

Secret's out on fate of ORT shares package

Abramovich tells how he helped nationalize the 'public television' channel



By YELENA RYKOVITSEVA

The writer is media editor for Obshchaya Gazeta.



BORIS BEREZOVSKY (left) and Roman Abramovich have been key players in the ORT national television saga.

Although by its very name, ORT is a public channel — the abbreviation stands for Public Russian Television — the public never knew much about what was actually going on there.

Ever since early 1995 when Boris Yeltsin signed a decree allowing the company to be privatized through a sale of 49 percent of shares to non-state shareholders, the public was asking itself how all 49 percent of the shares ended up in the hands of Boris Berezovsky. After all, to begin with they were divided between more than a dozen different organizations.

Eventually, the public learned that Berezovsky didn't personally own any of the shares; instead, he owned Logovaz and Obyedinyonny Bank (United Bank), which between them bought up the shares from everyone else.

Shrugged shoulders

Then the public began asking itself how it was that Berezovsky didn't have a controlling stake in ORT but had complete control over the channel. How was he able to name his people to managing posts in the company and set its information policy? Representatives of the state, which still had 51 percent of ORT shares, would just shrug their shoulders in response to these questions.

At the end of last year, the rumor went out that Berezovsky had sold his shares in ORT to fellow oligarch Roman Abramovich. But the next six

months saw no official confirmation of these rumors. During this time, I tried repeatedly to get state officials and ORT representatives on the board of directors to name the organization that had bought 49 percent of the shares in the country's largest TV company.

Everyone shrugged their shoulders. Only Igor Shabdurasulov, a trusted Berezovsky man, said: "What difference does it make what the name is? Abramovich bought the shares on Kremlin orders, but he's not going to finance the channel and isn't going to get involved in it."

Indirect confirmation of these words came in April when the state proposed 11 state officials to fill 11 places on the ORT board of directors. In June, Berezovsky and his right-hand man, Badri Patarkatsishvili, finally admitted that the ORT shares were sold to Abramovich at the Kremlin's demand. (In exchange, the Kremlin promised to free from cus-

tody Berezovsky and Patarkatsishvili's friend Nikolai Glushkov, involved in the Aeroflot affair. But the Kremlin didn't keep its promise.)

An ORT shareholders' meeting took place at the end of June and, as expected, all the places on the board of directors went to state officials. But at that point, Media Minister Mikhail Lesin unexpectedly stepped in and said that if ORT is formally half-private, then some "non-state" people should get seats on the board.

Poets and writers

It's hard to say who exactly Lesin had in mind. He might have been thinking of poets and writers, or perhaps of his colleagues from the advertising business. My attempts to extract some answers from him on this point didn't get anywhere. Lesin's secretary said he'd passed my questions on to his deputy. Whatever the case, Lesin's proposals got some support, and elections to the board

were postponed until the fall.

On July 6, Abramovich gathered a narrow circle of journalists close to him for an informal talk, during which he announced that he'd sold his shares in ORT to Sberbank (except for 6.5 percent used to secure a \$100 million loan for ORT from Vnesheconombank). Abramovich said the deal involved a figure of between \$140 million and \$200 million.

For the first time in ORT's murky history, someone has made a clear statement on the fate of the private-

ly held shares in the company. But it would be a mistake to imagine the journalists rushed back to their offices to break the news. Nothing of the sort. They value too highly their closeness to such a prized "source" as Abramovich and are afraid that leaking the news would get them expelled from the select circle.

Taking a risk

The only journalist to take the risk of breaking the news on Monday was a correspondent for the extremely low-circulation business daily Vedomosti. But even he didn't write directly about the meeting with Abramovich, referring instead to "sources in his entourage." This left the public confused as to whether these "sources" could be trusted or not and were telling the truth or not.

But we know that the "sources" in this case can be trusted to have told the truth, for the source was none other than Abramovich, the seller of the shares. Now it is clear that ORT is a state channel through and through, and Lesin can abandon his proposal to have public representatives on the board.

Six years of darkness surrounding ORT have come to an end. There is no more "public television." But the question is, are things any better now that we know who owns ORT? When in just three months, three of Russia's largest media outlets — ORT, NTV and Echo of Moscow — are nationalized, it's worth asking ourselves where we're heading. ■

Scientists call for nuclear funds

By KONSTANTIN ANISIMOV
Special to The Russia Journal

Two of Russia's leading scientists Tuesday called on the government to devote more resources to the nuclear sector as a way of dealing with a potential energy crisis in the country this century.

Anatoly Gublov, the director of the Institute of Metaphysics, told a roundtable that nuclear energy was the most efficient and environmentally sound way for Russia to meet its future energy needs.

"The 21st century is the century of nuclear energy," he told the gathering. "Russia must concentrate all of its research in this area. Government must provide [funds for the] construction of new reactors."

Ruslan Aratupyan, deputy director of the Nuclear Energetic Institute, agreed, saying: "Nuclear energy is the safest form of energy. The level of radiation near nuclear plants is just 3 percent of total radiation background. ... There are no alternatives to this source of energy."

Russia holds 34 percent of the

world's energy resources, according to statistics cited at the roundtable. It is estimated that Russia's oil reserve is nearly 500 billion tons and that natural gas supplies are at least 160 billion cubic meters. However, Aratupyan and other scientists pointed out, these resources have a limit and the supplies will eventually run out. For instance, they say, the coal supply is likely to begin running short within the next 30 years if use continues at the current rate.

Even with the large current supplies, the scientists said, the country continues to experience power outages, and many ecological problems have been linked to the coal-burning industry. Rising transportation costs also have hit the industry, which only serves to push energy costs higher for the consumer, experts said.

However, as Gublov, Aratupyan and other scientists were making the case for nuclear fuel, other advocates insisted that alternative sources of energy were waiting to be harnessed, such as solar and wind energy. Svetlana Gvozdeva, a State Duma deputy

and deputy chairman of economic policy, said during the roundtable that the country should focus on using solar energy. "It is the most acceptable way of producing energy, although it's quite expensive," she said. "We must make the future safe for our children. Nuclear energy is not the only way to cope with the problem."

But scientists at the roundtable played down the possibilities of wind or solar energy in Russia, saying the costs involved in converting to these systems made them too expensive for the economically struggling country in the near future.

The roundtable — which featured more than 40 participants — was organized by the Center of Policy Studies, a non-profit research and public education organization based in Moscow. Its head, Vladimir Orlov, said the aim of the roundtable was to bring together scientists and politicians to discuss energy issues. "We must show the government that any delay in addressing the problem could cause irreversible consequences," he said in his closing statement.

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