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The New State Media Behemoth

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President Vladimir Putin has dismantled RIA Novosti and replaced it with the Rossia Sevodnya news agency to improve Russia's image in the world. The odious television host Dmitry Kiselyov will head Rossia Sevodyna. This is the man who infamously proposed burning the hearts of gay people who have died in car accidents. He also said the mass protests in Kiev were provoked by Sweden in revenge for its loss to Russia in the Battle of Poltava more than 300 years ago.

Kiselyov's appointment came just one week after Gazprom Media announced that it had

purchased 100 percent of Profmedia, a company owned by multi-billionaire Vladimir Potanin. That deal came two months after Gazprom Media appointed Mikhail Lesin as its new director. In his former job as press and mass communications minister, Lesin had played a central role in the Gazprom Media takeover of NTV in 2001.

It is no secret that Lesin's appointment is far more than a simple staffing change. Gazprom - Media is fully owned by Gazprombank, itself controlled by the Kovalchuk brothers, who are among Putin's most trusted friends. But under previous management, Gazprom Media was really controlled by Gazprom itself. Yet Lesin's appointment rectified that.

Thus, Lesin's appointment to head Gazprom Media and Gazprom's purchase of Profmedia have resulted in the creation of a media monopoly. Practically all television channels, radio stations and other major media assets not already owned by the state have now come under the control of the Kovalchuk brothers.

Putin loves monopolies. Just as Rosneft has concentrated almost all of Russia's oil assets in its own hands, the Kovalchuks are apparently concentrating all media assets in theirs.

Even more interesting, a monopolization of the advertising market has accompanied the monopolization of the media market. Video International has long been Russia's largest player in television advertising, controlling a 70 percent share of that market. Alcasar, the company selling advertising for NTV, controlled most of the remaining 30 percent. Now Gazprom Media effectively controls NTV and Video International was sold to structures owned by the Kovalchuk brothers back in 2010. That means the brothers are not just creating a television and radio monopoly for the state, but a state-controlled conglomerate of television, radio, film and advertising that rivals the Soviet media behemoth Gosteleradio.

The authorities' ideological and economic motivations in creating such a powerful tool are clear. It is more difficult to understand why the Kovalchuks named Lesin to manage it. After all, Lesin helped dismantle NTV, has a shady reputation and a long list of people with whom he has managed to come into conflict. There is a danger that Lesin will use his administrative resources not only to serve the interests of his bosses, but also to settle old scores.

The liquidation of RIA Novosti is a good example. That agency's outgoing head, Svetlana Mironyuk, was the perfect person to accomplish the Kremlin's stated goal of "improving Russia's image abroad." A loyal and highly capable professional, Mironyuk turned RIA Novosti into a world class news agency renowned for its professional reporting, despite being state-owned. The problem is that Mironyuk had a bad relationship with Lesin. Now Lesin and his Kremlin backer, Alexei Gromov, are gaining the upper hand by firing Mironyuk on the eve of the Olympics and appointing Kiselyov to take over the task of improving Russia's image.

As long as Rossia Sevodnya begins reporting that the protests in Kiev are the handiwork of Swedes still angry over their centuries-old defeat at Poltava, Russia's global image can only improve.

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