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The Story of Vedomosti — A Russian Newspaper's Struggle for Independence

Does the departure of the paper's veteran editor pose yet another threat to Russia's already embattled independent media scene?

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Sergei Fadeichev / TASS

In the newsroom of Russia's most respected business newspaper, editors and reporters are in a tense face-off with the paper's owner Demyan Kudryavtsev (who also publishes The Moscow Times). He has just announced the name of their new editor-in-chief — an appointment that should reflect the paper's editorial standards. But the mood is sour.

Why bring in someone from outside the newsroom? Why someone from state television? What guarantee will there be of editorial independence? "Do you realize the first thing people will say?" one emotional staff member asks. "'Vedomosti is going to be led by someone from Channel One!'"

On the one hand, Tatyana Lysova's successor was always going to face a newsroom of skepticism. The veteran editor spent more than 15 years meticulously curating its salmon-pink pages. To her staff and readers, she was a lone beacon of editorial independence in an increasingly hostile environment.

To many, her replacement is a symbol of that hostility. Ilya Bulavinov was head of Internet broadcasting at Channel One, a television channel that many consider a prime example of Russian state media's flexible attitude toward fact and fiction.

His appointment might seem unusual for a paper that pioneered Russia's transition to a free press after the fall of the Soviet Union. But it fits into a broader trend of recent ownership swaps, legal battles, and staff reshuffles at Russian media outlets—in what some see as a Kremlin campaign to silence critical voices.

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Not business as usual

In a landscape where government and business interests held sway, it took an outsider to found Russia's first independent business paper.

Dutch entrepreneur Derk Sauer had come to Russia in the nineties and set up the successful publishing house Independent Media, which printed several titles, including The Moscow Times.

Sauer saw another niche that needed filling: business journalism unbeholden to external interests.

With Russia's hungry transition to capitalism came a new class of entrepreneurs who wanted to stay informed. Besides, Russia's only other business newspaper, Kommersant, was broadening its coverage, leaving room for a hard business paper. Kommersant had also been bought by Boris Berezovsky, Russia's kingpin oligarch, who, like many of his peers, saw the media as a tool of influence.

Sauer named Vedomosti after Russia's first newspaper, an 18th century bulletin founded by Peter the Great. "It had to sound as if it had been around for hundreds of years," he says over a plate of fries at a central Moscow cafe. But the Moscow billboards announcing the paper's launch in 1999 spoke of a sharp break with the past: "Any oligarch can buy our newspaper—at a kiosk."

Rather than act as the Soviet regime's propaganda tool or an oligarch's playtoy, Vedomosti would promote a novel idea. "The message was: we're independent," says Sauer.

New tradition

To establish Vedomosti's brand in Russia, Sauer partnered up with international journalism behemoths The Wall Street Journal and The Financial Times.

"We felt we were part of a certain tradition," says Leonid Bershidsky, Vedomosti's founding

editor, now a Bloomberg columnist.

“And that mattered. We read their rules and saw how they stuck to them.”

Vedomosti used this new playbook to train a generation of Russians who had limited access to international standards of journalism. The paper’s outgoing editor—who guarded those standards for over 15 years—was among them.

Lysova came to journalism by accident. After training as a mathematician, and working as a software programmer, she began at Kommersant as a self-proclaimed “terrible journalist with no writing or communication skills.”

But after several scoops covering Russia’s rapidly evolving energy sector she carved out a name for her accuracy and fearlessness—traits that would come to define her tenure at Vedomosti. “If you think something is right, then you have to fight for it. No matter who’s in charge,” she says, during an interview at Vedomosti's office.

After the 1998 financial crash, ethics in Russian journalism became murkier. Many publications began producing “plugola” for companies and business figures in return for large payments and gifts.

Lysova admits to writing one such article—but the “client was very unhappy,” she laughs. “An editor once said I was one of two journalists in Moscow who would not accept money, calling me a fool.”

Kommersant staff eventually left the paper over claims that its owner was trying to influence his staff’s coverage to benefit a bank he had ties to. But when paid articles also became the norm at the magazine they subsequently launched, called Expert, Lysova left for Vedomosti in 1999. “It was an international brand and I thought I could learn something,” she says.

Within three years, she was chief.

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First came the oligarchs...

Vedomosti’s editorial independence did not go down well with the oligarchs.

“Within two days of the launch, I had a rabid Pyotr Aven on the phone,” recounts Sauer. “We’d written something about Alfa-Bank that he didn’t like.” Other attempts to pressure the newsroom included “intimidation, bribes or threats to have me sacked” says Lysova. But the newsroom refused to compromise.

“Vedomosti represented a Western approach to journalism—like an embassy—on Russian soil,” says media analyst Vasily Gatov. But its ethical standards were both its greatest asset and its weakness, he says. “It’s what the audience loves in Vedomosti, and what the government hates.”

That became apparent in 2014—after the annexation of Crimea—when Russia passed a law

forcing media companies to cut their foreign ownership to 20 percent. By then, Sauer had already sold his stake to the Finnish company Sanoma. In 2015, the FT and WSJ also pulled out. Some suspected the foreign media law had been a Kremlin ploy to leverage editorial influence over Vedomosti.

Regardless, the loss of its foreign partners was a serious blow, says Bershidsky. "It was the skeleton of Vedomosti's identity."

Offically, the company was bought by relatives of Demyan Kudryavtsev, a former chief executive of Kommersant and close associate of the now deceased oligarch Berezovsky. Some reports claimed he had shadow financial backers, but there was no proof and Kudryavtsev has repeatedly denied the claims. Nevertheless, an aura of suspicion remained.

"Transparency was one of the major principles we stood on back in the day," says Bershidsky. "That is no longer the case, and it's a problem for the paper."

Lysova stepped in to preserve the calm. She promised the newsroom to ring the alarm if there was ever any editorial interference—be it from their new owner, or from the Kremlin.

Speaking to The Moscow Times, she said there had not been pressure from Kudryavtsev since he became owner in 2015. "If he's a villain, then he's a very patient one," she laughs.

Like many editors of Russian media outlets, she admits to meeting with high-ranking Kremlin officials. "I take what is said there as information [about the Kremlin], not instruction on what to do."

But there have been other pressures. The paper in September last year lost a lawsuit launched by Rosneft chief Igor Sechin, one of Russia's most powerful men and a close ally of Putin, over a supposed lavish mansion he was building outside Moscow. It was forced to retract the article.

Then, in the fall, Lysova announced her resignation. She wants to spend more time with her children. But many of those working at the paper see her departure as the loss of their last bastion of defense against editorial interference, said a reporter who spoke to The Moscow Times on the condition of anonymity last November.

It would be "of crucial importance who her replacement is," the journalist added. "As soon as the person's name is revealed, we'll be able to draw serious conclusions about the significance of her departure."

A new phase

When Bulavinov's name was announced in March, the news was polarizing.

Although he is known to insiders, 44-year-old Bulavinov has largely remained out of the spotlight. For 20 years, he worked at Kommersant and eventually became web editor there. He then briefly worked at RIA Novosti, a state-run news agency. Since 2014, he has been the head of online broadcasting at Russia's largest state television Channel One.

According to Vedomosti's chief, Kudryavtsev, it is Bulavinov's online experience that makes him the ideal candidate to lead the newspaper's transformation to the digital age. Bulavinov declined a request to comment from The Moscow Times.

Even in liberal circles, many have jumped to his defense. In a Facebook post, journalist Oleg Kashin, who worked with Bulavinov at Kommersant, described his former colleague as someone immune to pressure from above: "He was the only one you could completely rely on," he wrote. Other prominent media figures have made the same argument: Bulavinov may not be the harbinger of misinformation many fear he will be, they argue.

Besides, since Bulavinov did not have an editorial function at Channel One, some argue he cannot be blamed for its controversial coverage, which has included a fake report on the crucifixion of a young boy by Ukrainian nationalists.

But he is tainted by association, says Elizaveta Osetinskaya, a former Vedomosti editor, calling the channel a "fake news factory." "Editorial independence is like a fish —it's either fresh or rotten," she said in comments from the U.S. She moved there after suspicious staff reshuffles at her new workplace, the RBC media holding, after it published a series of hard-hitting investigations into Putin's inner circle.

The joint venture with foreign partners had been a guarantor of Vedomosti's independence , she said. "This trust is far less with the Russian shareholder and the new editor."

Vedomosti's newsroom shares her concerns. In an internal voting procedure, it voted overwhelmingly (87 percent) for their long-time web editor to fill Lysova's shoes. But the newspaper's board—on which both Lysova and Kudryavtsev have a seat—voted 4-3 in favor of Bulavinov.

Back in the newsroom, Kudryavtsev's response to questions of how the new appointment will be perceived is unsympathetic. "For me, what other people will say has never been an argument," he says. It appears many at Vedomosti disagree.

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