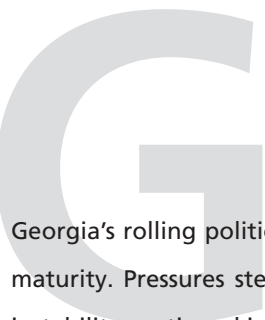

Investigative stories are rarely carried on national airwaves, the mainstream television newscasts have become increasingly homogenous, and newspapers tend to be significantly opinionated. Yet, an avid, media-savvy news consumer has a growing diversity of news sources on hand, ranging from print to audiovisual.



GEORGIA



Georgia's rolling political theater keeps the nation's news media from growing into democratic, professional maturity. Pressures stemming from the previous year's economic meltdown, Russian invasion, and domestic instability continued into 2009, stunting development of the news business. Additionally, the nested doll-style media ownership systems and inferior ethical practices impair public trust in the news media.

The media reflect some plurality of viewpoints, but the media scene remains split along political fault lines, and only a few outlets maintain a critical distance from the partisan struggles. The ruling elite, insecure in the face of significant domestic and external challenges, lords it over the largest news companies to shape the national narrative. On the other side of the fence, another group of media companies marches lockstep with the political opposition. It leaves the impression that running a news business is often simply a tool to advance political ends.

Investigative stories are rarely carried on national airwaves, the mainstream television newscasts have become increasingly homogenous, and newspapers tend to be significantly opinionated. Yet, an avid, media-savvy news consumer has a growing diversity of news sources on hand, ranging from print to audiovisual. Also, news traffic is increasing on social networking sites, blogs, and forums. YouTube and Facebook postings, in particular, inform the national discourse.

The launch of a new quality, weekly magazine added another voice to the existing plurality of perspectives, but the handful of professional, quality news services remains largely an exclusive club for intellectuals. Many independent news outlets depend on international donors for life support.

The panel assessed the market environment as uncompetitive, and panelists gave Objective 4, Business Management, the lowest score since 2003. Georgia's active civil-society sector and an increase in the international development community's attention to the country's media situation helped keep journalism issues in the national spotlight. A 2009 report by global corruption watchdog Transparency International has also informed public debates on the obscure ownership structures in the television business. Several panel participants said that Georgians have no way of knowing who the people behind their television screens are. The growing diversity of journalism education programs accounts for the relatively optimistic assessment of Objective 5, Supporting Institutions, which at 2.14 received the highest score of the five objectives.

GEORGIA AT A GLANCE

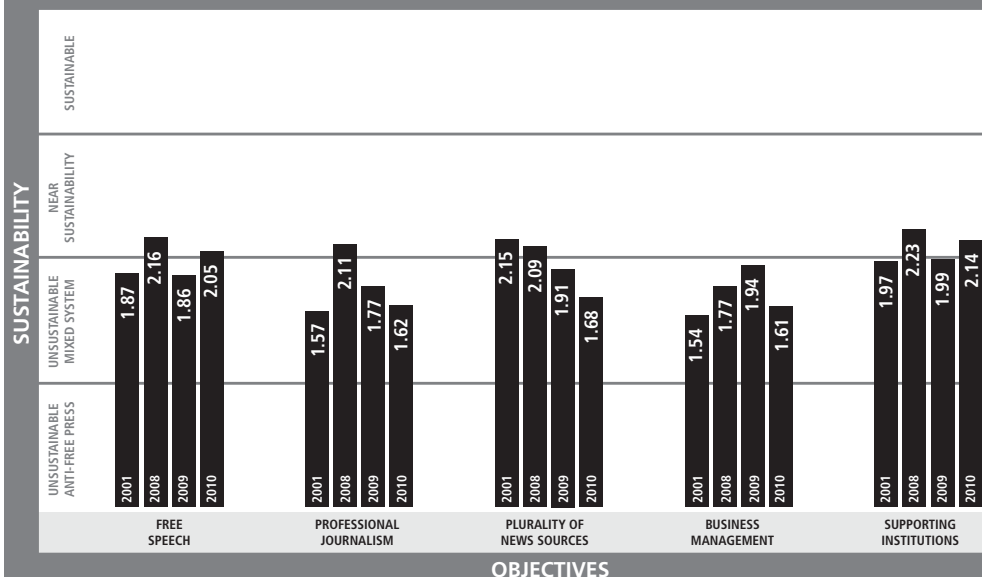
GENERAL

- > **Population:** 4,615,807 (July 2009 est. *CIA World Factbook*)
- > **Capital city:** Tbilisi
- > **Ethnic groups (% of population):** Georgian 83.8%, Azeri 6.5%, Armenian 5.7%, Russian 1.5%, other 2.5% (2002 census)
- > **Religion (% of population):** Orthodox Christian 83.9%, Muslim 9.9%, Armenian-Gregorian 3.9%, Catholic 0.8%, other 0.8%, none 0.7% (2002 census)
- > **Languages (% of population):** Georgian 71% (official), Russian 9%, Armenian 7%, Azeri 6%, other 7% (*CIA World Factbook*)
- > **GNI (2008-Atlas):** \$10.79 billion (World Bank Development Indicators, 2009)
- > **GNI per capita (2008-PPP):** \$4,850 (World Bank Development Indicators, 2009)
- > **Literacy rate:** 100% (male: 100%, female: 100%) (2004 est. *CIA World Factbook*)
- > **President or top authority:** President Mikheil Saakashvili (since January 25, 2004)

MEDIA-SPECIFIC

- > **Number of print outlets, radio stations, television stations:** Print: 73 newspapers, 87 magazines (yellowpages.ge); Broadcast: 47 television broadcasting licenses, 5 special television broadcasting licenses, 4 cable broadcasting licenses, 28 radio broadcasting licenses, 7 special radio broadcasting licenses (Georgian National Communications Commission)
- > **Newspaper circulation statistics (total circulation and largest paper):** *Rezonansi* (5,000-7,000 daily), 24 Saati (average 4,200 weekly), *Kviris Palitra* (45,000-50,000 weekly) (individual newspaper claims)
- > **Broadcast ratings:** Highest rated television outlets in Tbilisi: Rustavi2, 5.04%; Imedi, 3.86%; Channel 1, 1.03% (TV MR GE, Licensee of AGB Nielsen Media Research)
- > **Annual advertising revenue in the media sector:** For television, approximately \$35 million; unknown for print and radio (TV MR GE, Licensee of AGB Nielsen Media Research)
- > **News agencies:** AP Bureau, Reuters Bureau, Agence France Presse (representatives), Bloomberg (local representative), Black Sea Press, Novosti Gruzia, Sarke, Interpressnews, Iprinda, Itar Tass, Kavkazpress, Media News, Prime News, Prime News Business, Pirveli, Georgian Business Consulting News, Georgian Hot News (www.yellowpages.ge)
- > **Internet usage:** Over 1 million users (Georgian National Communications Commission)

MEDIA SUSTAINABILITY INDEX: GEORGIA



Annual scores for 2002 through 2006/2007 are available online at http://www.irex.org/programs/MSI_EUR/archive.asp

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.

OBJECTIVE 1: FREEDOM OF SPEECH

Georgia Objective Score: 2.05

Moving the country's generally liberal media laws from paper to reality remains a challenge. Some panelists said that free media are often sidelined through discriminatory enforcement of laws and regulations. Most of the panelists said that attacks on the press often proceed with impunity. Mistrustful of courts, the news media are wont to protect their rights by drumming up support of their audiences, nonprofit groups, and international organizations. Still, human-rights groups, activists, journalists, and opposition political parties always speak up against violations of free speech, as seen in cases with *Batumelebi* and *Adjarian TV*.

But the panelists diverged on how deep the problem of law enforcement is. Those working for outlets with a penchant for government criticism painted a morose picture, where decisions by courts and industry regulators seem politically motivated. Others had a less pessimistic impression.

The Internet is free of government regulations; however, newspapers, radio stations, and television outlets (including satellite broadcasts) must secure a license from the regulator.

Some panelists and international watchdog agencies charge that the Georgian National Communications Commission (GNCC), which oversees telecommunications and broadcasting industries, is pandering to the executive branch. GNCC, they say, maintains a stranglehold on the broadcast news market, barring or restricting access for companies that are not in the government's good graces. Several panelists suggested limiting GNCC's purview to technical aspects and reducing the regulator's ability to manage broadcast content.

The chief of the commission, Irakli Chikovani, took over the regulatory body in June 2009 after a stint as director and shareholder of *Rustavi2*, the alleged flagman in the pro-governmental fleet of television news channels. Chikovani sold his 30 percent stake in *Rustavi2*, but Nino Jangirashvili, director of *Kavkasia* news channel, said that the fact that the chief of the commission used to have a business interest in one of the regulator's licensees is a flagrant conflict of interest. She went on to say that GNCC overlooks license violations by the government-friendly channels but constantly finds fault with opposition-minded television outlets.

GNCC has let broadcast license requests from two community radios linger for three years now. GNCC keeps repeating the excuse that it needs to survey opinion in the area before awarding the license, said Mamuka Kuperadze, director of *Studio Re Association*, which partners with the radios. The

radio stations were designed to cater to ethnic minorities in the *Marneuli* and *Ninotsminda* areas.

Panelists considered the tax environment to be generally liberal and nondiscriminatory, but outstanding tax liabilities have piled into a burden that threatens to crush several small, local outlets. Channel 25, a shoestring television company based in *Batumi*, the seat of the coastal *Achara* region, has battled through courts and public-appeals tax claims of some GEL 600,000 (\$345,165). The channel director, *Merab Merkviladze*, claims that the overdue tax debt and delinquency fees stem from a period when *Achara's* ruler, *Aslan Abashidze*, seized the company from its owners. The owners reclaimed Channel 25 after *Abashidze* was ousted in 2004.

Merkviladze argued that the company should not be charged taxes and late fees deriving from a period when legal owners could exercise no control over the television's financial operations.

After the *Batumi* city court turned down the company's appeal on October 9, Channel 25 announced that the imminent tax lien would put the kibosh on *Achara's* only independent broadcaster. The Georgian Association for Regional Broadcasters, other journalism advocacy groups, and the parliamentary minority stood up for the channel. The Ombudsman's Office and the Ministry of Finance promised to find a solution, and the opposition Christian Democratic Party started drafting legislation on tax amnesty for floundering media outlets, whose financial woes are a holdover from the volatile years of President *Eduard Shevardnadze's* rule.

However, other panelists argued against a blanket tax reprieve that would inevitably include those debt-saddled media outlets that, unlike Channel 25, have only themselves to blame for the tax backlog and were underwritten by the government or other political groups in the past.

"Some of these regional television stations used to be financed, directly or indirectly, by the authorities and have put independent media outlets in an uncompetitive position," said *la Mamaladze*, chairwoman of the Georgian Regional Media Association. *Natia Kuprashvili*, executive director of the Georgian Association of Regional Television Broadcasters, countered that an order for just one company to write off debt is unrealistic, while indiscriminate amnesty would strip the authorities of a potential tool of influence and set a good example of solidarity within the news industry. Although Channel 25's fate was still up in the air when the MSI went to press, panelists believed that finance authorities would find a solution.

Violence against journalists intensified in spring and summer during another bout of the opposition's street campaigns to unseat President *Mikheil Saakashvili*. Several journalists were beaten on July 15, when baton-wielding policemen

confronted a group of demonstrators who were demanding the release of six detained protesters. Amid the tumult, police seized cameras from journalists, including a Reuters cameraman. Law-enforcement authorities later admitted to the excessive use of force, apologized, and returned the cameras, but the reporters said images that they had taken at the scene were erased.

Jangirashvili said she had received assurances from the authorities that the policemen who overstepped their authority during the clash would be punished. Police also promised to reimburse her for the damage to her company's video camera. However, according to Jangirashvili, police have yet to make good on both promises.

Reporters working for the government-sympathetic media also suffered abuse in that period. Time and again, the Public Broadcasting Company's news crews had to deal with catcalls and booing from protesters lined up outside the company's office. On one occasion, several opposition activists physically abused the company's morning news anchor, Nika Avaliani. The political leaders who led the protests offered only mild, if any, criticism of the attack and picketed the police station demanding release of the offenders.

Batumelebi, a well-respected and international award-winning newspaper based in Batumi, said that local law-enforcement officials blackmailed the paper's investigative reporter, Tedo Jorbenadze, to recruit him for intelligence assignments. In a statement released on November 25, *Batumelebi* said that after Jorbenadze declined

the offer, operatives of the local division of the Interior Ministry's special operations department threatened to spread alleged photo evidence of his homosexuality, which is heavily stigmatized in largely conservative Georgia, according to the panelists. *Batumelebi's* appeal sparked a major media and civil-society outcry, and the Interior Ministry has launched an investigation into the allegations.

Political forces continue to joust for sway over public television, which is generally viewed as tilting toward the ruling establishment. Georgian Public Broadcasting (GBC) trustees are nominated by political groups, and appointments to the board are made on a near-parity basis. The presidential appointees dominate the board of trustees, which has increased from nine to 15 members this year.

In December, President Saakashvili proposed to the parliament a choice of 21 candidates to fill the seven vacant seats on the board. Various political groups lobby for most of the candidates, while only a few are backed by the media associations. Zviad Koridze, a freelance reporter and media analyst, said that the board must be composed of apolitical media professionals and civil-sector representatives to free the broadcaster of partisan influences and turn into a truly public service-oriented news outlet. Three candidates who fit the above criteria were eventually approved by the parliament on December 18, 2009. While panelists agreed that the qualifications of these three—Shorena Shaverdashvili (editor of *Tskheli Shokoladi* and *Liberali*), Nino Danelia (a journalism professor at the Georgian Institute of Public Affairs), and Lia Chakhunashvili (dean of the Caucasus School of Media)—are beyond reproach, some panelists said that the political elite still maintains a decision-making majority on the board.

Tamar Kordzaia, of the Young Lawyers Association, said that recent changes in the law afford GBC unfair advantages. Not only does the company pull revenue via state subsidies and commercial advertisement, but now it may also set up private companies that can generate and sell audiovisual content. The daily newspaper *24 Hours*, often seen as government-leaning, continues to be an exclusive distributor of the government's tender announcements, and this places other market players on unequal financial footing.

Kordzaia said that state funding of public broadcasting, which has been entirely subject to parliamentary approval since 2008, limits GBC's financial and political independence. Late in December 2009, however, the government restored the previous funding arrangement, setting a bottom line for GBC funding at 0.12 percent of national GDP.

Some journalists on the panel complained that a growing apparatus of press-relations officers and other gatekeepers choke off the media's access to public officials and

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 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 offended parties 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.

information. Regional outlets say that the local authorities tend to release public records only after 10 days—the maximum term allowed by law—or sometimes media must go to court to force the authorities to provide public information.

There is little government interference with individual entry into the journalism profession and the domestic media's free access to, and use of, international news.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Georgia Objective Score: 1.62

In Georgia, journalism falls short of fundamental standards of fairness, objectivity, and fact-based reporting, according to the panel. Political fealties impair editorial integrity in the mainstream media, and many news outlets repeatedly demonstrate poor ethical judgment, the panel found.

Liana Tsiklauri, a Public Radio producer, said that television channels often stretch ethical boundaries by showing the faces of accused underage criminals and victims of violence. Journalists also sometimes put crime witnesses at risk by reporting on them openly, she said. In addition, Koridze deplored the deficit of sound, hard facts on the television news and said that reporters do not tend to fact-check information and views provided by their sources. "Rather than commenting on the facts, the facts are constructed through comments," Koridze noted.

Davit Paichadze, a journalism teacher and anchor on Channel 1, added that television journalists report news in a perfunctory manner and choose to dwell on the sensationalist aspects. Medea Imerlishvili, of Mtsvane Talgha private radio, said—and others agreed—that broadcast journalists seldom consult experts when working on their stories.

The panelists also brought up ethical concerns about Real TV, a new, aggressive arrival with a stated mission to unveil the true faces of political figures and events. When a popular opposition leader, Irakli Alasania, declined an interview request from the allegedly pro-government Real TV, the channel taunted him by conducting an interview with his effigy.

After almost two years of arduous efforts, spearheaded by the prominent journalist Ia Antadze, in December a group of journalists and lawyers produced the Georgian Charter of Journalistic Ethics. Backed by key European agencies, including the Council of Europe and the European Commission, the panel explained that the omnibus ethics charter is designed to become a self-regulatory solution for Georgian media's deficient ethical practices. As the effort was led by a group of journalists critical of the government, many

government-friendly reporters simply chose not to sign it, although some did.

While it remains to be seen how effective its enforcement mechanisms are, a nine-member press council was set up to report on compliance with the charter's guidelines. By signing the charter on December 4, 137 journalists assumed the responsibility of adhering to the document's principles—essentially, internationally accepted tenets of journalism ethics.

A Code of Conduct for Broadcasters, issued by the GNCC, was also adopted in 2009. The editorial guidelines require news channels to produce well-sourced, fact-based, and balanced news. The 40-page paper also prescribes rules on privacy and confidentiality. This legally binding document was offered to broadcasters as a self-regulation mechanism. The GNCC maintains that the companies are free to decide themselves how to react to violations of the guidelines by their staffs, and that these decisions may not be subject to legal or administrative sanctions. Jangirashvili, however, is wary of the guidelines; she argued that the document and associated laws are vague enough that regulators could potentially use it to penalize the nonconforming broadcasters.

Kordzaia, however, maintained that noncompliance with the new code of practice may entail no legal responsibility for broadcasters, and the regulator cannot exploit the guidelines to interfere with the private broadcast content. The GNCC does reserve the right to take administrative measures should a broadcaster fail to create an in-house system to enforce the code or display a lax record of handling viewers' complaints.

Panelists agreed near unanimously that self-censorship is commonplace in the news media. They cited the impact of political influences on editorial decisions as the main reason

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).

In addition, Koridze deplored the deficit of sound, hard facts on the television news and said that reporters do not tend to fact-check information and views provided by their sources. “Rather than commenting on the facts, the facts are constructed through comments,” Koridze noted.

behind the selective coverage of news. Rather than facing direct pressure from their organizations or political forces, many reporters have developed a sense for the kinds of stories and angles that they can safely cover.

Four members of the GBC’s board of trustees resigned during the anti-government protests in April 2009, on the grounds that they could not ensure balanced and full coverage of the events. A group of reporters of the embattled private television station, Imedi, voiced similar grievances in May. The reporters claimed that Imedi’s management embargoed news that could have been detrimental for the authorities. In addition, government officials criticized Channel 25’s decision to air a state-sponsored Russian movie offering the Kremlin’s version of the Georgian-Russian war in 2008 as unpatriotic. Merkviladze construed the criticism as an attempt to censor free media.

Criticism of the dominant Christian Orthodox Church, arguably the most influential institution in the country, is an anathema in the mainstream media. Still, this year, more freewheeling news outlets have earnestly covered bickering between the church and libertarian activists. Some Georgian commentators saw these tensions as a symptom of latent turf wars between the church and the government. GBC’s Board of Trustees declined calls to hold live debates on the dispute.

Koridze said coverage of religious minority issues in the media is taboo. Tsiklauri and others commented that reporters sometimes use offensive language to describe religious or other minorities. However, Ia Bobokhidze said that reporters and editors tend to steer clear of the religious issues in general, due to the extremely sensitive nature of the topic. She commented that her regional newspaper, *Akhali Gazeti*, received threats from religious activists after it pursued a story on a slugfest involving parishioners and clerics at a church in Kutaisi, Georgia’s second-largest city. Local clerical authorities also condemned the newspaper’s coverage of the confrontation.

The Patriarchy of the Georgian Orthodox Church officially received GEL 25 million (\$14,381,900) from the national

budget, and the church has its own television channel. There is no government or civil oversight into the financial operations of the church. The country’s powerful Interior Ministry is also impervious to media inquiries, Tsiklauri said.

Panel participants did not feel that entertainment content eclipses news programming. The three national television channels—GBC, Rustavi2, and Imedi—feature state-of-the-art media equipment, sleek visuals, and modern forms of news presenting. Smaller television companies, especially regional outlets, can ill afford to upgrade their broadcasting gear and therefore lag far behind the big three in terms of production finesse, the quality of signal, and the scope of coverage.

Panelists said that journalists are not paid well, but corruption, in the form of selling favorable articles, does not generally take place. Government-leaning outlets provide fawning coverage regardless of how much they pay their journalists, while the opposition media need no further stimulus to attack the government. Suspect injections from political groups, described in Objective 4, are a more pressing concern. In terms of pay, the biggest discrepancies are between journalists in Tbilisi and in the regions, and between television and print outlets, more so than between public and private outlets. Regional outlets complained again this year that many journalists move to Tbilisi for greener pastures.

Some outlets do struggle to upgrade their equipment and facilities. The cash-strapped Maestro television company, an outspoken government critic limited in reach to the Tbilisi metropolitan area, has been trying to scrimp together the money needed to extend its broadcasts nationwide via satellite. The station fought hard to obtain a satellite broadcasting permit, but then it called on its viewers—a humble 2.6 percent of the television market (Television in Georgia – Ownership, Control, and Regulation, 2009)¹—to help shoulder the costs of satellite transmission.

Regional print media representatives say that local newspapers, mostly sustenance businesses, cannot afford to update technical facilities, and the poor quality of print is a turnoff for potential readers. Print outlets, especially in the regions, are in particular need of assistance, according to the panelists. Panelists noted that in terms of international assistance, equipment and training remain the most pressing needs.

Television and radio channels have diversified niche programming catering to specialized interests such as law or business, but the national broadcasters do not provide airtime for investigative reports.

¹ Transparency International Georgia used the data of local media research company TV MR GE, a licensee of AGB Nielsen Media Research. (Data are representative of the urban population older than four years and cover the first half of 2009).

OBJECTIVE 3: PLURALITY OF NEWS

Georgia Objective Score: 1.68

Overall, a pluralism of views can be found in Georgian media, according to the panel. However, media outlets tend to be singular in their point of view, reflected in judicious omissions, inclusions, and framing in the mainstream news cycle. Media outlets tend to adhere to political loyalties, narrowing the scope of views available from any given source.

Some panelists and international media assessments assert that the ruling establishment holds sway over the dominant news medium—television. The largest news networks, Rustavi2, Imedi, and GBC's Channel 1, are widely believed to be toeing the administration's line.² These three dominate the market with nearly a combined share of 70 percent³ and offer newscasts that rarely differ in tone, order, and content. A European Union–funded study conducted by the Caucasus Resource Research Center revealed that 25 percent of the 1,768 randomly surveyed viewers tune in to GBC's Channel 1 for news. Of those, however, only 26 percent of the respondents said that they fully or partially trust the information provided by the public television channel.

Similarly, newscasts of twin opposition-minded stations, Maestro and Kavkasia,⁴ have also often proved interchangeable, and both cover politics selectively (Georgia Comprehensive Media Research: Summary Findings, 2009). Until mid-December, Maestro aired a reality show featuring a key opposition leader's brother, the popular singer Giorgi Gachechiladze, as a host. The setting of the show was a mock cell symbolizing the current political regime. The host has repeatedly called upon Georgians to mobilize and oust President Mikheil Saakashvili from power.

Koridze said that as a result, there is no channel that Georgian viewers can tune to for politically balanced news. Viewers must flip from one channel to another to get both sides of a story. Unlike panel members, however, general audiences seem to have more confidence in the media. A Caucasus Research Resources Centers (CRRC) survey showed that some 47 percent of respondents fully or partially trust the media.

² The CRRC survey found that 51 percent of their respondents believe Rustavi2 and Channel 1 are pro-government. By contrast, 94 percent of member media professionals, who participated in a focus group, believe that Rustavi2 serves the government's interest.

³ Transparency International Georgia. (2009, November 20). *Television in Georgia – Ownership, Control and Regulation*. Retrieved from http://transparency.ge/index.php?lang_id=GEO&sec_id=50050&lang_id=ENG

⁴ 68 percent and 50 percent of residents sampled in Tbilisi told the CRRC survey that Maestro and Kavkasia are supportive of the opposition.

The Internet has drained some audiences away from the traditional media, Paichadze said. Twitter has not proved particularly popular with online audiences, but Facebook and YouTube have a growing journalism dimension in Georgia. The website of the local Radio Free Europe/Radio Liberty bureau and the web-based news service Civil.ge are popular among online readers. A professional, trilingual news outlet, Civil.ge operates under the auspices of USAID.

Urban, educated, and younger audiences increasingly turn to nascent blogs and other web-based information sources to fill the traditional media's news gaps. Still, Internet media cannot quite pack enough punch, as a mere 12 percent of the overall population is estimated to have daily access to the Internet, according to GNCC. Seven percent of the CRRC survey respondents said that they log onto the Internet daily for information on current events, while 50 percent of the interviewees said they never turn to the Internet for news.⁵

While audiences in Tbilisi receive news from a variety of sources and broad perspectives, the coterie of national television networks keeps provincial viewers on the government-friendly news diet, said Mamaladze of GRMA. Tsiklauri, Bobokhidze, and Mamaladze said that most rural residents cannot afford to purchase daily newspapers or install satellite dishes. Furthermore, cable networks have not carried Russia's state television channels since Tbilisi and Moscow waged war over the separatist South Ossetia region in 2008. Some panelists were convinced that the authorities have unofficially instructed cable operators to cut off the channels.

Panelists said that it has become almost a tradition over the past years for a particular television station to take center stage in Georgia's chronic political vicissitudes. This past year, Maestro was at the forefront of antigovernment demonstrations that started in the spring and petered out in summer. November 2007 unrest revolved around Imedi, while Rustavi2 played a vital role in the 2003 Rose Revolution. Both Rustavi2 and Imedi have controversially changed hands since these pivotal events and today are criticized for professing loyalty to the executive branch.

Georgian politics and media have resembled a hall of mirrors, when the founder of Rustavi2, Erosi Kitsmarishvili, the Rose Revolution ally-turned-foe of President Saakashvili, took over the management of Maestro in December 2009. Kitsmarishvili's reappearance as Maestro's manager has prompted comparisons to Rustavi2 and its role in the Rose Revolution. Kitsmarishvili vowed to transform the station into a major 24-hour news channel, a counterweight to allegedly administration-controlled national broadcasters.

⁵ Caucasus Research and Resource Centers. (2009, November). *Georgia Comprehensive Media Research: Summary Findings*. Retrieved from <http://www.epfound.ge/>.

While audiences in Tbilisi receive news from a variety of sources and broad perspectives, the coterie of national television networks keeps provincial viewers on the government-friendly news diet, said Mamaladze of GRMA.

He scrapped Gachechiladze's reality show and has embarked on a fundraising mission to get his project off the ground. Kitsmarishvili asked former defense minister Irakli Okruashvili and his wealthy friend Kibar Khalvashi to pick up the tab for Maestro's makeover, Media.ge news service reported on December 15. Okruashvili, a controversial exile now living in France, has repeatedly vowed to fight his former boss, Saakashvili, to the end.

Earlier, in July 2009, President Saakashvili's former chief of staff and close associate Giorgi Arveladze became general director of a media holding that includes Imedi television and radio.

Human-resource decisions by media companies and political institutions have further blurred the line between media and political public relations. Journalists have few qualms about moving to the public relations side and then returning back to the news business. Interior Ministry Spokeswoman Nana Intskirveli became the news chief of Imedi television channel in March. In the same month, Irakli Alasania, one of the main opposition leaders, recruited Rustavi2 reporter Vako Avaliani

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.

as a spokesperson. Later in the year, President Saakashvili enlisted two well-known anchors, one from Imedi and another from Rustavi2, as his press relations chiefs.

Television channels tend to use major international news agencies for international news, but local radio and television stations generate original news programming and mostly do not rely on national network feeds. The panelists agreed that news agencies gather and distribute news in a nondiscriminatory fashion.

Minority-language information sources are presented; Channel 1, for example, offers newscasts in minority languages. Alania, often branded as the administration's pet project meant to reach out to separatist South Ossetians, broadcasts in Russian. GBC launched a major Russian-language channel in early January 2010 to cater both to domestic Russian-speaking audiences as well as people in the North Caucasus, within the Russian Federation.

Just as in last year's panel, many panelists said that the lack of transparency in media ownership particularly threatens trust between the media and the public. The true identities of media bosses cannot be traced through the obscure ownership chains. For example, the nation's most watched television news channel, Rustavi2, and the entertainment channel Mze are owned by a mysterious company—Degson LLC—registered in the British Virgin Islands, an offshore tax heaven. Little is known about RAK Georgia holding, which bought Imedi in 2009 for an unspecified sum. The holding is an affiliate of Rakeen Georgia, which, in turn, claims to be a part of a United Arab Emirates-based investment group, RAKIA. But in the latest twist, RAKIA's CEO, Khater Massad, told an Abu Dhabi-based newspaper that neither his group nor any of its affiliates have anything to do with Imedi and charged that his company's name is being used by impostors in Georgia.⁶ Similarly, the defense ministry is suspected to be behind another obscure company that owns the Sakartvelo television channel.

Kordzaia said this environment is a result of legal loopholes, as Georgian laws and regulations do not currently require news companies to reveal their ultimate owners. Furthermore, Georgian law fails to insulate the market against the emergence of news conglomerates. Many nongovernmental groups, including GYLA, criticized the government for this; Transparency International has been the most vocal critic. By law, one person or company can hold only one terrestrial broadcasting license for television and one for radio, but it can hold shares in several licensed companies. For instance, the Georgian Industrial Group is a minority stakeholder in both Rustavi2 and Mze.

⁶ Keach Hagey. (2010.) The National. *A Riddle for RAK in Georgia*. Retrieved February 5, 2010, from <http://www.thenational.ae/apps/pbcs.dll/article?AID=/20100203/BUSINESS/702039962/1005>.

Print media run the gamut from liberal to ultraconservative, from quality publications to yellow press. A new privately owned magazine, *Liberali*, debuted in 2009. This *Newsweek*-style weekly with a liberal edge provides in-depth, well-rounded coverage and picks up the mainstream media's slack on many current issues. Readerships of *Liberali* and its quarterly peer, *Tskheli Shokoladi*, are largely limited to Tbilisi's intellectual elite.

Both magazines and bloggers pursued the story on profanity-laced video clips posted on YouTube that ridiculed the head of the Georgian Orthodox Church, Patriarch Ilia II, Georgia's most revered public figure and symbol of the country's national identity. Tea Tutberidze, of government-leaning think-tank Liberty Institute, posted the clips on her Facebook page in November, but the real controversy began when Kavkasia ran a story on what was labeled as an unprecedented attack on the country's most sacrosanct authority.

The church hit back, charging that the authors and promoters of the videos were trying to sow national discord. The presidential administration soon followed suit, condemning the videos. In a move criticized by liberal groups as an attack on freedom of expression, police launched an investigation and tracked down the juvenile authors of the videos. Paichadze cited the case as the first-ever attempt to censor Internet media. Interestingly, a CRRRC report found that 68 percent of respondents were interested in journalistic investigations of relations between the church and the state.

OBJECTIVE 4: BUSINESS MANAGEMENT

Georgia Objective Score: 1.61

Advertisement income and purported financial injections from owners have helped national channels through the troubled financial times, while smaller outlets, especially regional stations, are barely making ends meet. The fallout from the international financial crisis, the 2009 bursting of the country's real-estate bubble, and the 2008 war have depressed sales and advertisement incomes, panelists said. The panel judged that the commercial self-sustainability of the media was nowhere in sight and gave this indicator the lowest rating within the category.

Participants of a media conference sponsored by the European Union also concluded that in Georgia, "market forces alone cannot guarantee the sustained existence of the press."⁷ Development dollars keep independent media

⁷ Civil Society on Human Rights Seminar on Media Freedom, Final Report, November 2009.

afloat. *Liberali*, which panelists deemed the country's best, if not the only, quality print news outlet, receives vital funding from the Open Society Georgia Foundation. A handful of investigative journalism television studios, such as Reporter and Monitor, are fully bankrolled by international development institutions. These studios, essentially a club of outcasts who quit, were fired from, or were otherwise forced to leave mainstream news outlets, do not generate commercial income; they offer their productions free of charge to television channels.

Transparency International found that incomes reported by television companies in 2008 exceeded by far the estimated sum of their advertising revenues in that year.⁸ The report concludes that at least \$35 million of the television companies' incomes derived from unknown, non-advertisement sources. Far from being lucrative businesses, Rustavi2 and Imedi changed owners several times, sparking speculations that the formal investors are a front for real interests behind these news stations.

Newspapers and magazines are mainly sold through retailers; subscription numbers are low, panelists said. The Georgian Regional Media Association is compiling a database on the sources of incomes of almost 50 member newspapers and periodicals. "We are trying to introduce transparency so we know who is financed from the local authorities and municipalities, who relies entirely on commercial income, and who receives funding from donors," Mamaladze, of GRMA, said. "We do not aim to discriminate against members based on the sources of funding," she continued. "The members are free to choose their sources of funding, but readers and advertisers must be informed about these sources."

Sakpresa, which distributes newspapers in the regions, said newspaper sales have slipped by more than 30 percent in 2009 as compared with the previous year. Sakpresa representatives attribute the slump to the growing price of newspapers. Additionally, regional press association representatives said that the growing cost of paper and printing, a side effect of the financial crisis and economic estrangement with Russia, has affected the sales and quality of newsprint in the regions.

It is impossible to get a comprehensive, big-picture appraisal of the advertisement market, as there is no professional oversight of the industry. The head of Radio Hereti, Ramaz Samkharadze, and Jangirashvili believe that the advertisement market is also politicized. Businesses are wary of advertising with companies like Maestro, Kavkasia, and

⁸ The assessment is limited to terrestrial and cable broadcasters. Transparency International's estimate does not cover satellite broadcasting license holders, as they are not included in the data of Georgian National Communications Commission.

Hereti that are not in the government's good books, they said. "In many instances, companies receive phone calls from public officials instructing them not to place ads with certain media companies," Samkharadze said. Maestro's director, Mamuka Ghlonti, said that advertisers avoided his company as a result of government pressure. Ghlonti has said that he can barely pay wages to the company's 20 employees, and most of the Maestro staff is composed of interns.

Regional radio stations Hereti, Dzveli Kalaki, Atinati, and Harmonia, in partnership with Tbilisi-based radio station Palitra, developed a creative solution to secure advertising. They formed an association and now offer a combo advertisement package to businesses; they also exchange content, according to Samkharadze.

Television commercials are professionally and locally produced, but advertisement agencies are focused on broadcast media in the capital, while regional and print outlets mostly approach advertisers on their own, the panel concluded. Internet publications and broadcasters have yet to come up with workable business models that will make them self-sustainable. Two Internet television sites, ITV and GeoTV, both bare-bones operations, have a negligible presence. Advertisers have evinced little interest in these online business neophytes with a small, unspecified market share and unclear future.

In 2009, the nonprofit media organization Go Group launched Eyewitness Studio, an online video production that covers Georgia, but also hopes to extend its services to the South Caucasus. The website features professional and citizen journalist-produced short films and multimedia content documenting human-interest stories of local individuals and communities. The service is meant to provide an alternative

to the dominant media and to provide a voice for regional populations that are often slighted in the mainstream news. Go Group receives funding from the European Union.

According to the panel, there is no reliable, exhaustive data on circulation, market shares, or sources of income of print outlets; the only figures available are supplied by the newspapers themselves. The panelists believe that many print outlets and publishing houses conceal true sales rates for tax purposes, and newspapers claim inflated circulation rates when dealing with advertisers. Advertising agencies may conduct occasional circulation research for their clients, but that information is closed and not necessarily reliable.

TV MR GE, a licensee of AGB Nielsen Media Research, produces television rankings and market-share breakdown. Panelists said that television companies and advertisers often consult these data.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Georgia Objective Score: 2.14

Divisions within the media camp hinder creation of a cross-media, nationwide journalism association or a general accord on professional standards, and last year's report noted that regional associations set up by donors did not prove viable. This past year, however, regional media outlets—including broadcast and publishing associations—have increasingly stepped up efforts to cope jointly with the challenges they face.

Near the end of 2009, associations set a strong precedent of successful cooperation when they spoke up against the intimidation of Tedo Jorbenadze, the journalist from *Batumelebi*, and acted to help Channel 25 out of its tax-burden predicament. Kuprashvili said that representatives of all 26 television companies that are members of her broadcaster's association arrived in Tbilisi to express solidarity with Channel 25. The panelists felt these efforts definitely helped Channel 25; at the very least, they raised public awareness of the channel's predicament and pressured the government to look for solutions.

Kurpashvili's association, the Georgian Association of Regional Television Broadcasters (GARTB), unites regional broadcasters. Kurpashvili said that her association does not discriminate against any regional outlet for membership but tries to ensure they adhere to proper standards of journalism. Mamaladze's association is for regional publishers. Membership is open to all, but the association does try to research the funding sources of its members. However, if a newspaper is sponsored by the government, it can still

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.

become a member. In addition, there is an investigative reporter's association, called Gender Media Caucasus, which works on gender-related issues.

In addition to the 2009 development of the Georgian Media Ethics Charter Association described in Objective 2, several important newspapers, such as *Rezonansi* and *Alia*, formed an association late in 2009, and the Association of Investigative Journalists, uniting the investigative journalism studios Monitor, GNS, and Reportior, was also established. However, while the work of the members of these associations is important, the associations themselves are not important players on the Georgian media scene for now.

A number of civil-rights advocacy groups and journalism associations are active in the country. The Georgian Young Lawyers Association (GYLA), a nonprofit rights group, plays a particularly prominent role in advocacy. The organization is now helping the Regional Media Association compile a list of recent cases of intimidation or other violations of journalists' rights, and it has often offered legal advice to the reporters. GYLA also reviews legislative changes on the media and publishes its conclusions.

As a part of a European Union–underwritten project, GYLA has begun to extend legal counseling services to media practitioners and organizations in the regions. “We deal not only with clear-cut violations of freedom of the press, as this often comes in an indirect form, but also with employment-related disputes that often have implications for journalists' freedom,” said Tamar Kordzaia, a lawyer for GYLA. GYLA counselors will be working at several regional centers around the country.

Panelists noted some progress on the media education front, where the choice of quality journalism programs has increased. Tbilisi State University, the nation's flagship state institution, has updated and streamlined its curriculum and offers more hands-on, market-conscious courses, said Maia Mikashavidze, the dean of the Caucasus School of Journalism and Media Management (CSJMM) at Georgian Institute of Public Affairs (GIPA). The Open Society Institute continues to support curricular development and technical upgrades for the school. Another Tbilisi-based public school, Chavchavadze University, launched a new master's program in journalism.

Nevertheless, Jangirashvili said that the skills of public-university graduates leave a lot to be desired. “Most of the young reporters coming from the universities, such as Tbilisi State, do not have any idea how television works; they do not know how to write a script or put together a video package,” she said.

There are opportunities for students to get journalist training and degrees abroad, through foreign-donor-

Near the end of 2009, associations set a strong precedent of successful cooperation when they spoke up against the intimidation of Tedo Jorbenadze, the journalist from Batumelebi, and acted to help Channel 25 out of its tax-burden predicament.

funded fellowships or training courses, and media outlets do hire returnees. However, in the past, media analysts and educators complained that this new blood cannot make a major difference until they have a chance to rise to the top of media companies.

Private schools have also diversified their offerings. A new master's program at the Caucasus University's School of Media (CSM) offers flexible hours to accommodate working students.

The CSJMM and the CSM both have some prominent academics and professionals on their staffs, but the same lecturers tend to teach courses at several schools simultaneously while also proceeding with their professional careers. Mikashavidze said that forming resident pedagogical staffs tied to particular universities is crucial to improving the quality of teaching. At the same time, growing tuition costs limits access to these programs. Lia Chakhunashvili, the CSM dean, explained that Georgian universities do not operate under a tradition of endowments. Private educational institutions rely on tuition as a main source of income, which drives up the cost for students.

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 in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

In general, the panelists complained that trainings in Georgia, as a rule offered to mid-career reporters, tend to be geared toward educating reporters on the issues on the global or local development agenda: global warming, gender issues, conflict resolution, economy, psychology, etc. While finding this helpful, several panelists said that a greater focus on practical journalism skills would be more helpful.

There is also a continual need for modern, locally written, or translated academic literature. "It is difficult to create a professional textbook locally when you don't have a long history of teaching independent journalism programs," Chakhunashvili said. An Open Society Institute grant helped CSM update and expand its library resources. To share this resource with other schools, Chakhunashvili said that CSM signed a memorandum with peer educational institutions to make the new media books purchased through the grant available to other journalism schools.⁹

International and local organizations conduct a number of training courses for reporters, but the majority of these courses are geared toward current issues and donor priorities rather than general journalism skills and needs, Chakhunashvili said. In general, the panelists complained that trainings in Georgia, as a rule offered to mid-career reporters, tend to be geared toward educating reporters on the issues on the global or local development agenda: global warming, gender issues, conflict resolution, economy, psychology, etc. While finding this helpful, several panelists said that a greater focus on practical journalism skills would be more helpful. The panelists agreed that investigative reporting skills are one area of need. Media outlets tend to support professional growth efforts, but generally only when it happens on an outside sponsor's dime.

Paichadze said that the new well-trained journalism cadre is having a hard time breaking into the mainstream journalism market dominated by the old guard. "The people who are calling the shots in the media sphere are molding the new arrivals into their likes," he said. There are exceptions, he added, but too few to make a difference.

⁹ CSM Dean Lia Chakhunashvili was not on the panel. She provided her responses to the MSI's e-mail inquiry on December 8, 2009.

Panelists observed no political meddling with newsprint facilities. However, the growing cost of paper and printing, a side effect of the financial crisis and economic estrangement with Russia, has affected the quality of newsprint in the regions.

Newspaper publishers and city authorities have been at loggerheads over a new print media distribution scheme; publishers are leery of municipal government attempts to systematize distribution of newspapers and periodicals in bigger cities. A network of identical newspaper kiosks, owned by a municipally selected company, has partly replaced randomly scattered newsstands in Tbilisi. Similar change is afoot in Kutaisi and Batumi.

Publishers fear that monopolization of the distribution market by allegedly government-handpicked companies could potentially become an effective tool to control the print media. The city authorities counter that the new system is part of a wider effort meant to spruce up the urban centers and put street vending in order.

In March 2009, several Tbilisi-based independent newspapers, including *Rezonansi*, which is generally considered a quality paper, and tabloids *Alia* and *Kronika*, boycotted the new kiosks. To preempt accusations of political influence, the owner of the new kiosks, White Distribution Company, then started purchasing these newspapers at different stalls and reselling the copies for the same price through its network. The company, however, said it could not keep up that effort and called on the papers to cooperate.¹⁰

Television owners argued that political influences shape programming strategies of cable networks. Jangirashvili said that many cable companies are reluctant to transmit Kavkasia and Maestro—both vocal government critics—because they fear retribution from the authorities. Merkviladze also commented that soon after his company started having problems with local authorities, it was taken off the cable network in 2006.

Channel 25's woes provided another example of political interference in television transmission. "Batumi has a dozen cable companies that compete for subscribers, but all refused to transmit Channel 25, and this was not a money issue," said Jangirashvili. "Later, when our case received publicity, most of the cable companies reluctantly agreed to resume carrying Channel 25." Georgian media laws and regulations do not stipulate must-carry rules for cable operators.

Government or business conglomerates do not control access to the Internet.

¹⁰ <http://www.media.ge/ka/node/25149>

List of Panel Participants

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Please note that the following participants attended the panel discussion but did not submit scores.

Ia Mamaladze, chair, Georgian Regional Media Association, Tbilisi

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The opinions of the following research participants, who did not take part in the panel discussion, were used in preparing this report:

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