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MACEDONIA

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Media events featured prominently in Macedonia's rocky political discourse in 2011. In an unprecedented show of force, the government shut down a major television station and three daily newspapers, owned by the A1 media group, allegedly for tax evasion. The reason did not sit well with press-freedom advocates, considering that the media targeted had dared to criticize the government's policies. The act left the bitter impression that the tax-evasion claims were rather an excuse to silence the most popular television station and its satellite newspapers, although the owner is a highly controversial businessman. As a prelude to the shutdown, a major opposition party, the Social Democratic Union (SDSM), left the parliament, citing threats to media freedom as a core reason. SDSM's departure forced early parliamentary elections in June, a year ahead of schedule. At first they set several preconditions for the elections, including that the government stop the harassment of the media from the A1 group. In the end, the opposition lost the election by a relatively small margin to the ruling party, VMRO-DPMNE. In one of its first steps after the election, VMRO-DPMNE introduced changes in the law on broadcast that enabled governmental control over the broadcasting regulatory body. In the meantime, the Agency of Telecommunications revoked A1 TV's frequency license, effectively shuttering the most popular and the biggest television station in Macedonia's history.

Moreover, intimidation and harassment of journalists did not end with the A1 case. Over the course of 2011, more than 170 defamation cases against journalists flooded the courts. One newspaper editor was ordered to pay to the former Minister of Foreign Affairs damages of €18,000 (enough to cover the monthly salaries of about 36 journalists in Macedonia). The economy also dealt blows to the media. The German-owned West Algemeine Zeitung (WAZ) newspapers announced the company's plans to downsize operations in Southeast Europe, and some journalists in the group claimed that only those who dared to criticize the government lost their jobs. The cable news television station 24 Vesti laid off most of its news crew. These measures, combined with the shutdown of A1 and related newspapers and other layoffs, left around 300 journalists in the country out of work.

With the media landscape shifting in favor of the pro-governmental media, the plurality of viewpoints took a noticeable hit. The only plurality remaining is in the sheer number of media outlets. At the end of the year, WAZ's newspaper holdings—the only foreign investment in the media, operating as a subsidiary named Media Print Macedonia (MPM)—were sold to a local businessman, allegedly close to the government. MPM controls three major dailies, a huge distribution network, and the biggest printing plant in the country.

All of this political and economic upheaval drove the panelists to deliver the lowest overall MSI score for Macedonia to date; the score of 1.52 is more than a point lower than the highpoint reached in 2005, when Macedonia scored 2.58 overall.

MACEDONIA AT A GLANCE

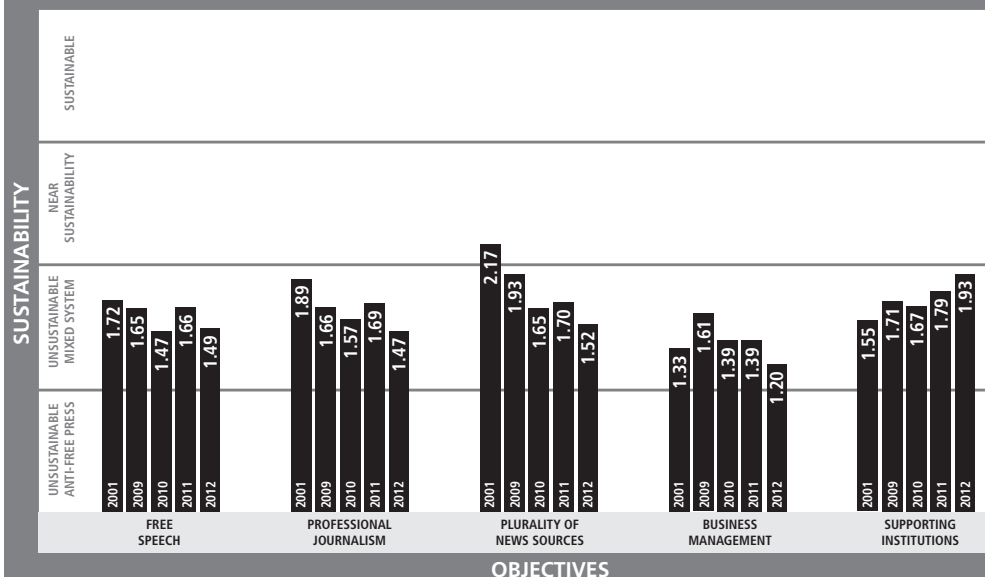
GENERAL

- > **Population:** 2,082,370 (July 2011 est., *CIA World Factbook*)
- > **Capital city:** Skopje
- > **Ethnic groups (% of population):** Macedonian 64.2%, Albanian 25.2%, Turkish 3.9%, Roma 2.7%, Serb 1.8%, other 2.2% (2002 census)
- > **Religion (% of population):** Macedonian Orthodox 64.7%, Muslim 33.3%, other Christian 0.37%, other and unspecified 1.63% (2002 census, *CIA World Factbook*)
- > **Languages (% of population):** Macedonian 66.5%, Albanian 25.1%, Turkish 3.5%, Roma 1.9%, Serbian 1.2%, other 1.8% (2002 census, *CIA World Factbook*)
- > **GNI (2010-Atlas):** \$9.319 billion (World Bank Development Indicators, 2011)
- > **GNI per capita (2010-PPP):** \$10,830 (World Bank Development Indicators, 2011)
- > **Literacy rate:** 96.1% (male: 98.2%, female: 94.1%) (2002 census)
- > **President or top authority:** President Gjorge Ivanov (since May 12, 2009)

MEDIA-SPECIFIC

- > **Number of print outlets, radio stations, television stations:** Print: approximately 600 daily, weekly, biweekly, monthly, and periodical editions. There are 147 commercial broadcasters (5 television and 3 radio stations with national coverage) and 3 nonprofit broadcasters; 10 television and 17 radio stations provide regional coverage; 49 television and 60 radio stations provide local coverage; 12 channels broadcast via satellite. (Broadcasting Council, 2011)
- > **Newspaper circulation statistics (total circulation and largest paper):** Total average daily circulation is 252,372. *Vreme* and *Spic* are the largest daily papers (newspaper sources)
- > **Broadcast ratings:** Television stations: TV A1 (24.66%), TV Sitel (17.87%), and TV MTV1 (8.21%); Radio stations: Antena 5 (14.57%), Radio Ros Metropolis (7%), and Channel 77 (3%) (Broadcasting Council, 2009)
- > **Annual advertising revenue in the media sector:** €574 million (Broadcasting Council, 2011)
- > **News agencies:** Macedonian Information Agency (state-owned), MakFax (private), and NetPress (private)
- > **Internet usage:** 1.057 million (2009 est., *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: MACEDONIA



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

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

Macedonia Objective Score: 1.49

Guarantees for the freedom of expression in Macedonia's constitution and media legislation seem insufficient and fall shy of achieving international standards and ensuring the freedom of the press. This is largely due to poor implementation of the laws, selective application against media that criticize the government, and an inefficient and highly problematic judiciary system.

Furthermore, political domination over the regulatory bodies and implementing agencies makes the situation worse. Macedonian courts are overwhelmed with defamation cases, and even though there is a lengthy court procedure, the damages imposed on journalists are extremely high and produce a chilling effect, reflected in growing self-censorship. Macedonia is party to the European Convention of the Human Rights, and both the convention and the jurisprudence of the European Court of Human Rights may be applied in Macedonian courtrooms; however, that is not the practice. "Our judges always favor the oligarchs, politicians, and other power centers at the expense of journalists," said Ida Protuger, a journalist with Alfa TV.

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

FREE-SPEECH INDICATORS:

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

Common citizens are encouraged to sue journalists rather than defend the freedom of the press. The shutdown of A1 TV demonstrated clearly that media cases are processed according to the penal and tax codes, rather than media laws, and the implementing agencies and judiciaries are choosing the harshest sanctions available. Instead of protecting democratic values, they treat the media like criminal organizations. Even the pre-trial detention of the owners and managers of A1 TV station lasted for more than a year, and the panelists feel confident that other human rights were violated in detention. The panelists also noted that the broadcast regulatory body never revoked A1 TV's broadcast license officially; rather, the Agency for Telecommunications revoked A1's permit to use the frequencies, effectively taking it off the air. When SDSM used the A1 case to demand early elections and accused the government of suppressing media freedom as it left parliament, it also succeeded in mobilizing a large chunk of society under the banner of defending media freedom. Yet after SDSM lost the election, they simply left that narrative. Some panelists felt that this showed that social mobilization to defend the freedom of expression is possible only within the context of partisan political maneuvering, and is not an indigenous value of the society.

Licensing procedures exist only for broadcast media. The Broadcasting Council acts as the regulator responsible for granting and revoking licenses. Up until this year, criticism directed at the body usually centered on its liberal licensing policy, faulted with overcrowding the market, as well as the lack of transparency in the decision-making process and the council's failure to implement ownership and anti-concentration clauses of the law. This year, the tone and substance of criticism shifted dramatically. Biljana Petkovska, executive director of the Macedonian Media Institute (MIM), explained, "In the past year, we saw the most flagrant show of political force to influence on the regulator ... through a rash, nontransparent legislative change that added six more members to the Broadcasting Council. Yes, the regulator is politicized, yes the appointment of the council members is politicized, and yes it always lacked a sense of public responsibility and transparency." Roberto Belicanec, program director of the Media Development Center, added, "In nutshell, the law up to this moment reflected the concept that nominators should come from the civil sphere, and adding six new members—who are strictly coming from the political sphere, from the executive branch even—it is clear that any talk on the independence of the regulator is meaningless."

Although on paper access to the media market is free and laws do not impose restrictive measures on media as businesses, challenges to the implementation of those laws have proved highly problematic for the media. First, the

regulator tasked with securing competitiveness ignores the active MPM monopoly over the newspaper distribution network. After the closure of the A1 sister newspapers and their distribution network, MPM now dominates the market. When that company was sold in December 2011 to a local businessman close to the party in power, the only new initiative in the newspaper field, *Daily Fokus*, chose to develop its own distribution network. But the threshold for entering the business had increased, and sustainability of the new projects is questionable. "I would say that MPM is clearly a monopoly. Whether we want to do business with them or not, we do not have a choice," said Arben Ratkoceri, owner of *Koha*. The regulatory climate makes the situation even worse. "The problem is that the media are treated exactly like ordinary trade companies by the financial and labor inspectors. They do not care about the nature of media businesses. For instance, according to the tax authorities, the set in the studio is not considered an expense, and you cannot file for a refund of the VAT [value-added tax]," said Ljubica Mangovska, owner of TV Tera.

In terms of crimes against journalists, public threats and organized incitements to violence against journalists on the grounds of their "lack of patriotism" are most common. Public threats and hate speech directed at journalists are also common, along with occasional anonymous death threats. Hate mongers have targeted the journalism profession among the other social groups that are targets of continuous hate speech. Biljana Sekulovska, formerly a journalist with A1 TV, noted, "There were organized campaigns to portray us as criminals." The police and judiciary generally neglect to pursue perpetrators of this kind of behavior. In Macedonia's history, no one has stood trial for physically or verbally assaulting a journalist. Meanwhile, tax fraud and failure to pay social benefits is endemic across the country, and yet the state tackles this selectively, seeming to disproportionately target the media and journalists.

Despite the guarantees in the law that insist on editorial independence, the public-service broadcaster is considered highly pro-governmental. Provisions in the supporting regulations render editorial independence impossible. For example, the Law on Public Servants lists the employees of the public service among the public servants, granting public journalists the same status as other public servants—and the accompanying obligations that are completely out of line with the traditions and international professional standards that bind journalists. "I think that my colleagues still do not understand in full what the status of the civil servant means; they have accepted it without any objections. I think that we will face a very awkward position when we are placed in a situation that requires us, as journalists, to object to or question the head of all civil servants," said one journalist

from a public service, Erdem Amet of Macedonian Radio and Television (MRTV) Turkish programming, who is also a managerial board member of the Association of Journalists of Macedonia.

Defamation falls under the penal code and is used heavily against journalists. The burden of proof is on the defendant. Jail sentences are usually given only if defamation resulted in heavy consequences, such as serious injuries or death. Up to this point, there are no journalists in jails, but there is also no cap on the damages—giving the courts broad power to impose unreasonable sums.

An access-to-information law exists and does not differentiate between requests from common citizens and journalists. Yet government representatives have mastered a system of avoiding engaging in debates with unfriendly journalists and typically handpick the journalists whom they brief.

The government had previously included the journalists among the categories of people who should undergo the lustration process, aimed at purging informers to the former secret police. They were obliged to submit claims that they did not cooperate with the former secret police by January 1, 2012. However, the day before the deadline, the constitutional court halted the process for the journalists and NGO activists, claiming it was unconstitutional. However, the prime minister warned that the government will find a way to continue with the process in the future.

As noted in last year's MSI, the media's access to, and use of, local and international news and news sources is not restricted by law. The only limitation is outlined in the copyright law to guard intellectual property, which is in line with international standards.

Even though there is currently no definition of the profession of journalism, the government has announced that the new media law that should be enacted in 2012 will define the term "journalist."

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Macedonia Objective Score: 1.47

The elections brought out shortcomings in professional standards, panelists noted. One media-monitoring report focused on the electoral process: "Media Mirror," conducted by NGO Infocentre,¹ pointed to the "total division of the media along party lines, selective reporting, and huge

¹NGO Infocentre. "Media Mirror 2011: Parliamentary Elections 2011 Final Report (May 11-June 8, 2011)." Skopje: July 2011. Available at: <http://www.nvoinfocentar.org.mk/event.asp?site=mm&menu=&lang=eng&id=1466> (Accessed February 9, 2012.)

numbers of articles that were not signed by the authors, and biased articles based on a single source.”

The political parties’ policy of avoiding letting their officials and representatives appear in “hostile” media deepened media polarization. This practice further narrowed the chances of producing programs that meet the basic journalistic standards of balance and stimulate relevant debate in the society. It significantly affected reporting, which turned unilateral and exclusive—essentially transforming journalism into propaganda. From that point of view, the behavior of political parties represents an actual boycott of the democratic atmosphere, and, together with the media, they bear responsibility for the distortions of the democratic processes in the society and its fierce polarization. The tactic of avoiding “hostile” media is a continuation of the media strategy of the ruling VMRO-DPMNE party over the past four to five years. Ahead of the elections, it forced the opposition into a similar stance, refusing to become a “punching bag” for the pro-government media. Sekulovska, formerly of A1 TV, described her attempts to organize debates and interviews. People in powerful positions constantly refused to be guests, in an effort to make A1 TV look unprofessional and biased. This tactic contributed greatly to the poor quality of the media products, even though most of the journalists are trying to comply with professional standards.

To monitor ethics, the media have a self-regulatory system in place, consisting of a general code of ethics and an ethical commission housed within the Association of Journalists of Macedonia. Ethical guidelines and codes of conduct exist in MRTV and MPM. MPM, up to the moment of its sellout in late December, also had an internal press ombudsman, appointed

by WAZ. There are no public signs, however, that anyone ever called on the ombudsman to mediate any cases. Notably, MPM did not share with its readers that such an institution existed within the company. They announced it only once, and it remained unclear to readers how to reach him. In general, the panel agreed that the level of adherence to journalistic ethics is rather low.

The panelists noted that self-censorship is pervasive, given the current, troubled media climate. “Defamation cases, business influences within the newsrooms, the unaccountable government, the lack of access to information—all of these factors contribute to self-censorship,” Petkovska said. The panelists also feel that the current ownership model of the media is a main contributor to this situation. Strong links between media owners and political parties create pressure on journalists to be biased and to refrain from publishing stories that might hurt the political party their owner is affiliated with. “People are strongly aware who is running the media where they work, and they constrain themselves accordingly,” Amet remarked.

Regarding the media’s success in covering key topics and issues, the panelists pointed to an attempt by all major media to cover up the murder of a young boy by police on a main city square in Skopje. Belicanec said, “Unlike in previous years, when we usually claimed that media at least try to cover the most important topics in the society, for the last year it is obvious that that is not the case. If A1 was shut down earlier, and if the news portal “Net press” did not publish the story, the police officer would have gotten away with murder covered up by his colleagues. More important, when the story reached the public, the media actively participated in the cover-up, through their reports that insisted on the official versions disseminated by the police: that the boy got sick and died of natural causes.” The panelists also agreed that some major topics are absent from regular reporting. Amet elaborated, “Unemployment, social issues, corruption—except when the opposition is in question—education, and even crime are missing or are covered very little.”

Journalists’ salaries are low. They are on the level of other industries in the country, but that is not enough to prevent corruption. Furthermore, social security and job security is minimal; as noted earlier, around 300 journalists lost their jobs in 2011.

The latest audience measurement by AGB shows that entertainment programming is slowly becoming dominant, bumping news and current-affairs programs from prime-time to late-night slots.

The level of investment in the news-gathering program is also low, except in the public broadcaster, which is currently

JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

PROFESSIONAL JOURNALISM INDICATORS:

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

upgrading all of its technical equipment to keep up with the digitalization process.

Specialized journalism, which has never been strong in Macedonia, became even harder to find. In previous years, newsrooms paid special attention to the economy, for example; today only a shadow of that once successful niche in reporting is visible. Only entertainment and sports show strong, specialized coverage. Audiences' need for specialized programs has been neglected, and media consumers turn to the Internet or to foreign television channels for leisure, living, and other nonpolitical topics.

OBJECTIVE 3: PLURALITY OF NEWS

Macedonia Objective Score: 1.52

Macedonian media pluralism was destroyed last year. There is pluralism of the media outlets in terms of sheer numbers, but there is no pluralism in the viewpoints. The shutdown of the A1 media group and the cleansing of critical opinion makers and journalists from other media helped ensure that pro-governmental media dominate the airwaves.

Even though there are Internet initiatives to create news websites, which are growing along with their audiences, the most trusted sources of information remain traditional media. Traditional media still set the agenda, despite drooping circulation and listenership. Use of social networks and the

MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE, OBJECTIVE NEWS.

PLURALITY OF NEWS SOURCES INDICATORS:

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

Internet, in contrast, is booming; Macedonia now has 800,000 active Internet accounts. This is changing news consumption, but even on the Internet, the majority of content flows from the traditional media, and pro-governmental viewpoints dominate the Internet as well. Another major problem for new media is poor sustainability and lack of a viable business model.

The level of user-generated content is relatively low, and it is evident that audiences prefer to remain passive. The multiplatform approach and use of new technologies to launch other types of media is also fairly low. MPM, for example, tried to launch an IPTV portal, but the visibility of the project remained low and MPM failed to attract much of an audience. MPM also experimented with launching electronic newspapers, and after the initial curiosity died down, users did not adopt it en masse. The problems seem to lie in the lack of marketing skills to launch these types of services, as well as an inability to shift from a newspaper to electronic mindset. Overall, the trends are obvious, but they are still in their infancy and a lack of experience contributes to their low impact so far.

There are no legal limitations on the access of foreign channels and newspapers, but access to them, as well as to domestic media, depends heavily on two major factors: accessibility to distribution networks and purchasing power. Both factors are hurdles, especially in rural areas. The panelists also noted that despite a huge number of Facebook accounts and rising usage of other social networks, the lack of media literacy contributes to the spread of hate speech, breaches of privacy, and digital harassment.

The public broadcaster does emphasize promotion of governmental viewpoints, not only in news but also through other programs. Belicanec commented, "I was astonished when I watched the documentary on 20 years of independence. The events from our recent history were interpreted through the ideological matrix of the present government, and the periods where today's opposition held power were contextualized as conspiracies against Macedonia." The public broadcaster also contributes to the division of society along ethnic and political lines, instead of promoting a cohesive approach. "It is important to note in the report that MRTV does not have a unified editorial policy along the ethnic lines," Amet said.

Mainstream media use the state news agency, MIA, and foreign news agency services, such as Reuters, AFP, and AP. There are no private independent agencies in the country at this time.

Major media are producing their own news, but, as mentioned before, their content does not diverge from

public media's news. They are mostly pro-governmental, and the same is true at the local level. Mangovksa, of Tera TV, commented, "Some of the local television stations figured out that the best way to do business is to use the news to establish links with local power figures. Very few of them remain that actually believe that their duty is to make a difference in the local context."

There is no foreign investment in media, now that the German-held WAZ media group was sold to a local businessman. WAZ left the country in what it described as a strategic decision to leave the whole region of Southeast Europe.

The panelists flagged media ownership as a highly problematic issue, especially in the broadcast sector. Despite the Law on Broadcast's ban on broadcast media ownership for public officials and their families, sons of MPs aligned with the ruling coalition own the two major television stations. The same situation is repeated on the local level with smaller media. Requirements for media-ownership transparency prescribed by the law for other types of media do not exist in broadcasting. Across the sector, it is common practice for owners to set the editorial policy and to intervene on a daily basis.

The social and ethnic minorities, except for the Albanian community, are almost invisible. Belicanec commented, "What I have noticed is that sexual minorities, women, and other deprived social groups are absent from the narrative. If they are present at all, it is usually as a target for the hate speech. The absence of these groups frees up the mainstream to deal with the buildup of the nationalistic discourse, which is devastating the fabric of the society."

Local-level news is largely absent from the mainstream media, except for crime coverage. Macedonia previously had a system of local, privately owned television and radio stations that in theory should pay attention to local issues. Most of them are trying to cover municipal issues, but their quality is very poor. They are also almost unsustainable due to the fragmentation of the media space and troubled local economies. One should bear in mind that the second-biggest town has some 110,000 inhabitants, and most of the towns have around 35,000 to 60,000 residents. Regionalization had been foreseen in the Law on Broadcast to create larger markets for local stations; however, efforts to support this practice never materialized. There are a couple of local television stations that run professionally, such as Tera TV in Bitola, but they are the exceptions, not the rule, when it comes to local broadcasting.

A wave of local news sites that try to compensate for the lack of local context in the mainstream media had been noted in

the past two years, but they also are facing problems with sustainability.

OBJECTIVE 4: BUSINESS MANAGEMENT

Macedonia Objective Score: 1.20

The panelists generally agree that business management of media is substandard. Mangovska commented, "Media in Macedonia are not a true industry; if they were we would see investments in both production capacities and human resources." The panelists agree that the weak managerial capacities of owners are a major reason for this poor business structure. The only exception is MPM, which used a management system set up by the German WAZ, even though the local political context influenced human-resources policies heavily—especially in filling the editorial and managerial positions within the company.

Media in general strive to diversify the income, but the poor economy and poor purchasing power of citizens dampens their efforts heavily. The internal debts in the society, stemming from governmental spending, affect cash flow in the economy and make startup initiatives very vulnerable. Business models in the media tend to be highly conservative. Private television and Internet initiatives are totally dependent on advertising, with almost no sales of other types of support, while newspaper prices at the newsstand are very low—leading to greater dependency on advertising than found in healthier economies.

MEDIA ARE WELL-MANAGED ENTERPRISES, ALLOWING EDITORIAL INDEPENDENCE.

BUSINESS MANAGEMENT INDICATORS:

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

Advertising agencies control most of the budgets of the biggest advertisers, and local stations regularly complain that agencies fail to take into consideration their position in the market when advertising budgets are distributed. Furthermore, the advertising agencies begin to operate as program suppliers—mostly of entertainment programming or special series—and they pressure even large television stations to change their program schedules in order to fill their program with advertisements in prime time. That is one of the reasons why current-affairs programming has been pushed from prime-time into later time slots. The panelists also complained about corrupt behavior from advertising agencies that abuse their position. Mangovska said, for example, that an advertising agency might say, “I will pay you for 2,000 seconds; you’ll broadcast 1,000 seconds, and you’ll pay us back the difference in the price as a consulting fee for production services. This is how agencies treat several television stations in the country.”

State-sponsored advertising is still a problem as well. The government remains among the top five advertisers, and no legal regulations govern this practice. That allows the government to arbitrarily disperse advertising funds to favorable media, or to openly bribe them to support their viewpoints. However, in a departure from previous years, in the past year there were open calls from the public to regulate state advertising, and this became one of the topics of official dialogue with the government.

AGB Nielsen operates an audience measurement system (People Meters), and the advertising agencies use this data to plan advertising budgets for television. Some media also are trying to use it to guide the program scheduling process, but they need more experience to reach full potential. An additional problem is that some media charge that the measurements are inaccurate, and thus irrelevant.

Newspaper rankings are mostly compiled internally by advertising agencies and newspapers, which are generally unwilling to disclose their circulation figures to the public. The Internet is measured by Alexa rankings and through Google analytics. Advertising agencies are well informed on the terminology and methodology of the measurement systems, and they also have their own advertising monitoring system in place.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Macedonia Objective Score: 1.93

In the past, Macedonia media owners could lean on organizations such as APEMM and the Association of Print Media for support. But they have collapsed, due to a lack of

support from donors and a low level of awareness of media owners to support these organizations financially. There is no active initiative under way to create replacements. An association of small, private local stations was created in the past year, but it lacks visibility and holds no actual power to represent industry interests.

The newly formed journalists’ union faced baptism by fire in 2011, with all of the tumult in the economic, political, and media spheres. On behalf of the 300 journalists who lost their jobs, the trade union, still in its infancy, managed to step up to the public scene. It is notable that they managed to provide some legal help to some of their members, and they also negotiated on several occasions with media managers and media owners. While the results were not extremely strong, the energy that the union invested in the process gave them hope that, as their organizational capacities and experience grow, they will be able to better protect the social security of journalists. Panelists also noted that the non-existence of trade associations representing the interests of media owners made the job of the trade union all the more difficult.

After a period of internal stabilization, which included efforts to build up its administrative capacity, the Association of Journalists of Macedonia (AJM) managed to open a formal dialogue with the government on the rights of journalists in the country. The process has been controversial, because it began on the eve of expected criticism from the European Community on the freedom of expression. AJM faced open criticism from the journalism community because it essentially

SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

SUPPORTING INSTITUTIONS INDICATORS:

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

handed the government an alibi to stem the flow of criticism coming from the international community. Despite that general critique, AJM did present a package of problems on the table for dialogue that are acceptable for the journalistic community. As yet, however, there has been almost no progress in that dialogue.

Other NGOs that support the freedom of expression were a bit more proactive last year; MIM, with financial help from the Dutch embassy in Skopje, organized a process that identified the problems within the media community and formulated an action plan. MDC adopted the role of lobbying and addressed international freedom-of-expression organizations about the decline of the media freedoms. The lobbying effort culminated in an international mission in Skopje, led by Article 19, with participation from prominent freedom-of-expression organizations around the world, including Freedom House, Index on Censorship, IPI, and others. The mission is in the process of preparing the report on its findings, but portions of the preliminary report have already been integrated in the Freedom House country report. However, all efforts remain in vain, faced with the government's firm will to push its own media agenda. An additional problem is that more active participation of the civil sector is almost impossible, due to the limited financial resources after major donors such as USAID, Norwegian People's Aid, the Swedish Helsinki Committee, Press Now, and others either reduced their funding or left the country altogether.

The state university and MIM have journalism schools, while several private universities offer other media and communication studies. Generally, MIM is more practice-oriented than the state program. The major problem in the education field is that media are not willing to cover the costs for short-term training, nor to invest in the education process through scholarships. That makes the schools dependent on donor financing, or students must cover the whole expense of the studies.

The shutdown of the A1 media group included its printing press and newspaper distribution network, and A1's departure effectively handed MPM a monopoly in the newspaper distribution business. While printing presses and distribution systems are not controlled by the government, neither by law nor in practice, the government does control broadcasting frequencies. According to the law, the frequencies in the broadcast are blended with the license. However, as noted earlier, in the case of A1 TV, the telecommunication operator revoked the frequency license even though the broadcast license was still active. The decision took advantage of a loophole in the Law on

Broadcasting that states that if bankruptcy occurs, the law automatically terminates the license.

ICT infrastructure is excellent in the towns, and the panelists agreed that there has been a concerted effort to improve the infrastructure in rural areas. Cable television and IPTV penetration extends to around 65 percent of the total number of households. Digital broadcasting exists, but only as Pay TV. There has been no free-to-air broadcasting, except the public-service program. The use of smart phones is also rising, although the services that use this infrastructure are limited. Social networks have become very popular, especially Facebook and YouTube. The problem, however, is the low production quality on this new media, which is peppered with a tremendous amount of hate speech.

List of Panel Participants

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Arben Ratkoceri, journalist, *Koha*, Skopje

Ida Protuger, journalist, Alfa TV, Skopje

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