

Foreign Media Law Makes Putin Less Glamorous

By The Moscow Times

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In 1992, Derk Sauer, a Dutch journalist and entrepreneur, founded The Moscow Times, Russia's first privately owned English-language newspaper.

"We launched The Moscow Times on a dream. Yes, we had a business plan ... well, sort of," Sauer said in 2012, when the newspaper celebrated its 20th birthday.

This publication was and remains a small newspaper covering big stories, and it has produced several Pulitzer Prize-winning writers. But the business side has not always been smooth sailing, so in part to help the paper survive Sauer launched the Russian version of Cosmopolitan magazine in 1994, followed by a raft of other global publications such as Playboy and Harper's Bazaar. The resulting publishing house has become one of the biggest in Russia, with more than 50 publications and projects now in its portfolio.

Draft legislation on media assets to be considered by the State Duma in a key second reading

Friday puts these achievements in jeopardy. If signed by President Vladimir Putin into law, it will limit foreign ownership of all Russian media companies to 20 percent. In a situation when most Russian publishing houses are foreign-owned, the new measures will effectively revolutionize the country's media industry — almost certainly not for the better.

Leonid Bershidsky — the Russian founding editor of the Vedomosti business daily, launched by Sauer in 1999 together with The Financial Times and Wall Street Journal — told The New York Times that the proposed law "kills off my life's work."

Vedomosti and Forbes have been fingered as the main targets of the bill, which according to The Financial Times was initiated by the deputy head of the presidential administration, Alexei Gromov. The bill was only submitted last week and is due to have both its second and third — final — readings Friday, showing that the forces behind it had enough leverage to push it through without unhurried consideration.

Forbes and Vedomosti are two of Russia's best-quality news outlets. They are often critical of the government's policies, but it is difficult to accuse them of outright bias. At the same time, during the debate comprising the bill's first hearing, deputies put forward the case that glossy magazines present a greater danger to Russia's national security than newspapers covering politics and society.

This is extremely alarming.

GQ, Vogue, Tatler and other magazines were the main conduits for the ethos of glamour into Russia. In the absence of communism, Russian elites quickly adopted aspirations of wealth and beauty as their new ideology in the 2000s. The magazines taught the country's elite what to eat and wear, and where to vacation and live, but they did not mentor them on what to think.

Russian versions of seminal Western publications did not promote Western interests, therefore, but Western aesthetics. They did not carry any political message, but acted as one of the main inspirations for Russia's internal modernization.

In the fallout from the ongoing Russia-West rift, not only are Western values being questioned, Western lifestyles are being rejected as immoral and unfashionable. Perhaps this is a recurrent cycle in Russian history: Men grow beards and then cut them off; Russians isolate themselves only to open up again. The question is what the cost will be of these transformations, and whether one lifetime is enough to grow a beard, cut it off and then grow it back again.

Viktor Shkulev, president of Hearst Shkulev Media, another major Russian publishing house with 50 percent foreign ownership, said in an interview with news website Slon.ru that the draft legislation's main objective is to redistribute assets "in favor of certain groups" close to "the president and his team."

Foreign media investors did not come to Russia to threaten its national security or harness public opinion in order to stage a hostile coup and eventually make the country disintegrate. They came here to earn money, and they did, contributing in turn to Russia's growing prosperity.

More than 1,000 people, with an average age of 34, work at the Sanoma Independent Media publishing house, which owns The Moscow Times. Thousands more work at Hearst Shkulev Media, Burda, Conde Nast, Axel Springer, CTC Media and other holdings directly affected by the bill. Many of these people, who include some of Russia's most creative and promising talent, will lose their jobs if Russian buyers are not found for their publications.

Some of them will go abroad and some will stay, but the quality of content will inevitably decline in a market with reduced competition.

In the boom years of "Putin glamour," the main question was not how to earn money, but how to spend it. It seems that today the main question is how to preserve and protect it. Will the next question be how to survive?

The views expressed in opinion pieces do not necessarily reflect the position of The Moscow Times.

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