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RUSSIA

Russia started 2014 with a surge of national pride, driven by the success of the Olympics and enthusiasm over the annexation of Crimea. The year ended with public protests and consumer panic triggered by the sharp fall of the ruble. Russian society, and media in particular, were impacted by a series of other major events. They included the revolution in Ukraine and the EU and the US imposing economic sanctions, which was followed by Russia's retaliatory embargo on food imports from the EU and the US, and Russia's financial support of self-proclaimed Donetsk and Lugansk republics in eastern Ukraine. Over the year, the conservative majority consolidated around President Putin. According to research by the Public Opinion Foundation, in December 2014, 81 percent of people thought that president was doing his job well, and 83 percent trusted the president.

The differences between Russia's liberal media and its propaganda-spreading government media increased, with only a few independent media managing to maintain editorial balance. The range of topics and plurality of opinion in media radically decreased. State television and press devoted significant attention to the situation in Ukraine, while withholding information about domestic problems. At the December meeting of major television channels with the Russian prime minister, REN TV Deputy Editor-in-Chief Marianna Maskimovskaya said, "Reading the press gives me a feeling that we live in Ukraine, rather than in Russia. We started this year on a positive note with the Olympics, and finished it with the feeling of all-encompassing aggression that literally fills the air; looking for internal and external enemies; jingoism bordering on the verge of chauvinism."

Legal pressure on traditional and social media continued to increase. Popular bloggers now have to register with media oversight authorities and disclose their identities. The allowed share of foreign ownership in a Russian media asset was reduced from 50 percent to 20 percent. According to the MSI panelists, the media community feels that the new regulations create additional complications for Russian media. The government also withdrew subsidies to the Russian Postal Service for subscription distribution, which resulted in a 20 percent drop in subscriptions.

The dismal state of the Russian economy dealt more blows to the print media sector—which was already suffering from dwindling advertising revenue and circulation—and led to 10 to 15 percent staff layoffs in 2014. Expectations for 2015 are gloomy, amid projections that the advertising market will drop 60 to 70 percent.

Reflecting these developments, Russia's overall downward trend in MSI scores continued, even if overall the reduction in score was small (1.46 this year compared with 1.55 last year).

Due to laws restricting NGO activity and contacts with U.S.-based NGOs, the participants in the Russia study will remain anonymous. A Russian journalist developed this chapter in December 2014 after a series of structured interviews with colleagues in the media sector.

RUSSIA at a glance

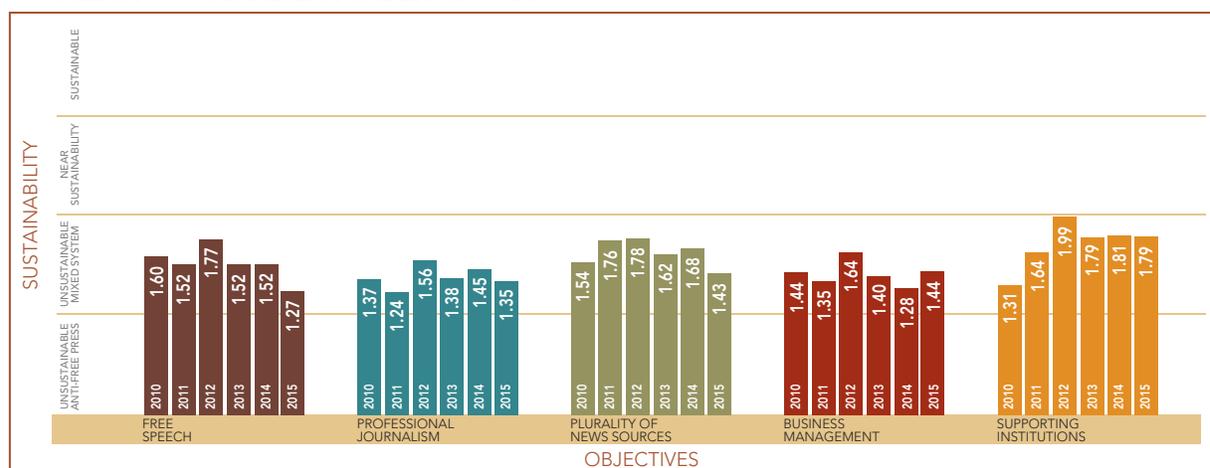
GENERAL

- > Population: 142,470,272 (July 2014 est. *CIA World Factbook*)
- > Capital city: Moscow
- > Ethnic groups (% of population): Russian 77.7%, Tatar 3.7%, Ukrainian 1.4%, Bashkir 1.1%, Chuvash 1%, Chechen 1%, other 10.2%, unspecified 3.9% (2010 est. *CIA World Factbook*)
- > Religions (% of population): Russian Orthodox 15-20%, Muslim 10-15%, other Christian 2% *note*: estimates are of practicing worshipers; Russia has large populations of non-practicing believers and non-believers, a legacy of over seven decades of Soviet rule (2006 est. *CIA World Factbook*)
- > Languages (% of population): Russian (official) 96.3%, Dolganc 5.3%, German 1.5%, Chechen 1%, Tatar 3%, other 10.3% *note*: shares sum to more than 100% because some respondents gave more than one answer on the census (2010 est. *CIA World Factbook*)
- > GNI (2013-Atlas): \$1.988 trillion (World Bank Development Indicators, 2014)
- > GNI per capita (2013-PPP): \$23,190 (World Bank Development Indicators, 2014)
- > Literacy rate: 99.7% (male 99.7%, female 99.6%) (2010 est. *CIA World Factbook*)
- > President or top authority: President Vladimir Putin (since May 7, 2012)

MEDIA-SPECIFIC

- > Number of active print outlets, radio stations, television stations, Internet news portals: newspapers: 26,932; magazines: 31,979 (2014–Federal Agency for Press and Mass Communication); active radio licenses: 2,816; TV licenses: 3,828 (2014–Federal Agency for Press and Mass Communication)
- > Newspaper circulation statistics: Top three general interest daily newspapers by audience: *Metro* (1.8 million readers), *Rossiyskaya Gazeta* (834,200 readers), *Moskovski Komsomolets* (788,100 readers) (TNS Russia National Readership Survey, May–October 2014)
- > Broadcast ratings: Top three national TV channels by audience Channel One (14.0%), Russia 1 (13.4%), NTV (10.9%) (2014-TNS Russia TV Index)
- > News agencies: National–ITAR-TASS (state), Russia Today (state), Interfax (private)
- > Annual advertising revenue in media sector: 2013: RUB 328 billion (\$5.7 billion); January–September 2014: RUB 242 billion (\$4.2 billion) (Association of Communication Agencies of Russia)
- > Internet Users: 40.853 million users (2009 est., *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: RUSSIA



Unsustainable, Anti-Free Press (0–1): Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1–2): Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2–3): Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3–4): Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

Scores for all years may be found online at http://www.irex.org/system/files/EE_msiscorers.xls

OBJECTIVE 1: FREEDOM OF SPEECH

Russia Objective Score: 1.27

The Russian constitution guarantees free speech and the right of access to information. The media law provides for editorial independence regardless of ownership and for confidentiality of news sources. Obstructing journalist work is a criminal law issue. But much of Russian society and many journalists care more about their economic well being than free speech. The Russian authorities have consolidated control over media, especially the national television channels that are the main sources of news for most of the population, and turned them into instruments of state propaganda. Still, existing legal safeguards of the freedom of speech proved sufficient to protect operations of a few private media practicing fair and objective journalism in the interests of their audiences.

In 2014, the Russian media focused heavily on events in neighboring Ukraine. Russian state media described the events of late 2013 and early 2014 that brought the opposition to power as an unconstitutional coup inspired and funded by the United States. The leaders that emerged in Ukraine were described as nationalists and fascists violating the rights of the Russian-speaking segment of the Ukrainian population. This—according to Russian state media—prompted the Russian-speaking people in Crimea, Donetsk, and Lugansk to claim independence from Ukraine.

LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing or registration of media protects a public interest and is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against media professionals, citizen reporters, and media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > The law protects the editorial independence of state of public media.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily available; right of access to information is equally enforced for all media, journalists, and citizens.
- > Media outlets' access to and use of local and international news and news sources is not restricted by law.
- > Entry into the journalism profession is free and government imposes no licensing, restrictions, or special rights for journalists.

Independent Crimea then joined Russia in a development that was presented in the state media as a reunification of the Russian people. State outlets also described military actions in eastern Ukraine as local people fighting for their rights against Nazi oppressors, and labeled EU and US sanctions as an attempt to punish Russia for supporting Russian-speaking Ukrainians and to maintain the US position as a dominant world power. Independent outlets such as *Echo of Moscow*, *Novaya Gazeta*, and Dozhd TV stated an alternative point of view: that Russia violated international laws by annexing Crimea and engages in aggression against Ukraine in Donetsk and Lugansk regions. Occasionally, state media also present this viewpoint, but with the clear sense that the view is wrong.

All of the year's political turmoil had a huge impact on Russian society and Russian journalism. The variety of points of view in media on all kinds of issues, not just events related to Ukraine, decreased considerably, noted one of the panelists. According to the Public Opinion Foundation survey conducted in spring 2014 and published on the foundation website, 54 percent of people believe that it is acceptable to distort information on certain topics and issues in the interest of the state, and 72 percent think that it is acceptable to suppress information in the interests of the state.

At the same time, the number of people that value free speech and access to information is growing steadily. According to Levada-Center research, the number of respondents that say that free speech as one of their most important constitutional rights increased from 18 percent in 1994 to 39 percent in 2014. The number of respondents that value the right of access to information increased from 8 percent to 27 percent.

Violation of the rights of popular independent media outlets causes outrage among their audiences. For example, in 2014 the state company that operates the country's only television transmitter refused to continue its contract with the independent Tomsk television company TV-2, which effectively spelled closure for the channel. TV-2, in operation since 1991, was considered one of the best regional television channels in Russia. Citizens of Tomsk conducted a series of public meetings to support TV-2, bringing together nearly 5,000 people (about 1 percent of the Tomsk population). Nevertheless, by February 2015 TV-2 had ceased to broadcast both over-the-air and on cable.

The registration procedure for print and online media is quite simple, formal, and apolitical. Licensing of broadcast media, on the contrary, often favors state media. For example, in 2014 Russia adopted a law that banned advertising on planned cable channels. The bans took

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effect on January 1, 2015. On December 31, 2014, the Russian Media Oversight Committee (Roscomnadzor) issued approximately 40 broadcast licenses to cable television channels. The channels belong to the state-controlled Channel One group, All-Russian State TV and Radio Company, and Gazprom-Media, along with pro-government private television channel LifeNews. All these channels were licenses to broadcast in Moscow on the same frequency, filling different time slots. This automatically conveys the status of broadcast television and allows them to keep advertising.

Starting on August 1, 2014, registration applied also to popular bloggers (those whose blogs are read by more than 3,000 unique visitors a day). These bloggers now must be listed in a special registry maintained by Roscomnadzor. Bloggers can register voluntarily, but Roscomnadzor also has the right to include bloggers in the registry and inform them accordingly. Registered bloggers are required to disclose their personal information in their blog, fact-check all published information, respect the private lives of people, and avoid defamation.

Media organizations are required to register legally. Market entry and tax structure for media are comparable to other industries, but some panelists said that they consider this unfair; they should receive a tax break because the media provide an important public service.

The number of violent crimes against journalists is decreasing. According to the Glasnost Defense Foundation, in 2014 there were 3 murders of journalists (compared with 4 in 2013), 58 cases of journalist physical abuse (down from 71 in 2013), and 35 cases of threats to journalists (down from 39 in 2013). But as one panelist commented, “Having fewer cases does not mean increased security. As self-censorship has expanded, journalists rarely publish anything risky.”

Two of the journalist murders were not linked to their professional activities. In one of these cases, the murder suspect was arrested within a week and the case was sent to court within six months. The third murdered journalist, Timur Kuashev, a civic activist and reporter for the websites

Kavkazsky Uzel and Kavkaz Politics and the magazine *Dosh*, reported several times about threats he was receiving in connection with his work. Kuashev’s murder attracted the attention of the Russian and international professional community and human rights activists, who requested careful investigation. This case is still unprosecuted. Crimes against journalists are prosecuted less often than other crimes, noted one panelist.

One panelist said that the Russian social environment in general is unfriendly toward the media. “When I read information about incidents with journalists, I always see many comments that are hostile towards journalists,” one panelist said. “Journalists care for each other and support each other when something happens. But ordinary people do not.”

Russian has no separate laws governing state media. Media law provides for the editorial independence of all media. But in reality, state media openly serve government authorities, and ignore the opposition. Russian Public Television (OTR) was established by a presidential decree. The OTR governance structure set forth in the decree includes a general director who also holds the position of editor-in-chief. The Russian president appoints that person and also selects members of OTR oversight committee from candidates suggested by the Russian Public Chamber.

Libel is a criminal law issue. The libel clause’s minimum punishments are a fine of either RUB 500,000 (\$8,140) or six months’ salary of the offender, or up to 160 hours of public service. The maximum punishment—if a person falsely accuses another of committing a serious crime—calls for a fine of up to RUB 5,000,000 (\$81,430) or three years of the offender’s income, or up to 480 hours of public service. “Fines like this can kill a media outlet,” commented one of the panelists, a media company owner.

The panelists gave the example of an April 2014 libel case that was lodged after the governor of the Pskov region complained about an article in *Anticorruption Front*. The story reported that the governor conspired with a business owner to seize control of a local enterprise. The panelists also mentioned that in September 2014, the governor of the Kaliningrad region filed a complaint against *Dvornik* newspaper. A *Dvornik* journalist, also a member of the local parliament from a party opposing the governor’s party, claimed that the governor was trying to foment revolution through laws he had proposed. The prosecutor’s office refused to lodge a libel case. While some claimed this was a victory for freedom of speech—it is almost unheard of that the prosecutor’s office makes such a decision, usually leaving it to judges—it is likely that the local prosecutor and the journalist are political allies.

“If the authorities do not want to provide information, they will use any excuse to withhold,” noted one panelist.

Russian law also contains a criminal clause that allows for charging individuals that publicly insult representatives of the authorities. This clause is also used against journalists and bloggers, said one of the panelists. Russian courts tend to favor public officials, protecting them instead of holding them to higher standards.

Russian law guarantees all citizens access to government information. The authorities are required to inform citizens about their activities via media and by posting information on their own websites, as well as by responding to oral and written requests for information. Journalists and media have preference, as authorities must reply to their requests within seven days instead of the normal response time of 30 days. Bloggers seeking information are treated as ordinary citizens rather than journalists.

Loyal media in particular enjoy better access to information, and there are untold restrictions governing access to public officials for comments and interviews. “If the authorities do not want to provide information, they will use any excuse to withhold,” noted one panelist.

The law does not restrict Russian media from accessing or using local or international news sources. However, Roscomnadzor has the legal right to block websites that contain extremist content, including calls to participate in unauthorized public gatherings, without court decisions. In 2014, the agency used this law to block several online outlets, including the oppositional Grani.ru, Kasparov.ru, and EJ.ru—which effectively made them unavailable to Russian media.

Entry into the journalism profession is free. People often become journalists without any journalism education. But in 2014, the Ministry of Labor issued a number of professional standards, including criteria for media correspondents and editors. State enterprises will be required to start using these standards in 2016 and private media in 2020. Representatives of the media community and even the Russian Ministry of Mass Communication disagree with the idea of imposing strict requirements on eligibility for work in media. Several panelists said that they see obligatory professional standards as a potential infringement of their independence.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Russia Objective Score: 1.35

Most Russian journalism does not meet internationally accepted professional standards of quality. Journalists consult with experts when they cover niche topics, e.g. medical or economic issues. When they cover politics, especially federal politics, the fairness and objectivity of reporting depends heavily on the culture of the media outlet, commented one of the panelists.

Another panelist detailed the underlying reasons for journalists’ poor work. “It has to do more with the lack of professional skills rather than politics. Many journalists do not even know that they should use various sources of information and experts. The Russian model of journalism means personal monologue; journalists were and are still educated this way. Journalists give their own judgment on the cover story, give their own comments, or get an opinion of one newsmaker or expert, and consider that sufficient. Why does this happen? First, traditionally Russian culture calls for giving voice only to one right opinion, be it the opinion of the authorities or opposition. Secondly, many journalists do not understand the basics of their profession.”

Russian media, both state and private, are very partisan, said several panelists. To some extent this reflects the growing division in society, exacerbated by the 2014 events in Crimea and eastern Ukraine. According to the Levada-Center, which conducted several public opinion polls in 2014 on the attitudes of Russian citizens, approximately 70 percent

JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well-sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption and retain qualified personnel within the media profession.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exist (investigative, economics/business, local, political).

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of respondents were very positive about Crimea becoming part of Russia. They reported such feelings as satisfaction that justice prevailed, being proud for Russia, and joy and contentment. Only 3 percent disapproved, and 1 to 2 percent of respondents reported feeling guilt, fear, or indignation. Regarding the Western position on Ukraine, 58 percent of respondents attributed it to a hostile attitude towards Russia, 18 percent chalked it up to their lack of understanding of the situation in Ukraine, and only 13 percent to indignation caused by Russia annexing part of Ukraine and thus violating international laws.

The quality of journalism also correlates with the extent of government control and scrutiny over media. State television channels that reach a majority of the population have been turned into propaganda machines. Many times during 2014, Russian bloggers caught state television channels manipulating news from eastern Ukraine; e.g., by adding footage of war activities in Syria or fires in Siberia. Print media, especially local newspapers outside Moscow that have limited readership, experience much less political pressure and can provide better reporting.

In 1994, the congress of the Russian Union of Journalists (RUJ) established the Code of Professional Conduct of the Russian Journalist. This code is in line with ethical standards developed by international professional journalist associations. RUJ has a Grand Jury tasked with settling ethical conflicts within the journalism community. However, only a few media outlets encourage their journalists to follow ethical standards and enforce them. One panelist commented that journalists talk about issues of professional ethics, and there are self-regulatory bodies, but overall the situation with ethics is poor. Another panelist elaborated, "It varies a lot with topic. When journalists report on children, they try to follow standards. When it comes to politics, all standards are abandoned."

The indicator related to self-censorship received one of the lowest ratings this year. "Self-censorship is more common than state censorship," a panelist said. "Editors of both state and private media are wary about possible consequences. In state media, editors fear losing their jobs, while private media fear indirect sanctions; for example, economic pressure. There is fear, but it is not the main reason [for self-censorship]. Russia was always an empire, and the serfdom mentality was always strong. Before the master requires anything, his slave already knows what he should do." People try to anticipate what authorities would deem acceptable, commented another panelist. "I have recently run across Vladimir Pozner [one of the most prominent Russian television journalists] talking about his stop-list. He knows whom he must not invite to ensure that Channel One [one of two major federal television channels] buys his program. Even journalists of Pozner's caliber openly admit that they practice self-censorship."

The range of events and issues that state television covers is much narrower than on Internet media, especially blogs and social networks. There are many topics that major media outlets are not allowed to cover, including events in Ukraine. The same applies to the situation in Crimea. Another closed topic is the public protests triggered by the deteriorating economic situation; only some small media outlets offer coverage. As one panelist noted, "Russian media, especially television, provide a very distorted picture of reality that reflects the information interests of elites—especially government authorities—rather than important processes taking place in the society." Another panelist agreed, saying, "What we see on television is pure performance; we don't know what is happening in reality."

Pay levels in Russian media vary considerably. Analyses conducted by job-hunting agencies put the average journalist salary in 2014 at RUB 20,000 to RUB 25,000 (\$325 to \$405) per month.¹ The average salary in Russia in 2014, according to the State Statistics Service, was about RUB 33,000 (\$535). In Moscow, journalists are making more, with an average salary in 2014 of around RUB 45,000 RUB 50,000 (\$730 to \$814). Federal media outlets usually pay higher salaries than local media. For example, according to one of the panelists, Volgograd journalists working for the federal *Komsomolskaya Pravda* can make up to RUB 50,000 (\$814) per month, while freelance journalists might make a paltry RUB 1,500 (\$25). The average salary in Volgograd is RUB 15,000 to RUB 20,000 (\$245 to \$325). Salaries at state media usually run higher than at private media.

Pay levels are not enough to retain qualified personnel within the media profession. "People who become

¹ <http://russia.trud.com/salary/692/4726.html>

professionally successful as journalists often leave the profession and take jobs in press offices, public relations companies, and other sectors where their skills, knowledge, and experience could be used—and where pay levels are higher while social risks are lower,” one panelist said.

Entertainment content eclipses news, even in many local newspapers. The Alliance of Independent Regional Publishers conducted a study of the content of regional general interest newspapers and found that most space is filled with entertainment materials and practical advice on cooking, health, home keeping, gardening, and tourism. The most heavily covered events are festivals, competitions, and celebrations.

An important development in 2014 was the government’s conversion of informational programming into propaganda, noted several panelists. Other media professionals shared this opinion. In a December 2014 interview with *lenta.ru*, RBC TV General Director Alexander Liubimov was asked whether Russian television still offers public-interest programming. He said, “I cannot call the programs that we see now on the federal television channels public interest information, even when they are devoted to really important topics. There is no discussion. There is only an imitation of discussion, when guests come and scream at each other, while the not-quite-discriminating public watches the show and absorbs emotions. These programs don’t offer much information.”²

A majority of Russian media outlets have modern and efficient equipment. According to one panelist, journalists have no problems with newsgathering equipment, because modern technologies allow journalists to carry out their work even just using their mobile phones. Several panelists noted that Russian media, especially federal television channels, have technical facilities among the best in the world. Accordingly, the score for this indicator was one of the highest this year.

Niche reporting and programming exist, but are quite rare. Russian media have journalists that can do high-quality niche reporting, but they have little incentives to stay in the profession, as they are not compensated well for their work, commented one of the panelists.

Investigative reporting is also rare and is almost absent in regional outlets. Journalists in the regions who do investigative reporting usually work for national media. Among the few examples in the regional media, a standout is the *fontanka.ru* investigation of fraudulent dissertations of Russian government officials. The officials were awarded scientific degrees from St. Petersburg Polytechnic University.

² <http://lenta.ru/articles/2014/12/24/liubimov/>

Other successful investigations include the Karelia online news portal *Pramaya Rech* report on how foster parents violate the rights of foster children, and the Pskov News Agency report on illegal dumping of industrial waste in forests. But overall, the quality of local reporting is often very poor; journalists simply copy press release content and information from other media.

Furthermore, there is little demand for high quality niche reporting, noted one of the panelists. Few media are genuinely interested in building their audiences by providing high-quality journalism products. Many media outlets depend heavily on government funding, both direct and indirect, in the form of information service contracts. Local businesses often pay more attention to the lack of negative coverage of their work, rather than audience size and quality, when they make decisions on placing advertising. As a result, journalists and editors target their work to the interests of authorities and businesses instead of the general public.

OBJECTIVE 3: PLURALITY OF NEWS

Russia Objective Score: 1.43

The plurality of news sources was undermined considerably this year, said the panelists. Since February 1, 2014, state authorities have had the legal right to act without a court decision and block websites that contain extremist content, including calls to participate in unauthorized

MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE, OBJECTIVE NEWS.

PLURALITY OF NEWS SOURCES INDICATORS:

- > Plurality of public and private news sources (e.g., print, broadcast, Internet, mobile) exist and offer multiple viewpoints.
- > Citizens’ access to domestic or international media is not restricted by law, economics, or other means.
- > State or public media reflect the views of the political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for media outlets.
- > Private media produce their own news.
- > Transparency of media ownership allows consumers to judge the objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources
- > The media provide news coverage and information about local, national, and international issues.

The panelist gave the example of the Ferguson, Missouri demonstrations against police violence, which the Russian state media followed closely. “When we turn the news program on, the first news is about protests in the US. The second headlines are about Ukraine. There is no news about what happens inside the country. We rarely see what happens in Siberia and the Far East.”

public gatherings. In March 2014, Roscomnadzor blocked the online media outlets Grani.ru, Kasparov.ru, and EJ.ru. Lenta.ru and Russkaya Planeta, two popular independent online media outlets known for high quality journalism, changed their editorial policies after their chief editors were fired and editorial teams subsequently resigned. *Itoigi*, one of the oldest Russian political magazines, was closed by its publisher in 2014.

Also this year, Russia adopted a law that prohibits advertising on paid-subscription cable television. Because of this law, CNN stopped its broadcasting in Russia in December. Another law adopted in 2014 prohibits foreigners from owning more than 20 percent of a share of a media outlet. This law forced a number of other international television and radio broadcasters to stop broadcasting in Russia. The outlets include Radio Svoboda, Voice of America, BBC Russian Service, Deutsche Welle, and RFI.

Most newspapers are singular in their point of view, and radio and television broadcasts are also to an even greater extent. Internet outlets still present multiple viewpoints, but that plurality is declining. “Of course, anyone can go to the Echo of Moscow [a major independent talk radio station in Russia] website and read an oppositional point of view, but finding different opinions on the same issue is difficult,” noted one of the panelists. For example, Echo of Moscow presented data supporting the opinion that Donetsk and Lugansk separatists shot down the Malaysian airplane that crashed in Ukraine, while state media reported that it was Ukrainian troops. Echo of Moscow regularly interviews opposition opinion leaders such as Alexey Navalny and Mikhail Khodorkovsky.

Russian laws do not restrict citizens’ access to domestic or international media. People in large cities have greater access to media sources than people in outlying areas.

Residents of smaller towns and rural areas depend on subscriptions to get access to press, while urban residents buy newspapers and magazines. In 2014, the Russian government stopped subsidizing subscriptions via Russian Post. This increased prices for subscriptions, making them unaffordable for many people, especially in more remote and less affluent areas.

There is still a gap in Internet access between urban and rural areas. In Moscow and St. Petersburg, 77 percent of citizens have access to the Internet. In the rest of Russia’s urban areas, including smaller cities, 61 to 68 percent of citizens have access, while in rural areas only 50 percent of citizens can get online. There are also geographic differences in Internet access, with lowest access in the Far East and Volga regions.

Research conducted by Levada-Center in 2014 revealed that people restrict their use of media themselves. Fifty percent of the population gets information from only one media source, 20 percent from two, 17 percent from three, and only 12 percent use more than 3 media sources to shape their views. Ninety percent of respondents said that television is their main source of domestic and international news, and in most cases, people get news from state television.³

State media serve the interests of national and regional authorities. “They are politically engaged and provide no space for opposition,” commented one panelist. Another panelist said that state television news content does not reflect the situation in the country, and often prioritizes certain international stories. The panelist gave the example of the Ferguson, Missouri demonstrations against police violence, which the Russian state media followed closely. “When we turn the news program on, the first news is about protests in the US. The second headlines are about Ukraine. There is no news about what happens inside the country. We rarely see what happens in Siberia and the Far East.”

OTR started broadcasting in 2013, and in 2014 it became available via cable, satellite, and IPTV networks. But as one panelist said, its programming lacks depth. “OTR is very bland. On the one hand, it is trying to demonstrate that it is truly public, but on the other hand, it avoids sensitive topics that really matter to people.” Another panelist agreed, saying, “The model they’ve chosen would work well 15 years ago. They fail to provide bright, sharp reporting that would attract people. In essence, this is not a public television.”

The two major information agencies, ITAR-TASS and Russia Today, belong to the state. Russia has a number of smaller

³ Россия тонет в телеволнах. June 20, 2014. <http://www.novayagazeta.ru/politics/64088.html>

regional information agencies, both state and private. Often they operate as Internet media and compete with other media for audiences, earning revenue by providing information services to government and businesses rather than selling news to outlets. Information service contracts usually bind agencies to strengthen the client's reputation and build a positive image. Some private independent media companies establish their own news agencies that operate as online media. For example, Tomsk Media Group, which operated channel TV-2, has established the Internet-based News Agency TV-2.

Private media produce their own news. Smaller-city private outlets often become residents' only source for independent local news as well as for regional and national news. "But even these private media outlets often enter into information services agreements with the authorities, and have to be careful about what they cover as a result," commented one panelist. The panelists also said that they consider private media news coverage to be low in overall quality.

All media are required to disclose information about their founders, but not owners. As a result, media ownership is not transparent to audiences, though it is not difficult to find this information. The largest media owner in Russia is the national government. It owns the All-Russian State TV and Radio Company, which includes five national television channels, more than 80 regional television channels, and five national radio stations. The state also owns a 51 percent share of national television Channel One, the international broadcaster Russia Today, and two national newspapers. Gazprom-Media, owned by the state-controlled Gazprom energy company, has two national television channels plus other television assets; nine radio stations, including Echo of Moscow, the oldest liberal talk radio in Russia; and a publishing house. The National Media Group, which is close to the government, owns 25 percent of Channel One and controls two other national television channels, radio Russian News Service, and the national newspaper *Izvestia*.

Regional authorities also own media. For example, the City of Moscow government owns the media holding company Moscow-media, which includes two television channels, two radio stations, one newspaper, and an online news site.

In 2014, the Foundation for Public Opinion conducted a survey to determine what sources of information Russian people trust the most. Results showed that 62 percent of respondents have more trust in information provided by state media, and only 16 percent trust private media information more. Sociologists attribute these findings to the fact that the state media push an information agenda that resonates well with opinions and expectations of the majority of Russian citizens.

Most of the panelists agreed that Russian media only minimally reflect a spectrum of social interests. "They do not really represent the interests of ordinary citizens, let alone the interests of disabled people or sexual minorities," noted one of the panelists. Outlets focus news coverage disproportionately on the activities of government representatives of all levels.

Russia has some minority-language media, but their quality is often poor—to the extent that it is difficult even to categorize them as media, noted one of the panelists.

The Russian media sphere has a pretty strict division of labor, according to panelists. National media focus on national and international news, regional media cover regional news, and local media provide local news. There is also another model in which national media provide space for regional news that their subsidiaries or regional partners produce. For example, the television channel Russia 1 has slots for regional news programming after every national news program. National newspapers have regional pages, and in every region, a local editorial team produces news to fill this column space. Local media rarely provide international and national news, and when they do so, they usually just reprint information from national media, noted one of the panelists. As a result, people in smaller cities commonly turn to state television channels for international and national news, and local newspapers for local news.

The panelists were concerned that the increased tensions in 2014 between Russia and Western powers over Ukraine has resulted in very politicized and distorted international news coverage in state media. "People who watch television cannot get balanced information on international news," said one of the panelists. Research conducted by Levada-Center found that 70 percent of Russian citizens believe that state television channels provide objective coverage of events in Ukraine and Crimea.⁴

OBJECTIVE 4: BUSINESS MANAGEMENT

Russia Objective Score: 1.44

The Russian media market is heavily distorted by the state media being a major player. State media receive budget funding but still compete with private media for advertising and circulation revenue. And yet, "*pro forma* state media outlets are expected to operate efficiently and become self-sustainable, but in practice this does not happen," said one of the panelists.

⁴ Россия тонет в телеволнах. June 20, 2014. <http://www.novayagazeta.ru/politics/64088.html>

Private independent media are usually well managed. These companies often achieve financial sustainability by diversifying their media portfolio. For example, the Rostov-based publishing house Krestianin has a high-quality flagship general news weekly, five niche newspapers, a business magazine for farmers, online media that cover all of southern Russia, and a printing facility. The weekly is not profitable, so it is supported by the revenue that the other media generate and the services that the printing facility offers.

Regional media outlets have to deal with the lack of media professionals, as well. “It is easy to find lawyers and accountants, as these professions have existed since the Soviet times. As for newer professions, e.g. advertising sales and marketing, specialists are hard to find,” said one of the panelists, a director of a regional media company. Another panelist explained, “Regional media train their own staff. They hire people who are willing and able to learn, and turn them into media professionals. And once they become professionals, they leave and go to bigger cities, because career options in the regions are limited.”

In 2014, print media faced declining circulation and advertising revenue. Due to the laws that have been passed since 2012, print media have lost about 60 percent of their advertising revenue. The number of newsstands has fallen by 30 percent. State subsidies to support subscription delivery via Russian Post were abolished in 2014, which has already led to a 20 percent drop in newspaper circulations overall and some newspapers losing up to 80 percent of their circulations. Shrinking revenue led some media outlets to close, while others laid off staff. For example, the national

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state-owned *Rossiskaya Gazeta* cut its staff by 10 percent. *Vechernia Moskva*, owned by the government of Moscow, laid off 12 percent of its personnel. On average, layoffs in the print media amounted to 10 to 15 percent of staff.

According to the Guild of Press Publishers, regional newspapers draw about 5 percent of their revenue from subscription sales, 2 percent from newsstand sales, 50 percent from ad sales, and about 40 percent from information service contracts with authorities and businesses. “Private media in the regions depend on the so-called ‘information service contract’ with authorities,” commented one panelist. “In essence, this is also advertising, but perverted: the authorities pay media for favorable coverage of their work.”

Despite receiving advertising revenue, federal television channels get about 30 to 40 percent of their funding from the state budget.

The advertising agency industry is well developed, but very disproportionate among companies. Six communication groups, made up of 25 agencies, account for about 80 percent of the advertising sold through agencies. Foreign companies dominate agency business, as the major advertisers in Russia are international companies that prefer to work with the same agencies all around the world. The largest advertisers are Unilever, P&G, M&M/Mars, and PepsiCo. Russian agencies serve mostly national businesses, with the largest Russian advertisers being the three mobile networks: MTS, Beeline, and Megafon.

Advertising is the main source of revenue for private media, and a good supplement to state media budgets. Media laws restrict the maximum amount of advertising to 15 minutes per hour for television, 20 percent of airtime per day for radio, and 40 percent of space in non-advertising print publications. The Federal Antimonopoly Agency monitors and enforces compliance with these restrictions.

Government subsidies and information service contracts subvert editorial independence and distort the market. One of the panelists detailed these effects in the context

MEDIA ARE WELL-MANAGED ENTERPRISES, ALLOWING EDITORIAL INDEPENDENCE.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets operate as efficient and self-sustaining enterprises.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards.
- > Government subsidies and advertising are distributed fairly, governed by law, and neither subvert editorial independence nor distort the market.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor the product to the needs and interests of the audience.
- > Broadcast ratings, circulation figures, and Internet statistics are reliably and independently produced.

of state media. "Direct government funding makes up a hefty percentage of the budget of state media. State media also get indirect support in the form of reduced rates to rent space and for the broadcasting of television and radio signals. As a result, state companies are able to offer better salaries to media professionals. The All-Russian State TV and Radio Company pulls professionals from the market like a vacuum cleaner."

Only large media holding companies can afford to commission marketing research from specialized companies. Some regional media conduct marketing research themselves by holding focus groups and individual interviews with readers and even establishing their own marketing departments. Some panelists expressed concern that the quality of self-made research is not high.

Two major players in the market of media measurement are TNS Russia and Synovate Comcon. Both companies measure television and radio broadcast ratings and press readership. Advertisers recognize their data, but media outlets are more suspicious. One of the limitations of the existing media measurement system is that it covers only cities with populations higher than 100,000.

The National Circulation Service and Circulation Audit Bureau control and verify circulation figures. The National Circulation Service publishes "black lists" of media outlets that overstate their circulation numbers, and in 2014, the list included more than 100 outlets.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Russia Objective Score: 1.79

Major trade associations that represent the interests of Russian media owners and managers are the National Association of Television and Radio Broadcasters (NAT) and the Guild of Press Publishers (GIPP). NAT has more than 300 members, and GIPP has approximately 350 members. Both associations cooperate with international trade associations, conduct trade fairs, provide analytical information and training services to its members, and try to lobby the Russian government on behalf of their members. The two associations fund their operations through membership fees and with grants that are awarded on a competitive basis by Russian government agencies, e.g. the Federal Agency for Press and Mass Communication.

GIPP membership is open to private and state print media. About two-thirds of members are private media outlets and one-third are state-owned outlets. Still, as GIPP President Sergei Moiseev expressed at a guild conference in December

2014, Russian media are not united. That considerably undermines their capacity to protect and promote their collective interests.

For their part, publishers fail to use their outlets to voice concerns of the industry. For example, according to Moiseev, GIPP has asked leading business newspaper *Vedomosti* several times to report on the economic problems in the media industry. *Vedomosti's* managers have declined, on the grounds that the issue holds little interest for its audience and concerns only media industry professionals.

The Alliance of Independent Regional Publishers (ANRI) is open only to private media outlets based outside Moscow that publish high-quality general interest newspapers. As of the end of 2014, ANRI had 70 members. "Our fees are small, and they hardly cover the salary of the director, accountant, and office costs," said one panelist, the head of a media outlet that belongs to ANRI. The alliance has to seek grants to support its activities. In 2014, ANRI received a state grant to analyze the quality of journalism in regional media. The study covered state and independent media in six regions, and its results have been already published in a peer-reviewed research journal.

The situation with professional associations is worse. "Professional associations exist and *pro forma* perform their tasks, but the quality of this work is poor, and they lack any authority within the media community," one of the panelists said. A second panelist agreed, saying, "Professional associations don't represent anyone. The media industry

SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of media owners and managers and provide member services.
- > Professional associations work to protect journalists' rights and promote quality journalism.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs exist providing substantial practical experience.
- > Short-term training and in-service training institutions and programs allow journalists to upgrade skills or acquire new skills.
- > Sources of media equipment, newsprint, and printing facilities are apolitical, not monopolized, and not restricted.
- > Channels of media distribution (kiosks, transmitters, cable, Internet, mobile) are apolitical, not monopolized, and not restricted.
- > Information and communication technology infrastructure sufficiently meets the needs of media and citizens.

A second panelist agreed, saying, “Professional associations don’t represent anyone. The media industry is divided into government and non-government sectors. Journalists in the government sector don’t need any protection, while journalists in the non-government sector fail to see any benefit of such protection.”

is divided into government and non-government sectors. Journalists in the government sector don’t need any protection, while journalists in the non-government sector fail to see any benefit of such protection.” The existing Russian Union of Journalists is seen as ineffective, the panelist added.

RUJ is the oldest professional journalist association in the country, operating through a network of regional chapters. RUJ conducts a broad range of activities: training; journalist competitions and festivals; and producing professional publications, including the magazine *Journalism and Media Market*. RUJ maintains a hotline for journalists seeking protection of their rights, and has established a number of mechanisms for self-regulation of the journalist community. It created a Grand Jury to settle ethical conflicts within the journalist community, and the Public Board, where people and organizations can lodge complaints against media. RUJ cooperates with international journalist organizations and media support institutions.

RUJ staff regularly write letters and conduct press conferences in support of journalists and media outlets. But this work often leads nowhere. The union’s leaders attribute this to the lack of solidarity in the journalist community. The need for coordinated activities to lobby interests of the journalist community was also voiced at RUJ’s December 2014 press conference discussing the state of free speech in Russia.

NGOs that support free speech and independent media are few in number, but persistent. For example, the Center for Protection of the Rights of Media, the Glasnost Defense Foundation, and RUJ provide legal support to journalists and media outlets, and offer legal education to media practitioners. Regional Press Institutes in St. Petersburg and Novosibirsk provide training to journalists and bloggers. One of the panelists, a representative of an NGO that provides legal support to the media, shared that “We support both independent and dependent [state] media. And we have

been consistently doing this for 20 years already. But the pressure on us has increased.”

The Russian government has effectively limited Russian NGOs’ access to foreign grants. Since the end of 2012, NGOs that receive foreign funding and “engage in political activities” have been required to register as “foreign agents.” And “political activities” is defined very loosely as any activity that can influence public opinion. Foreign agents face more complicated reporting requirements, and failure to comply is penalized by heavy fines.

The term “foreign agent” has very negative connotations in the Russian language—it has about the same meaning as “foreign spy”—so NGOs resist self-registration. In 2014, the Ministry of Justice conducted a series of investigations into the operations of several NGOs, and registered 27 as foreign agents. They include several media support NGOs, such as the Regional Press Institute and Institute for Freedom of Information based in St. Petersburg; the Press Freedom Support Foundation based in Moscow; and a number of human rights NGOs that also work with journalists.

The panelists expressed mixed opinions on the quality of journalism degree programs. One of the panelists noted that about six or seven years ago, the government considerably improved the funding for journalism education. This enabled journalism departments to attract young faculty and media practitioners, and significantly enhanced the quality of journalism education, especially in Moscow and St. Petersburg schools. Another panelist said that journalism education remains too academic, and that journalism departments train media researchers rather than journalists. Students have to master a lot of theoretical materials, and opportunities for practical experience are few. Some students start working while still in school and skip classes. And teachers are usually not hard on such students, because they realize that this is the best way to gain journalism skills, panelists explained.

Journalism departments usually produce student media, but their quality is often low because of self-censorship, noted one of the panelists. Some schools partner with journalism schools abroad, and students that speak the language of the host country can participate in exchange programs.

Students that start working at media outlets while still in school usually have no problem with getting journalism jobs. Some journalism graduates get jobs in public relations and advertising, or move to professional fields completely unrelated to journalism. In this regard, Russian journalism education is no different from other sectors. A considerable share of Russian graduates never get jobs related directly to their education.

Journalists can take short-term training programs offered by trade and professional associations, NGOs, academic institutions, and media consulting businesses. Popular topics are online journalism and legal issues. Most of the training is offered on a paid basis. "Training opportunities are used mostly by large media holding companies, because they realize the need to build up the qualifications of their staff," one panelist commented. "Small media can rarely afford to send their staff to trainings. Even if it does not involve traveling, a person still has less time to give to work. And most small media are not able to pay for staff training."

Decline in media revenues has already negatively impacted the demand for short-term training services and affected their providers. For example, the media department of the Higher School of Economics, one of the leading Russian universities, closed its division that offers training opportunities for practicing media professionals.

Generally, sources of media equipment, newsprint, and printing facilities are apolitical and not monopolized. But modernization in the printing industry stopped around 2008, so the productive capacity of printing facilities is declining gradually. Printing facilities depend heavily on imports of press forms, ink, and some types of newsprint, so as the ruble value fell sharply in the fall of 2014, costs of printing facilities increased. At the end of 2014, printers informed their client media companies that printing prices would be increased. Much of the country's media equipment is imported, so this market is also affected by the depreciation of the ruble. Newsprint production is monopolized; the country has only two facilities.

Channels of media distribution are restricted heavily, which negatively impacts media. The main player in the subscription market is the state postal service. Because the government did not provide subscription delivery subsidies in 2014, the postal service increased subscription prices. Regarding broadcast transmitters, as noted in the example of TV-2 in Tomsk, transmission monopolies exist that can effectively silence media.

The number of newspaper kiosks has decreased by 30 percent, with local authorities in many cities closing kiosks under the guise of making streets look better. This has already led to a 20 percent drop in the circulation of newspapers.

ICT infrastructure is developing. The speed of Internet access is growing steadily while the price per unit of traffic is decreasing. But Moscow residents still have better and cheaper access to Internet, both broadband and mobile, than people in the regions, especially in the rural areas. There are also geographic differences. For example, Internet users in the far east of Russia pay 10 times more than Moscow residents per unit of traffic.

List of Panel Participants

Due to laws restricting NGO activity and contacts with U.S.-based NGOs, the participants in the Russia study will remain anonymous. This chapter was developed by a Russian journalist in December 2014 after a series of structured interviews with colleagues in the media sector.