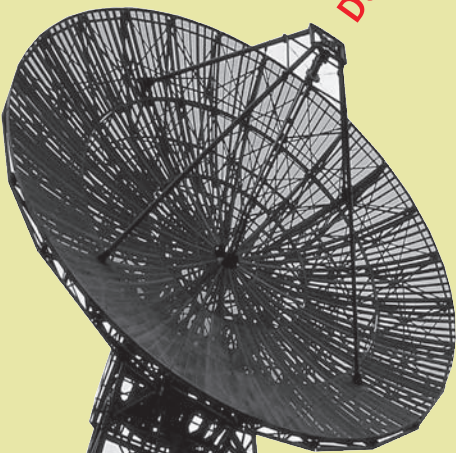


MEDIA SUSTAINABILITY INDEX

2003

Development of Sustainable Independent Media in Europe and Eurasia





"The Broadcasting Council is a first-class scandal and humiliating to the profession," said a panelist.



Introduction

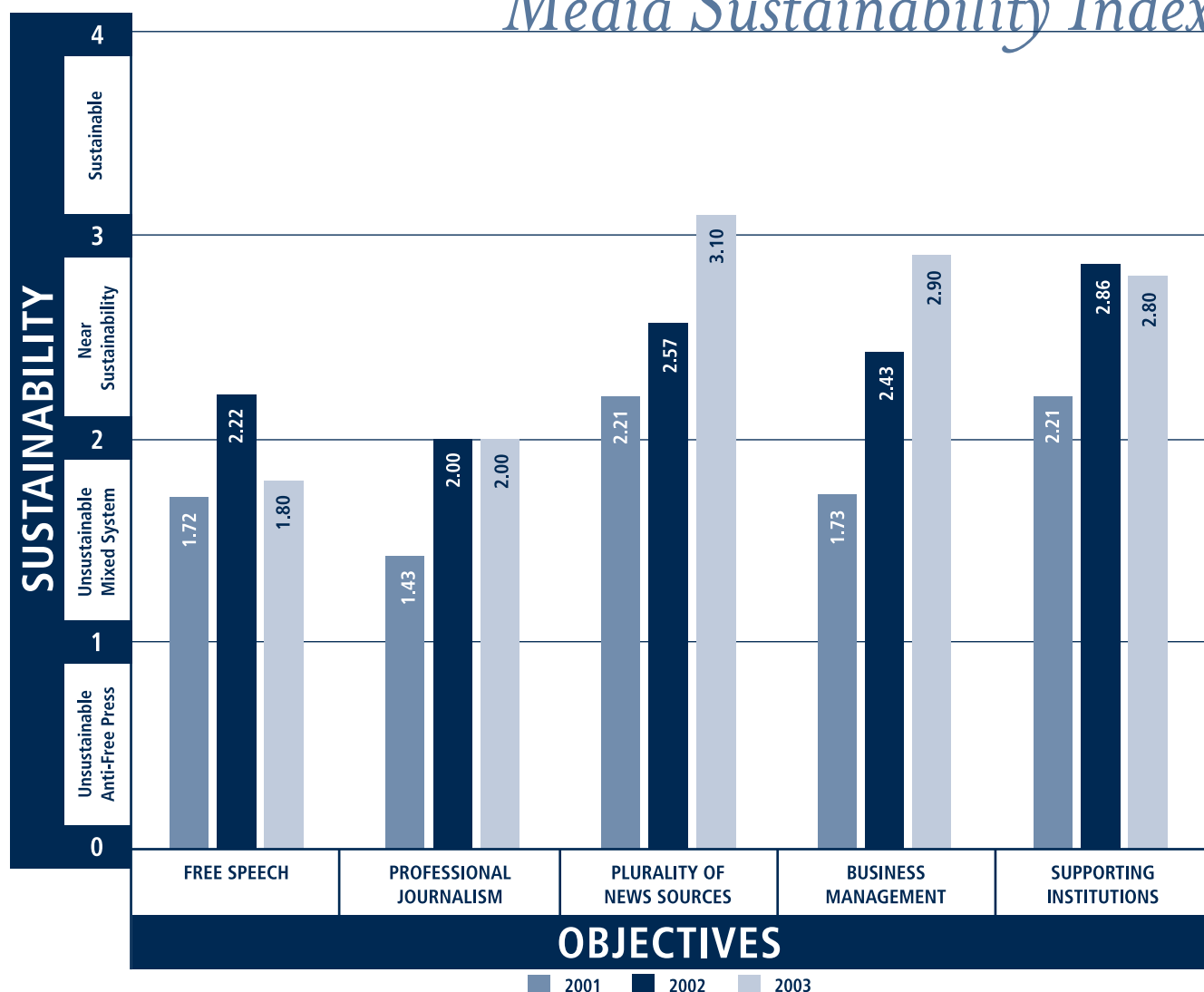
Things went from bad to worse in Serbia in 2003: The March assassination of Prime Minister Zoran Djindjic revealed extensive links between the Serbian state apparatus and the criminal underworld, the ruling coalition collapsed in November after many months of squabbling and infighting, a presidential election failed because of low voter turnout, the political scene remained mired in corruption scandals, and, by year's end, the ultranationalist rightwing Serbian Radical Party had experienced a strong revival. The ailing economy offered no glimmer of hope, and the International Criminal Tribunal of the Former Yugoslavia in The Hague increased its pressure on Serb authorities to arrest and extradite scores of indicted war criminals still on the run in Serbia.

After Djindjic's assassination by a high-ranking member of a crack police unit, the government introduced a 42-day state of emergency. This effectively gagged the media, which was banned from running analyses of emergency measures, questioning their method and implementation, and quoting any sources but official government ones. The government took advantage of the situation to move aggressively on the parliamentary front: It suddenly adopted a new Public Information Act, introducing last-minute restrictions on the media without consulting the independent media experts who had co-written the law. It also elected the Broadcast Advisory Council overnight and in contravention of the Broadcast Act, provoking angry reactions from the independent media. After the state of emergency was lifted, relations between the authorities and the media worsened. One result was a flurry of lawsuits against Serbian journalists and media organizations, filed by politicians and other public figures invoking the new Public Information Act. After leading editors petitioned the government in a widely publicized move that attracted international attention, the government reprimanded the press for resorting to pressure tactics.

The independent media environment in Serbia deteriorated during 2003 as measured by the protection of free speech and access to public information areas, panel members agreed. Broadcast regula-

Serbia

Media Sustainability Index



Objective Scoring

The averages of all the indicators are averaged to obtain a single, overall score for each objective. Objective scores are averaged to provide an overall score for the country. IREX interprets the overall scores as follows:

- 3 and above:** Sustainable and free independent media
- 2–3:** Independent media approaching sustainability
- 1–2:** Significant progress remains to be made; society or government is not fully supportive
- 0–1:** Country meets few indicators; government and society actively oppose change

Indicator Scoring

Each indicator is scored using the following system:

- 0 =** Country does not meet indicator; government or social forces may actively oppose its implementation
- 1 =** Country minimally meets aspects of the indicator; forces may not actively oppose its implementation, but business environment may not support it and government or profession do not fully and actively support change
- 2 =** Country has begun to meet many aspects of the indicator, but progress may be too recent to judge or still dependent on current government or political forces
- 3 =** Country meets most aspects of the indicator; implementation of the indicator has occurred over several years and/or through changes in government, indicating likely sustainability
- 4 =** Country meets the aspects of the indicator; implementation has remained intact over multiple changes in government, economic fluctuations, changes in public opinion, and/or changing social conventions

tion, libel suits against journalists, and pay for journalists were seen as grave problems. Recent media legislation was criticized as overly restrictive, and progress remained to be made in terms of the professional quality of journalism.

Nevertheless, the ability of journalists to cover a broad spectrum of events and distribute this coverage via readily available publications and broadcasts was seen as an indication that Serbia is approaching a sustainable independent media. There are many newspapers in private hands, the panelists said, as well as broadcast and print outlets that are considered to be providing good coverage. There are no restrictions on international media. In addition, independent media were seen as increasingly well managed, with editorial independence.

Objective 1: Free Speech

Serbia Objective Score: 1.80/4.00

Two aspects of the legal and regulatory situation were of extreme concern during 2003: the recently enacted Public Information Act and the government’s appointment of a Broadcast Advisory Council.

“The Broadcasting Advisory Council is a first-class scandal and humiliating to the profession,” said a panelist. He referred to the government’s hasty creation of a regulatory broadcast council in May 2003, which panelists said was in direct violation of the newly ratified Broadcast Act that requires public scrutiny of nominated council members. Some appointed members quit the board in reaction, and a number of international organizations indicated they would not support it. Critics said the new law appeared to be a government effort to retain control over the broadcast media.

The new law on public access to information also drew criticism, reflecting the lack of progress during the three years since the demise of the repressive Milosevic regime. “The new law on access to public information contains a provision allowing the government to deny information if it involves the government, police, or the army. ...If we can’t get information on the main institutions of government, what important information will we get?” said another panelist.

There was general agreement among the group that legal protections for free speech exist on paper but are not enforced, and that the general public remains unappreciative of these protections. Progress is much less than could be expected, said an attorney for The Association of Independent Electronic Media (ANEM.) With the adoption of new media laws, “the situation is better than

the year before, but only because anything is better than a legal vacuum.”

The fair licensing of broadcast media was directly tied to the controversial Broadcast Council appointments. The council is

responsible for determining which of the estimated 1,200 broadcast outlets that jam Serbia’s radio and television dials will survive a government cleanup of the cluttered broadcast spectrum. For three years broadcasters have been promised that licenses would be distributed to deserving stations, making it possible to operate legally. However, nothing has been done, and there is no anticipated resolution. Participants suggested that government

“The government lowered taxes for media, but still the killers of Pantic and Curuvija have not been found yet,” said a panelist.

Legal and social norms protect and promote free speech and access to public information	
FREE SPEECH INDICATORS	■ Legal/social protections of free speech exist and are enforced.
	■ Licensing of broadcast media is fair, competitive, and apolitical.
	■ Market entry and tax structure for media are fair and comparable to other industries.
	■ Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
	■ State or public media do not receive preferential legal treatment, and law guarantees editorial independence.
	■ Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice.
	■ Public information is easily accessible; right of access to information is equally enforced for all media and journalists.
	■ Media outlets have unrestricted access to information; this is equally enforced for all media and journalists.
	■ Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists.

“If you analyze some newspapers, you can see that some have access to information which others do not, and that some have access to interviews with members of government, which others do not.”

for print media. Last year, the group complained that Serbian print media were taxed at the highest rate in Europe. Although the situation has now improved, panelists agreed that tax regulations generally were neither stable nor reliable. “The government lowered taxes for media, but still the killers of Pantic and Curuvija have not been found yet,” said a panelist. Objecting to the failure to prosecute crimes against journalists, the panel pointed to the unsolved organized crime–style assassination of publisher Slavko Curuvija, gunned down in 1999, and the post-Milosevic beating death of Milan Pantic, who reported on organized crime, in 2001. The police were accused of misleading the public with suggestions the murders had been solved when no arrests had in fact been made, and panelists noted that media-support organizations were launching a public campaign to demand action on Curuvija’s killing.

Reduced support to state and public media has been accompanied by less direct interference in their editorial practices, although these outlets are still fundamentally dependent on the government, panelists said. The reason for reduced involvement in state and public media is a lack of money. Municipal budgets are overburdened, and in some cases local governments are trying to get rid of their media operations. Politicians instead are applying more pressure to privately owned media. Although not official policy, local politicians have resorted to exerting pressure on journalists who have reported unfavorably on their activities. “Public service is on ice, and politicians are interfering in strong private media while public and state media are left alone,” said a deputy director of a municipal television station.

According to NUNS, the number of journalists facing libel lawsuits under criminal law rose to 220 in

forces may be working in opposition to a fair licensing plan. “From a European point of view, it is equally important to have a law as it is to apply that law,” says a press advisor to the European Commission in Serbia.

The lifting of sales tax from publications was seen as an advance

2003, from 200 the prior year. Many suits were lodged by politicians who now found it convenient to file charges under the new Public Information Act. Media organizations were particularly concerned when, during the spring and summer of 2003, the Serbian government’s Communications Bureau Chief Vladimir Beba Popovic filed libel suits against several leading publications and broadcasters (including the *NIN* weekly magazine and Radio and Television B92). Ninety-five percent of the charges allege libel and slander. “Even Milosevic people are accusing the media and winning in court,” said a panelist. Panelists did note, however, that no journalists had been imprisoned.

Despite accepting input from media groups and the international community to draft a sound new Public Information Act, the government amended the draft at the last minute to protect officeholders from media attacks and further make it possible to withhold public information. “This law is not applied fairly,” said a panelist. “If you analyze some newspapers, you can see that some have access to information which others do not, and that some have access to interviews with members of government, which others do not.” Serbia had met most requirements for free access to information, but the new law has sharply undermined that success, panelists said.

Aside from public information, other types of information were unrestricted and available equally. Also unrestricted is entry to the journalism profession.

Objective 2: Professional Journalism

Serbia Objective Score: 2.00/4.00

The professionalism of Serbian journalism remains low, both in terms of the quality of the reporting and its ethical standard. The use of anonymous sources is so widespread that attacks on character and integrity are routine. While there are a handful of excellent media operations, panel members said most deserved the lowest possible rating. Fair and objective reporting was seen as improving as the result of better training that had finally begun to yield results. But journalistic ethics were questioned, with the panel citing the appearance of a large number of new tabloids—such as *Kurir* and *Nacional*—that were paying no heed to ethical standards and increasing the number of violations. “The question of reporters’ ethics is serious,” said another panelist. “Most of the stories in newspapers carry no bylines; nobody is standing behind these journalists,” said a panelist. Another added, “The situation is bad in the biggest-selling newspapers. We have a con-

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.
	■ 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 exists (investigative, economics/business, local, political).

taminated media scene.” Another panel member stated, “There are a lot of PR agencies, and PR activities are understood as ‘pay the reporter.’”

Self-censorship by journalists is now thought to be widespread. The group agreed that in many press organizations reporters write what editors tell them to, rather than report facts and subsequently lose their jobs. There was a clear feeling that there is self-censorship relating to the government and other centers of power. One panel member referred to the media powerhouse BK Television and asked, “Would BK ever attack an advertiser?”

Citing a recent study, one participant told the panel that reporters in Serbia earn an average of between €120 and €200 per month. She said most journalists do not have apartments and one-third have neither Social Security nor health insurance. “Personal morals are the only defense from corruption in media,” she said.

Media are seen as covering an array of events, and the panel felt that entertainment programming was balanced reasonably with news and information. Participants pointed to a large variety of news and political talk programs available on the airwaves and to the cover pages of most publications as being mostly informative rather than entertainment-oriented.

Technical facilities and equipment were viewed as improving, although there was some concern that state and municipal operations were not being upgraded as

quickly as privately owned outlets. Regarding specialized niche reporting, participants agreed that Serbia is at a low level, compared with the rest of the world, but felt some progress has been made to expand this type of journalism.

One panelist said, “There are a lot of PR agencies, and PR activities are understood as ‘pay the reporter.’”

Objective 3: Plurality of News Sources

Serbia Objective Score: 3.10/4.00

The variety of news sources providing reliable and objective information continues to improve, according to the panel. This is especially true as measured by citizens’ access to news and the existence of independent news agencies. However, there remains strong concern about the transparency of media ownership.

With 16 daily newspapers and more than 100 magazines available in Serbia—not to mention the multitude of broadcasters filling the congested airwaves—there is an abundance of public and private news sources.

Multiple news sources provide citizens with reliable and objective news	
PLURALITY OF NEWS SOURCES INDICATORS	■ A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists.
	■ Citizens’ access to domestic or international media is not restricted.
	■ State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest.
	■ Independent news agencies gather and distribute news for print and broadcast media.
	■ Independent broadcast media produce their own news programs.
	■ Transparency of media ownership allows consumers to judge 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.

However, it was noted that rural residents do not have the same access to print media as their urban counterparts and that despite so many news sources being available, only one-sixth of the nation spends money to actually buy these publications. “Small readership is a consequence of low buying power,” said one panelist. However, the panel agreed that access to media was becoming more affordable, and especially noted increased Internet usage.

Whether the media reflects the views of the entire political spectrum is a complicated question during a period when there is so much change. There is a strong argument that many in Serbia’s press have simply changed coats since Milosevic was forced to leave power three years ago. “Milosevic’s machinery is still in power,” said another panel participant. Many journalists are simply not aware that they are accountable to the

“Milosevic’s machinery is still in power,” said one panelist.

public and not to the politicians. “Local and regional stations still have professional politicians on their boards. Through them, municipalities are attempting to control media,” a panelist said. However,

the head of the Serbian government’s Radio 202 for the past two years, said, “When I was editor-in-chief of Radio 202, I told my staff: You are responsible to your listeners—not to me, not to the editor, not to the director, and not to the politician.” For their part, independent broadcasters can produce their own news, but politics and business interests still may play a role.

Generally, the panel agreed that Serbian media had improved its coverage of the political spectrum during 2003, and noted that it been recognized with several international media awards.

News agencies can distribute information for print and broadcast media without restriction, and they adhere to professional standards as well as work to adjust their prices to the market.

According to the panel, the transparency of media ownership declined during 2003. The panel felt that the number of media outlets had increased throughout the year, but that had not been accompanied by more information about who owned what. The participants speculated that ownership data are concealed to avoid taxes and to prevent political problems. A recent study by the Media Center in Belgrade showed that ownership information cannot even be found in the local courts. The transparency problem applies to both public and

private media, the panel said, and although ownership was not seen as being concentrated in a few powerhouses, members felt that several media groups are quite strong.

There was little concern about minority interests being represented in the media. Minority-language publications and broadcasts were considered sufficient, partly as a result of the government’s obligation to provide such programming.

Objective 4: Business Management

Serbia Objective Score: 2.90/4.00

There has been marked improvement in the business management of independent media sufficient to assure editorial independence. Panel participants said Serbian media approached financial sustainability during 2003. They noted, however, that being private does not guarantee the media will be independent editorially. Some private outlets have close ties to those in government, they said, while there are state-owned media organizations providing independent coverage.

The panel noted improved conditions for supporting industries in the media sector, with generally competitive distribution prices for print media. There are both state and private distribution companies,

Independent media are well-managed businesses, allowing editorial independence	
BUSINESS MANAGEMENT INDICATORS	■ Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses.
	■ 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 at commercial outlets.
	■ Independent media do not receive government subsidies.
	■ Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences.
	■ Broadcast ratings and circulation figures are reliably and independently produced.

but publications complain that they have to wait for up to two months before they can collect their money for copies sold. As there is no tradition of subscribing directly to newspapers in Serbia, publications depend heavily on distribution systems. Publishers also criticized the service provided by the Serbian post office in delivering subscriptions. They noted that lack of dependability, including use of small, easily burglarized mailboxes in apartment buildings along with relatively high fees, meant it was difficult for newspaper companies to make money from subscriptions.

Advertising revenue continued below potential during 2003, but the market did not worsen significantly. In fact, good communication between the media and advertisers was seen as a positive development. The Strategic Marketing and Media Research Institute has provided reliable figures showing advertising agencies in Serbia spent \$65 million in 2003, compared with \$50 million in 2002. This represents a 30 percent increase. Darko Brocic, director of ABG, an audience measurement company, offered statistics showing that two-thirds of the nation's advertising budget is spent on television and the remaining third on all other media—print 20 percent, outdoor 10 percent, and radio 5 percent. In 2002, advertising money spent in Serbia was around €50 million (\$54 million), increasing to between €55 and €60 million (\$70–\$76 million) during 2003. Print media received the biggest increase, with more sections of newspapers devoted to advertising. A clear growth in regional advertising revenue was noted.

The percentage of operating funds earned from advertising revenue continues to grow in line with accepted commercial standards. “The tendency is positive, and that is something that we could not dream about in the previous period,” said one panelist. For the third consecutive year, both the BK and Pink television outlets were considered to have a head start due to their relationship with the Milosevic regime.

Independent media continue to be seen as receiving government subsidies in that some state agencies place advertising only in select publications, using non-transparent criteria to pick these favored publications. This is a two-year-old form of discrimination practiced frequently by the government agency charged with privatization, panel members said. The group agreed that this use of selective legal ad placement was a form of subsidy. In another case, one panelist described a situation in the city of Nis where the municipality was openly financing three media outlets owned by the city and two more that were owned privately.

Overall, the use of market research by Serbian media is making good progress, especially for television. Media's use of reliable broadcast ratings and circulation figures has improved during the past year. Serious

newspaper research is now under way for the first time. Media-support organizations such as IREX helped media to support such research. Difficulty was noted in the radio sector because of the large number of outlets that need to be measured.

“The tendency [of growing ad revenue] is positive, and that is something that we could not dream about in the previous period,” said a panelist.

Objective 5: Supporting Institutions

Serbia Objective Score: 2.80/4.00

Supporting institutions for independent media are approaching sustainability, albeit not at quite the pace of recent years. Nongovernmental organizations (NGOs) were seen as playing a vital role in the transition to a market economy in the media sector, providing support while outlets learn to operate by new standards and to survive in an evolving economy. One NGO was criticized for its involvement with Pink Television, an outlet seen as having profited unfairly under the Milosevic regime.

The status of trade associations and their ability to help private media is not a subject of consensus. General improvement was noted, but panelists said a number of new associations were formed during 2003 and it was not yet clear whether they would work effectively for their members. One panelist said the distribution tax on newspapers was tossed out only after direct pressure from media managers and editors and not as a result of action by formal trade associations. The Independent Journalists Association of Serbia (NUNS) was commended for providing 40 seminars and training more than 600 journalists during its first two years, along with providing legal counsel and travel assistance. Among broadcasters ANEM also provided effective training.

NGOs offered considerable support for Serbian media, but the panel noted a controversy involving the local Helsinki Committee for Human Rights. More specifically, panelists resented that the Helsinki Committee had associated itself with Pink TV by collaborating

“Seminars alone are not enough for a journalist to become a real professional.”

Zeljko Mitrovic, has been trying very hard to ingratiate himself with the post-Milosevic government in Serbia.

Some progress has been made in improving university journalism programs, but the situation is still rated as poor. One panel member said that most people attending journalism seminars had not studied the subject formally before and had no professional education. The political sciences faculty at the University of Belgrade finally has

with the station on a documentary series on recent Serbian history. This cooperation is also controversial because the station’s owner,

begun serious reforms, but it will be some time before this has an impact on the quality of journalism in Serbia.

Short-term training for journalists was seen to have improved during 2003. It was agreed that not only had the number and quality of such training increased, but so had the evidence of its influence at media outlets throughout Serbia. Even so, one panelist pointed out, “Seminars alone are not enough for a journalist to become a real professional.”

Sources of newsprint and printing facilities are in private hands and not restricted. Channels of media distribution have shown little improvement, with the continued existence of monopolies controlling locations for kiosks and the state broadcaster Radio Television Serbia controlling transmitters.

Supporting institutions function in the professional interests of independent media	
SUPPORTING INSTITUTIONS INDICATORS	■ Trade associations represent the interests of private media owners and provide member services.
	■ Professional associations work to protect journalists’ rights.
	■ NGOs support free speech and independent media.
	■ Quality journalism degree programs that provide substantial practical experience exist.
	■ Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills.
	■ Sources of newsprint and printing facilities are private, apolitical, and unrestricted.
	■ Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

Panel Participants

Darko Brocic, AGB Director, People Meter Research

Milica Lucic Cavic, president, The Independent Journalists Association of Serbia (NUNS)

Aleksandar Djordjevic, press and information advisor, European Union Delegation of the European Commission in FRY

Momcilo Djurdjic, deputy director, TV Pirot

Slavoljub Kacarevic, director and editor-in-chief, *Glas javnosti*

Slobodan Kremenjak, attorney, The Association of Independent Electronic Media (ANEM)

Nikola Mirkov, media analyst and editor of cultural programs, Radio Television Serbia

Nebojsa Spaic, director, Media Center Belgrade

Voja Zanetic, marketing specialist and director, Mozaik private marketing agency

Moderator

Nebojsa Spaic, director, Media Center Belgrade