

Freedom of speech under attack in Russia

# The Kremlin assumes control over the NTV oppositional television station

Vladimir Volkov, Stanislav Smolin  
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The battle over the fate of Russia's largest non-governmental media conglomerate Media-Most—which was created and controlled by the former business “oligarch” Vladimir Gusinsky, who has been in Spain since last autumn—reached its climax in the first half of April.

At an impromptu meeting on April 3, the stockholders of NTV television changed the station's management and selected a new general director. The gathering was initiated by the company “Gazprom-Media,” headed by Alfred Kokh, on behalf of the energy giant Gazprom, and took place in Gazprom's central Moscow offices. Behind the decisions one can clearly see the hand of the Kremlin and President Vladimir Putin personally, who used Gazprom—the largest stockholder in Media-Most after Gusinsky—to place the TV channel under their de-facto control.

The new NTV general director is one Boris Jordan. He was born in the United States, came to Russia a few years ago and established the investment bank Renaissance-Capital in 1995. Jordan is known for his ties to some former “oligarchs” and for his successful speculation on the Russian financial market in the mid-1990s. Up to now he has headed the financial-industrial group Sputnik, which owns the well-known radio station Evropa-Plus and periodicals such as the magazine *Afisha*.

NTV journalists organised a mass protest meeting in Moscow's central Pushkin Square on March 31 and another, attended by thousands, on April 7 in front of the “Ostankino” television station. But, in the end, most accepted the shareholder decisions. Led by Yevgeny Kiseliyov, a group of approximately 300 television journalists joined either the TNT station, which is also part of the Media-Most holding, or the TV6 station, controlled by Gusinsky's rival, Boris Berezovsky.

On the night of April 7, Jordan sent guards to seize the NTV offices and the new general director took formal control of the company. Simultaneously the news emerged that Kiseliyov had been offered the leadership of the editorial board of the TV-6 television station. He accepted the offer and it seems that a large section of the NTV editorial board will join TV-6.

The formal pretext for replacing the old NTV management was the parlous financial situation of the Media-Most conglomerate. According to company spokesmen, Gazprom, whose management is under tight state control, had invested about one billion dollars into Media-Most and the media conglomerate was unable to pay back some of these debts.

In November 2000, in return for a loan of \$211 million, Gazprom received a 25 percent share in the Media-Most conglomerate and a 16 percent share in NTV, bringing its holdings in NTV to 46 percent of the total. At the same time, Gazprom obtained, as a surety, 19 percent of the shares from Gusinsky's personal holdings. As a result of a judicial decision, Gusinsky was prevented from using this 19 percent in any shareholder vote and thereby lost control of the company.

The pivotal role in the move against NTV was played by a company

called Capital Research, a junior foreign partner, which had held a 4.5 percent share of NTV stock since early 2000 and previously sided with Gusinsky. At the stockholder meeting, Capital Research gave de-facto support to the proposals presented by Gazprom-Media thus providing them with an aura of legitimacy. (According to Gazprom, the decisions were passed with the support of 50.5 percent of the “aboveboard” shares in NTV.)

Just two weeks before, Alfred Kokh gained control of the publishing house, Seven Days, also part of the Media-Most conglomerate, using a similar method. He made a deal with Capital Research, consolidated a controlling share in the company and replaced the former management with his own.

The last hope for the NTV team lay in negotiations with a consortium of foreign investors headed by the US media mogul and CNN chief Ted Turner, who offered to purchase all of Gusinsky's shares (30 percent plus the 19 percent) for \$225 million. Following the Gazprom takeover, Turner's ability to get control of NTV and to obtain Putin's approval are both in doubt and he appears unlikely to proceed with the deal.

The coup d'etat at NTV has resonated throughout the Russian and foreign mass media and has become the major event in Russian political life. The new management insists that the only issues are commercial ones. According to the new director Jordan, “The problems facing NTV are not freedom of the press, but the actual financial collapse and default of NTV”. Kokh commented that “NTV needs crisis management requiring managers of a completely different character”.

However, many Russian politicians and public figures have criticized the takeover. Former Soviet President Mikhail Gorbachev, who is also the chairman of NTV's public advisory council, commented: “The way they are breaking apart the television channel, the way they are behaving with respect to the journalists at NTV, it is an insult to our society, it is demeaning to all Russian citizens. The change of leadership at NTV is not a juridical question, it is a completely political decision, that is an obvious fact.”

Leader of the Yabloko faction, Gregory Yavlinsky, said: “The events concerning NTV resemble the August 1991 coup, but with foreign participation. ... I would once again like to underline that this is a vitally important question. We are discussing the possibility of all Russia's political figures and [State Duma] Deputies expressing their points of view on issues arising before the nation.” The further unfolding of these processes, Yavlinsky said, would mean “a contraction of civil rights and liberties of Russia's citizens. This would lead to a collapse of the Russian economy, the further impoverishment of the population and the loss of any perspectives by the nation”.

Journalists' Union head Vsevolod Bogdanov warned: “The regime is attempting to turn all the mass media, all the journalists and all social

institutions into 'its own'. The society is beginning to lose any faith that the mass media can be independent of the regime. It is only those mass media, which are supported by the regime, that are able to survive. NTV is just one example, but there are many more such channels around the country. Media outlets get shut down, people who do not get along with the power structures are fired."

Over the last few years, NTV has been the only major oppositional TV channel of national stature, which has sharply criticized the policy of the Kremlin in Chechnya, telling its viewers about the barbaric behavior of the Russian army there, and presented exposés over issues such as the sinking of the nuclear submarine Kursk.

But while assuming an oppositional stance, NTV did not refrain from resorting, albeit on a smaller scale, to the methods of slander against its political opponents, which have become the staple of recent Russian political life. As the London-based *Times* noted: "Vladimir Gusinsky had used NTV during his own political, and at times, dirty campaigns". NTV's record allowed Gleb Pavlovsky, one of the main "political technologists" in Putin's circle, to exclaim: "This channel assembles and trades in crises".

Nevertheless it cannot be denied that NTV has now become the victim of a campaign of crude state pressure, involving various special police services, prosecutors and other judicial organs. In the course of the campaign against NTV, which began last May, the anti-democratic character of the Russian state, as it has developed in the ten years since the start of "democratic" reforms, has been clearly exposed.

The Kremlin is using all means at its disposal to shut down and silence any oppositional media that has influence over public opinion, and it has largely succeeded. The takeover of NTV is primarily a political, not a financial issue, and constitute a major blow to freedom of speech and other democratic rights in Russia. That is why the silencing of NTV must be decisively condemned.

However, NTV's actual role in Russia should not be forgotten. Until very recently it has been a symbol of the "new Russia" and for many years enjoyed the Kremlin's support. NTV contributed much to the direction of the political course along which the country has traveled following the collapse of the USSR, and it had never before doubted its historical justification.

NTV was one of the elite institutions, both in the ideological and economic sense, of capitalist Russia, and it has played a colossal role in reinforcing the ideological and political prestige of the new ruling regime, in re-electing Yeltsin in 1996, and in confirming Putin as Yeltsin's successor.

While condemning the Kremlin's attack on NTV, class conscious workers should not extend uncritical support to the defense campaign waged by the TV channel's managers and their political allies. Their defensive steps have been strictly limited and based on a profoundly reactionary political outlook.

Those in charge of the defence campaign deny that the attack on the TV station demonstrates that democracy and freedom of speech are incompatible with the regime's promotion of private enterprise. In fact, the old NTV management insists that the opposite is the case: that Russia needs even more direct and "consistent" measures in the direction of market reforms.

The "money" question and the market have, however, undoubtedly played a major role in these events. Were Media-Most not actually bankrupt, it could not have been deprived of its independence.

Media-Most was set up and organized in the Yeltsin years when privatization led to the brazen pilfering of state resources and budgetary funds. The company expanded rapidly but was never able to turn itself into a genuinely profitable company. The huge investments, which Gusinsky, with the government's help, was able to mobilize for grandiose projects such as NTV Plus and his own space satellite, were premised on

the early emergence of a significant and numerous middle class. The August 1998 financial crisis in Russia shattered these hopes and brought Media-Most to the edge of bankruptcy, which it was only able to avoid with state assistance.

The relationship between the state and the various oligarchic business clans changed under Putin and these changes deprived many of these groups of their previous infusions of governmental funds. As far as NTV was concerned, the situation was exacerbated by the fact that the Kremlin displayed ever more authoritarian and antidemocratic tendencies. Putin viewed with hostility any criticism of his policies, whether over the war in Chechnya or the sinking of the submarine Kursk. Now the state has simply stopped propping up NTV and imposed its will on the company.

In a sense, a whole period of Russian post-Soviet history is ending. Previously, the issues of freedom of speech and democracy were posed primarily in two ways: firstly, in a reaction to the totalitarian legacy of the Stalinist regime, which claimed to be communist, and secondly, in the illusion that the non-governmental media corporations were interested in providing objective, honest and truthful information to citizens. Actual experience is showing us that journalism in the service of private profit plays just as odious a role as the propaganda machine of the privileged bureaucratic caste.

After ten years of capitalist reforms, Russia has not achieved democracy, personal freedom and a growth of a large population of materially secure individuals. Rather, the results have been the diametrical opposite: a widening gulf between wealth and poverty, the exacerbation of social tensions, growing dangers of internal and international military conflicts and the severe restriction of democratic rights.

The smothering of NTV is only one part of this dangerous tendency and is connected to deeper social issues. Even a few representatives of official political establishment have begun to voice some quite unexpected conclusions. One of the deputies from the Yabloko faction in the State Duma recently commented that "in his opinion, freedom of speech stands above private property".

During a televised debate over NTV, the general director of TV-6, E.Salagayev, stated: "The natural resources of the country are in public domain and everyone who develops them should utilize them in the interests of the whole society, not for personal gain". Although directed at a Gazprom representative, his comments call into question the basis of the current regime and its market reforms, which, up until now, have been taken for granted, at least, among the representatives of the Russian elite.

According to a recent poll of 1,600 people by the National Center for the Analysis of Public Opinion (VTsIOM), there are growing fears over the erosion of democratic rights and freedom of speech. In July 2000, 25 percent of those polled thought that the Russian government was attacking freedom of speech and restricting the independent media. In September 2000, the figure grew to 30 percent, and in February 2001, to 39 percent. At the same time the number who believe the regime does not threaten democratic freedoms shrunk from 57 percent in July 2000, to 46 percent in September 2000 and 44 percent in February 2001.

Some conclusions must be drawn from the takeover of NTV. Freedom of speech and democratic principles constitute a vital factor in determining the future of the country in which the repressive Stalinist regime left such a terrible legacy. Yet the course of events in recent weeks demonstrates the incompatibility of these principles with the unlimited power of private property, which is served by the present Kremlin regime headed by Putin.

Democratic freedoms cannot be defended other than through the independent and conscious action of the working class itself, and this struggle, in the final analysis, is tied to the struggle for the construction of a society based on social equality.



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