measures, *ORT* was still unable to meet debt repayment and was close to bankruptcy. The implications go beyond what is on the surface. *ORT* is 51% government owned, which means the government was prepared to sue itself to acquire payment of its own money.<sup>184</sup>

Charges of corruption and 'serious financial mismanagement,' were used by Yeltsin to justify the sacking of three heads of State TV and Radio Broadcasting. First to go was Poptsov in February 1996, followed by Sagalayev in February 1997 and Svanidze in February 1998.<sup>185</sup>

The Russian press has been one of the forms of opposition faced by the Russian government. Their attacks on the government's conduct in the Chechen War has been a source of irritation and embarrassment. On February 2, 2000, the State Security Committee held a press conference. Alexei Alexandrov, a Duma Deputy on this committee issued a press release in which he warned journalists to resist any possible financial offers. He stated that he had received information concerning smuggled money from unidentified "western colleagues." According to Alexandrov, the purpose of this bribe money was designed at "bribing Russian journalists [...] to communicate distortions and false information about Acting President Vladimir Putin and the armed forces in Chechnya."<sup>186</sup>

Adding some emotional rhetoric to the press conference, Alexandrov went on to say that a Russian journalist would never take money that "smells of the blood of our soldiers [...] and would never enter into talks with people who conduct work hostile to our state."<sup>187</sup> Andrei Ryabov, of the Carnegie Endowment for International Peace, regarded Alexandrov's statements as "just another theory about Chechen terrorists from

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<sup>183</sup> Coleman, op. cit., p. 373

<sup>184</sup> Editors Curran, J. & Park, M-J., op. cit., McNair, B., *'Power, Profit, Corruption and Lies: The Russian Media in the 1990's'*, p. 80.

<sup>185</sup> Curran & Park, op. cit., p. 90 - 91.

<sup>186</sup> Bekker, V., *Bribes for Journalists Dismissed as a Kremlin Tale*, 4 February, 2000. [www.times.spb.ru/current/news/n\\_bribes.htm](http://www.times.spb.ru/current/news/n_bribes.htm), 5 February, 2000.

<sup>187</sup> Ibid.

Kremlin officials.” And that, “all sides in this conflict are trying to use their methods of informational war against each other. [...] Yesterday’s press conference was one of those channels.”<sup>188</sup>

The State Security Committee’s move was designed to intimidate the media, which were already on the defensive after the Babitsky affair ( described in chapter 6.5 ). At the same time, the Security Committee was trying to imply that any information coming from the private media that did not match the government’s version was due to corrupt journalists. It was an attempt to try and discredit the media who were not bowing to government pressure, by tarnishing them with the stigma of corruption. The emotional rhetoric was aimed at creating an atmosphere of patriotism, therefore any journalist that did not follow the Kremlin’s story was not only corrupt, but also a traitor ( because the bribe money was supposedly smuggled into Russia from abroad ).

### 3.9 Chapter Findings

Although *blat* has changed in its character from the Soviet era ( as described by Ledeneva ), and strictly speaking is not corruption, it is still an important process in terms of having some influence in shaping contemporary Russia’s power structures. The creation of ‘inner circles’ was a necessity to survive the shortages of the planned Soviet economy. <sup>189</sup> By creating such cliques, some people had access to powerful and influential bureaucrats who carved up the old Soviet structures and privatised them. These people gained power and wealth very rapidly, some of them forming the *oligarchy*. One of the most notable of the inner circles was Yeltsin’s entourage widely known as ‘The Family.’

‘The Family’ is a tight circle of associates which has exerted a great deal of influence, power, influence and wealth was given and taken by this small exclusive group. Membership of this group included some of the more notable oligarchs, including Boris Berezovsky and Vladimir Potanin. Some excesses and abuses of power of this group have been brought to light but have never been punished for their alleged crimes ( because they are protected by high ranking governmental patrons ).

Corruption has been used as a tool to rid politicians or businessmen of unwanted opposition. Professor Leslie Holmes has pointed to this in his recent works.<sup>190</sup> Soviet

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<sup>188</sup> Ibid.

<sup>189</sup> The planned economy concentrated on the production of war related materials as opposed to civilian consumables. According to the ‘Guns versus Butter’ model, when one of these variables is produced in greater quantity the production of the other variable shrinks.

<sup>190</sup> Some of Professor Holmes’s recent works include *Anti-corruption Campaigns, Crime, Corruption and Politics: International and Transnational Factors, Functions and Dysfunctions of Corruption and*

leaders such as Andropov and Gorbachev used corruption as a tool to taint and destroy political opposition. Yeltsin used the platform as a 'Crusader' against Soviet corruption to gain public attention and support for his eventual bid for Russia's leadership. More recently, Putin made the pledge to end the political interference by some of 'The Family's' members ( namely the oligarchs ) as an electioneering platform.

During the Soviet period, the Communist monopoly of the dissemination of information ( through controlling the media ) gave the state power to present a one-sided picture. The show trials during the height of Stalin's Great Terror of the late 1930's provide a good example. During the late Soviet period ( early 1980's ) televised corruption trials were shown as a preventative measure, by dissuading other would be transgressors by the prospect of adverse publicity.

The media situation in contemporary Russia is more complex. Media are divided into either state owned media enterprises or private media enterprises. State owned media enterprises have long been subjected to political interference from the Presidential administrations ( of Yeltsin and Putin ). Firing and hiring of key personnel is done with possible political advantage in mind ( such as the Mikhail Lesin's promotion to the post of Press Minister ). Media under state control tended not to report allegations of government corruption or gave only the government's view on the matter. <sup>191</sup>

Privately owned media are largely concentrated in the hands of the *Oligarchy*. As stated by Altschull earlier in the thesis, media organisations are bound to say what they are told to by their owners. The oligarchs exercise censorship through the use of economic leverage ( they use their ownership to dictate editorial content ).

Articles in newspapers and television programs which claim to expose corruption in the government or in big business may have another motive. This was clearly the case in articles published by newspapers owned by Gusinsky and Berezovsky, after they lost in their bid to secure the newly privatised telecommunications company in 1996. Nemtsov and Chubais were blamed by Gusinsky and Berezovsky for their failure in acquiring this company. A series of scathing articles regarding the competency of Nemtsov and Chubais began to appear.

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*its Reporting in CEE and Corruption, Weak States and Economic Rationalisation in Central and Eastern Europe.*

<sup>191</sup> A notable exception involved the case of the Prosecutor - General Skuratov. It was alleged that Skuratov's actions involved moral corruption, film allegedly showed him with prostitutes. Skuratov had proved an annoyance to Yeltsin because of his willingness to oppose Yeltsin in some instances. These media allegations destroyed Skuratov's career.

## CHAPTER IV: THE CHECHEN WAR.

### 4.0 Chapter Objectives

The Second Chechen War is a significant event in several ways, and has had a considerable impact on relations between the Kremlin and private media organisations. This chapter aims to explore the significance of this conflict and its impact on the media in the Russian Federation.

Prior to the outbreak of hostilities in August 1999, there had been a gradual erosion of media freedoms. The war gave the state the opportunity to consolidate and expand their stranglehold on the media for the 'good' of the nation. A new concept has begun to be floated in the public arena, the state was to be protected above all else, even at the expense of personal liberties.

The attempted creation of nationalist sentiment was one of the tools the government intended to utilise in order to control the flow of information ( on matters which concern the Russian state ) domestically and internationally. State security aided by a nationalist sentiment in the public would ( in theory ) allow the government greater ability in bringing about the demise of a free media.

Some events which have arisen from the Second Chechen War include the handling of Andrei Babitsky ( discussed further in Chapter VI ), restrictions of movement imposed by the military on media personal, use of rhetoric and specific language to generate hostility toward the Chechens ( and to unite the Russian population behind a political figure ) and the use of the conflict to generate the political popularity of Vladimir Putin.

### 4.1 The Second Chechen War And its Consequences

With the bomb blasts that rocked Moscow last year ( 1999 ) and the Chechen invasion of Dagestan, under the guise of an Islamic *jihad*, the Kremlin countered the 'terrorist' threat with force. Initially, the war began successfully for Russia. But as time dragged on and the incompetence's of the Russian campaign were exposed, the authorities became increasingly guarded about what information was allowed to be shown to Russian and international public. Moves by the authorities to restrict the flow of information began several months before the conflict in Chechnya and in a totally different context. Military authorities began instituting conditions, nowhere is this more evident than in the handling of the Babitsky affair.

On May 12, 1999, the State Duma delivered a statement regarding the inadmissibility of using the Russian mass media in NATO's propaganda war in the Yugoslavian conflict. The Duma said that the Russian media were distorting coverage of the conflict, giving NATO a favourable facade. To defeat the 'propaganda,' a number of ideas tabled in parliament. The Federal Service of Television and Radio was charged with developing a system of controls that could be used to affect coverage by the Russian mass media of military conflicts which either directly or indirectly impacted upon security matters of the Russian Federation.<sup>192</sup>

The Second Chechen War was launched after what was termed as a 'terror campaign' was initiated by the Chechens against Russia. There was still a bitter memory of Russia's humiliation in the First Chechen War (1994 - 1996) fresh in the memory of the Russian people. This manifested itself in hatred being directed at Chechens and Chechnya. In an analysis of their performance in the First Chechen War, the Russian government came to the conclusion that one of the reasons for their defeat was a loss in public support for the war. The change in the public attitude came from a shaping of public opinion by the media. Russia was also mindful of the need to maintain good relations with the international community in order to continue receiving much needed loans. With this in mind, and by watching the PR campaign run by NATO during the Yugoslavian crisis, Russia's media strategy was formed for the upcoming Second Chechen War.

The implementation of the new censorship tactics are set in Dagestan. On the 9th of August, 1999, the Dagestani regional executive placed an official censorship on Dagestan's media. Before any news item could be aired it had to be cleared by the Dagestani Minister of Nationality Policy and Information. This applied to all print and broadcast media.<sup>193</sup> This was in effect a very effective gag that only permitted the government's view to be expressed in the mainstream media. All dissent was not tolerated, and was able to be brushed off by using the official organ of censorship, created for 'protecting' the people. The Kremlin was to follow suit soon after.

On 17 August, 1999, the Russian Ministry for the Press, Television and Radio Broadcasting and Media Affairs delivered a formal warning to a limited number of TV networks. In which the media were forbidden from broadcasting any interviews with any of the separatist Chechen leaders. The stations warned were *ORT, All Russia State TV*

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<sup>192</sup> *Communists Propose to Restrict Russian Media Reports that Favour NATO, to Aid in Rebuilding Yugoslavian TV*, Teleskop No. 17 (157), 19 May, 1999.  
[www.internews.ru/crisis/restrict.html](http://www.internews.ru/crisis/restrict.html), 24 February, 2000.

<sup>193</sup> CPJ, *Alert: Restrictions on Media Coverage of Dagestan Conflict*, IFEX, 23 August, 1999.  
[www.ifex.org/alerts/view.html?id=5448](http://www.ifex.org/alerts/view.html?id=5448), 19 March, 2000.



and Radio Broadcasting Company, Russian TV, NTV and TV-6. The warning was issued on the grounds that by airing such interviews the media would aid the rebels in a "massive propaganda war," which would result in ethnic and religious intolerance. And by urging citizens to change their country's borders by the use of force.<sup>194</sup>

Initially the government tried to persuade the media, through a sort of partnership to blackout any views of the rebel Chechens. The Russian Security Council was the organisation charged with gaining co-operation from the media. Before asking for co-operation to what was a kind of self-censorship, Sergei Ivanov ( secretary of the Security Council ) emphasized that the Russian media had been largely supportive of the war effort ( foreign reports were blamed for airing the rebel Chechen's views ). In an interview with *Komsomolskaya Pravda* on 3 February, 2000, Sergei Ivanov was quoted as saying that he was not "encroaching on the freedom of speech, but there must be limits and a precise understanding of what can and cannot be done. [...] Use Chechen informers if you want. Just don't put the terrorists on the air."<sup>195</sup> The reintroduction of official state censorship was made blatantly apparent on the 14th of March, 2000. *Interfax* wrote a brief article on what was conveyed to the Russian media;

The Press Ministry will consider it a violation of the law on "Combat of Terrorism" if the Russian media provides a vehicle for the views of Chechen terrorist leaders. "We hope we will not have to issue warnings to the media for making public the words of Chechen terrorist leaders," said First Deputy Press Minister Mikhail Seslavinsky. He named Aslan Maskhadov, Shamil Basayev and Movladi Udugov among those whom the press must not quote.<sup>196</sup>

The warnings issued by the government were not empty threats. On May 4, 2000, the Prosecutor Generals Office said that they will be interrogating journalists from *Novaya Gazeta* and *Kommersant*. The papers had published an interview that had been conducted with the Chechen leader, Aslan Maskhadov.<sup>197</sup>

Russian authorities had been restricting or preventing access to the warzone. Human Rights Watch described the actions of those concerned "Russia is keeping international and local journalists out of Chechnya through arbitrary and obstructive regulations. [...]"

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<sup>194</sup> *Ibid.*

<sup>195</sup> CNN / AP, *Russian Security Chief Asks for Media's Help in War*, EJC, 4 February, 2000. [www.ejc.nl/mn/showresults.htm?4185](http://www.ejc.nl/mn/showresults.htm?4185), 3 April, 2000.

<sup>196</sup> *Press Ministry Warns Against Mass Media's Quoting of Chechen Militants*, Interfax, 14 March, 2000. [www.interfax.ru/freshnews/enews1433.htm](http://www.interfax.ru/freshnews/enews1433.htm), 16 March, 2000.

<sup>197</sup> Reuters, *Prosecutor to Question Two Journalists*, The Moscow Times, 5 May, 2000. [www.moscowtimes.ru/05-May-2000/stories/story9.html](http://www.moscowtimes.ru/05-May-2000/stories/story9.html), 6 May, 2000.

by keeping journalists out, Russia is trying to hide the evidence of its brutal campaign [...] from the eyes of the international community.”<sup>198</sup>

Under Russian law, accredited journalists are granted access to the entire Russian Federation, provided that no state of emergency has been declared. To date, no state of emergency has been declared within the Russian Federation. However, Russian officials demand that journalists who intend visiting Chechnya obtain additional accreditation from the military authorities in Mozdok ( Russian military headquarters).<sup>199</sup>

The Russian authorities have set up media tours. These tours are carefully staged and give a strong pro-government view. A government briefing centre was opened. This centre used media relation techniques that were borrowed from NATO, showing coverage such as the aerial bombings.<sup>200</sup>

Evident has been the different treatment received by the media. The media that are Pro-Moscow or follow the state version of events have been allowed a lot freer access. Some journalists have claimed to have gained access by bribing corrupt government officials.<sup>201</sup>

Those who have chosen not to follow the government line have been punished in various ways, normally by denying the transgressor access to Chechnya. When *NTV* aired an interview with a Russian officer on January 23rd, 2000, who said that Russia was suffering significant casualties, they were removed from the military journalists pool for several days.<sup>202</sup>

In another incident, when *Reuters* and *The Associated Press* wrote accounts of a debacle at Minutka Square, Grozny, when an armoured unit was decimated. The authorities were quick to act. The journalists involved were accused of working for foreign intelligence agencies and trying to undermine the Russian war effort.<sup>203</sup> Pavel Gusev, editor of *Moskovsky Komsomolets* reported another act of official intimidation. He claimed that the police had visited one of his reporters, threatening to detain him in a mental hospital.<sup>204</sup>

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<sup>198</sup>Human Rights Watch, *Alert and Update: HRW Urges Respect for Rights of the Press*, International Freedom of Expression Exchange, 1 February, 2000.  
[www.ifex.org/alerts/view.html?id=6043](http://www.ifex.org/alerts/view.html?id=6043), 19 March, 2000.

<sup>199</sup>ibid.

<sup>200</sup>Tracy, J., *Kremlin Tells Press to Toe the Line*, *The Moscow Times*, January 25, 2000

<sup>201</sup>[www.ifex.org/alerts/view.html?id=6043](http://www.ifex.org/alerts/view.html?id=6043), op. cit.

<sup>202</sup>ibid., *The Moscow Times*, January 25, 2000, op. cit.

<sup>203</sup>ibid.

<sup>204</sup>ibid.

In an attempt to appease and make their articles more politically acceptable for the government, some newspapers altered what was originally written. *Komsomolskaya Pravda* did just this with an interview with Aslan Maskhadov on 18 March, 2000. The question and answer format article was written by Alexander Yevtushenko, who said the political pressure had forced the newspaper to write an anti-Maskhadov commentary with the article. He claimed that the commentary and the headline of the article were written without his knowledge.<sup>205</sup> The headline that caused the controversy was "Aslan Maskhadov threatens new diversions and a protracted war," with the commentary "but he spoke on the telephone with a Komsomolka reporter from a mountain cave, into which he was chased by our troops." Yevtushenko said that the cave was entirely fiction.<sup>206</sup>

There has been increasing speculation regarding a conspiracy theory involving the government and the apartment bombings in Moscow. Khinshtein postulated ( see '*Khinshtein's Ordeal*' ) that the bombings were the work of a secretive government agency that wanted to create an atmosphere of war hysteria, which Putin could take advantage of to win the March 2000 presidential elections.<sup>207</sup> The conspiracy theory has been taken seriously by some journalists and politicians. One journalist who has furthered study into Khinshtein's theory was Artyom Borovik, from the *Sovershenno Sekretno* media group. *Versiya* examined the government intrigue theory, as a reason for the bombings. Borovik was killed in a plane crash in mid-March 2000. The official government report blamed ice on the wings and pilot error. Borovik's colleagues stated that they believed his death was organised as a direct result of his reporting.<sup>208</sup>

A fear has been instilled in the Russian media regarding the reporting of news that does not agree with the Kremlin's official line. As a means of getting around the problem of attracting the Kremlin's disapproval by reporting 'negative' news, some Russian journalists have begun quoting western news agencies. In a news item on the Chechen war *NTV* quoted the bad news from a *Moscow Times* article, which was a quote from an *Associated Press* article.<sup>209</sup>

In a meeting with Russia's top journalist on 13 January, 2001, Putin made it clear that he wanted to see the creation of 'single information space.' The intention of this creation is intended to ensure the integrity of the state ( defence of the state above all else ).

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<sup>205</sup>Karush, S., *Pravda Distorts Maskhadov Interview*, The Moscow Times, 23 March, 2000. [www.moscowtimes.ru/23-Mar-2000/stories/story4.html](http://www.moscowtimes.ru/23-Mar-2000/stories/story4.html), 23 March, 2000.

<sup>206</sup>Ibid.

<sup>207</sup>*Russia's Kiselyov on Freedom of Press, Speech: Comment*, June 6, Bloomberg. Published in *Vremya Novostei*.

<sup>208</sup>Ibid.

<sup>209</sup>Ibid.

Putin was quoted as saying "any talk about unity of the Russian state apparently starts with the formulation of its tasks and goals. A single information space is a priority task. It would be worth noting that the word came first."<sup>210</sup>

Putin's statement would appear to agree with my contention that there is an attempt by the Kremlin to resurrect a strong centralised state and that this state must be protected at all costs. Even if the price comes at the cost of individual freedoms. Another point which I have made is that the state is unwilling to accept or allow dissent from state doctrine. The creation of a 'single information space' seems to be jargon signaling the re-emergence of state censorship.

## 4.2 The use of Rhetoric and Emotional Language

Due to the size constraints on this thesis I am unable to undertake an in-depth analysis of Russian newspapers over a protracted period. It is for this reason that I have chosen some articles mentioned previously in this chapter, and undertaken analysis of these articles.

The use of specific language and images can carry a powerful message. Significance of news items which are printed or broadcasted not only refers to what is physically present in the text or news broadcast, but by which items are omitted. Agendas can be present by the fact that some news worthy material has been deliberately left out.

The series of bomb blasts which occurred in Moscow and other Russian towns prior to the Chechen incursion of Dagestan prompted a mix of fear, anger and a thirst for revenge by the Russian public. This public sentiment was encouraged by the Kremlin who wanted to gain political mileage from any action which they took.

A successor to Boris Yeltsin was being selected at the time of the increased hostilities between Chechnya and Russia. The last years of President Yeltsin's rule were characterised by stagnation, indecision and scandal. Yeltsin wanted a successor, who he could 'rely' on, so that he would be safe from any possible repercussions ( as a result of his rule ) during retirement. His heir would need to be young, charismatic and energetic for there to be any appeal to the Russian public.

The upcoming conflict was cast into a 'black and white' setting by a co-operative Russian media, somewhat reminiscent of the 1996 Presidential elections. This

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<sup>210</sup> *Putin Says Single Information Space Essential for Integrity of State*, ITAR-TASS, 13 January, 2001. Johnson's Russia List #5026, 15 January, 2001

simplification of reality for public viewing was done to facilitate the propaganda effort. Initially, the Kremlin said that the defence of the state was paramount and other considerations were secondary.

A specific vocabulary has been established, designed to dehumanise the Chechens and glorify the Russian forces. By doing this, it is easier to identify ( and support ) the Russian forces and to support the war effort. Russians have expressed the desire to have a strong, central leadership once more. This vacuum was filled, through the use of imagery by Vladimir Putin. A report written by Emma Gray lends support to my belief that the Russian media has ( through being forced or complicity ) created binary opposition in the Second Chechen war. <sup>211</sup> "Throughout the conflict, virtually all Russian media have demonised Chechens and highlighted Russian military successes." <sup>212</sup>

Some of the main TV channels ( *ORT* and *RTR* ) televised pictures of Putin at the front where he was talking with troops, handing out medals and hunting knives and flying in a jet fighter-bomber. These images conveyed the message that Putin was a vigorous, energetic and a man of action. This was in stark contrast to Yeltsin's later years which were marked by long periods of hospitalisation. Other political rivals were also marginalised, as they seen as talkers and not men of action. These images earned a lot of public attention and popularity, this was to prove crucial in the March 2000 presidential elections.

In the quest to create two opposing forces in the Chechen conflict, the Chechens have been cast in the role of the villain. The Chechen people have been characterised as an unruly mass, whose sole aim is to destroy the Russian state. It is rarely that Chechens are referred to as individuals, but more usually as terrorists, bandits or Islamic fundamentalists.

While viewing the Russian military news site, the subject and content of the news available was selective. Several tendencies are revealed in news headlines. Firstly, the vilifying of the Chechens through the reference to Chechens as rebels or terrorists. This gives a focus for the Russian public, to hate the 'enemy' and rally behind their country.

Throughout the headlines and the news stories Russian losses are not thoroughly addressed. News of Russian casualties is bad for domestic morale, consequently the issue is taboo and is touched on in a superficial manner. Bad news has been altered, in a manner which is similar to what occurred in the Gulf War. <sup>213</sup>

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<sup>211</sup> Emma Gray's report, *Putin's Media War* ( 27/3/2000 ), is located on the Committee for the Protection of Journalists website ( [www.cpj.org](http://www.cpj.org) ).

<sup>212</sup> Ibid.

<sup>213</sup> Bad news from the Gulf War, such as casualties to 'friendly fire' have only surfaced some time after

Another theme which arises from an assessment of the news headlines is the highlighting of Russian military successes. Results on the battlefield maintain a measure of public support, even if these efforts exaggerated. When the news of the bloodbath which occurred with the attempted storming of Grozny in the First Chechen War, the Russian public was shocked by the setback and soon began to withdraw some support for the war.

A selection of headlines over the period of January 25 - January 26, 2001 are as follows;

- Federals detain two rebels trying to set off a landmine in Chechnya ( 25/01/2001 ).
- Chechen warlords plan major terrorist act in Nozhai - Yurt district ( 25/01/2001 ).
- Artillery strike kills five rebels, destroys three cars in Chechnya ( 26/01/2001 ).
- Terrorist planting landmine killed near Fed commant point in Grozny ( 26/01/2001 ).

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In an earlier quote from *Interfax*, First Deputy Press Minister Seslavinsky said that the government "will consider it a violation of the law on the 'Combat of Terrorism' if the Russian media provides a vehicle for the views of Chechen terrorist leaders."<sup>215</sup> This small quote provides an example of the vilifying process of the Chechens. By analysing this statement, several themes emerge, about the picture of the conflict as told by the Russian state.

- To write something that does not agree with the government standpoint is illegal, by violating the 'Combat of Terrorism' laws. A country with laws is a 'civilised' and ordered society, the law provides a measure of legitimacy. Here, the implication is that the Chechen state is lawless ( therefore the Chechen state is illegitimate ).
- Articles which contradict the Kremlin's position are likely to be propaganda from the Chechen leadership. A conclusion drawn from this can be the Russian government is merely trying to inform readers of the 'real' situation, information gained from Chechen sources is unreliable because of the 'propaganda' factor.
- The Chechen leadership is illegitimate because they are terrorists and not a formal nation with a legitimately formed government ( such as Russia ).

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the war. During the conflict, such images or news was censored out of the headlines.  
<sup>214</sup> News headlines taken from [www.militarynews.ru](http://www.militarynews.ru) on January 28, 2001.

<sup>215</sup> See page 65, for the fuller version of this quote.

In the case where a complete fabrication of the truth occurred, in the newspaper *Komsomolskaya Pravda* on 18 March, 2000. The paper claimed that the article written was from an interview with Aslan Maskhadov, the Chechen President. Tracts from the article included such phrases as; "Aslan Maskhadov threatens new diversions and a protracted war," "but he spoke on the telephone with a komsomolka reporter from a mountain cave, into which he was chased by our troops ( see footnote 187 for further detail)."

These two sentences have highly charged and emotive connotations. Some different meanings or messages can be derived from the above extract from *Komsomolskaya Pravda*.

- Although non-specific about the exact nature of the threatened 'new diversions,' the implication is that there will be a renewed campaign of terror against civilian targets. By using this threat, most civilians would want to avoid a repeat of the apartment bombing campaign at almost any cost.
- The reference to a protracted war gives the reader an impression that the Chechen leadership needs to be eliminated, because they are fanatics and will stop at nothing in order to achieve their ends. This desire for war seems to be an irrational desire, the implication is that it is not possible to rationalise with people of such a mindset.
- By using the reference to the Chechen leader hiding in a cave, the resulting imagery is that the Chechen leadership is cowardly. The other side of the *dualist* coin portrays the Russian forces as courageous and competent in what they are doing ( because they have cornered the Chechen leader ).

Newspaper articles and TV news bulletins such as these may be considered to be designed to create a polar image of the opposing sides in the Chechen conflict. The language used by the media is very specific and charged with connotations.

It seems as though the main purpose of this form of public manipulation is to create a mentality of 'us versus them' which would unite the population towards a single goal.<sup>216</sup> There was, and still appears to be some discontent at the current standard of living conditions in the Russian Federation. The 'miracle' of capitalism still has not occurred for many. The concept of creating a war to distract a dissatisfied populace's attention is not

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<sup>216</sup> To defend the Russian state and thus themselves from a 'common' enemy, the Chechens ( who want to destroy them ).

a new tactic, in Shakespeare's Henry V a war was waged in France 'to busy giddy minds.'

### 4.3 Chapter Findings

Chechnya has proved to have been a serious blow for the maintenance of the media's freedom of speech. The Kremlin has had a lot invested in this conflict. Results of the First Chechen War ( 1994 - 96 ) proved to be a costly and embarrassing military and political failure for the Yeltsin regime. A consequence of the failure of First Chechen War was an openly hostile attitude of governmental representatives ( military, police and other bureaucrats ) toward the media. Media were perceived as 'the enemy,' because they 'betrayed' the state by the content of media reports.

The Second Chechen War ( 1998 - ) was used by the outgoing Yeltsin regime to raise the political popularity and profile of their chosen successor. Vladimir Putin was made to be seen as an energetic man, a man of action and willing to enforce the rule of law. This gave him an advantage over his political rivals by bestowing the attributes of a strong leader on Putin and shutting his political rivals from media publicity.

Throughout the conflict, the Kremlin has sought to act in the role as the gatekeeper of all information flowing into and out of Chechnya. It has been their desire ( the government's ) to not have a repeat of the 1994 - 96 conflict, where a loss of public support was attributed to graphic media coverage of Russian operations.

A study by the Russian military of how the media were handled by the military in the 1991 Gulf War and by NATO in the 1998 Kosovo Crisis was undertaken. Some of these methods employed in the Gulf War and Kosovo operations were copied by the Russian Forces.

- Access to the battlefield was restricted by the use of journalist pools. Journalists were not to enter the area of operations for reasons of personal safety. Access to where the fighting was occurring was by military transport only, therefore journalists needed to be on good terms with the military if they were to be granted access.
- Press conferences were held by military officials to disseminate information. However, the dissemination of this information was very much on the military's terms. These conferences provided the opportunity for officials to 'streamline' information, that is to control which information is released and which information is kept from the media.



Russia's stranglehold on the diffusion of information has been less effective than in the NATO and UN conducted operations. An important reason for this is the corruptibility of forces deployed in Chechnya. Some journalists claim to have circumvented the government imposed restrictions by bribing soldiers or police.

Journalists or media organisations which break the government's wishes are subjected to various forms of sanctions. One of the more common sanctions is to refuse entry to the area of operations by either not granting accreditation or removing the transgressor from the journalists pool ( as happened to *NTV* ). Some journalists have complained about being harassed by tax inspectors and the police, who have tried to 'persuade' the media organisation to drop certain topics or stories.

The pressure for media organisations to conform to the government's expectations is immense. Some responses to this pressure have begun to emerge. Most of the Russian media groups ( private and state owned ) have bent to the pressure. *Media-Most* is a notable exception, and has been subjected to unprecedented government scrutiny on every facet of its operations.

*Komsomolskaya Pravda's* article of 18 March, 2000 proved to be pure fiction. This is an indicator of the lengths the media will go to in order to appease the Kremlin. Another method of trying to avoid the government's wrath has been to quote 'bad news' from other media sources ( normally Western media sources ).

## CHAPTER V: MEDIA PARTICIPATION IN THE RUSSIAN ELECTIONS

### 5.0 Chapter Objectives

Electoral periods have become a time where greater than normal suppression of the freedom of the press occurs. Politicians are eager to stay in power, and will use the media to help them achieve this end.

The main objectives of this chapter are to establish that a collusion has existed between the media ( both privately and state owned ) and the Russian government. At first, the media was not coerced by threats from the Kremlin, but acted in partnership with the government in the 1996 presidential elections.

State owned media have been obliged to do as the Kremlin tells them, and will suffer the consequences if they do not or if the government performs poorly in the elections. Political control over the state media has been absolute, the state media are often subjected to political interference. Appointments of high ranking state media officials are made with political motivation.

The state owned media were not initially ( under the Yeltsin regime ) under these pressures, yet they still did as the Kremlin requested. I shall examine some of the motivation behind this co-operation. Help given by the private media, via the owners ( the oligarchs ) came at a price. This early co-operation may have triggered some expectations on the part of the government about future dealings.

Some of the leading figures in the contemporary Russian media ( state media ) hierarchy owe their current status by rendering help to Yeltsin's campaign. Among this new set of bureaucrats is Mikhail Lesin, whose allegiance to the state is unshakable. His rise to his current position as the press minister will be put into the wider context.

By the time of the 1999/2000 elections, the cordial alliance between the government and the privately owned media was partly broken. Gusinsky's media empire had attracted the attention of the state bureaucrats by their exposes on government corruption and the situation in Chechnya.

The results of the 2000 presidential elections was critical for Yeltsin, who wanted to protect the legacy of his years of rule by being able to determine his successor. Putin's rapid ascendancy in Russia's political scene was a surprise for some.

Various tactics were used in both the 1996 and 2000 elections to marginalise the political opposition. I will endeavour to describe some of the tactics used by the political parties in their quest for public office.

### 5.1 The Oligarch / Government Partnership In The 1996 Elections

Iosif Dzialoshinsky, a professor in Moscow University's journalism faculty, says that business and politics are related. He also states that "control over powerful media outlets is needed in order to gain political influence. [...] this is true for Moscow based, national media outlets, as well as for regional media throughout the country."<sup>217</sup>

The co-operation between the oligarchs and the Kremlin in a mutually beneficial partnership was evident in the 1996 presidential elections. The incumbent, President Yeltsin was facing a loss to the Communist Party candidate Gennady Zyganov. Such a loss would threaten both the established political order and the oligarchs business interests, as a consequence they united against the threat.

During the lead-up to the 1996 presidential elections, Yeltsin needed a miracle to avoid a loss to the communists. Opinion polls prior to the election gave Yeltsin single digit approval ratings, some Russian journalists openly mocked his chances at re-election.<sup>218</sup> Yeltsin asked for the help of the oligarchs who controlled the main media outlets. The oligarchs expected something in return for their help. Financial resources were amalgamated and a twin strategy unfolded.

Anatoly Chubais ( head of the President's electoral team ) worked with the media magnates to give Yeltsin favourable coverage and to marginalise political opposition. The strategy worked, Yeltsin was re-elected as Russia's President.

Gusinsky's right hand man from *NTV*, Igor Malashenko of *NTV* admitted during an interview in early 1996 that the political and economic interests which back *NTV* ( including himself ) were against a communist victory.<sup>219</sup> Malashenko was given the job as an advisor on Yeltsin's team. His feelings about a potential election victory by the Communists seem to typify big business mentality. He hinted that if the private media gave "unbiased, professional and objective" campaign coverage, the Communists would win the election. Rationalising further, Malashenko felt that a Communist victory

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<sup>217</sup>[www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html](http://www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html)

<sup>218</sup>Belin, L., 'Owners attracted by power of media,' *Politicisation and Self-censorship in the Russian Media*, Radio Free Europe / Radio Liberty, November 1997.

[www.rferl.org/nca/special/rumediapaper/owners.html](http://www.rferl.org/nca/special/rumediapaper/owners.html), 1 March, 2000.

<sup>219</sup>[www.internews.ru/books/media1999/54.html](http://www.internews.ru/books/media1999/54.html), op. cit.

would erode media freedom permanently. For this reason, it was preferable to be a short-lived “instrument of propaganda” for the Kremlin.<sup>220</sup>

A striking change in the coverage of Yeltsin by the private media. Criticism of Yeltsin all but disappeared from the media. His promises to end the First Chechen War and pay wage arrears were not treated with the usual skepticism. Whilst Yeltsin's coverage by the media was favourable, the Communists were consistently subjected to 'black' PR. For instance, Zyganov's coverage was often associated with Viktor Anpilov, a radical figure ( and marginal ) in the Communist party. The media showed both Zyganov and Yeltsin to the public, how the Kremlin wanted them to be viewed. An example in the election which clearly demonstrates the extent to which the media were prepared to go in exercising censorship, *Russian Public Television Network* refused to air Zyganov's final campaign advertisement.<sup>221</sup>

During the period from February to June 1996, the media began a campaign to marginalise Yeltsin's political opponents. This was done by creating a perception that the election was to be a two-way contest between Yeltsin and Zyganov, everyone else were removed from the political picture. By engaging in this strategy, the Kremlin was able to hold up Yeltsin as the only barrier to Russia returning to communism.<sup>222</sup>

In the final two weeks prior to the first round of the presidential elections, in early June 1996, a barrage of favourable coverage for Aleksandr Lebed circulated through the media. Lebed is a retired General and was a presidential candidate. In a secret deal he made with Yeltsin, he had pledged to give his support to Yeltsin. The deal entailed Lebed withdrawing after the first round of voting and putting his support behind Yeltsin. Lebed also engaged in an anti-Communist election campaign strategy.<sup>223</sup> This brokered deal certainly worked to Yeltsin's advantage.

The media message in between the two rounds of voting was to “vote or lose.” A grim picture was broadcast to the viewing public of communists returning to power if the voter turnout fell below 60%.<sup>224</sup>

After the election victory, Yeltsin's main supporters were rewarded for their efforts and achieved considerable political influence. Vladimir Potanin and Boris Berezovsky

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<sup>220</sup> [www.rferl.org/nca/special/rumediapaper/owners.html](http://www.rferl.org/nca/special/rumediapaper/owners.html), op. cit.

<sup>221</sup> Ibid.

<sup>222</sup> Ibid.

<sup>223</sup> Ibid.

<sup>224</sup> Ibid.

were given governmental posts. *NTV* ( Vladimir Gusinsky ) was given permission to broadcast 24 hours on a nationwide basis, just 24 hours after Yeltsin's victory.<sup>225</sup>

Some of today's business and public figures owe their rise to power as a result of aiding in Yeltsin's 1996 election campaign. One of the more contentious public figures to gain power and influence was Mikhail Lesin. Lesin was one of the founders of an advertising agency called *Video International*, which was responsible for the production of Yeltsin's campaign commercials. His reward was to be appointed as First Deputy Chairman of the state owned Russian Television network.<sup>226</sup> Since then he has been acting as the guardian of the Kremlin's interests, firstly influencing content on the state controlled media. More recently, he was appointed the minister of the press, extending his influence to the management of the privately owned media as well.

Political and economic interests had combined on this occasion due to the threat of a communist victory. A communist victory in the presidential elections could have serious repercussions on the interests of the incumbent political and economic elite. The oligarchs did not co-operate solely for the 'good' of the country or because of the rewards that Yeltsin offered them, but the threat to their interests if Gennady Zyganov was elected President. There was a real possibility of the re-nationalisation of privatised state assets. The main lesson of the conduct of the 1996 presidential election campaign was very clear. When handled correctly and effectively, the media can be a very powerful tool for manipulating public opinion. Prospective owners, i.e. the oligarchs, the potential power of the mass media is a major drawcard.

## 5.2 The December 1999 And March 2000 Elections

The pre-election coverage by the Russian media, leading to the December *Duma* and March presidential vote, a nasty campaign was waged against the Kremlin's opponents. The opposition had to contend with such issues as being shut out of publicity and where *kompromat* ( smear attacks ) were freely used. Strict government controls on political reporting and advertising has caused some media organisations to come into conflict with the Press Ministry and the Central Elections Committee. The stringent rules regarding political reporting put a gag on this news until after the election.

Analysts from the European Institute for the Media ( EIM ) had assessed that nearly half of the television news coverage was spent showing Putin. 48% of the coverage

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<sup>225</sup>[www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html](http://www.rferl.org/nca/features/1997/09/F.RU.9709261152044.html), op. cit.

<sup>226</sup>Belin, L., '*Media Squeezed by Market Realities, Politicisation and Self-Censorship in the Russian Media*, Radio Free Europe / Radio Liberty, November 1997.  
[www.rferl.org/nca/special/rumediapaper/media.html](http://www.rferl.org/nca/special/rumediapaper/media.html), 1 March, 2000.

was given to showing Putin, Zyuganov, Yavlinsky and Zhirinovskiy each gained approximately 10% coverage. From March 2 until March 21, 2000, EIM collated data from all television and print media. They found that Putin received 33% national television coverage, compared to around 10% each from the other leading political contenders.<sup>227</sup>

EIM identified the partly state owned television stations *RTR* and *ORT* ( Berezovsky also has a large share ) as being the most biased in favour of the Kremlin's choice.<sup>228</sup>

On Sunday March 26, 2000, Putin said "I want to point out that the Communists achieved that level ( 30% of vote ) even though - let us be direct and honest about this - they did not have that many opportunities in the media, especially electronic media."<sup>229</sup> This brief statement by Putin lends support to the notion that other candidates in the election were 'shut-out' in a deliberate attempt to minimise any opposition that the Kremlin may have faced. The Kremlin's pressure was not merely restricted to shutting the opposition out from media coverage, there was another more insidious method used. The use of *Kompromat*, a smear campaign against their opponents and carried out by *ORT* especially. *ORT* waged a ruinous campaign against Yavlinsky. On March 23, 2000, there were three separate reports which attacked Yavlinsky. Among the accusations, *ORT* has claimed that Yavlinsky has illegally taken money from foreign backers, which has been denied. In Russia's relatively conservative society, homophobia and anti-Semitism exist. *ORT* exploited these prejudices, and showed groups of Jews and homosexuals voicing their support for Yavlinsky.<sup>230</sup> Yavlinsky had a poor performance at the polls and was only able to gain less than 6% of the vote.

Attention was not focused solely on Yavlinsky. Primakov and Luzhkov, as serious contenders were also the subject of a smear campaign. Luzhkov was portrayed as a corrupt murderer, and Primakov as a frail has-been by prime-time broadcasts.<sup>231</sup> Dorenko, a reporter from *ORT* was particularly savage in his attacks on Luzhkov. Claims made by Dorenko about Luzhkov bordered on the ridiculous, but destroyed his reputation none the less. Dorenko's claims included Luzhkov sympathising with the Scientologists, lied about helping a children's hospital, had been involved in a dubious real-estate transaction in Marbella, Spain, murdered an American businessman and some further allegations. Luzhkov responded by suing Dorenko for libel, and won. The loss did not silence Dorenko though, he claimed moral victory and

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<sup>227</sup> Reuters, *European Monitors Say Russia Media Biased for Putin*, 27 March, 2000.  
[www.russiatoday.com/news.php3?id=146240](http://www.russiatoday.com/news.php3?id=146240), 28 March, 2000.

<sup>228</sup> *ibid.*

<sup>229</sup> *ibid.*

<sup>230</sup> *ibid.*

<sup>231</sup> Gentleman, A., *Back to the USSR*, The Guardian, May 29, 2000.

began using computer graphics to morph Luzhkov into Mussolini and Monica Lewinsky with pearls.<sup>232</sup>

EIM noted a third tactic employed by the government in suppressing their political opposition. Some media ( media organisations not named ) had said that the government had pressured them into making as little criticism of Putin as possible. This was done with the threat of using such financial measures as increasing broadcasting costs or calling in loans from banks that were partly state-owned.<sup>233</sup>

An example of a financial pressure employed by the government against a private media organisation was tried against *TV Tsentr*, owned by Moscow's mayor Yuri Luzhkov. *TV Tsentr* received two warnings from the Press Ministry during the December parliamentary election campaign for coverage, the station allegedly broke the election law. Under the law the consequence is that the station loses its broadcasting licence, which is put up for tender. A legal challenge by *TV Tsentr* resulted in one of the warnings being declared invalid.<sup>234</sup>

The newly created Press Ministry has been a powerful tool in the Kremlin's attempts to quell media independence. The ministry has broad powers that enable it to regulate the press. Publishing licences were due for renewal in March 2000, which happened to coincide with the presidential elections, a fact that was not lost on the media. In addition to the fear of not having their licences renewed, the press can have their licences revoked at any time by the Press Ministry.<sup>235</sup> As Mikhail Berger, *Segodnya's* editor rightly observes, "the Press Ministry will be no more than an instrument of the Kremlin. The ministry can use blackmail or revoke licences."<sup>236</sup>

At the same time as the Kremlin smeared its political opposition with black PR, they were also very careful to cover their own tracks of any wrongdoing. *Novaya Gazeta* was to publish several articles in March 2000. These stories involved allegations of large campaign finance violations by Yeltsin in 1996 and Putin in 2000. However, prior to the publication of these articles, unidentified hackers broke into the paper's computer system and deleted the entire issue. The paper was delayed from publishing the stories.<sup>237</sup>

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<sup>232</sup>*Russia's Kiselyov on Freedom of Press, Speech: Comment*, op. cit.

<sup>233</sup>[www.russiatoday.com/news.php3?=146240](http://www.russiatoday.com/news.php3?=146240), op. cit.

<sup>234</sup>Steen, M., *Moscow TV Cries Foul on Free Speech in Permit Row*, Reuters, May 19, 2000.

<sup>235</sup>Lagnado, A., *Yeltsin Curbs Media During Run-up to Poll*, The Telegraph, 25 July, 1999.  
[www.telegraph.co.uk/et?ac=000659276559150&rtmo=quKKpMX9&atm...wrus.htm](http://www.telegraph.co.uk/et?ac=000659276559150&rtmo=quKKpMX9&atm...wrus.htm), 29 February, 2000.

<sup>236</sup>*Ibid.*

<sup>237</sup>Saunders, P. J., *Reality Check: Russia's Unfree Press*, The Nixon Centre newsletter, April 29, 2000.

The results of the concerted smear attack, launched by the Kremlin through the media ( especially through the use of television ) had the designed effect. Putin, who polled at 2% at the beginning of the campaign achieved a 53% share of the vote.<sup>238</sup> Dorenko referred to reports that blamed him for the political demise of Luzhkov and Primakov in the presidential elections. Luzhkov and Primakov also connect Dorenko and the Kremlin inspired smear campaign as reasons for withdrawing from the presidential race.<sup>239</sup>

Lesin, the press minister reinforced the lockout of the media being able to report on candidates, under the election laws. He said that "the mass media basically have no right to even mention the name of any candidate or party."<sup>240</sup>

Alexander Veshnyakov, head of the Central Elections Committee delivered a threat regarding the reporting of political parties and candidates. He noted that it was permissible for candidates to campaign, but any reporting or editorializing of candidates ( negatively or positively ) by media may be construed as campaigning. And as such, those that did the report are at risk of being closed down. *Channel 1* invited Veshnyakov for an on air interview. During the interview a question was asked, was it allowed to report if a candidate stole a wallet. The answer was no that information cannot be reported, because that person was a candidate.<sup>241</sup>

Bearing in mind the case of slander involving Dorenko, the law is broken. Apart from the court case, when a successful lawsuit was filed against Dorenko, no other legal repercussions resulted. It would appear as though the law is not applied equally. Pro-Kremlin communications are tolerated and given an unofficial sanction by the authorities.

### 5.3 Chapter Findings

Initially the private media supported the Yeltsin regime. This Kremlin/media partnership in the 1996 elections was a mutually beneficial arrangement. By maintaining the political status quo Yeltsin retained his position as the President of the Russian Federation and the media ( represented by the owners of the media, the oligarchs ) had a sympathetic hearing with the President.

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<sup>238</sup>Gentleman, A., *Back to the USSR*, The Guardian, May 29, 2000.

<sup>239</sup>LaFraniere, S., *Russian Media Fear for Their Independence*, Washington Post, p. 19, 21 February, 2000.

[www.washingtonpost.com/wp-srv/WPlate/2000-02/21/0941-022100-idx.html](http://www.washingtonpost.com/wp-srv/WPlate/2000-02/21/0941-022100-idx.html), 29 February, 2000.

<sup>240</sup>*Russia's Kiselyov on Freedom of Press, Speech: Comment*, op. cit.

<sup>241</sup>Ibid.



Other considerations entered this arrangement as well. *NTV's* Malashenko stated that he did not wish to see a resurgence of Communism. The owners of the private media organisations saw a threat to their assets if the Communists were to regain power, through the renationalisation of privatised state assets.

When the oligarchs agreed to help the Yeltsin regime, they were offered financial inducements and access to the government's resources ( including soon to be privatised state enterprises ). Gusinsky received licensing and broadcasting concessions for his media network. Berezovsky and Potanin were granted governmental posts for their services.

The strategy used by the press in the 1996 presidential elections employed two main methods of minimising political opposition to Yeltsin. The first method was to cover Yeltsin in a favourable manner and to broadcast only limited coverage of the political opposition. By employing this method the public are saturated by positive images of Yeltsin. On the other hand, the few images of the opposition which are shown are in a negative light. Theoretically this would create a 'black and white' picture in the voters minds, that Yeltsin would be the only 'realistic' choice, given the alternative choices.

The tactic of narrowing the race for the presidency to a choice between two candidates, in the public's mind paid dividends. What had begun as a multi-party election soon saw a shrinking support for the other parties. This made the second part of the plan easier, to create an image of good and bad. Although Yeltsin did not win in the first round of elections, he did eventually win. Initial polls immediately prior to the elections rated Yeltsin's public support in single digits, which did not bode well for his political future.

A change occurred in the conduct of the 1999/2000 elections. During these elections a two pronged strategy to 'neutralise' political opposition was used. Analysis of media coverage of the participating politicians by agencies such as EIM, revealed that the opposition were all but shut out from the media. Information concerning Putin ( usually favourable ) was prevalent, this coverage even was even greater in television coverage.

*Kompromat* was widely used, as the second element in the recent elections. The war of words was waged on an attritional basis. Whoever suffered the least damage to their image would be the winner. In this respect, it would be useful to own or have sympathetic media to defend ones own position and to spread *kompromat* against the opposition. The government had the best access to the media, through either direct ownership ( state owned media ) or sympathetic media.

Luzhkov and Primakov had limited access to media assets through *TV Tsentr* ( owned by Luzhkov ). Other politicians such as Yavlinsky did not have such access. Putin's political opponents had a greatly inferior media platform with which to defend their positions and attack the government's weaknesses.

Top ranking bureaucrats have shown a willingness to protect their political patron. Both Lesin and Veshnyakov have made comments to the effect that they are ready and predisposed toward gagging the media during the elections. It is in the interests of these bureaucrats to do this, because as long as their patrons are in power they have a measure of job security. Their leverage lies in the ability to remove publishing or broadcasting licences and enacting the letter of the law ( Electoral law ).

## CHAPTER VI: OTHER EVENTS WHICH HAVE INFLUENCED MEDIA DIRECTION

### 6.0 Chapter Objectives

It is the intention of this chapter to raise a series of issues which have had an impact on how the media operate in society and thus affects the media's functions. A shift in the underlying philosophy has been occurring in the contemporary Russian media since gaining a measure of independence from state interference. There has been a gradual shift from a model based closely on the Libertarian model, back to a mixture between a Soviet and Authoritarian model.

State-owned media have been closely watched and controlled by the political leadership of the Russian Federation. Since 1996 this control has increasingly begun to extend to the privately-owned media as well. New laws, political interference, intimidation and the use of other leverage have combined to put pressure on the media's editorial independence.

The pressure does not appear to be evenly applied across Russia. Russia's regional press seem to be under greater pressure than their counterparts in the major cities, such as Moscow. There are several journalist rights groups based in Moscow, which do not exist in some of the far flung republics.

State censorship seems to be on the return, accelerating with Putin's rise to the presidency. The state apparatus such as the police, tax department, armed forces and FSB to name a few, are more than willing to aid in the task of reigning in the press.

The introduction of this censorship began slowly. Beginning with an abortive attempt to introduce the morality bill ( which was said to be designed to protect the moral well-being of Russians ) and the measures to combat terrorism at the outbreak of hostilities in Chechnya ( 1998 ). At first the government blamed the foreign press and their influence, but has since began to subdue Russian media organisations, such as *Media-Most*.

Critical Enlightenment theory goes some way toward explaining the current struggle between the media and the Kremlin. The theory analyses power play between groups in a given society, assuming that privileged groups have an interest in maintaining the status quo to protect their advantages. In the present day situation the oligarchs represent the old power structure ( Yeltsin and the Family ) and Putin is a new power structure. As Putin threatened to destroy the oligarchs as a class, he has threatened the existence ( and privileges ) of the existing power structure. The old power structure owns a large portion of the privately owned media and use this asset to try and defend

their position by attempting to mobilise public support through the use of political communication.

Putin has mobilised 'friendly' media assets to communicate his response to the claim that he is trying to reintroduce censorship. He has consistently claimed that he supports a free media, and by breaking the oligarchs hold on power will return the media to a true form of freedom, devoid of the oligarchs interference. *Vremya MN* has supported this view in an article.

Some politicians and government departments have established their own media organisations. These media organisations are built for a specific purpose, to be the 'mouthpiece' of their creator and owner. Information which contradicts their patron is either discarded or altered. Two enterprises that fit into this category are *Vremya MN*, established by the Russian Central Bank and *TV Tsentr*, which was established by Moscow's mayor Yuri Luzhkov.

Modern forms of media communication have not escaped the attention of the Kremlin. The internet, although in existence on only a small scale at present has had special measures enacted to try and control the flow of information.<sup>242</sup> In addition to trying to control the internet, the government, via Gleb Pavlovsky ( a senior media advisor to the Kremlin ) has begun to establish a network of websites ( [www.strana.ru](http://www.strana.ru) for example ) to spread the government's point of view.

## 6.1 Media in transition

With the erosion and eventual collapse of communist power, a new and uncertain era began. During this transitional stage, there were no set rules and laws to observe. This ensured that a period of instability began. The nature of the press was dramatically altered. In *Post-Communism and the Media in Eastern Europe*, this sentiment is clearly expressed. "But the expansion of press freedom took place in a period of real transition, where old rules had lost their legitimacy and new ones had not yet been promulgated to take their place. Openness also created the means by which old hatreds could be publicly expressed."<sup>243</sup>

The Russian media is still undergoing a period of transition, in terms of ownership, identity and laws currently being promulgated to regulate the industry. Where there once was a power vacuum, there now exist several strong financial empires and few

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<sup>242</sup>Polls from news bulletins on Johnson's Russia List, put the internet usage rate at approximately 13% of the Russian population.

<sup>243</sup>O'Neil, op. cit., p. 2

media bodies fall outside this net. Federal measures being considered are in some ways draconian, in order to curb the excesses of what happened to the standard of journalism following the Soviet collapse.

Readers of the newspapers are starting to lose confidence in the partiality and independence of what they read, according to some in the industry. Irina Petrovskaya, a TV critic with *Izvestia* newspaper, in an interview expressed this public lack of confidence. "The mass media themselves, unfortunately, tried to discredit themselves in the eyes of the public. And no one believes in any noble, unselfish motives any longer. It seems to everyone that behind the actions of any particular mass medium lies some corporate, commercial, or political interest."<sup>244</sup>

The legacy of the communist past still exerts an influence on the media. During the upheaval of the period of *glasnost* and *perestroika*, to the 1991 coup and the hasty collapse of Soviet power the past was discarded almost overnight. Journalists, as was society in general, guided by a strict set of principles. The Marxist - Leninist doctrine, by which the media operated was all of a sudden discarded without having a doctrine absorbed to fill the vacuum. McNair states that some of the Soviet doctrine has been carried through into the present: "The audience is used to, and still expects, journalists to be politically committed propagandists. The media in Russia continue to be associated with the manipulation of public opinion, rather than its formation, and with private interests, rather than public service."<sup>245</sup>

In another incident which highlights the apparent decline in the independence of the Russian media, was the resignation of Oleg Dobrodeyev from *NTV* in January 2000.

Dobrodeyev was a co-founder and Director of *NTV*. His reason for departure was unclear, apart from his unease regarding the direction that journalism was taking. He is widely renowned in Russia as a strong upholder of a professional and balanced journalism. And prior to his departure from the station, was pushing for a more critical coverage of the latest Chechen campaign, which is where he came into conflict with Gusinsky.

In the period immediately prior to his departure from *NTV*, Oleg Dobrodeyev had expressed some concern over the decline in the standards of journalism. His response to the media coverage of the 1999 State Duma elections was scathing. "All television

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<sup>244</sup>*Freedom of Speech and Andrei Babitsky*, *Chetvertaya Vlast*, No. 103, 12 February, 2000. [www.internews.ru/crisis/babitsky.html](http://www.internews.ru/crisis/babitsky.html), 24 February, 2000.

<sup>245</sup>Curran & Park, op. cit., p. 91, quoted from McNair, B., *Power, Profit, Corruption, and Lies: The Russian Media in the 1990's*, Chapter 6.

channels,” says Dobrodeyev, came out of this election campaign with huge losses to their reputations.”<sup>246</sup>

President Yeltsin had a reputation of holding the ideal of a free press in high regard, that he was a champion of the freedom of speech because he did not allow the bullying of the press by anyone in his administration. This is essentially true, with regard to the Yeltsin government’s relationship with private media organisations. However, his administration’s record with the state owned media organisations showed a less tolerant approach.

Yeltsin often interfered with the top positions of the state owned media organisations. His interference coincided with elections in the Russian Federation.

For Example, on December 16, 1993, four days elections, Vyacheslav Bragin was dismissed by Yeltsin.<sup>247</sup> Bragin was the chairman of *Ostankino* ( then named Russian State Television and Radio Company ). Yeltsin was disappointed with the poll results and it seems as though Bragin, as the head of the state media, took the blame.

A similar incident took place after the parliamentary elections and after Yeltsin announced his candidacy for a second term of office in 1996. On February 15, 1996 Yeltsin sacked Oleg Poptsov the President of *RTR* ( Russian State Television ). *RTR* was accused of lying and focusing on negative news, such as highlighting atrocities in Chechnya and overstating economic hardships.<sup>248</sup> As outlined elsewhere in the thesis, the 1996 elections were almost lost by Yeltsin and he required the full co-operation of the press to boost his image and chances of re-election. After Poptsov’s removal, Yeltsin invited *NTV* President Igor Malashenko to join his team of media consultants. This alliance held at least two tangible benefits for Yeltsin. Firstly he aligned himself with an independent television network and secondly, this union meant that Yeltsin had the backing of *Most* group behind him.

## 6.2 The Governments Role

During the Soviet era the government’s role with regard to the media was clearly defined. With the emergence of the modern Russian state, the new role has been to uphold the new constitution. There are however ‘grey areas’ and there are attempts to

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<sup>246</sup>Zolotov Jr., A., *NTV Chief Leaves Post Without Explanation*, The Moscow Times, 21 January, 2000. [www.internews.ru/crisis/ntvchief.html](http://www.internews.ru/crisis/ntvchief.html), 24 January, 2000.

<sup>247</sup>*Russian Financial Empires: Most*, RFE/RL, January 1998. [www.rferl.org/nca/special/rufinance/most.html](http://www.rferl.org/nca/special/rufinance/most.html), 4 March, 2000.

<sup>248</sup>[www.internews.ru/books/media1999/56.html](http://www.internews.ru/books/media1999/56.html)

increase parliamentary power at the cost of individual freedom. There is an increasing use of emergency powers, which places limits upon personal freedom. Such as in the 'battle against terrorism,' the government has made a concerted attempt to gag the media from giving any alternative views from the official version of the continuing conflict in Chechnya. During July 1999 a new ministry was created, the Press Ministry. A cause of concern for those in the media industry.

It would not be an exaggeration to say, that the Russian mass media is under threat from the interests of both the government and big business ( the oligarchs ). Freedom of speech is slowly being suppressed by these interests. This sentiment is backed by those in the media industry and human rights activists. The former military affairs editor for *Moskovskiye Novosti*, Colonel Alexander Zhilin ( retired ) expressed his sentiment as to whom controls the press now. "Before it was controlled by the communists; and now it is controlled by the oligarchs."<sup>249</sup>

Yelena Bonner, widow of Andrei Sakharov, expressed her concerns about the future of the media in an open letter to the press in March 2000. In this letter she wrote, "Almost all of the newspapers and television companies are under the control of the Family and other corrupt power-brokers, which ensures a censor-like guidance of the mass media in the interest of those authorities."<sup>250</sup>

Andrew Kramer's article ( '*Russian Journalists Name Enemies of the Press,*' Associated Press, July 5, 2000 ) highlighted the Russian Union of Journalists concerns. A list naming the 'enemies of the press' was made public, Mikhail Lesin was at the top, Vladimir Putin and Vladimir Ustinov ( the prosecutor general ) were tied in second place. Although it is recognised that the oligarchs have some actions to answer for, the journalist rights groups appear to apportion more blame to the politicians.

Pressures on the freedom of the press have led to a self-imposed censorship, which is especially evident with the 'purpose-built' media. Those who have tried to prevent stories exposing corruption or other dubious deals use a variety of means.

### 6.3 Bureaucratic Interference

The Russian government has used its extensive bureaucratic system as a means of controlling the media. There has been an increase in the creation of punitive laws and government agencies with wide sweeping powers that can cause a lot of trouble when

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<sup>249</sup>*Russia's Kiselyov on Freedom of Press*, op. cit.

<sup>250</sup>*Ibid.* Bonner's euphemism 'Family' means Yeltsin and his circle of close friends and relatives, involved in the political life of Russia.

used. New methods of impeding journalists from investigating and writing stories are appearing, these include the use of the court system and denying access to information.

The new Press Ministry was tasked with “working out and implementing state policy on the mass media information technology, advertising and other spheres of the communications industry.”<sup>251</sup> The Ministry has played a critical role in the recent developments of the ‘battle’ between a free press and the Kremlin. Extensive powers at the Press Ministry’s disposal has meant that the balance of power has been tilted in the government’s favour. A particularly feared power is the ability to revoke publishing or broadcasting licences, which effectively shuts down a media organisation.

A new government decree came into force in November 1998, this caused a series of protests from the press community. The new decree would require media organisations to prove that their publications do not in any way endanger people’s health. The Health Ministry demanded to know if a paper’s print is too small, ink too thin or columns too narrow. The ministry claims that some rogue publishers may be causing damage to people’s eyes and staining their hands. Editors and publishers have labeled the move as an act of censorship. Saying that “at best it will simply be used by corrupt bureaucrats to get more bribes, at worst it could be used to close down undesirable papers.”<sup>252</sup>

The Russian Union of Journalists conducted a series of surveys into incidents involving journalists and media/state relations. Regions which had the worst record for media/state relations were named; Moscow, Sverdlovsk, Rostov, Nizhegorod, Krasnoyarsk and Sankt Peterburg were named as the worst in the Russian Federation.<sup>253</sup>

Statistics from the surveys gave the number of incidents which were reported by journalists. The exact definition on the nature of these ‘incidents’ is not defined.

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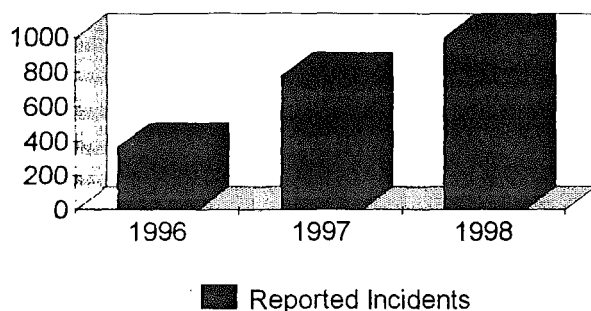
<sup>251</sup>Russia Today, *New Russian Ministry to Oversee Mass Media*, EJC, 8 July, 1999.  
[www.ejc.nl/mn/showresultnews.hmx?3095](http://www.ejc.nl/mn/showresultnews.hmx?3095), 3 April, 2000.

<sup>252</sup>BBC News, *Russian Press ‘Bad for Your Health,’* EJC, 26 November, 1998.  
[www.ejc.nl/mn/showresultnews.hmx?2309](http://www.ejc.nl/mn/showresultnews.hmx?2309), 3 April, 2000.

<sup>253</sup>European Institute for the Media, *Media in the CIS*, 11.4 ‘*Media and the Government,*’ *Internews*, 1999.  
[www.internews.ru/books/media1999/56.html](http://www.internews.ru/books/media1999/56.html), op. cit.



Graph 1: Incidents involving media/state relations



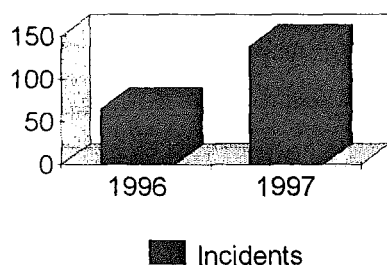
1996: 370 reported incidents  
 1997: 774 reported incidents.  
 1998: more than 1000 reported incidents.<sup>254</sup>

A more detailed analysis of the exact nature and scale of the level of conflict that exists between the media and the state is given. The report, *Media in the CIS - 11.4 Media and the Government* was written by the Russian media watcher Internews. This report named three types of officials who came into conflict with the media.

- (1) Bureaucrats from organs of the executive power and government.
- (2) Officials from state security, armed forces and the courts.
- (3) Officials from the various strata of law enforcement.<sup>255</sup>

An issue of increasing importance is that of denial of access to information by officials. This is a deliberate attempt by government officials to shut out the media from official information. The number of incidents involving officials denying media access to information has also been increasing.

Graph 2: Incidents involving officials denying media access to information



1996: 66 incidents  
 1997: 139 incidents.<sup>256</sup>

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<sup>254</sup>ibid.

<sup>255</sup>ibid.

These incidents can be broken down further, into the exact nature of how the officials deny the information. There are three main ways or means used to achieve the media blackout.

- (1) By denial of access to observe open sessions of government bodies, government businesses, foundations and organisations. In 1996 this made up 63% of the 66 incidents and 32.4% of the 139 incidents in 1997.
- (2) Placing restrictions on the use of recording devices, such as cameras, during open court sessions and open sessions of the state administration.
- (3) Refusing to release information or delaying the release of information for an unreasonable length of time. 7.6% of the 1996 incidents and 20.9% of the 1997 incidents consisted of this type of obstruction.<sup>257</sup>

Accreditation is an issue which is closely associated with the issues that were raised above. The reason for this is an unaccredited journalist is denied access to information more readily than an accredited journalist. As the state is responsible for accrediting journalists it can be easy for an official to refuse a journalist's accreditation if that journalist has written critically of the government in the past. Authorities have started to set some arbitrary conditions which seem to be done to eliminate 'unfriendly' journalists. Some demands made by government officials of journalists undergoing the accreditation process are demanding CV's from journalists, a full list of pseudonyms used and samples of publications from the last two to three years.<sup>258</sup>

In an effort to increase the pressure on journalists, using the issue of accreditation, deputies of the Duma attempted to move on journalists that were critical of the government. In March 1997, the deputies resolved to remove the accreditation of *ORT* journalists, who had according to the deputies, "discredited the activities" of parliament's lower house. This decision was revoked by the Russian Supreme Court, after the ensuing legal battle.<sup>259</sup>

On September 12, 2000, Putin signed into law a national doctrine which establishes the guiding principles on information security. This doctrine was created by the Security Council, one of the aims of this legislation is to ensure that "the Russian and international audience receive truthful information about state policy and official Russian

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<sup>256</sup> *ibid.*

<sup>257</sup> *ibid.*

<sup>258</sup> *ibid.*

<sup>259</sup> *ibid.*

position regarding socially significant events in Russian and international life.”<sup>260</sup> The wording of the doctrine allows for a certain amount of interpretation, this may allow for some government control on the flow of information. Such a doctrine will likely have an impact on the editorial freedom of the private press, and deliver further influence and greater power to the Presidential Press Service and the Ministry of Information.

#### 6.4 The Morality Bill And The Consequences

Until recently, the Russian government tolerated the workings of the press. The Upper and Lower Houses of parliament gave their support to the creation of a new law, the so-called ‘morality law.’ This push was especially strong from the Communist Party, under the leadership of Zyganov. The proposed federal law was the basis with which to form a ‘Higher Council for the defence of morality in television and radio broadcasting in the Russian Federation.’<sup>261</sup> The new council was to be made up of ten members with the right to punish those who violated the law through fines, issuing warnings and recommendations for replacement of channel heads. Although the council was not able to enforce the punishments, it would have been obligatory for the government to do so.<sup>262</sup> In response, the Moscow Media Law and Policy Center deemed the law to be an anti-democratic piece of legislation.

This conclusion was reached on the grounds that “any law must be in unerring compliance with the Constitution. The norms of the law ‘on a Higher Council’ are very similar to certain articles of the Constitution. But to be similar and to be in accordance with are far from being the same thing.”<sup>263</sup> Part 3, Article 55 of the Federal Constitution states with regard to the placing of limitations on the actions of citizens, it is only possible if it is done “with the aim of defending the morality, health, and the rights and legal interests of others.” The first lines of the morality law stipulated that “the freedom of television broadcasting and radio broadcasting can be limited: with the aim of defending the morality, health, and the rights and legal interests of citizens.”<sup>264</sup>

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<sup>260</sup>“*Putin Places Tough Curbs on Media*,” EJC Media News Digest, 13 September, 2000.  
[www.news.ft.com/ft/gx.cgi/ftc?pagename=View&c=Article&cid=FT3ZB1PY1DC&live=true&](http://www.news.ft.com/ft/gx.cgi/ftc?pagename=View&c=Article&cid=FT3ZB1PY1DC&live=true&), 14 September, 2000.

This policy marks a departure from the more ‘relaxed’ frameworks in which the Russian media used to operate in the 1990’s under Yeltsin’s rule.

<sup>261</sup>Moscow Media Law and Policy Centre, *Commentary on a Higher Council for the Defence of Morality in TV and Radio Broadcasting in the Russian Federation*, 5 April, 1999.

[www.internews.ru/e\\_pages/research/commentary.html](http://www.internews.ru/e_pages/research/commentary.html), 5 January, 2000.

<sup>262</sup>*News on Laws: Ethics and Morality Bill, on Mass Media, Control of ORT Shares*, Teleskop No. 6 (146), 17 February, 1999.

[www.internews.ru/crisis/morality.html](http://www.internews.ru/crisis/morality.html), 24 February, 2000.

<sup>263</sup>[www.internews.ru/e\\_pages/research/commentary.html](http://www.internews.ru/e_pages/research/commentary.html), op. cit.

<sup>264</sup>*ibid.*

Another point of contention with the proposed law was the regime of how the fines and penalties were determined. Article 27 of the Constitution sets the parameters of fines clearly, "the fine is established within the parameters of one-tenth to 100 minimum wages." This fine could be increased to 1000 minimum wages in exceptional circumstances and subject to certain criterion and obligations being met first. The fine for breeches of the code of Administrative Violations was to be set at 50, 000 minimum wages.<sup>265</sup> This is clearly an attempt, had the law been passed to create a large, economic deterrent for the government to bring to heel any 'dissenting' elements of the media.

Freedom of expression under the current Constitution is in theory guarded by Article 19 which says that no one may hinder the production of a program and it gives the producer the guarantee that he or she can "perform the activity on the basis of professional independence." The current law on Mass Media lays liability on the program's producers. This liability would have been laid with the broadcaster in the new law.<sup>266</sup> Given the nature and the content of live talk shows, the producer would not be liable for what he directs. This would leave the broadcaster open to any possible abuses (intentional or otherwise) from the actions of the producer.

In effect the Higher Council would have had the power to determine what constitutes the 'interests of citizens.' This free hand would have ended in a free hand to set the ideological and moral standards for what was to be shown in the mass media. Through the use of the notion of taming the 'immoral' nature of the Russian media, the government would have a practically unlimited power to determine what is aired by the media. And to impose draconian measures, that would probably put out of business, anybody that would not conform to the official view. Whatever the pros and cons, the law was vetoed by President Yeltsin on 31st of March, 1999.

## 6.5 Radio Liberty And Andrei Babitsky

*Radio Liberty* has been on the receiving end of a lot of the government's attempts to muzzle the media. Initially established to provide the peoples of Eastern Europe, under Communist rule, a 'free voice' and an account of news and events. *Radio Liberty* has retained its independence and continued to openly state their own opinions, even if it contradicted the government's line. This is how the radio station has come into conflict with the Russian government's administration.

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<sup>265</sup>Ibid. 50,000 minimum wages = 4 million rubles, 1000 minimum wages = 83,000 rubles

<sup>266</sup>Ibid.

Andrei Babitsky began working for *Radio Liberty* approximately ten years ago as a correspondent. This was when local ( Soviet Citizens ) were paid US\$25 to read their stories into Soviet telephone lines for broadcast on short-wave band.<sup>267</sup> Attention from the KGB was the result for some journalists who worked for the station, as was the possible loss of their jobs.

When the Second Chechen War broke out, Babitsky went to cover the events. His coverage did not follow the government version of events, and he soon incurred the wrath of the Russian officials. The *Moscow Times* estimated that Andrei Babitsky was detained on January 16, 2000. The federal authorities however, did not admit this until January 28, 2000. The reasons given for his detention was that Babitsky was allegedly aiding the rebels, and he lacked the proper accreditation.<sup>268</sup> After his detention by the Russian authorities, Babitsky was part of a publicised swap. The swap was Babitsky for two Russian POW's on February 4, 2000. This was shown on Russian TV.

In addition to Babitsky's treatment, *Radio Liberty* has been told to provide the Russian authorities with copies of all of the station's broadcasts in the period from February 15 until March 15, 2000.<sup>269</sup> Mario Corti, head of the Russian service of *Radio Liberty*, said that Babitsky's arrest was a warning to all other journalists working in the country. "They are saying, if you won't report the way we like, the same thing could happen to you. Corti went on to say that "we are getting the impression that programs are being selectively jammed. Especially those where we talk about Babitsky."<sup>270</sup>

The response from journalists, nationally and internationally, was to condemn Russia's actions as a blatant attempt to muzzle the press. One of the points raised was that under international law, civilians ( such as journalists ) should not be treated as prisoners of war.<sup>271</sup> Below are some comments made by leading Moscow newspapers on what happened to Babitsky, and the consequences.

*Kommersant*.

referred to the move as absurd and "an encroachment on free speech."

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<sup>267</sup>Tien, D. R., "*Liberty's Silenced Voice*," *The Moscow Times*, 5 February, 2000.

[www.moscowtimes.ru/05-Feb-2000/stories/story39.html](http://www.moscowtimes.ru/05-Feb-2000/stories/story39.html), 5 February, 2000.

<sup>268</sup>Saradzhyan, S., "*Video Shows Swap of a Grim Babitsky*," *The Moscow Times*, 5 February, 2000.

[www.moscowtimes.ru/05-Feb-2000/stories/story2.html](http://www.moscowtimes.ru/05-Feb-2000/stories/story2.html), 5 February, 2000.

<sup>269</sup>*Radio Liberty Chief Slams "Intimidatory" Chechnya Media Law*, Agence France Presse, 16 March, 2000.

[www.russiatoday.com/news.php3?id=143101](http://www.russiatoday.com/news.php3?id=143101), 17 March, 2000.

<sup>270</sup>Kovalyev, V., *Liberty: Babitsky Silenced for Good*, *The St. Petersburg Times*, 15 February, 2000.

[www.times.spb.ru/current/liberty.html](http://www.times.spb.ru/current/liberty.html), 17 February, 2000.

This incident is reminiscent of oppressive practices of the Soviet times when Soviet dissidents were imprisoned or put into psychiatric hospitals.

<sup>271</sup>[www.moscowtimes.ru/05-Feb-2000/stories/story2.html](http://www.moscowtimes.ru/05-Feb-2000/stories/story2.html), op. cit.

*Nezavisimaya Gazeta:*

the exchange was “a blow to Russia’s international prestige.” And “it is obvious that the initiators of Babitsky’s arrest worked independently and more likely without the sanction of the country’s political leadership.”

*Izvestia:*

called the exchange a brilliant piece of political engineering. “For propaganda purposes - it was genius. If Babitsky does not phone in another couple of days, the Chechens will be blamed. Between the security forces and journalists there has been a long-standing battle. Only now the game has got dangerous.”

*Segodnya:*

“The Kremlin has worked out how to win the information war.” Babitsky was referred to a ‘the Kremlin’s Caucasus prisoner’ ( *Kavkazskii Plennik* ). The newspaper went on to say that the Russian authorities had sentenced the reporter without a trial and had silenced the press. “The authorities say that after the exchange they cannot answer for the journalists fate. That sounds like a sentence.”<sup>272</sup>

Moscow’s press community ( apart from a few ) rallied together to publish a special joint edition of *Obshchaya Gazeta*. This was a similar response to what happened in 1991, when a governmental crackdown on the freedom of the press occurred. The leading statement in the paper, written by the Russian Union of Journalists read “a threat to freedom of speech in Russia has for the first time in the last several years transformed into its open and regular suppression.” And that the Babitsky case is perceived “not as an isolated episode, but almost as a turning point in the struggle for a press that serves the society and not the authorities.”<sup>273</sup>

## 6.6 The Kremlin’s PR Machine

The style in which the media was handled by Yeltsin, and how the media are treated now by Putin are different. This is evident in the post-Yeltsin analysis of the Russian media. Primakov, while as Prime Minister introduced a ‘new’ method to deal with the non-government friendly elements of the Russian media. These methods were later reused by the Putin administration after his rise to power. In the lead up to the Presidential elections of March 2000, the government began a PR campaign. The aim of this campaign was twofold. Firstly, to boost the image of Yeltsin’s chosen heir to the

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<sup>272</sup>ibid.

<sup>273</sup>Zolotov Jr., A., *Papers Unite to Defend Babitsky, Free Speech*, The Moscow Times, 17 February, 2000.  
[www.moscowtimes.ru/05-Feb-2000/stories/story3.html](http://www.moscowtimes.ru/05-Feb-2000/stories/story3.html), 17 February, 2000.

presidential office, the previously obscure Vladimir Putin. The second aim was to discredit any rivals that may prevent Putin from coming to power.

Russia's Presidential Press Service is the mainstay of the Kremlin's PR apparatus. The Presidential Press Service ( hereafter referred to as PPS ) is an independent subunit in the Presidential administration, as defined by statute ( statute confirmed by Yeltsin on 2 May, 1996 ).<sup>274</sup> As Frank Ellis's analysis demonstrates, the PPS serves two main functions, promotional - informational and analytical.<sup>275</sup>

The promotional - informational aspect is designed to spread and promote the President's position on certain issues. It is the intention of the PPS to ensure that the government's account reaches the national and international media. Chapter III, paragraph 4 defines the role as "the forming, through the mass media, of public opinion about the activity of the President."<sup>276</sup> In effect, the PPS is an apparatus used for the dissemination of information from the government's point of view.

Analysis of media content is the second function of the PPS. News stories are analysed in order to try and judge public opinion, and from this information the best strategy, which could be employed to achieve the Kremlin's goals.

To illustrate this point it would be useful to refer to Vera Kuznetsova's article in *The Russia Journal* 'Censorship, and the Loss of Freedom.' She describes Yeltsin and his relationship with the press thus:

He himself violated many democratic principles. But for Yeltsin, freedom of and a free press were sacred. Even as the free press flung mud at him and his family and even when freedom of speech threatened to topple his regime, he did not use powers to gag these freedoms. In fact, many argue that the first Chechen War was lost partly because of a loss in public support as there was virtually no censorship in Russia at that time. The military's shameful attempts to control information at that time met with a total fiasco. The free Russian press proved stronger than the state's repressive machinery - largely thanks to Yeltsin."<sup>277</sup>

Under the supervision of Primakov, a different type of censorship evolved. His relationship with the press was uneasy, as Primakov was unable to accept criticism. Soon, he began to speak of the state above everything else. As a result, the flow of

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<sup>274</sup>Ellis, F., *From Glasnost to the Internet: Russia's New Infosphere*, London, MacMillan Press Ltd., 1999, p. 91

<sup>275</sup>Ibid., p. 91

<sup>276</sup>Ibid., p. 92

<sup>277</sup>Kuznetsova, V., "Censorship, and the Loss of Freedom," *The Russia Journal*, 2 March, 2000. [www.russijournal.com/start/columns/article\\_47\\_2220.htm](http://www.russijournal.com/start/columns/article_47_2220.htm), 3 March, 2000.

information that flowed between the government and the press was reduced. This was able to be achieved by a variety of methods. One method used was to rate more documents as "classified." The number of documents that were given a "classified" rating increased drastically. To further minimise information leakage, government officials were forbidden from saying anything to the press.<sup>278</sup>

Yeltsin's reaction to Primakov's attacks on the press was to publicly chastise Primakov. Going further, Yeltsin made it clear that he would not allow any attacks on a free press or the freedom of speech.<sup>279</sup>

After Putin became President and in bringing his entourage ( many of whom were from the KGB ), the Primakovian tactics were used against the press once more. The process of cutting the journalists off began.

The White House, the seat of government, has barred access to government meetings to journalists, citing the excuse that no country gives journalists open access to cabinet meetings. Having curbed the freedom of the press, the new elite set about bringing media-friendly state officials into line-making sure they keep silent.<sup>280</sup>

The first test of the PR machinery was the Second Chechen War. This war was a launching pad for Putin to gain recognition and give him a popular platform for his election campaign. A former adviser to President Yeltsin was brought in to put a professional spin on the war.

Sergei Yastrzhembsky's explanation for the restrictions on the press's freedoms were 'noble.' The media "should take into account the challenges the nation is facing now [...] When the nation mobilises its forces to achieve some task, that imposes obligations on everyone including the media."<sup>281</sup>

## 6.7 Who Affects The Way News Is Told, And How

The contemporary Russian media has been undergoing a rapid and difficult transformation. This is due, to an extent, to factors outside of the media's control. Media organisations have been severely weakened by a financial crisis. This has in turn impacted upon the media's independence, leaving them vulnerable to financial takeover and manipulation. In the last few years there have been some notable cases of

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<sup>278</sup>Ibid. Primakov moved against the media during his brief tenure as Yeltsin's Prime Minister, September 1998 - May 1999.

<sup>279</sup>Ibid

<sup>280</sup>Ibid.

<sup>281</sup>Tracy, J., *Kremlin Tells Press to Toe the Line*, The Moscow times, 25 January, 2000.



attempts to silence the media by the government and by private individuals. The climate in which journalists work is becoming more dangerous. Intimidation is a more frequently used method of achieving compliance from the media. Those who challenge the incumbent powers are often subjected to professional or physical attack.

Media institutions have progressed in Russia since the fall of the communist state. In contrast to the Soviet state, pluralism does exist in the media. Andrei Fadin, a Russian journalist summed up the current situation of the Russian press. "A peculiar freedom of information [...] If one reads half a dozen newspapers a day and watches a variety of television networks, one gets a fairly accurate picture of the news."<sup>282</sup>

## 6.8 Khinshtein's Ordeal

Alexander Khinshtein was the subject of much controversy throughout February 2000. It was a case which involved the freedom of the press. The case drew the attention to the authorities, who tried to use blunt methods to silence Khinshtein.

Khinshtein is a reporter with the Moscow newspaper, *Moskovsky Komsomets*. He is an investigative reporter with a special interest in exposing high level corruption. Among some of his claims of corruption, is an article that he wrote accusing Boris Berezovsky of helping to finance the Chechen rebels.

In January 2000, after this article was published, the police charged that Khinshtein had concealed that he had suffered from a psychiatric disorder when applying for a driver's licence in 1996. According to the Interior Ministry, fake documents had been used to 'prove' his mental fitness. During their investigation the Interior Ministry had wanted to force Khinshtein into a psychiatric hospital in the town of Vladimir.

Throughout the investigation, Khinshtein maintained his innocence and said that Vladimir Rushailo ( Interior Minister ) had "personally engineered a campaign to gag him."<sup>283</sup> That this investigation was in response to him exposing high level corruption and attacking the politically connected Boris Berezovsky.<sup>284</sup>

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<sup>282</sup>[www.rferl.org/nca/special/rumediapaper/prospects.html](http://www.rferl.org/nca/special/rumediapaper/prospects.html)

<sup>283</sup>Saradzhyan, S., *Manhunt Warning for Khinshtein*, The Moscow Times, 5 February, 2000. [www.moscowtimes.ru/05-Feb-2000/stories/story5.html](http://www.moscowtimes.ru/05-Feb-2000/stories/story5.html), 5 February, 2000.

<sup>284</sup>Yablokova, O., *Police Drops Khinshtein Case*, The Moscow Times, 17 February, 2000. [www.moscowtimes.ru/17-Feb-2000/stories/story4html](http://www.moscowtimes.ru/17-Feb-2000/stories/story4html), 17 February, 2000.

Eventually Khinshtein voluntarily checked into the Moscow Psychiatric Research Institute on the 7th of February, 2000. The examination proved that he was of sound mind.

It was not until the 17th of February that the Interior Ministry announced that the case against Khinshtein had been dropped. This was done on the grounds that "his actions ( Mr Khinshtein's ) presented no major threat to society and did not cause any serious consequences, " said Vladimir Martynov, spokesman for the Interior Ministry's investigative committee.<sup>285</sup> The investigation had drawn the attention and criticism of the media. Oksana Yablokova of the *Moscow Times* wrote that "some said it heartened back to the Soviet-era practice of confining dissidents in psychiatric hospitals and was a sign of shrinking press freedom."<sup>286</sup>

## 6.9 Relations Between Media-Most And The Government

*Media-Most* and the government have been involved in a constantly changing relationship. At present relations between them are strained. The involvement of *Media-Most* in exposing 'truths' in Chechnya, corruption in government circles and supporting candidates other than Putin in the presidential elections has had the two sides feuding. A series of misfortunes have been plaguing Gusinsky's organisation recently.

The media group have had state owned banks calling in their loans. Another incident was a raid on the offices of *Media-Most* in Moscow. And on a more personal note, an official from the Kremlin publicly referred to Gusinsky as "a type of bacteria."<sup>287</sup>

Prior to the Kremlin's open display of hostility toward *Media-Most* a meeting took place preceding the upcoming elections of December 1999 and March 2000 between Vladimir Gusinsky and the Kremlin's Chief of Staff, Alexander Voloshin. Gusinsky claimed that Voloshin tried to persuade him to co-operate with the Kremlin during the presidential elections. According to Gusinsky the following conversation took place, "Voloshin said, as if he were joking, let's pay you US\$100 million so that you wont be in our way while

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<sup>285</sup>Ibid.

<sup>286</sup>Ibid.

<sup>287</sup>Editorial, *Moscow Times, Raid Part of a Disturbing New Pattern*, May 17, 2000.

The vicious and humiliating language used resembles the Soviet press language, when newspapers used to initiate smear campaigns against Western politicians, etc., seeing them as enemies from the outside. This was due to the tensions of the Cold War period. This example appears to be born from this Soviet legacy, but is applied to what the State sees as enemies from within.

the election is on. You could go on a vacation.”<sup>288</sup> When Gusinsky refused Voloshin’s offer, he was told that it meant war between the Kremlin and *Media-Most*.

On the morning of Thursday May 12, 2000, offices of the *Media-Most* group around Moscow were simultaneously raided by the FSB, tax police and the general prosecutor. The original purpose of the raid was given as a tax raid, this was later changed. The FSB gave the explanation, that they were looking for eavesdropping devices.<sup>289</sup>

Mikhail Berger, *Segodnya*’s chief editor proposed two possible explanations for the raid. Firstly, as a direct response to the recent reports on corruption in Russia’s power structures. The second reason given, is that this raid is merely the start of a broader clampdown on the freedom of the press.<sup>290</sup>

During the Presidential campaign, *Media-Most* gave their support to Grigory Yavlinsky. Thus giving Yavlinsky a platform to deliver verbal attacks on Boris Yeltsin and Vladimir Putin.<sup>291</sup> Due to the nature of the allocation of airtime on state controlled media at the time ( March 1999 ), these attacks would have been very difficult to attempt without this help.

The government and the various agencies involved in the operation have offered their explanations following the consequences of the raid.

Vladimir Putin offered a defence through the PPS on May 12, he reiterated his commitment to freedom of speech and went on “this attitude does not depend on the position taken by this or that publication or channel, nor to what degree that position agrees with that of the authorities [...] all are equal before the law, no matter what business they are in.” The statement argued that media companies cannot try to gain immunity from criminal investigations. “No attempt at blackmail in relation to law enforcement is permissible, just as limits on freedoms of speech and of the mass media are not permissible.”<sup>292</sup>

While Putin tried to distance himself from acting in a heavy-handed manner against a free press, the Press Minister Mikhail Lesin gave a different explanation. Lesin tried to pin the blame of the raid on the media. His statement revealed a certain zeal, with

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<sup>288</sup>Dixon, R., *Pushing the Boundaries of a Free Press*, Los Angeles Times, June 1, 2000.

<sup>289</sup>Editorial, *Moscow Times*, *Raid Part of a Disturbing New Pattern*, op. cit.

<sup>290</sup>*Putin’s Men Raid Media Group*, EJC Media News Digest, 12 May 2000

[www.news.bbc.co.uk/low/english/world/europe/newsid\\_744000/744620.stm](http://www.news.bbc.co.uk/low/english/world/europe/newsid_744000/744620.stm), 13 May, 2000.

<sup>291</sup>Ibid.

<sup>292</sup>Bohlen, C., *Russian President Defends Raid on Offices of Media Company*, New York Times, 12 May, 2000.

[www.nytimes.com/library/world/europe/051300russia-media.html](http://www.nytimes.com/library/world/europe/051300russia-media.html), 16 May, 2000.

regard to the idea that the state must be protected at all costs against those who want to destroy it. "The defense of the state from the free mass media is a pressing problem at present." <sup>293</sup>

In the post-raid analysis, several theories have been offered to explain why the *Media-Most* offices were targeted by the government. This incident has attracted the attention of human rights advocate groups, such as *The Gorbachev Foundation*, *Institute of Humane Communication*, *Russian Union of Journalists* and the *Glasnost Defence Foundation*. Each offering an interpretation of events. These groups believe that the raid was a carefully orchestrated attempt by the government to curtail the freedom of the press.

An article in the *Christian Science Monitor* by Fred Weir, puts the notion forward that this raid is merely the latest event in the sometimes very public feuds among the oligarchs. A struggle between the oligarchs on the 'inner circle' of the government ( such as Boris Berezovsky ) and those that are vying for influence. <sup>294</sup>

Many, mostly unsupported accusations are aired publicly. The feud between the two media magnates, Berezovsky and Gusinsky is particularly vicious. Gusinsky has been the target of anti-Semitic coverage on *ORT*, a television channel controlled by Berezovsky ( both Berezovsky and Gusinsky are Jewish ). <sup>295</sup> An editorial in the *Moscow Times* ( May 17, 2000 ) was more specific on one of these allegations of *ORT* against *NTV* and Gusinsky, *ORT* had apparently insinuated that *NTV* was a base for Israeli spies. <sup>296</sup>

Alexei Simonov, chairman of the *Glasnost Defence Foundation* ( *GDF* ), did not view the raid as a random act. "This assault did not come out of thin air, it is part of a deliberate pattern of actions. There have been many warnings that the new President intends to force the press to follow his line, and use all means to punish those who refuse." <sup>297</sup>

The *Russian Union of Journalists* ( *RUJ* ) was equally scathing of the raid, viewing it as an attack on the freedom of the press and as an anti-constitutional act. In a statement released by *RUJ* several issues were raised, "the armed raid was an anti-constitutional, arbitrary act of government conducted with the goal of intimidating

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<sup>293</sup>Editorial, *Moscow Times*, *Raid Part of a Disturbing New Pattern*, op. cit.

<sup>294</sup>Weir, F., *A Kremlin Warning to Media?* *Christian Science Monitor*, 15 May, 2000.

<sup>295</sup>Karush, S., *2000 Demonstrate for Free Speech*, *The Moscow Times*, 18 May, 2000.  
[www.moscowtimes.ru/18-May-2000/stories/story8.html](http://www.moscowtimes.ru/18-May-2000/stories/story8.html), 18 May, 2000.

<sup>296</sup>Editorial, *Raid Part of a Disturbing New Pattern*, *Moscow Times*, op. cit.

<sup>297</sup>Weir, F., op. cit.

the independent mass media. This is a real attempt to introduce censorship by ( men in ) ski masks.”<sup>298</sup>

Iosif Dzyaloshinsky’s view, who is the Director of the *Institute of Humane Communication*, is that “whatever Putin’s programs for the economy and politics, we are absolutely sure he does not intend to tolerate dissent in society.”<sup>299</sup>

Some analysts feel that there has been a shift in power, and as a result of this shift, it has enabled an attack on the freedom of the press. The *Gorbachev Foundation’s* conclusion, is that “the security forces have become much more influential in Russia under Putin, and they are behind these new pressures on the press. The free press stands in their way, and *Most* is the premier symbol of independent media in Russia.”<sup>300</sup>

In view of the above statement, it does not come as a surprise, that approximately one week before the raid on the *Most* offices, the Moscow newspaper *Kommersant*, published what was reputed to be a Kremlin ‘working paper.’ This paper called for an expansion of the security forces duties, to include such roles as intervening against opposition media and political groups. According to what was published in *Kommersant*, the document proposed that “the President needs a structure in his administration that cannot only forecast the political situation but also clearly control the political and social processes in Russia.”<sup>301</sup>

With the raid following this document’s publication, there was some skepticism about the government’s true intentions. And the reasons offered by the government were treated with little serious regard. The response of the press community in Moscow was to organise an *Obshchaya Gazeta* ( Joint Newspaper ). This paper is only produced when the press community feels that there is a threat to the freedom of the press. Some 62 newspapers and media organisations helped to produce the issue on May 17, 2000 ( only 30 sponsors helped with the edition which protested against Andrei Babitsky’s treatment by the government ).<sup>302</sup> The media organisations owned by Boris Berezovsky were noted for their lack of support in the joint edition.<sup>303</sup> Which highlights the highly political nature of the newspaper business and the oligarchs.

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298 Ibid.

299 Ibid.

300 Ibid.

301 Ibid.

302 [www.moscowtimes.ru/18-May-2000/stories/story8.html](http://www.moscowtimes.ru/18-May-2000/stories/story8.html), op. cit.

303 Ibid.

An uneasy truce between the government and *NTV* was reached on the 28th of May. *Kukly* ("Puppets"), a political satire show using puppets, was dropped by *NTV*.<sup>304</sup> The show was a source of irritation for Putin, who did not like the way he was portrayed on the program. Yevgeny Kiselyov of *NTV* said that

*NTV* and *Media-Most* executives received conditions, the respect of which would mean the authorities would leave us in peace. Foremost, that Putin should no longer be the hero of the *Kukly* program. In order not to fan the flames, if someone high up is so worried about a rubber puppet of the President, before it was Yeltsin and now Putin, we have decided to try an experiment. We will try one program without the Putin puppet.<sup>305</sup>

*Kukly* has had a long and troubled history with attempted political interference. The program has been a source of discontent for the Russian elite due to their irreverent portrayal. In 1995 the prosecutor general pursued a criminal investigation against *Kukly* for "insulting" President Yeltsin. On this occasion political support favoured the program, resulting in the prosecutor's dismissal.<sup>306</sup>

A renewed effort was waged against *Kukly* by supporters of Putin. They claimed that the President Putin had been "insulted" and called for the filing of criminal charges. Senior police officials added a warning to *NTV*, that if *Kukly* did not tone down the content *NTV* could face "unpleasantness."<sup>307</sup>

Andrei Ryabov, a political analyst at the Moscow Carnegie Centre summed up why he thought the government behaved in this way toward *Kukly*:

The Kremlin does not want to destroy *NTV*, it only wants to make it submit to the Kremlin's official line. They were very dissatisfied with *Kukly*'s interpretation of Putin's political activities. This show is more damaging to Putin's reputation than any criticism from the communists or other politicians. [...] (the Press Ministry) is trying to restrict and correct the media. It is a real threat to the free press in Russia.<sup>308</sup>

The Kremlin's actions in trying to force *NTV* to submit to their will seems to be heavy handed and unnecessary. *Kukly* was a very popular program, the popularity arising from

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<sup>304</sup>In the early 1990's Russian TV used the British media as a model, and this satirical programme became a hallmark of the Russian media policy in the 1990's, reflecting the Yeltsin government's commitment to pluralisation of opinion and freedom of speech. *Kukly* is an imitation of the British satirical show "*Splitting Image*."

<sup>305</sup>*Russian TV Drops Satirical Putin Puppet in Kremlin Truce*, Agence France Presse, 29 May, 2000. [www.russiatoday.com/press.php3?id=163796](http://www.russiatoday.com/press.php3?id=163796), 30 May, 2000.

<sup>306</sup>York, G., *Piqued Putin Cancels Satirical TV Show*, The Globe and Mail, May 30, 2000. Johnson's Russia List #4334, 31 May, 2000.

<sup>307</sup>*Ibid.*

<sup>308</sup>*Ibid.*

an irreverent treatment of Russia's leading political and business figures. This popularity has come into conflict with the government's intention to control the flow of information. Should they succeed in their efforts against *Kukly*, the Kremlin will have brought to heel a long-lived source of irritation. In addition, their success will also display the power at the government's disposal by subduing a high profile, private independent media organisation. This would have the effect of 'frightening' other would-be independent media groups into complying with future government demands. The recent series of 'attacks' on *NTV* are part of a bigger picture of subduing the remnants of a free Russian press.

## 6.10 Use Of Violence, Conflict And Intimidation Against The Media

There has been a disturbing trend in recent years, conflict and violence directed at journalists. This intimidation is directed at the media community with the intention of suppressing unwanted publicity. The number of journalists killed or injured has risen steadily every year. There has also been an increased use of legal means to try and obstruct journalists from their work. The case involving Alexander Nikitin, an environmental journalist best exemplifies the effort the state will go to in order to achieve its objectives.

Since December 1991 more than 120 journalists have been killed.<sup>309</sup> Broken down into yearly statistics, some yearly figures are as follows;

**2000:** 16 Journalists murdered, 73 attacks on Journalists. <sup>310</sup>

**1999:** 16 Journalists murdered ( four in Chechnya ). <sup>311</sup>

**1998:** 11 journalists murdered and 60 attacked. <sup>312</sup>

**1997:** 15 journalists murdered and 21 kidnapped. <sup>313</sup>

In a January 1997 interview with the head of the Russian Union of Journalists Vsevolod Bogdanov, described in detail the dire situation facing Russian journalists.

It is very easy to manipulate journalists. One can buy off those that are necessary and kill those that are not necessary. If a journalist receives

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<sup>309</sup> *More Than 120 Journalists Killed Since December 1991*, Agence France Presse, 4 May, 2000. [www.russiatoday.com/news.php3?id=156927](http://www.russiatoday.com/news.php3?id=156927), 5 May, 2000.

<sup>310</sup> *16 Russian Reporters Died*, Associated Press report, January 13, 2001. Johnson's Russia List #5024, 13 January, 2001.

<sup>311</sup> [www.russiatoday.com/news.php3?id=156927](http://www.russiatoday.com/news.php3?id=156927), op. cit.

<sup>312</sup> [www.telegraph.co.uk/et?ac=000659276559150&rtmo=quKKpMX9&atm.../wrus25.htm](http://www.telegraph.co.uk/et?ac=000659276559150&rtmo=quKKpMX9&atm.../wrus25.htm), op. cit.

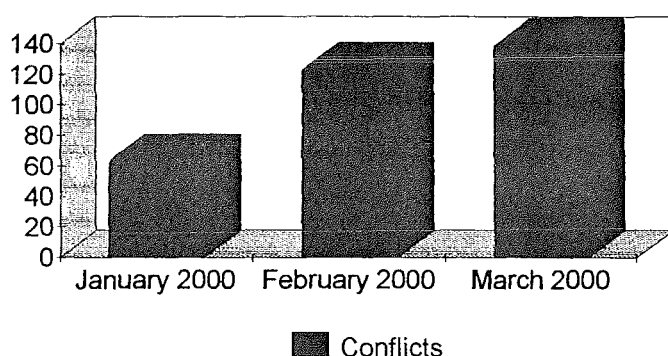
<sup>313</sup> (1) Coalson, R., *Media watch: Eerie Silence on Press Day*, The Moscow Times, 5 May, 2000. [www.moscowtimes.ru/05-May-2000/stories/story28.html](http://www.moscowtimes.ru/05-May-2000/stories/story28.html), 6 May, 2000.

(2) RFE/RL, *Russia: Watchdog Says Media Suffered "Retreat" in 1997*, 14 January, 1998. [www.ejc.nl/mn/showresultnews.hmx?1046](http://www.ejc.nl/mn/showresultnews.hmx?1046), 3 April, 2000.

US\$50 a month [...] and he is offered US\$1000 for an article, then it is difficult to talk about a moral choice.<sup>314</sup>

Most of these murders have not been solved by the authorities, who seem to be unable or unwilling to seriously tackle this problem. In addition to the murder and assault of journalists, another category has been cited. A measure of conflicts has been recorded. The exact nature of the 'conflicts' is not clarified, apart from the conflict being between the media and local authorities in the provinces. A report was published in *Versiya* weekly newspaper, the figures being confirmed by the *Glasnost Defence Foundation* ( GDF );

Conflicts between the media and the local authorities in the provinces.



January 2000: 63 conflicts

February 2000: 123 conflicts

March 2000: 139 conflicts<sup>315</sup>

In this sample there is a steady increase in the number of recorded conflicts between the media and local authorities in the lead up to the presidential elections in March 2000. The head of GDF's monitoring service, Boris Timoshenko confirms this idea of tighter control exercised over the media during the run-up to an election. He contends that "the number of conflicts involving the media always rises during election campaigns when media are controlled more tightly than ever both by election officials and government officials backing certain candidates."<sup>316</sup> However, the degree of control over the media is not evenly spread throughout Russia. Provincial journalists and media have a history of having a lot more control exercised over them by governors, mayors and other local officials than their counterparts in Moscow.<sup>317</sup>

<sup>314</sup>Fitzpatrick, C. A., *Russia's Harsh Press Climate*, Special Report: Russia ( 1997 ), CPJ. [www.cpj.org/attacks96/sreports/russia.html](http://www.cpj.org/attacks96/sreports/russia.html), 4 March, 2000.

<sup>315</sup>Zolotov Jr., A., *Media Feeling Heat in Provinces*, The Moscow Times, 15 April, 2000. [www.moscowtimes.ru/15-Apr-2000/stories/story6.html](http://www.moscowtimes.ru/15-Apr-2000/stories/story6.html), 17 April, 2000.

<sup>316</sup>ibid.

<sup>317</sup>ibid.



Vyacheslav Barinov executive Director of the Editor's Club, gave a depressing description of how the regional press are treated by local authorities and the business community. "Local authorities and businessmen see the press as their own property and want to use it. If editors refuse, they will soon find the tax police or fire inspectors on their doorstep, sure to discover infractions of the law and cause problems."<sup>318</sup>

Igor Domnikov who works for *Novaya Gazeta*, was attacked with a hammer in the entrance of his Moscow apartment on May 12, 2000. He was left for dead. Other journalists from the paper suspect that the attacker(s) got the wrong man. Oleg Sultanov, also from *Novaya Gazeta* was writing about corruption in *LUKoil* at the time. Sultanov looked like Domnikov and lived in the same apartment block.<sup>319</sup> *Novaya Gazeta* claims that Sultanov was approached some time prior to the assault and was asked to give up the investigation. If this had done so he would have received money, an apartment and a job. Refusal to give up the investigation could result in him becoming the target of a contract killer. *LUKoil* vigorously denied having anything to do with this incident.<sup>320</sup> The police dismissed the attack as the work of a drug addict or petty criminal that was scared away before any money was able to be taken. Police said that they thought it was unlikely to be a professional hit, because it did not have any of the tell-tale signs.<sup>321</sup>

The event which earned an environmental journalist, Alexander Nikitin the ire of the government, was his reports on government negligence with nuclear waste. Putin made the accusation that spies had penetrated the environmental movement. Nikitin was charged with treason. The charge of treason was laid because it had been alleged that secret decrees had been broken through his documenting and reporting of the government negligence with nuclear waste. A cause for concern was that the decrees were so secret that Nikitin's defence council was initially not allowed to see these decrees and the prosecutors admitted to not having read the decrees ( which their charges were based upon ). This case has been under Putin's direct control for more than one year.<sup>322</sup> When reviewing the way that this court case has been handled there are some irregularities. The first of which, why is President Putin taking personal charge ( and for so long ) of a case that seems reasonably insignificant on the surface? A

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<sup>318</sup>Mereu, F., *Regional Media Under Pressure*, The Russia Journal, 10 April, 2000.  
[www.russiatoday.com/rusjournal/rusjournal.php3?id=149812](http://www.russiatoday.com/rusjournal/rusjournal.php3?id=149812), 11 April, 2000.

The above statement is well illustrated by the increasing number of attacks on journalists, merely confirming the continued use of bullying tactics by the government and associated pro-government circles or the oligarchy.

<sup>319</sup>Cockburn, P., *Reporting Russia Becomes a Dangerous Trade*, 22 May, 2000, The Independent.  
 Johnson's Russia List, 22 May, 2000.

<sup>320</sup>Ibid.

<sup>321</sup>Ibid.

<sup>322</sup>*Russia's Kiselyov on Freedom of Press, Speech: Comment*, op. cit.

second 'problem' with the Nikitin case is the use of some secret decree, which is so secret that neither the prosecution nor the defence had seen the decree at the beginning of the trial. And why was the defence initially denied access to this decree? This example points to the U-turn in governmental policies toward a Soviet style control of information.

On September 13, 2000 the Russian Supreme Court rejected the prosecutors bid to have espionage charges against Nikitin reopened. The decision of the court's presidium ( the highest judicial body in Russia ) is final and may not be appealed. Previously, Nikitin has been acquitted by a St. Petersburg court last year, this decision being upheld by the Supreme Court earlier this year.<sup>323</sup> This incident shows the lengths the governmental bureaucracy is prepared to resort to, in order to suppress unwanted publicity. Nikitin's case has lasted for some four years, since he was arrested by the FSB in 1996.

The legal system is being used increasingly by the authorities to 'intimidate' the media with the threat of legal action being taken against them. Court cases involving the media are steadily rising. Data which was obtained by the Glasnost Defence Foundation, from Moscow and ten regional centres involving law suits against the media confirmed the increase.

- 1995: 15.0% of legal conflicts.
- 1996: 39.5% of legal conflicts.
- 1997: 47.6% of legal conflicts.<sup>324</sup>

Therefore as this table demonstrates, there is an increase of approximately 25% of such cases. This is worrying if the Russian government wishes to develop and pursue democracy further.

Courts normally accepts to consider approximately 40% of claims. The proportion of claims accepted involving actions lodged against the media is 97%. Of these cases, 70% of suits are ruled in the claimants favour.<sup>325</sup> According to the Russian Union of Journalists, the problem ( why the suits occur in the first instance ) lies partly with the journalists themselves, and their style of reporting.

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<sup>323</sup>Reuters, *Russia Finally Acquits Nuclear Dissenter Nikitin*, September 13, 2000.  
[www.russiatoday.com/news.php3?id=198894](http://www.russiatoday.com/news.php3?id=198894), September 14, 2000.

<sup>324</sup>'11.3 Legal and Regulatory Framework for the Media,' *Media in the CIS*, European Institute for the Media, 1999.  
[www.internews.ru/books/media1999/55.html](http://www.internews.ru/books/media1999/55.html), 3 January, 2000.

<sup>325</sup>Ibid.

The mass media regularly violate the law, covering the political and economic life of both the centre and the regions in a one-sided and biased way. Journalistic skills are low: very often journalists are incapable of expressing their ideas or of representing the facts in a form invulnerable to suits. Editorial offices in their hunt for sensations often invent exotic and scandalous headlines. The mass media are over politicised: up to 80% of newspaper pages or airtime are devoted not to the life of society but to who governs it and how they do so.<sup>326</sup>

### 6.11 Media In The Regions

The situation for the freedom of the press is not good. But regional press organisations face a lot more difficulties and dangers than their Moscow-based counterparts. Regional governors often rule their regions as they please. Those who interfere or obstruct their rule can be dealt with by a number of ways. The importance of the control of information is fully understood by the governors. A variety of carrot and stick methods are used throughout the regions to secure the co-operation of the local press.

The Russian Union of Journalists ( RUJ ) published a national study of media freedoms in October 1999. The conclusion of this study was that “there is no freedom of speech in Russia.”<sup>327</sup> Oleg Panfilov of RUJ stated “about 80% of all printing presses in Russia [...] and about 90% of all TV and radio transmitters are state-owned.”<sup>328</sup>

Panfilov gave an example of how pressure may be applied by a governor in the provinces to bring ‘rogue’ media into his control.

The usual mechanism and there have been many of such cases, works like this [...] An independent newspaper in one of the provinces publishes an article critical of the work of the governor. The governor picks up the telephone and calls the Director of the printing press, because the printing press is subordinate to the governor. And he says, ‘this newspaper must be punished.’ The Director of the printing press already knows what to do. He picks up the telephone and calls the editor of that independent newspaper and says: ‘You know, tomorrow our electricity rates are going up, the price of newsprint is going up, the price of ink [...] so the cost of our printing services is going to rise three or four fold.’ And that’s it. That’s the end of our independent newspaper.<sup>329</sup>

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<sup>326</sup>Ibid. This is in contrast to the current trends in the Western media. For further details on this subject see Hodgson, G., “*The End of the Grand Narrative*,” [www.prospect-magazine.co.uk](http://www.prospect-magazine.co.uk), August / September 1999, 6 January, 2001.

<sup>327</sup>*Russia’s Kiselyov on Freedom of Press, Speech: Comment*, op. cit.

<sup>328</sup>Ibid.

<sup>329</sup>Ibid.

The state control over the printing presses, after ten years of privatisation reforms means that the state still has the upper hand against any independent minded newspapers. In the example above it is clear that these measures are used relatively frequently by the provincial governors to consolidate their political positions. When the stranglehold on information is under threat, extraordinary measures are taken to try and ensure the monopoly is kept.

In an article published by *Izvestia* on April 14, 2000, the governor of Saratov was severely criticised. The article claimed that the governor never keeps his promises, and in a bid to be re-elected struck opponents off the ballot and falsified the vote count. Locally printed editions of *Izvestia* ( in Saratov ) differed from the paper printed elsewhere. Saratov printed copies reported that the governor sometimes keeps his promises and with regard to the alleged voting fraud, "in the opinion of the main challengers ( of the governor ), allegedly passed with legal violations."<sup>330</sup> Once again, by controlling the printing presses the governor was able to manipulate the situation in order to minimise any possible political damage. This is only one example, but it reveals a trend which exists in Russia today.

*Internews* monitored data in the period running from 1996 - 1998. A finding of this review was that nearly half of all court cases in Russia are actioned against journalists ( the cases where the journalists are incriminated ). There were 168 cases of this nature in 1996 and 350 cases in 1997. A closer look at the reason why the cases were actioned reveals that the majority are damage to honour and reputation. 67.9% of the 1996 cases and 72.9% of the 1997 actions.<sup>331</sup> Cases involving criminal libel make up a very small percentage of court cases, in 1996 only 9.5% of cases involved libel and this figure fell to 3.6% in 1997.<sup>332</sup>

A method which is increasingly more popular among the governors is the lawsuit. The basis of many of these lawsuits is Article 151 of the Russian Civil Code. The Article permits suing for damages to a citizen's honour and dignity. There is no allowance for truth as a defence for journalists. In 1997, *The St. Petersburg Times* reported on the outcome of court action. An American-Russian joint venture had gone bad. The Americans sued their Russian partners, the defendant was ordered to pay the Americans \$US1.2 million. Vadim Bordyug then sued *The St. Petersburg Times* for honour and dignity damages. His argument was that the article was bad for his reputation, by reporting his loss in court to the wider community. The case has not been

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<sup>330</sup> Ibid.

<sup>331</sup> [www.internews.ru/books/media1999/56.html](http://www.internews.ru/books/media1999/56.html), op. cit.

<sup>332</sup> Ibid.

ruled upon as yet.<sup>333</sup> Article 151 has reaching implications, this law has the potential to effectively gag any reporting on scandals or corruption. As truth cannot be used as a defence for journalists, this leaves them in a dilemma. If they do not write the story, they will not be sued, but newsworthy material goes unreported. If a story is published, then it is possible for the subject of the article to sue the journalist who produced the item.

By contrast with the above-described actions against some 'rebellious' journalists, loyal media are rewarded for their efforts. There are federal subsidies given to loyal media, awarded by the governors and the Kremlin. Currently there are several thousand state-funded prizes for journalism. One of the more blatant ( to encourage bias ) prizes was offered by the governor of Nizhniy Novgorod in 1996 for the best coverage of his re-election campaign.<sup>334</sup>

## 6.12 Purpose - Built Media

There has been a trend in recent times to establish media outlets to further personal political ambitions. Some of these 'purpose-built' media organisations are established by using state funds, are only loyal to their founder.

One of the most vivid examples expose the new-style governor in Moscow, who has secured his reputation as a shrewd politician, who wishes to present himself as an ordinary Moscovite. Yuri Luzhkov, Mayor of Moscow has presidential aspirations. He realised the need to relay political communication to gain recognition and support from voters. The television station *TV Tsentr* ( now a national station ) was funded by the Mayor of Moscow and the station requires his sanction in their operations. As described previously, *TV Tsentr* was the mouthpiece of Primakov and Luzhkov's presidential bid in the March 2000 elections.

In a similar situation in St. Petersburg, *Petersburg Television* is now officially managed by the Deputy Mayor. The pretext for gaining control of the station occurred after its finances were drained by corruption.

A third example of a media organisation established with the use of state funds for the purpose of serving as a political mouthpiece occurred when the Central Bank created the national newspaper *Vremya MN*. The paper offers little in the way of stories concerning corruption. A major story omitted concerned the Central Bank's admission that Russia's hard currency reserves were kept in a British Channel Islands based

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<sup>333</sup>ibid.

<sup>334</sup>ibid.

company ( FIMACO ) which had no employees or premises.<sup>335</sup> However, *Vremya MN* does engage in political intrigue, supporting the government. Several comments in the paper recently have revealed its true loyalty.

The raid on the offices of *Media-Most* have been the subject of analysis by *Vremya MN*. The paper claims that recent government moves against the media are not designed to restrict the freedom of speech, but as a way of loosening the oligarchs stranglehold on the media. *Vremya MN* stated that the oligarchs, “who have been using this freedom ( of speech ) exclusively for their own benefit,”<sup>336</sup> will be the losers and not the public.

As a further rationalisation for the government’s actions, the paper linked debts owed by news groups, to the government and Putin’s promise to crackdown on the oligarchs ( the ‘Dictatorship of Law’ ) as reasonable justification. As one article states: “Indeed strictly speaking, both *Media-Most* and *ORT* have found themselves in this difficult situation because they have borrowed money they will never be able to repay [...] If, in fact, the state owns and supports both TV networks, then they both should work in the interests of the state.”<sup>337</sup>

*Vremya MN* went on to use Putin’s pre-election promise of distancing the oligarchs from state affairs, as a defence and legitimisation for actions against the media. The paper’s view of the *Media-Most* raid, “[...] no doubt that the police searches at *Media-Most* are only the beginning of a campaign to neutralise the unruly oligarchs.”<sup>338</sup>

### 6.13 The Internet

While the evolution of the internet has been described in the book by Frank Ellis, I would like to focus on some recent facts and data in relation to the use of the internet in Russia, which is starting to emerge now. The internet is a new medium which has had a considerable impact in the West. Information which is disseminated via the internet has the potential for instantaneous delivery to anyone with access to the web. This can pose a problem for a government wishing to impose censorship restrictions, because this information can easily pass a country’s borders.

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<sup>335</sup> *ibid.*

<sup>336</sup> *Reading the Papers Like Tea Leaves*, Issue No. 6, [www.wps.ru](http://www.wps.ru), 16 May, 2000.  
[www.wps.ru](http://www.wps.ru), 23 May, 2000.

<sup>337</sup> *ibid.*

<sup>338</sup> *ibid.*

Russia has a potentially large market with a population of approximately 150 million people. OAO Svyazinvest announced that it expects that 10% of Russia's population will use the internet within three years.<sup>339</sup> These figures of internet usage are well below rates in the United States and Western Europe. Internet usage figures vary, but a common factor exists in the different polls, a low proportion of frequent internet users.

Rafal Rohozinski of the University of Cambridge argued that the legacy of Soviet ideology still has an influence on the internet in Russia, setting Russia apart from the Western experience.<sup>340</sup> This argument would appear to support my contention of the existence of binary opposition, a division exists between east and west ( between Russian and the Western world ). A distinction exists between the ideology and mentality as a result of the environment, which has shaped this development. Russian society was for the most part, a 'closed society' for some seventy years. The skills acquired by Soviet citizens which were necessary for survival in this climate cannot be discarded quickly. Contemporary Russia ( in the current political form ) has only been in existence for less than one decade.

Rohozinski asserts that this ideology has hampered the development of the internet ( see footnote 314 to obtain a reference ). The central government ( Soviet ) wanted to create an integrated system. This system's development was thwarted by lower order bureaucrats and officials who wanted control of such a project.<sup>341</sup> The project was also seen as threat by some, to the hidden economy. *Blat's* very existence would be under threat, along with the associated personal networks if information was readily available.

According to the Deputy Communications Minister Alexander Volokitin, Russia has 7 million internet users. Three million of these users are classified as being frequent users, the remainder are classified as occasional users. Volokitin also stated that Russians owned some 10 million personal computers.<sup>342</sup>

In research published by [www.monitoring.ru](http://www.monitoring.ru) in August 2000, approximately 9.2 million Russians have used the net. However, only 20% of these are regular users ( online for

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<sup>339</sup> *Russia has 7 million Internet Users, Interfax, 29/11/2000.*

Johnson's Russia List, #4659, 29/11/2000.

OAO Svyazinvest is the holding company of Russia's regional telephone companies.

<sup>340</sup> Rafal Rohozinski is a Ph.D. candidate in the Faculty of Social and Political Sciences at Trinity College, University of Cambridge. His article *How the internet did not Transform Russia* ( October 2000 ) is drawn from a previous work, *Mapping Russian Cyberspace: A Perspective on Democracy and the Net.* ( this work is available at [www.unrisd.org/infotech/conferen/russian](http://www.unrisd.org/infotech/conferen/russian) )

<sup>341</sup> Control over such a project would give an agency or individuals access to information which could be subsequently used as a bargaining chip to gain goods and services, in exchange for this information.

<sup>342</sup> *Ibid.*

more than one hour per week ). The research also established that the internet users are mainly concentrated in the main cities such as Moscow and St. Petersburg.<sup>343</sup>

A multitude of internet sites have been established, dedicated to politicians and politics. They range from personal websites of politicians such as Boris Nemtsov and Vladimir Putin ( [www.putin2000.ru](http://www.putin2000.ru) ) to political discussion sites ( [www.polit.ru](http://www.polit.ru) ).

This rapid expansion of unchecked information has caught the attention of the Russian authorities. On March 26, 2000, the Chairman of the Russian Electoral Commission Aleksandr Veshnyakov, announced that his agency would “consider the internet as a mass medium,” and would “monitor and punish” any cyber-violations of Russian electoral legislation.<sup>344</sup>

The nature of the internet is complex and difficult to monitor, due in part to the sheer volume of users and information flowing through the networks. In spite of these characteristics, measures are being undertaken by the Kremlin to control the internet.

In an effort to try and police the web Russian Internet Service Providers ( ISP's ) are required by law to link their computers to the FSB ( KGB's successor ). Putin signed another law, taking effect in January 2001, which has extended this requirement to include seven other law enforcement agencies.<sup>345</sup>

The implications of this law means that the law enforcement agencies are able to supervise e-mail and other electronic traffic. Searches are able to be made using keywords to seek out specific information, regardless of whether it is prejudicial to state security or not. Electronic information is accessed relatively easily by the governmental agencies after a presidential decree in 1995, banning the use of encryption algorithms or devices unless these were certified by the FSB.<sup>346</sup> These agencies have in effect been given a free hand to act as a new cyber-censor.

## 6.14 Chapter Findings

A common thread exists in the different parts of chapter six. There appears to be a tendency for increased government intervention in the Russian media. In chapter four I

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<sup>343</sup> Gerrans, Sam., *Democratic Russia Goes Online*, TechWeb News, [www.techweb.com](http://www.techweb.com), 27/11/2000.  
Johnson's Russia List, #4666, 3/12/2000.

<sup>344</sup> Ibid.

<sup>345</sup> Gray, Emma. *Putin's Media War*,  
[www.cpj.org/Briefings/Russia\\_analysis\\_March00/Russia\\_analysis\\_march00.html](http://www.cpj.org/Briefings/Russia_analysis_March00/Russia_analysis_march00.html), 6/12/2000

<sup>346</sup> Rohozinski, Rafal. *How the Internet did not Transform Russia*, University of Cambridge, October 2000.



mentioned Putin's desire to see the creation of a 'single information space.' Putin's wish seems to be becoming a reality. The foundation for the government being the sole gatekeeper has taken on a greater vigour and sense of urgency after Putin's election as the President of the Russian Federation.

The struggle for power between the old power structure ( the oligarchs ), who had gained power, privilege and power during the reign of Yeltsin need to protect those advantages from a new power structure ( Putin ). Prior to this power struggle, the oligarchs had identified the need to protect their position ( as is discussed in detail at chapters 3.6 and 5.1 ) and for this reason began to purchase media assets. When Putin declared that he wanted to destroy the oligarchs as a class ( refer to chapter 2 ), he also involved the media as well. There is a close association between the private media and the oligarchs, as they are the mouthpiece of the oligarchs. Hence, Putin's attack on the oligarchs was also an attack on the media.

Putin has used PR to make his measures against the media more palatable to the Russian public. The power play has been characterised as a struggle of 'good' ( the government ) versus the corrupt ( oligarchs ). By creating this binary opposition, Putin has been able to claim that his measures against the media ( and by extension, the oligarchs ) are for the public good. His claim of acting for the public good is based on the assumption that the oligarchs, through their ownership of the media dictate what is published. This assumption fits closely with Altschull's assertion on media ownership ( see footnote 4 ). In addition to Putin, government controlled media outlets ( such as *Vremya MN* ) have claimed that by destroying the oligarchs power, a truly free media will be able to exist.

Initially the main obstructions faced by journalists were physical attacks, which continue at an alarming rate to this day. Since the dissolution of the Soviet Union, over 120 journalists have been killed. New forms of interference, aimed at disrupting journalistic investigation are being used. Some new avenues are through the use of lawsuits or bureaucratic interference.

State-owned media has been under strict supervision by the Kremlin. Although former President Yeltsin allowed the privately owned media a measure of freedom, this was not extended to media assets under state control. Initial co-operation between the private media and the Kremlin was because of self-serving motives from both parties. The private media are not a homogeneous group, for details outlined in chapters two and three of this thesis. The personalities of the oligarchs ( and their individual interests ) who own the various media entities have for the most part been a factor in dividing this group into several main factions.

At first, the Kremlin targeted foreign owned and operated media, such as *Radio Liberty*. It would appear from the lack luster response from Russian owned and operated media, that they felt relatively safe in their position. The incident which began to unite some of the Russian media was the incident surrounding the treatment of Andrei Babitsky ( see chapter 6.5 ). Berezovsky's media were absent from the protest. The media which were owned by Gusinsky were present. This is possibly an indication of the prevailing political position of these oligarchs at that particular time. By February / March 2000, Gusinsky was out of favour with the Kremlin and Berezovsky still appeared to hold his position as 'the Kingmaker.'

Following Putin's declaration against the oligarchs and the raids on *Media-Most's* offices in May 2000, the other oligarchs began to realise the situation was dire. A change in political relationships had occurred. Some differences were set aside as the oligarchs united to try and protect their assets. This is probably because the oligarchs anticipated being 'picked-off' one by one, unless they united to meet the threat from the Kremlin.

Both Gusinsky and Berezovsky have established political organisations. Their media possessions have been used to consolidate their opposition to the government. By doing this, it seems, that these oligarchs who are not out of the 'inner circle' hope convey the image of a legitimate political entity in a democratic society. Should the Kremlin move against either of them, it may be construed as an anti-democratic move. This would be based on the premise that the action is being taken against the political party ( as Gusinsky and Berezovsky are representative of these political entities ) and not the individual for any possible legal transgressions.

One of the reasons given for the decline of the effectiveness of the Soviet system of censorship is the introduction of new technologies, such as photocopiers and faxes. Faxes and photocopiers were able to bypass the unwieldy bureaucratic system to some extent. At the present the new regime of Putin faces a similar dilemma, that of the internet.

On the one hand the internet poses a problem, the Kremlin's ability to control the flow of information is under threat. But, on the other hand the internet could prove equally useful for the government to disseminate its information to a worldwide audience. This dilemma has resulted in what can be described as a 'schizophrenic' approach to the management of the internet by the Russian government.

The Kremlin wants to stem the free flow of information by placing impositions on ISP's and forbidding the use of encryption. Powers which have been bestowed Russia's law

enforcement agencies by the Kremlin enable them to access all electronically transmitted information ( via the internet ). This is assuming that these agencies have the skills and technology to mount such an operation.

Technologies, such as the internet also offer a cheap and effective way to disseminate information very quickly to a potentially wide audience. Gleb Pavlovsky ( a high ranking media advisor to the Kremlin ) has begun to establish a network of pro-government internet sites, some of which were named in chapter 6.13. Although initially slow to grasp the potential of the internet, the last year has seen a lot of time and effort go into developing the Russian government presence on the world wide web.

By correlating the apparent intentions of the Kremlin with McQuail's media theory ( see chapter 1.3 ) some patterns emerge. In terms of the significance of the mass media, the government's intentions seem to be aimed at utilising the media as a source. By controlling the source of information the Kremlin will be able to determine a large part of definitions and images of social reality. If this is achieved, the place where society and group culture and values are created is also controlled. This would prove useful if an attempt is made to recreate a strong central state.

Through managing the mass media as a source, the government is able to alter the social functions of the media. The current functions of the media appear to be aimed at entertaining and informing the consumer. Putin's attempts to resurrect national pride and to re-establish a strong centralised state requires a motivated populace to help achieve these ends. A primary function of the Soviet media was for the mobilisation of various societal objectives ( for further information refer to chapter 1.3.2 ). This function of the media seems to be in the process of being re-established by the state.

To date, the government's moves against the media have not been evenly applied across the various forms of media ( printed, television, radio and the internet ). Priority has been assigned to media which the government considers to be the most powerful or effective medium in the transmission of messages. The Kremlin's moves indicate that priority has been given to controlling the medium of television.

Television has been regarded as a pivotal element of the propaganda mechanism by the successive Russian governments. Gorbachev's refusal to extend press freedoms to television during glasnost and perestroika are testimony to the government's belief in the power of television. But, it may also signal a break in Russian history.

Russia has had a rich tradition with the use of text to convey ideas and opinions. This skill has been successfully executed by a vast array of talented authors, such as

Pushkin, Gogol, Goncharov and Tolstoy to name but a few. Russia had been primarily a text based society, in which the vast assortment of literature flourished.

The Kremlin's zeal in attempting to reassert state control over television may be a hint to a shift in Russia's culture from text and the word, to a more oral and pictorial base. On the surface, the government's actions seem to be directed toward establishing uniformity in Russian culture.

Perestroika and glasnost ushered in a new era in the philosophy of the Soviet Union, 'pluralistic socialism' replaced the monolithic structure which preceded it. Pluralism continued in to Yeltsin's reign as the President of the Russian Federation. Recent moves by Putin's administration to introduce a 'single information space' within a democratic setting would appear to signal the decline of pluralism in Russian culture. In place of pluralism would be a 'monolithic democracy.'<sup>347</sup>

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<sup>347</sup>The term 'monolithic democracy' refers to a situation where a country still hold democratic elections and is a multi-party state. But, there is little or no tolerance of views which diverge from the state's opinion.

## CHAPTER VII: COMMERCIAL ASPECTS

### 7.0 Chapter Objectives

The value of the media as a tool to achieve political and economic objectives, through lobbying the government or public, became apparent in the early to mid 1990's ( see Chapter 5 ). As a consequence, independent media came under pressure from the oligarchs who sought to use the media as their instrument to lobby the government for further advantage.

There are several issues which I want to argue in this chapter. The first issue involves the inherited legacy of the Soviet past. Specifically relating to the development, or rather the lack of development of the commercial advertising market. This lack of evolution, coupled with the drying-up of state funds weakened the ability of the privately owned media to remain financially free.

The breaking down of media subordination to the state in the later stages of glasnost and perestroika ( as embodied in the 1990 media law ) and the eventual collapse of the central state power gave the media their editorial freedom. They were no longer the agitators and propagandists of the state. In the period immediately following the disintegration of communist authority journalists were full of elation and hopes for the future.

Soon the harsh realities of this freedom began to be felt by the media. Under the previous regime the media were supported by the state financially. This support was now removed, and for the majority they now needed to sustain themselves. Many found the transition difficult and simply disappeared in the newly formed market economy.

Recently, the Kremlin has begun to use money as a means of controlling ( or attempting to control ) TV stations, whose news coverage contradicts what the government wants. Loans made to *ORT* and *NTV* were recalled in an effort to secure stock from these companies. Control over *ORT* and *NTV*, added to the State's RTR channel, would give a monopoly in the nation wide channel services to the state.

When the August 1998 crisis rocked the Russian economy, the first cutback made was in advertising. Seventy years of state imposed ideology compounded the problem. Advertising has been a traditional source of revenue in the West ( and pre-Soviet Russia ), but is poorly developed in contemporary Russia. A large portion of the main advertisers were foreign companies.

The August 1998 crisis was the worst single economic crisis faced by the newly capitalistic economy. A series of crises has weakened the media. State owned media are also not immune from the effects of a decade of underfunding by the government. Limited state funding which may be available to some media often have perceived or real strings attached. To borrow from the state implies an obligation to the state, to comply with the government's information requirements.

Independent private media organisations have also struggled to retain their financial and editorial independence. Some media have resorted to inventive ways to remain economically viable ( read chapter 7.4 for further details ). Other media have borrowed money or have been bought out by the oligarchs.

The consequences of borrowing money or selling out to the oligarchs have had a profound impact upon their editorial integrity.<sup>348</sup> Soon, some media found themselves to be subordinated to their new bosses. Instead of being subordinated to the communist state, a new class of business magnate dictated the terms.

## 7.1 Effects Of The Economic Crises

During the era of communist rule the existence of the media was to an extent guaranteed. As long as the press followed the state's rules, they received state funding. There was little or no concern for the commercial reality of a capitalist economy. The transition to a capitalist economy has proved to be a difficult process. A series of financial crises has rocked the fabric of the economy, and the effects have been far reaching. The media have not been excluded from those effects, leaving them vulnerable to financial takeovers.

## 7.2 Gusinsky's Media-Most.

The relationship between *Media-Most* and the government is a constantly changing affair. At present this relationship is under a lot of strain, due to several articles from the *Media-Most* group that contradicted the government line. The government has resorted to using various forms of pressure to bring them to heel ( through applying economic pressure and use of intimidation, for example ).

During January 2000, *NTV* renowned for its independent news stories, came under pressure from the government. *NTV* owes money to the government run

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<sup>348</sup>By editorial integrity, I refer to the ability of a media organisation to determine its own content. And that this content is not dictated to them by another agency, such as mafia, oligarchs or the government.

*Vneshekonombank*, these debts were called in by the Kremlin. There had been some concern within government circles about news stories that were uncomfortable for officials.

*Media-Most* is a large organisation and a division of the *Most* group. Dmitry Ostalsky, a spokesman for *Media-Most*, put the value of this organisation at more than US\$2 billion.<sup>349</sup> On May 5, 2000, *St. Petersburg Times* article 'uncovered' a growing friction between *Media-Most* and *Gazprom*. The reason for this tension was a loan of US\$211.6 million made to *Media-Most* is in the process of being recalled. *Gazprom* proposing that *Media-Most* should turn over several portfolios to pay off their debt.<sup>350</sup>

Ostalsky has accused the Kremlin of using *Gazprom* to exert political pressure on *Media-Most* (*Gazprom* is 38% government owned).<sup>351</sup> In order to try and avoid this government pressure, *NTV* announced that it would sell a minority stake to a U. S. mutual fund.<sup>352</sup>

### 7.3 The Revenue Crisis

The economic crisis that occurred in Russia in August 1998 had far reaching consequences for the wider social, economic and political structures. Media organisations were far from immune from the effects of the crisis. Journalists are also susceptible to bribery, by virtue of their low wages, to write an article that is requested.

Under the Soviet system, advertising was not approved of in the highly regulated economy. This has had a flow-on effect in Post-Soviet Russia. Advertising market development has been retarded and revenue from this source has been scarce. Some publications have targeted the more affluent sections of the population, as they are more likely to be in the position ( financially ) to purchase the advertised products.

In March 1997, the estimated combined national advertising market was worth in the region of US\$1.5 - 1.7 billion. To put this figure into perspective, it is worth approximately a hundredth of the advertising market's value in the United States.<sup>353</sup> Russia's ad industry is worth half of Poland's and equivalent to Greece's market.<sup>354</sup>

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<sup>349</sup>Zolotov Jr., A., *Media-Most Deal Leaked*, The St. Petersburg Times, 5 May, 2000.  
[www.sptimes.ru/current/news/n\\_media.htm](http://www.sptimes.ru/current/news/n_media.htm), 6 May, 2000.

<sup>350</sup>*Ibid.*

<sup>351</sup>*Ibid.*

<sup>352</sup>Editorial, *NTV's Fate will Show Putin's Style*, The Moscow Times, 25 January, 2000.

<sup>353</sup>Jones, A., *Two steps forward, One step back: Russian journalism in the Post-Soviet era*, July 1999, p. 11.

[www.adamjones.freesevers.com/russia1.htm](http://www.adamjones.freesevers.com/russia1.htm), 22 January, 2001.

<sup>354</sup>AFP, "Russian Media Chiefs to Fight Bill Barring Commercials," Moscow, 12 February, 2001.  
Johnson's Russia List # 5089, 13 February, 2001.

*Video International*, which has ties with Mikhail Lesin, controls up to 70% of the Russian advertising market.<sup>355</sup> Lesin's company gain prominence during the 1996 presidential election when it produced Yeltsin's promotional campaign. Officially Lesin has stepped down as from his position in *Video International*, although his exact position still remains unclear.

Media organisations which have relied heavily on the advertising market as a source of income have been hard hit since August 1998. Since the 'August Crisis' advertising agencies have seen their orders more than halved. The bulk of their advertising revenue came from foreign advertisers. Of the US\$450 million in revenue from advertising by Russia's main television networks in 1997, some 85% was from foreign clients.<sup>356</sup> *Russian Public Television* and *NTV* suffered a 60% reduction in advertising demand.<sup>357</sup>

During the first week of February 2001, the State Duma debated and then passed a law which would ban publicity spots during television and radio shows.<sup>358</sup> The politicians have argued for the law's case by stating that commercials are "an assault on the Russian language, that it depresses the have-nots in society and that sanitary napkins are trampling the dignity of our women."<sup>359</sup>

Advertising industry representatives have responded to parliament's legal move. Alexei Voynov, a legal advisor for the Russian Publisher's Association, argued that "any restriction on advertising makes the media more expensive, deprives them of investors and forces them to seek sponsors, either the state or commercial sector. In either case that reduces the level of independence of the press."<sup>360</sup>

Some media organisations stand to lose a significant share of revenue should the bill be passed into law. Voynov estimated that half of all television revenues nationwide and 85% at a regional level, are derived from advertising.<sup>361</sup> TV6 would lose one third of its revenue should the bill be enforced.<sup>362</sup> Parliament's law on advertising has similarities to the Bolshevik moves against an independent press during the period 1917 - 1919. A

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<sup>355</sup>E-mail correspondence with Dr. Ivan Zassoursky, 6 February, 2001.

<sup>356</sup>Fossato, F., *Russian Media Empires in Decline: How Russia's Financial Crisis Hurts the Media -- An Analysis*, RFE/RL, 16 October, 1998.

[www.rferl.org/nca/special/rumedia4/analysis.html](http://www.rferl.org/nca/special/rumedia4/analysis.html), 2 March, 2000.

<sup>357</sup>RFE/RL, *Russian Media Facing Cost Crunch*, 22 September, 1998.

[www.ejc.nl/mn/showresultnews.hmx?2014](http://www.ejc.nl/mn/showresultnews.hmx?2014), 3 April, 2000.

<sup>358</sup>"*Russian Media Chiefs to Fight Bill Barring Commercials*," op. cit.

<sup>359</sup>Latynina, Y., "How Much do Adds Really Cost?," *Moscow Times*, 14 February, 2001.

Johnson's Russia List # 5093, 15 February, 2001.

<sup>360</sup>"*Russian Media Chiefs to Fight Bill Barring Commercials*," op. cit.

<sup>361</sup>Ibid.

<sup>362</sup>Ibid.



similar move was initiated by the Bolshevik leadership, which proved to be a death knell to the free press.

Coupled with this decrease in advertising revenue, was an increase in paper production costs. The plummeting value of the ruble against the US dollar, made materials and printing costs more expensive.<sup>363</sup> The decrease in the value of the ruble also had the effect of lessening the value earned from newspaper subscriptions. The *Moscow Times* reported a 70% increase in production costs from August 1998 to September 1998.<sup>364</sup>

There was also a failure in the distribution network. In a conversation that I had with Ken Rogers, of the New Zealand Dairy Board ( April 1999 ), he explained that transport operators were usually small-time operations that were run on a minimal profit basis. The 'August Crisis' forced an increase in costs, which rendered their enterprises unprofitable. As a result, most of these operators were forced out of business. This in turn caused a failure in the distribution network. Therefore, newspapers were not able to be delivered.

A longer term problem, that of a falling circulation has been the source of concern for Russian newspapers. According to a report from RUJ by 1997 there were only 200 copies of periodicals for every 1000 people in Moscow. The regions circulation rate was even worse.<sup>365</sup> A decline in circulation has meant that newspapers have needed to find other sources of income.

In October 1998, the nature of the crisis was serious enough for the state to consider monetary intervention, to prop up the ailing media industry. The State Duma considered the law "on state support for the mass media."<sup>366</sup> Concessions to the media included extended breaks on value-added tax and profit tax for media holdings for an additional three years.<sup>367</sup>

The state also gives subsidies to the media, which on a formal basis makes no distinction between state-owned or private media.<sup>368</sup> These federal subsidies may cover as much as 50 - 90% of the publisher's production and distribution costs.<sup>369</sup>

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<sup>363</sup>[www.rferl.org/nca/special/rumedia4/analysis.html](http://www.rferl.org/nca/special/rumedia4/analysis.html), op. cit.

<sup>364</sup>[www.ejc.nl/mn/showresultnews.hmx?2014](http://www.ejc.nl/mn/showresultnews.hmx?2014), op. cit.

<sup>365</sup>Russia Today, *Post-Soviet Russian Newspaper Circulation Plummetts*, 12 December, 1997. [www.ejc.nl/mn/showresultnews.hmx?980](http://www.ejc.nl/mn/showresultnews.hmx?980), 3 April, 2000.

<sup>366</sup>[www.ejc.nl/mn/showresultnews.hmx?2014](http://www.ejc.nl/mn/showresultnews.hmx?2014), op. cit.

<sup>367</sup>RFE/RL, *Russian Media Facing Communist's Scrutiny and Higher Costs*, 9 November, 1998. [www.ejc.nl/mn/showresultnews.hmx?2243](http://www.ejc.nl/mn/showresultnews.hmx?2243), 3 April, 2000.

<sup>368</sup>[www.internews.ru/books/media1999/56.html](http://www.internews.ru/books/media1999/56.html), op. cit.

<sup>369</sup>*ibid.*

There are stringent conditions attached in order for a newspaper to receive the subsidies;

- Papers must be in the Federal register ten months in advance of the new fiscal year, to be considered for the state subsidies.
- Register eligibility means that the paper must belong to local elected bodies, editors or other judicial bodies. If elected local bodies do not run the paper, then the paper must be able to produce a recommendation from a district wide public association.
- The Federal Register permits only one paper from each district to be listed.

In the event that several papers qualify for subsidies, a committee is formed. Representation on this committee consists of local elected councils, local heads of self-government ( appointed by local governor ) and Russian Union of Journalists. The criterion for selection is the "highest circulation, support of the readers and the widest distribution scheme over the territory of the district ( town )."<sup>370</sup>

A case of abuse of state authority occurred on the 6th of March, 1996, when the editor-in-chief of *Amurskaya Pravda* published an article outlining the paper's confrontation with the local authorities. As a consequence of the article, the vice-mayor made several demands to the paper insisting that a reply be published on the first page and also urging the paper to elect a new editor-in-chief. Should the paper have failed to abide by the demands, the vice-mayor made it clear that the state subsidies to the paper would stop.<sup>371</sup>

As of August 2000, the Kremlin has been involved in negotiations which involve *ORT* and *NTV* settling their debts to the government. The 'August crisis' of 1998 has weakened the two organisations, as a result of this crisis revenues dropped ( mostly canceled advertising ) and debts which were accumulated could not be easily repaid.

Although the state owns 51% of *ORT*, Berezovsky who is the other shareholder, has a 49% stake in the company.<sup>372</sup> Among the debts accrued by *ORT* is a US\$100 million credit. The government is using this to pressure Berezovsky into relinquishing his interest.<sup>373</sup> *ORT* is a large television network, total control would give the Kremlin power

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<sup>370</sup>Ibid.

<sup>371</sup>Ibid.

<sup>372</sup>Popeski, R. *Russia Media Debate Turns to Control of TV Stations*, Reuters, August 2, 2000. Johnson List #4435, August 3, 2000.

<sup>373</sup>Ibid.

over two of the country's main networks ( including *RTR* ). However, the Kremlin is not stopping with the planned takeover of *ORT*, *NTV* is also on their 'wishlist.'

The US\$211 million debt owed by *Media-Most* to *Gazprom*, which was described earlier in this thesis, is being used as leverage to bring *NTV* into the Kremlin's control. *The Financial Times* published an article on July 27, 2000, which said that *Media-Most* was soon to be valued in preparation for a sale. *Media-Most* denied this report, but acknowledged that although a deal had not been reached, talks were still in progress.<sup>374</sup>

*Media-Most* has been the cause of irritation for the government in several recent incidents, bringing the organisation into their control would certainly solve some PR 'problems.' If the Kremlin was to have complete control of *ORT* and *Media-Most*, in addition to *RTR*, this would in effect eliminate any serious competitors in the dissemination of information ( on the basis of national coverage ) by television networks. Putin stated in his July 2000 union address that the oligarchs 'information war' was creating a "media of mass disinformation."<sup>375</sup> But, is the public's interest the only concern that he has in mind while negotiating with Gusinsky and Berezovsky?

#### 7.4 Some Responses To The Crises

Media outlets have responded to the financial crises, which have Russian companies using a varied assortment of measures. Mostly, the response was to cut back services and expense. This partly due to a lack of capital which could be used to carry them through a long or protracted economic crisis. Some novel approaches were adopted by some media organisations in order to survive.

In an attempt to decrease expenditure many newspapers reduced the frequency and / or volume of their publications. Two regional papers that chose to take this course of action were the *Chelyabinsk Worker* and the *Uralsky Rabochy*.<sup>376</sup> The effect of this measure was a decline of non-governmentally provided information, at a time when independent information was needed the most.

Other attempts at cost cutting included canceling subscriptions to national news services and the Internet ( including e-mail ).<sup>377</sup> An immediate effect of this action has been the isolation of the regional newspapers. The flow-on effect was a diminished

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<sup>374</sup>Ibid.

<sup>375</sup>Ibid.

<sup>376</sup>Business Development Service, *Regional Newspapers and the Russian Crisis*, Russian National Press Institute, 16 September, 1998.

[www.nyu.edu/globalbeat/pubs/np091698.html](http://www.nyu.edu/globalbeat/pubs/np091698.html), 1 March, 2000.

<sup>377</sup>Ibid.

ability to be able to effectively cover the crisis. By isolating themselves, the regional newspapers have retarded a free flow of information between the regions.

Not all newspapers have responded to the crisis by cutting back services. An exception to this rule is the *Stavropolskie Gubernskie Vedomosti*. The paper was faced with a potentially devastating drop in advertising revenue, as were most papers when the August 1998 crisis took effect.

In 1995 *Stavropolskie Gubernskie Vedomosti* opened a commercial retail store. This was in response to a demand for barter advertising, which was common in Stavropol. A wide range of goods acquired in the process of bartering are offered for sale. The shop has developed into a very profitable enterprise. Store profitability has ensured that the paper has greater flexibility in accepting barter advertising and has prevented the collapse of the advertising business, which has been characteristic of the crisis.<sup>378</sup>

Economic crises have the power to destroy an economy. The media are part of the economy and are vulnerable. Problems associated with the effects of a long and protracted crisis were considered by US President Herbert Hoover in 1928, "free speech does not live many hours after free industry and free commerce die."<sup>379</sup>

## 7.5 Chapter Findings

Several important trends arise from this short analysis of economic considerations of the contemporary Russian media. An influence which still exerts a measure of control on the contemporary situation is the Soviet legacy. The rapid change of one ideology to a completely new set of rules has been a difficult transition for the society.

Under the hierarchical system of the Soviet Union, the media was subordinate to the state. Media were specifically the agitators and propagandists of the Communist Party ( CPSU ). In return for their co-operation the media were given state funding and support. Commercial considerations which were faced by their Western counterparts, in a market oriented economy were redundant in the planned economy.

The transition from communism to democracy caught many by surprise, radically altering political and economic relationships. Marxist-Leninist principles had guided the media through some seventy four years of communist rule. A slow erosion of the legitimacy had begun, but the process was sped up by the glasnost. The transparency b

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<sup>378</sup>ibid.

<sup>379</sup>ibid.

brought by glasnost highlighted deficiencies of the system. In the aftermath of the transition, the press adopted the philosophy of the Western media.

Marxist-Leninist philosophy still have some profound influences on the Russian media. Soviet journalists had been trained to give an interpretation of news and not solely the bare information of the story. From a Western perspective, news still contains a bias.

A second influence which has an indelible effect on the economic viability of the contemporary media. In the West, as it was in Imperial Russia, advertising is an important source of income. Commercial advertising was construed as an unnecessary evil by the Communist hierarchy, and was discouraged. Consequently, the advertising market has been poorly developed as a source of income by the present day media.

The narrow base of advertising subscribers was exposed by the 1998 crisis. Media organisations which did to an extent rely on advertising as a source of income suffered reductions of up to 60% of their pre-crisis income ( see chapter 7.3, *The Revenue Crisis* ).<sup>380</sup>

Other factors, such as a dependency on state funds have combined to weaken the financial viability of the media. A lot of media organisations have struggled to adapt and survive in the new market oriented environment, many have not survived this transition. Those that had survived were in a weakened state, rendering them vulnerable ( some out of necessity ) to financial takeover by Russia's major media groupings.

In effect, one 'tyrant' has been replaced by another. Political interests controlled the finances and the editorial policy of the media under the Soviet regime, this regime has been replaced by the oligarchy.

The Kremlin is in the process of re-emerging as a strong controlling influence on the media, using financial leverage to attain its goals. Independent media, TV in particular, have been targeted. *NTV* and *ORT* are the most easily identified victims of a vigorous attempt by the state to try and control national television programming content.

Control of the TV stations is being attempted by calling in loans made to *NTV* and *ORT* by the government or government controlled companies ( such as *Gazprom* ). TV is still an important social engineering tool. In May 1991, a poll was conducted which showed that 83% of Russians named TV as their main source of news and information.<sup>381</sup>

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<sup>380</sup>For further information about advertising, specifically relating to TV, a good book to consult is Mickiewicz, E. P., *Changing channels: Television and the Struggle for Power in Russia*, Durham, Duke University Press, 1999.

<sup>381</sup>Mickiewicz, E. ( 1999 ), op. cit., p. 230.

## CHAPTER VIII: CONCLUSION

### 8.0 Conclusion

The Russian media gradually earned a freedom of speech, beginning with the first cracks appearing in the Soviet system of censorship and the emergence of Socialist Pluralism. The key event which witnessed the breaching of the 'wall of secrecy' that surrounded the Soviet state was the incident at Chernobyl, in May 1986. Mikhail Gorbachev's policy of *glasnost* delivered and secured media independence from political interference, embodied in the 1990 media law. Media organisations were 'truly' free for the first time in over 70 years.

Events surrounding *glasnost* and the disintegration of the Soviet Union had a profound impact upon the media. A crisis of media doctrine ensued, the old Soviet media system was no longer apt in the new transition state. Since there was no appropriate model available within Russia, some journalists looked to the West for guiding principles. The period in which the collapse of the Soviet Union occurred and before the firm establishment of political order in the Russian Federation, saw a free flow of ideas closing following the principles of the Libertarian ideal model.

Journalists played a decisive role in the August 1991 coup, by continuing a free flow of information relating to the events which were unfolding. This information, which defied the attempted news blackout ( by the organisers of the coup ) helped to defeat the coup. In the post-coup euphoria, journalists had high hopes for the emergence of the Russian media as a viable 'Fourth Estate.'

The watershed of the demise of freedom of speech, was most visible in the conduct of the 1996 presidential elections. This election campaign was waged on an 'us versus them' manner. Collusion between the government and the oligarchs ( who own the private media assets ) directed the power of the media toward the purpose of ensuring President Yeltsin's re-election. The partnership between the oligarchs and Yeltsin was aimed at ensuring the existing power structure remained in power. Had the Communist Party won the election, the new system would have resulted in a loss of power and influence for the incumbents. Additionally, possible repercussions may have materialised, from possible abuses of power perpetrated by the oligarchs or Yeltsin. At this stage the media believed that they would be able to assert their independence once more, after the elections.

State owned media was manipulated and controlled from the Kremlin. Yeltsin was willing to use his influence to hire and fire the heads of the state owned media, which

was often the case when he was unsatisfied with electoral results. Failure was laid at the feet of those in charge. Yeltsin did not need to bully privately owned media in order to get his way. Power and wealth were achieved by influence, by being close to Yeltsin, some oligarchs were able to increase their influence through the granting of 'favours.' *Media-Most's* Igor Malashenko's comments, saying that it is better to be a part-time tool of propaganda for the Kremlin, rather than face a return to communism reflects the private media's belief that this collusion was a temporary arrangement.

The handling of the elections in 1996 is an example of what is possible in the shaping of public opinion, when the media is handled well. Media manipulation was skillfully handled, generating further interest in the media by the business elite. The often corrupt means by which the oligarchs acquired their assets necessitated a tool with which to defend their empires, attack their opponents and to expand their influence in the Kremlin.

Some journalists uphold Yeltsin as a defender of the free press. Certainly, he arranged for state support of the media, prevented obvious political interference ( such as when Primakov was Prime Minister ) and vetoed some potentially repressive pieces of legislation ( the morality bill for example ). But Yeltsin did not need to bully the oligarchs, who had mutual interests. The private media gave their support and co-operation to the Kremlin of their own free will. Yeltsin also ran the risk of losing important loans from the West if he was seen as being too repressive against a 'free' press.

Yeltsin had originally hinted that he intended to remain as President until the year 2000. However, the economy's continuing poor performance and Russia's loss of prestige on the world stage had forced Yeltsin to seek an heir to the seat of power. He needed to find someone who would be agreeable to the public and not be tainted by scandal. The fresh face that he found was Vladimir Putin, who he began to groom for the office of President. Putin was promoted from obscurity to become head of the *FSB*, successor of the *KGB*. Soon he was promoted to the role of Prime Minister. After Yeltsin's resignation, Putin was elevated to the post of Acting President.

Heightened manipulation of the press traditionally occurs during electoral periods, the 1999/2000 elections proved to be no different. In contrast to the 1996 election, in the recently held elections the media were split into political factions. Each bloc lobbied for their chosen political figure and disseminated *kompromat* about their political opposition. The campaign was not fought on the basis of who had the best to offer, but as character assassination progressed, who came out of it least tainted. Phobias rooted in society were exploited to get maximum political benefit, such as the spectres of homophobia and anti-Semitism.

Putin based his political appeal upon the promise of re-establishing a strong central state. Part of this promise was to regain central authority in the regions, Chechnya was the most openly rebellious region. A carefully managed media campaign was orchestrated to gain maximum political mileage from the conflict. The Second Chechen War marked a change in the public relationship between the private media and the state.

Among the first restrictions to be imposed were travel restrictions placed on the journalists. The handling of accreditation and access to Chechnya was done by the military, who had shown their disdain of journalists during the First Chechen War ( 1994 - 1996 ). Restrictions on accreditation contradicts the Russian constitution, regarding not hindering journalists from their work. Examples have been made of journalists, Andrei Babitsky attracted the wrath of the authorities for failing to heed the government in regard to what he reported.

There are similarities between NATO's PR campaign during the Kosovo crisis and the Russian military's public image. Attempts were made to streamline the content of the media through the above mentioned travel restrictions and the use of press conferences. Those who broke the official line were punished, usually by the use of cutting the media organisation from the information sessions and denying them access to the area. One of the limits which has been enforced, is banning the official Chechen version of events from the news.

Language has been used to generate images. The use of rhetoric has been very apparent in the Second Chechen War. Emotional language has been used to create a duality. The Russian forces image has been generated around the themes of righteousness, legitimacy and defenders of the nation.

The Chechens have been characterised as an unthinking mass. Often portrayed as violent fundamentalists with a self-serving agenda, Chechens have been typecast as the villains. There is little potential for a Chechen reply to the Kremlin's accusations, as it is forbidden for the media to cover the views of the Chechen leadership.

The political nature of the media through the oligarchy's ownership served to divide the media. Berezovsky distanced himself from criticising the Kremlin and imposed his will on media organisations under his financial control. The split emphasized the control over editorial policy by those who owned the media, this notion was raised by Altschull.

Bureaucratic obstacles are being used more frequently to try to intimidate and pacify the media. Since the collapse of communism, the Russian bureaucratic network



( ministries and departments ) have increased in number, as have the number of laws and edicts which govern Russian society. Officials seem to be more ready and willing to act openly against the media in order to achieve what the Kremlin wants. The Kremlin has used excuses such as patriotism, combating terrorism and the defence of the state at all costs to try and enforce censorship. These actions tend to support an emergence of a new ideology governing the media, the beginning of the authoritarian ideal.

Mikhail Lesin has emerged as a central figure in the systematic suppression of the press's freedom of speech. The founder of Russia's largest advertising agency, Lesin has rapidly gained political power. He rose from obscurity in 1996, when he was responsible for conducting President Yeltsin's re-election media campaign. Currently, Lesin holds a governmental post, as the Minister of Press and Information. His ministerial position gives Lesin a great deal of power. Almost at will, he has the power to take away publishing/broadcasting licences by issuing an official warning.

The implications of having a licence removed is different for a television network and a newspaper. A newspaper is able to change its brandname, therefore is able to absorb having their licence removed. However, the implications for a radio or television station is a permanent closure. At present Lesin is acting in the role of a censor. As Ivan Zassoursky wrote in his e-mail to me "Lesin right now is overseeing the closure of TV and, as a result, stabilisation of the political system."<sup>382</sup> By trying to prevent views which are differing from the government's, Lesin is recreating an ideological climate which resembles the era of pre-Socialist Pluralism in the Soviet Union. In this environment, there was only one permissible ideology and the state seemed to be permanent part of Russia's social fabric.

Journalists face a variety of threats from business and government. Through the use of legal means journalists are prone to law suits, imprisonment, fines, loss of work or violence. These issues create a dilemma to those who work in the media industry, they are told to write an expose or face possible retribution. The threat is not a hollow promise, over 120 journalists have been killed in the Russian Federation since 1991 and this figure is increasing. Add to this the nature of the media's ownership, and the diverse interests of the oligarchs who own the media and two types of censorship emerge.

Self-censorship patterns have emerged in the modern Russian media. This kind of censorship is driven by internal politics, namely the owner of the media outlet dictates editorial content, with the aims of protecting and to better their interests. The Russian Central Banks newspaper *Vremya MN* is an example, the scandal surrounding the

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<sup>382</sup>Zassoursky e-mail, op. cit.

Central Bank depositing Russia's foreign reserves in a dummy account in the British Channel Islands was ignored. But, the newspaper entered the debate on the freedom of speech issue, defending the government and attacking the Kremlin's opponents.

Imposed censorship is forced upon the media by an outside agency such as government agencies or organised crime. A variety of legal avenues, standover tactics or physical endangerment of the journalists are used to quash stories or alter the news. The continuing saga of Andrei Babitsky best epitomises this type of censorship. Babitsky was arrested in Chechnya in January 2000. His news stories contradicted what the government wanted the public to hear. The alleged crimes, at this stage, were aiding the Chechen rebels and lacking proper accreditation. Babitsky has since been awarded a prize in journalism, he was denied permission to travel to Denmark to collect the award. Currently, he is being prosecuted for having false documentation, namely an Armenian passport.

The internet is in the infancy of emerging as a medium which, to a limited extent is able to by-pass restrictions which inhibit the conventional media. In this context the internet appears as a structural opposition to mass or representational media.<sup>383</sup> In this respect, the internet inherits and develops the traditions embodied in the Soviet era *samizdat* publications. Dissemination of information via the internet has one major advantage over more conventional means, once the information is posted it is present and cannot be removed. As such, the internet's characteristic has the potential to break the 'spiral of silence,' in which the conventional press mediums ( radio, newspapers and television ) are entangled.

A drawback which prevents the internet from achieving further potential, is accessibility. Many Russians are simply not in the position, financially, to afford access to the net. In effect, this recreates the situation faced by the *samizdat* publications, where only a select or 'privileged' group has access to the material. The government has also realised the inherent potential of the internet. Gleb Pavlovsky has begun to establish a series of Kremlin aligned websites to give the government's perspective on the web. In recent years the Kremlin has embarked on trying to restrict the free-flow of ideas. New laws give the FSB and other enforcement agencies wide ranging powers to intercept electronically transmitted information.

Recent attempts by the Kremlin to acquire NTV and Berezovsky's stake in ORT are in keeping with the apparent policy of dictating what the public is allowed to hear. Television is a very powerful medium for shaping opinion, it has the potential to reach a

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<sup>383</sup>Zassoursky e-mail, op. cit.

large audience and requires little effort to absorb the information which is presented. Ellen Mickiewicz's latest book ( *Changing Channels: Television and the Struggle for Power in Russia*; 1999 ) highlights the political elite's appreciation of the potential of television as a powerful tool of propaganda. By taking over *NTV* and *ORT*, the Kremlin would be in a powerful position to have a direct influence on the content of news over a wide area of Russia. All nation-wide channels would be under the Kremlin's control.

Putin's promise to eliminate the oligarchs as a class and the subsequent struggle fought through the media appears to be a conflict over power and privilege. A path has been set toward the re-establishment of a strong, centralised state. The old power structure ( from part of Yeltsin's inner circle ) had a powerful and privileged position in the state hierarchy. Putin's needs to break or at least 'tame' this power structure if he is going to be successful in resurrecting a powerful Russia, because it is potentially a capable obstacle in attaining his desired end-goal. Putin, as the 'newly' established power, needs to stamp his authority on the political scene. As business and politics are inseparable, the oligarchs are affected.

Putin has uttered assurances on various occasions that he supports the freedom of speech and is against the return of totalitarianism. The Russian Union of Journalists has a different view of Putin's position, naming him in second place ( equal with Ustinov the prosecutor general, but behind Lesin, the Minister of the Press ) as top enemies of the Russian press. His actions have included personal condemnation of journalists who have broken the government engineered version of events ( when Putin called Alexander Nikitin a traitor for example ) and personal involvement in legal cases involving the nature of journalistic content ( his personal involvement in the Nikitin case lasted for more than one year ).

The federal bureaucracy has been more active in the interruption or suppression of the media's news gathering activities since Putin's accession to power. Putin's promise of destroying the oligarchs as a class seems to be only partially fulfilled. Some oligarchs have fallen from favour, such as Berezovsky and Gusinsky, but they have been replaced by other oligarchs, Potanin for instance. Russia's oligarchs rely on influence to achieve money and power, without it their empires may well collapse. The shift of power and influence among the oligarchs has seen an information war erupt between the various financial groupings and the government.

Gusinsky, who had fallen out of favour with the Kremlin some time ago aligned himself as political opposition. When the government began to put pressure on *Media-Most* two significant events occurred. Firstly, the oligarchs, usually a disjointed collection of interests united to protect one of their own. The oligarchs united under the possibility of

a threat to their way of being, usually they fought over the potential offerings of the privatisation drive. Their open letter challenged Putin on the true nature of his reforms.

The second significant event was the government was more willing to resort to the use of armed police raids on the offices of their opposition in the media, in an attempt to silence dissension and opposition. Since the police raids on *Media-Most*, the offices of the *Glasnost Defence Foundation* have also been raided in a similar fashion. Possibly setting a precedent in the government's handling of 'difficult' media. Previously the government hid behind the enforcement of laws, such as the political advertising laws to silence 'rogue' media, by revoking their broadcasting or publishing licences. Luzhkov's *TV-Tsentr* was threatened with having its broadcasting licence revoked. However, some prominent legal cases have been brought before the courts, challenging the government's actions. *TV-Tsentr* won one such case, thus setting back the government's plans and forcing a rethink of strategy. *Media-Most's* struggle for independence from *Gazprom* seems to have some government involvement. The Kremlin is in the process of buying a larger stake in *Gazprom*, which would give the opportunity to gain further involvement in the process of gaining control over *NTV*.

The media are not entirely blameless for their current predicament. With regard to the increasing number of law suits being filed against media organisations and journalists, the Russian Union of Journalists blames the standard of journalism as allowing this to happen. Rules governing the operations of the media have changed, and the media were forced to make a profit or go out of business. In order to boost circulation and ratings, a breed of tabloid journalism emerged, surviving on the premise that 'sensation sells.' This kind of journalism has a focus on people and personality, the event itself is left somewhat neglected.

A series of recessions have left the media in a vulnerable position also. Media agencies have sought funds from private and governmental organisations. By allowing this investment to occur, the new financial partner does have a right to dictate some part of the editorial content. In a round table discussion at Moscow State University in the first week of February 2001, the General-Secretary of the Russian Union of Journalists gave estimates of income and expenditure of the Russian media. He estimated that the combined revenue of the media are in the region of US\$1 - 1.5 billion, where as their combined production costs amount to US\$10 billion.<sup>384</sup> These figures beg the question, from where does the rest of the money come?

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<sup>384</sup>Zassoursky e-mail, op. cit.

A strong connection exists between the Russian media and politicians or 'political investors.' Those who seek to gain political power or influence seek to use media to achieve their ends. The influence of the media was lent by the oligarchs to Yeltsin ( and later, Putin ) in exchange for access to privatised property. This proved to be extremely profitable for the oligarchs, despite the fact that the media continued to lose money.

During the period immediately after the fall of communist power, the Kremlin was in a weakened situation and was unable to dictate its will. As a result a diffusion of power to the regions occurred. Over the past decade the central state has increased its authority and has become more willing to flex their power. Putin's rise to power, his promises of restoring Russia's pride and position on the world stage has signaled an intention to take back power from the regions and a return to a strong centralised state. To prepare for such, it is necessary to have a united voice to communicate to the public and try and shape their opinion. A free and independent media have no place ( from the state's point of view ) in such a society.

A 'new speak' has emerged from the Second Chechen War, that measures must be taken 'in defence of the state,' at all costs. One of these costs appears to be the loss of the freedom of speech. Mikhail Lesin's interference in the freedom of speech is indicative of the zeal shown by some bureaucrats in the pursuit of the Kremlin's ascension to power.

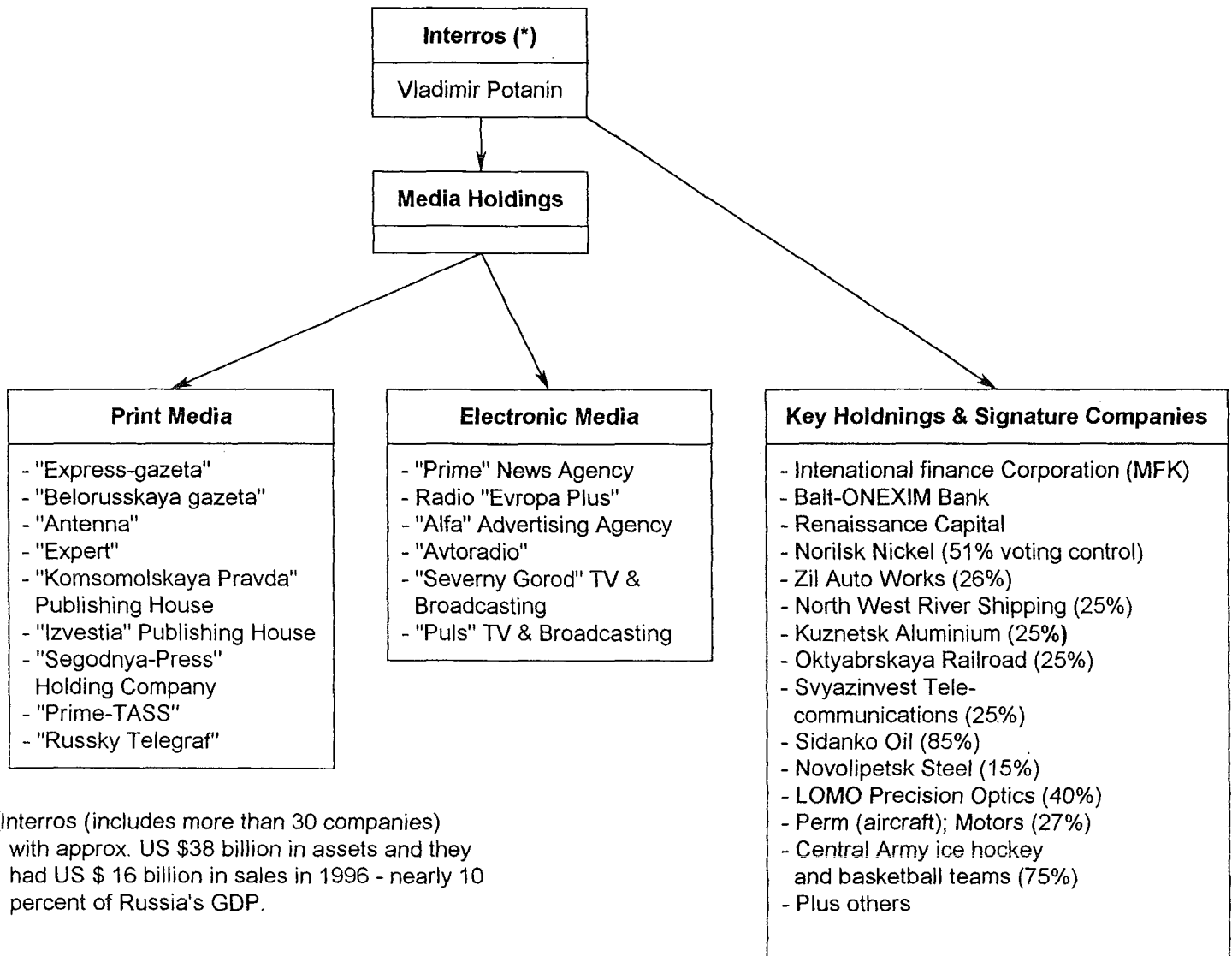
Government funds which have been used to 'prop up' the media have strings. To meet the criteria for these funds, certain unwritten rules need to be understood. The Kremlin have been using such leverage in the past. By accepting such financial aid some media have found themselves under an obligation to accept what the Kremlin dictates to them. The government's interference in driving the recall of loans to private firms, although politically motivated ( to silence criticism of the Kremlin's activities ), is quite within the bounds of the law. *Media-Most's* large scale borrowing to keep them financially viable has lead to their vulnerability.

As the recent issue of *Time* magazine ( January 15, 2001, pp. 22 - 23 ) states, the problems associated with issues surrounding press freedoms and the communist legacy affect a greater area than the Russian Federation. The state has tried to influence and meddle with the mass media, the main point to the interference is aimed at eliminating pluralism from the media. Aidan White, from the Brussels based International Federation of Journalists said, "The crisis [...] is symptomatic of a region-wide problem, there is not

enough respect for pluralist broadcasting systems. What we are seeing is a political culture refusing to change.”<sup>385</sup>

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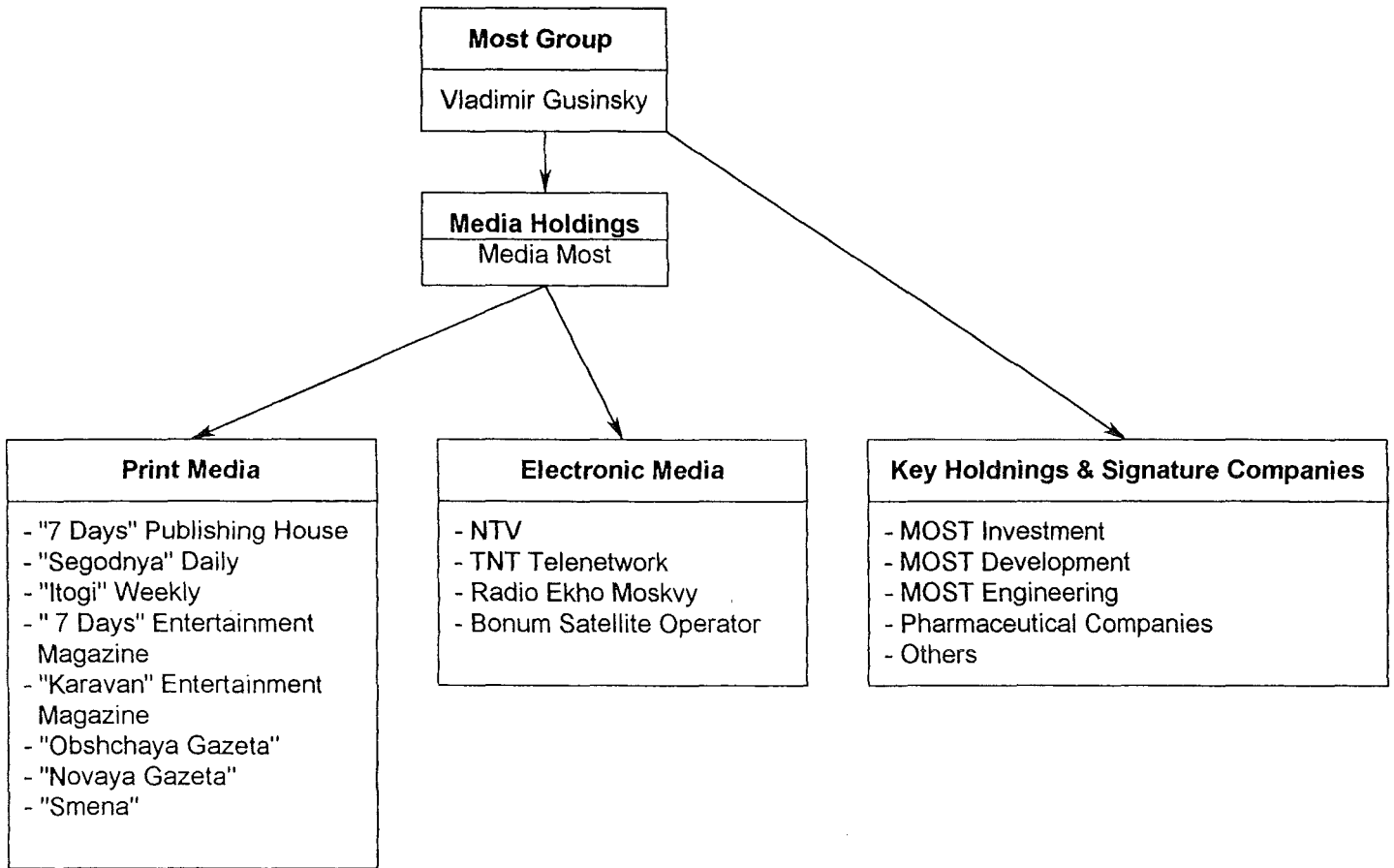
<sup>385</sup>Time Magazine, January 15, 2001, Purvis, A., *Prague Winter*, p. 23.



Interros (includes more than 30 companies) with approx. US \$38 billion in assets and they had US \$ 16 billion in sales in 1996 - nearly 10 percent of Russia's GDP.

**SOURCES :**

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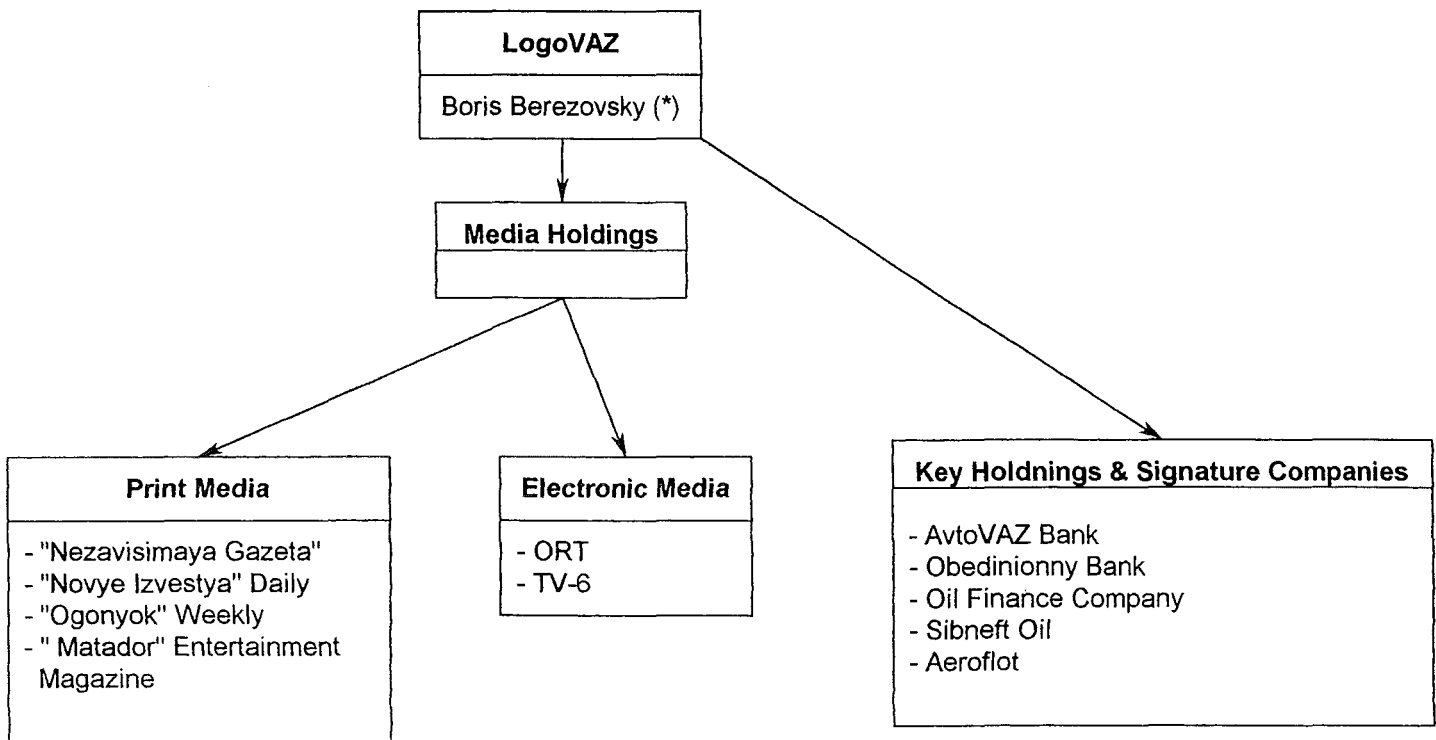


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Berezovsky is often allied with Aleksandr Smolensky (SBS-Agro Bank) and Mikhail Khodorkovsky (Menatep, Rosprom).

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