



Ethical  
Journalism  
Network

# Untold Stories

How Corruption and Conflicts of Interest Stalk the Newsroom

EDITED BY AIDAN WHITE

## Untold Stories

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Everywhere there is a crisis of confidence inside newsrooms caused by crumbling levels of commitment to ethics, a lowering of the status of journalistic work and a pervasive lack of transparency over advertising, ownership and corporate and political affiliations.



# Introduction

>> AIDAN WHITE

**T**he world of journalism is full of good intentions. From the top to the bottom of the media pyramid people talk of “mission”, the public interest, and the crucial role that journalism plays as the Fourth Estate, by holding power to account and exposing the wrongdoing of our political and corporate elite.

But in the modern media landscape the ethos of journalism as part of the ethical bedrock of democracy is under pressure. Everywhere in journalism there are ‘dark arts’ at work: people doing deals with advertisers to carry paid-for material disguised as honest news; reporters accepting bribes; or any of a multitude of dodgy practices which are kept hidden from the audience.

Of course, most journalists and media do an honest job, but in times of financial crisis some cut corners and betray their ethical principles. In every country insiders know what is going on, but too often they are reluctant to talk about it openly.

This worldwide survey carried out by the EJN and covering 18 countries aims to change that by encouraging people at all levels in journalism to face up to the realities of corruption and self-interest at work inside their business.

The major threats come from outside. Governments, unscrupulous politicians and the overweening power of corporations is regularly brought to bear on newsrooms weakened by cuts and restructuring of the media economy.

But many wounds are also self-inflicted. There is a growing culture of dependence on political and corporate power. Some media owners have their own business and political agenda and many journalists and editors go along with newsroom practice that encourages unethical journalism.

It is only rarely that this story comes to public attention and when it does, as with the United Kingdom phone-hacking and bribery scandals, it can have a devastating impact.<sup>1</sup>

This report, which has been produced by a group of distinguished journalists and their supporters, examines the broad scope of the crisis.

It covers countries where media are on the frontline of tough political battles, such as **Egypt** and **Turkey**. In **Ukraine**, for instance, the practice of paid-for journalism is a tool routinely used by politicians at election time. The same is true in **India**.


In other countries, including **Nigeria**, **Philippines**, and **Colombia** the precarious working conditions of news staff provide fertile conditions for corruption and “brown envelopes” or under-the-table cash payments to reporters and editors which are a routine feature of journalistic work.

The struggles facing journalists in settled democracies, such as the **United Kingdom** and **Denmark**, are less brazen, but no less challenging and in a range of countries across the **Western Balkans** with a shared and painful history, media corruption hinders aspirations to break free from the legacy of war, censorship and political control during decades of communist rule.

The story is of an uphill struggle. Everywhere there is a crisis of confidence inside newsrooms caused by crumbling levels of commitment to ethics, a lowering of the status of journalistic work and a pervasive lack of transparency over advertising, ownership and corporate and political affiliations.

Government control over lucrative state advertising, which is often allocated to media according to their political bias, remains widespread. At the same time,

<sup>1</sup> Two books by journalist Nick Davies give essential background: *Flat Earth News* (2008) Chatto and Windus and *Hack Attack* (2008) Chatto and Windus. See also Leveson Inquiry: <http://www.bbc.co.uk/news/uk-15686679>



**The challenge echoes the warning by Tim Berners-Lee that the Internet is being overwhelmed by corporate and state power.**

the elimination in most countries of the invisible wall separating editorial and advertising has created a surge of so-called “native advertising,” hidden advertorials and paid-for journalism.

It was this conflict of interest that plunged the crisis-prone UK press into a new bout of hand-wringing in February 2015 when Peter Osborne, a leading political journalist, quit his job at the *Daily Telegraph* accusing the management of censoring stories about HSBC bank, a leading advertiser caught up in a tax scandal.

These reports tell essentially the same story of deep cuts in editorial investment, undue pressure on newsrooms, and media increasingly dependent upon atypical models of ownership in which media have become the trophy possessions of powerful figures and institutions in pursuit of wider corporate and political objectives.

All of this presents journalists, publishers, editors and anyone who values information pluralism with a massive task: to revive commitment to transparency, good governance and ethical journalism.

This challenge echoes the stark warning issued by Tim Berners-Lee, inventor of the world-wide web, who in September 2014 said that the Internet is being overwhelmed by corporate and state power.<sup>2</sup> His call for a new “Magna Carta” to protect the Internet will be strengthened by ensuring the presence of pluralist and clean forms of journalism in a secure online environment.

But how can this be achieved if media continue to rely on sensational and populist journalism driven by lifestyle and celebrity-driven content to keep afloat? When newsrooms steer clear of risk-strewn investigative reporting, they send a warning about the future that requires a solid response.

As a start, the conclusions of this review point to an agenda for change that must include:

- 1 A meaningful and practical commitment to transparency at all levels of journalism and publication of relevant information related to the political and financial interests of owners, managers, editors and all leading journalists and presenters;

<sup>2</sup> See <http://www.theguardian.com/technology/2014/aug/24/internet-lost-its-way-tim-berners-lee-world-wide-web>

- 2 The adoption of rules to prohibit undue interference in the work of journalists and media by governments and state institutions and to establish principles for full disclosure of contacts and transactions between media and state officials;
- 3 Agreed standards on the allocation of all forms of public and political advertising and regular public disclosure of payments made for services to all journalists and media;
- 4 The creation of genuinely independent and transparent systems for assessing circulation and ratings of media;
- 5 The introduction by media of internal systems for disclosing potential conflicts of interest and to set-up structures for dealing with complaints;
- 6 The provision of contracts and employment conditions for journalists or other media staff that meet international labour standards and which give them the right, without fear of retribution, to refuse any form of work that infringes upon their professional codes or conscience;
- 7 Agreement on internal rules and procedures in all media houses to ensure full disclosure of all paid for content and for such materials to be made clearly distinct from editorial and journalistic work;
- 8 The launching of urgent debates at national and international level on the need for structures to provide public assistance to encourage the provision of pluralist and ethical journalism without infringing upon editorial independence.

The questions set out here get to the heart of the issue of building trust in the news. The Ethical Journalism Network will promote a debate within our ranks on how people in media must work together to act upon the sobering findings in this report. Our objective is to strengthen the craft of journalism, but in doing so we also highlight the importance of transparency and ethics as cornerstones of responsible public communications across the entire open information landscape.



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Media are tied to networks driven by politics and  
finance through controversial and non-transparent  
funding and ownership.

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# Corruption in media slows progress to democracy

>> SANELA HODŽIĆ

**T**he closure of the magazine *Feral Tribune* in 2008 (a magazine published in Croatia but acclaimed across the region), after a boycott by advertisers over its critical reporting on politics and centers of power, is a brutal reminder that independent journalism that holds power to account can hardly survive in these testing times.

This grim situation applies for the most part across the countries of Serbia, Bosnia, Albania, Macedonia, Kosovo and Montenegro and also appears in the media landscape of Croatia, a European Union member state. This report gives an overview of major models of media corruption that limits quality journalism.

### The dark hand of state influence in the media landscape

The political and economic environment, combined with a lack of policies protective of public interest, renders media vulnerable or forces them into corrupt relations with different centres of power. The idea that the market should be free of state control and left to manage the sector remains only theoretical. The influence of political and economic elites on media is pervasive. Media are tied into networks driven by politics and finance through controversial and non-transparent funding and ownership.

Partial privatisation of media in the 1990s was carried out amidst suspicions of corruption and misuse of power, while many media still remain under government ownership or influenced by state institutions through financing.

The state is a major source of media revenue, accounting for the strengthened political control over mainstream media especially in **Macedonia** and **Montenegro** in recent years. As pointed out in a recent report on Montenegro: "...major private and independent media outlets are aligned with

opposition parties, whereas public/state-owned outlets very much support the government" (MSI Irex, Montenegro 2014).

The online media sphere is still open to some critical journalism, but as an investigative journalism project in Macedonia called *MediaPedia* (2013/2014) showed, the independent journalism of online media is also a victim of non-transparent funding and ownership.

The 2011 report of the Anti-Corruption Council of **Serbia** expressed concerns about the fact that about a quarter of media revenues comes from state institutions. In **Bosnia and Herzegovina**, the Government of the Republika Srpska (RS) provided extensive subsidies for media, worth about 10.3 million euros in the five years to 2012 (source: CIN Sarajevo). This is considered an efficient way to put the majority of media under government control. Simultaneously, local authorities across BiH have provided funds amounting to more than 7.8 million euros in 2012 alone (Hadžović, E., article published on [www.media.ba](http://www.media.ba)), partly through donations and also through direct financing of broadcasters still owned by municipal and cantonal governments (14 out of 44 television stations and 62 out of 140 radio stations). The criteria of allocation of these funds are questioned. A manager of a local radio station commented the funding of media by Government of RS: "...they allocated the funds to television stations, newspapers and the most influential outlets before the public call was closed" (Radmila Žigić, Radio Pan, 2010, source: Irex 2011).

Cases of corruption are rarely investigated and punished by the institutions. Major scandals in Croatia reveal the role of political elites and advertising agencies in money laundry and corruption in media. The *Fimi media* case revealed that former Prime Minister Ivo Sanader had been rewarding media supportive of him and his political

party either through state funding or through favorable bank loans.

In November 2013 an affair involving the Croatian Chamber of Economy showed that almost 4.2 million euros had been used in fictional marketing services (Popović, 2014, p. 209). And the case of *Core Media* revealed fraud and tax evasion by the owners of this production company, as well as a bribe of 67,500 euros to Siniša Svilan, former director of *Nova TV*, to air content made by Core Media on Nova TV.

## Public service broadcasting: Major battleground for political influence

State broadcasters in the region are perceived to be primarily at the service of political structures. Political influence is assured often through managing and editorial structures loyal to ruling parties. This is made possible primarily where parliamentary bodies have a key role in the appointment of managerial personnel. In recent years there have been attempts to strengthen control. Amendments to the Croatian Radio and Television Act in 2012, for instance, handed the appointment of the Director of public broadcasting to the Parliament.

Similarly, amendment to the Law on Radio and Television of the Republika Srpska ousted the Communications Regulatory Agency from the procedure of appointment to the broadcaster's supervisory body. The director appointed in 2014 assumed his position virtually directly from the office of the Prime Minister of the Republika Srpska and he is known for his affiliations with the SNSD party.

A telling example was a case when the Parliament of the Federation of Bosnia and Herzegovina hastily attempted to appoint all three members of the Board of Governors in 2012 clearly going against a rule that permits only one appointment per year. The action was interpreted as an attempt to grab political control over this public broadcaster. Fortunately, the initiative was retracted after local and international protests.

In addition to the widespread assumption of political affiliations, the lack of power of the supervisory bodies is illustrated in a recent case in **Croatia** where the Board called for the dismissal of a newly-appointed director general, over a conflict of interest, but the Parliament simply rejected their request.

Regulation aimed at assuring the independence of media, (such as regulation of conflict of interest and

independent sources of revenues) is already scarce and weak where it exists, but recent regulatory changes are making matters worse. Most notably, the newly-adopted law on public broadcasting in **Serbia** raises concerns of direct state interference, as it has been in Kosovo already. It is also indicative that the new regulation in Albania, which obliges private broadcasters to air (during election campaign) footage prepared by political candidates themselves seems to put media in the direct service of political marketing. In sum, the political shadows grow longer in the newsrooms of the region, despite all the good work to try to build more respect for professionalism and independence.

In addition to political interference, public broadcasters also face the challenge of uncertain financial sustainability, even in Croatia where the level of license fee collection is around 95 percent. Organisational and programming problems persist. In **Bosnia and Herzegovina** the ethno-political divides hinder reforms. Not least, public broadcasters have been commercialising their work in recent years. The fact that 40 percent of revenues of RTVFBiH, for example, comes from advertising contracts (well above desirable levels) suggests the public service role is jeopardised.

## Transparency: Missing link in the scrutiny of ownership and finances

For a business that thrives on disclosure, media are notoriously closed about their own affairs. A lack of transparency prevails even where there are provisions to guarantee openness about ownership in the region, because of the poverty of comprehensive and systematic monitoring of data.

There are widespread suspicions of hidden owners and revenues that damage journalism. The anti-corruption body in **Serbia** reported earlier that in 2010 some 18 out of 30 media in Serbia did not have sufficiently transparent ownership. To this day it is not known how many media in Serbia are owned by the state. There are also cases in which tycoons/businessmen conceal their media shares through off-shore companies (Bašić-Hrvatinić and Petković, 28-29).

Other countries in the region have similar problems. In **Croatia**, it was not before 2010 that contracts concerning ownership over *Jutarnji list* and *Slobodna Dalmacija* were partly revealed, which showed that important contractual obligations were not fulfilled, such as obligations to keep all employees and to purchase new equipment.



In **Bosnia and Herzegovina**, the online media sphere carries additional risks since some media are not even registered as media businesses and some are speculated to be directly managed by the headquarters of political parties.

There is a lack of assurances that appointments of media managers are based on professional criteria and there are major doubts about the political affiliations. The distress about the state funding for media is caused mainly for the reasons of the lack of clear public interest criteria and transparency. For example in **Albania** (like most countries of the region), the criteria by which state advertising should be allocated are vague, and as Londo suggests, recent decisions of the Council of Ministers in Tirana did not make them any more specific (2014).

The criteria used are in some cases non-programmatic — as in the case of allocation of funds by the government of Republika Srpska in Bosnia and Herzegovina — or the exact performance of media related to these funds is not being monitored. In the case of the Fund for Pluralism in **Croatia**, where just over 4.1 million euros alone is annually allocated for supporting non-entertainment content (as well as for employment of higher education workers in media) transparency is questioned and there is no continual monitoring to ensure that supported programmes are actually produced.

## Market crisis corrupting the newsroom

The overall financial environment works against quality and credible media outlets. Media markets are saturated with a high number of media, all of them competing for scarce, and often compromised, sources of revenues. The very fact that the high number of media remain in place despite low revenues from the market suggests the existence of opaque sources of income, which are corrupting media and journalism. In addition, media are further compromised by excessive commercialisation in the fight for audience and advertising revenues.

The advertising market has many problems. In addition to the economic crisis, some countries face the challenge of advertising from foreign media being rebroadcast within their territory. Additionally, members of the advertising community are worried about automatic systems of advertising which are further limiting the market revenues.

Online media increasingly depend on Google advertising which is based on the number of clicks



## Power in the media sector in Croatia is increasingly in the hands of a few major commercial players...

(instead of the previous measures of screenings or the time duration of advertising), leading to additional lowering of advertising prices and impoverishment of the advertising market (Senad Zaimovic, Fabrika advertising agency, Digital Media Forum, Sarajevo, 6 March 2014).

Power in the media sector in **Croatia** is increasingly in the hands of a few major commercial players which have considerable ownership (mostly RTL and Nova, WAZ, Styria and Deutsche Telecom, with press distribution dominated by the Agrokor company). They are also affiliated with political elites and may be influencing policy developments in line with these particular interests (see Popović, 2014).

At the same time the political elites interfere in media through corrupt advertising practices as state institutions misuse public funds for promotion of parties in power. In **Macedonia** for example, the state was the major advertiser in 2012 (Trpevska, S and Micevski, I, 2014). Some sources suggest media affiliated with the government are likely to receive the lion's share of state advertising. B. Likmeta, for example, showed that *TV Klan* and agencies owned by Aleksander Frangaj, closely connected with the Democratic Party, received the major part of advertising by the Ministry of Defense in **Albania** (Balkan Insight, December 2014).

Advertising by major companies, especially those in public ownership, is significantly manipulated in the interests of political groups. Private media use relations with advertisers and their political friends



**Journalism is underpaid, with salaries often below the national average, and in some cases lower than 250 euros.**

to assure extra profit, but for most media they need the money gained in order to survive.

Not many policies developed in recent years in the region support ethical journalism. On the contrary, the reduction of VAT in **Croatia** in 2007 for the press from 22 to 10 percent caused an annual loss of around 3.1 million euros in the state budget, bringing benefits only to the big conglomerates such as Styria Group and EPH. It had little impact on strengthening the public interest role of media (see Popović, 2014, p. 200). Additional reduction of Value Added Tax for daily newspapers from 10 to 5 percent (in July 2013) is another triumph of private interests. Furthermore, Popović, for example, suggests that EPH (considered loyal to the government) was treated preferentially by the Ministry of Finance when compared to the treatment of online media Index.hr (a leading investigative website) over their tax debts.

In addition, corrupt advertising practices in **Albania** are made possible in the absence of a unique and comprehensive audience measurement system, where advertising decisions are based on popular

perceptions and unreliable research conducted by individual media outlets.

### **Does poverty pay lead to poor and corrupt journalism?**

The system of payment for journalism across the region is a major concern; it devalues journalism, undermines the autonomy of journalists and there are few opportunities for alternative employment.

Journalism is underpaid, with salaries often below the national average, and in some cases lower than 250 euros. There are corrupt employment practices in media, including nepotism and hiring editors and journalists affiliated with and loyal to the key centers of power.

A recent audit report about RTVFBiH in **Bosnia and Herzegovina** for 2013 suggests that salaries of some personnel were set and changed contrary to the rules set in the regulations.

The international community has itself contributed to distortion of the labor market, providing a hiring



model in the post-war period in which journalists received generous high pay contracts (with international organisations and media supported by the international community). Although this gave them relatively high pay, there were no tax and social security arrangements and mainly no collective bargaining.

In general, the labour rights of journalists concerning salaries and working hours are violated with impunity across the region. The mechanisms of protection of labour rights are inefficient and, as Borka Rudić suggests: “*In BiH, the penal policy is extremely mild and thus numerous employers consider the payment of fines a lot less expensive than registering employees and paying their [social, health and retirement] contributions*”. An example of a questionable dismissal of journalism from 2014 was the sacking of Nermin Bise, a reporter for BHRT, allegedly because the journalist’s Facebook statuses were seen as “disloyal” to the broadcaster.

Because of their generally low socio-economic status, the pressure from within media or from external actors, and with few guarantees of institutional support, journalists are often less willing to engage in critical, risk-taking reporting if it could jeopardise their security and livelihood. Specific examples of direct pay-offs to journalists are hard to identify, but they are considered especially present in sports journalism and tourism reporting. There have also been reports of attempts to buy-off media to suppress negative information as well as threats to withdraw advertising after critical reporting.

All of these factors mean that critical and independent reporting — so-called “fourth estate” journalism — is now a rarity. That’s no surprise given that sources of media revenue and political actors who should be under the media microscope are often closely connected or, in some cases, identical. As a result, some major events are reported by only a tiny section of media, or even by foreign media only. Political and economic elites are considered for the most part off-limits for media scrutiny and editorial integrity is an extravagance that media can hardly afford.

The conclusion of Anti-Corruption Council in Serbia four years ago was dramatic: “*There are no more media outlets providing complete and objective information for citizens because the*

*media, under strong pressure by the political circles [and major advertisers — author’s comment], elide events or report about them in a selective and partial manner*” (2011).

While serving interests of owners and the power elites, some media engage in tendentious campaigns, tailored to their particular needs. These may be political campaigns or campaigns based on particular business interests. For example, a series of articles published by *Jutarnji list* in **Croatia** was perceived as a possible campaign against the Health Insurance Fund, indicative of the particular interests of the owners, the EPH group which is engaged on two projects related to health insurance.

In **Bosnia and Herzegovina**, two dailies — *Dnevni avaz* and *Oslobođenje* — had been for years utterly manipulated in disputes between two Bosniak parties — SBB and SDA. These clashes eased recently, possibly indicating some now common and shared interests.

In another example dating back to 2010, the daily *Pobjeda* from **Montenegro** published a series of lengthy articles accusing the daily *Vijesti* of tax fraud, double accounting, questionable property dealing, and finally of using media for private interests, including alleged false reporting on prices of stocks in which these persons have their own interests (S. Kusovac, *Pobjeda*, 30 March — 18 April 2010). The daily *Vijesti* published an article denying such claims and deeming the sources used in these articles as fabricated.

Alternative sources however suggest that the articles in *Pobjeda* were part of the campaign against the daily *Vijesti*, run by the government and Prime Minister Milo Đukanović. Without judging the reliability of these media reports, it is indicative that *Pobjeda* is known to have acted in a similar fashion in other cases. For example, articles against people connected with the Center for Investigative Journalism (CIN) from Sarajevo — Drew Sullivan and Miranda Petručić — were seen as retaliation for previous articles published by CIN on alleged involvement of Đukanović and related actors in abuse of power and organised crime.

Violations of standards related to advertising content are also common, including those related to time limitations for advertising, inadmissible advertising of specific goods, etc. A trend of hidden advertising was detected in **Croatia** in 2012 in a



report by the Council of Honor. Lack of distinction between journalism and advertising is, for example, notable in travel reporting which are often a sort of hidden advertising, resulting from non-transparent deals and barter with travel agencies.

Despite all the above, credible journalism in the region is still not entirely wiped out. There are valuable contributions from centres for investigative journalism and media outlets founded mostly by NGOs but managed by journalists (for example CIN Sarajevo, magazine *Zurnal*). This raises another problem, that much of the region's quality journalism is worryingly reliant on financial support by international donors.

Mainstream media rarely take up these cases, but there are some examples of mainstream investigative reporting. For instance, in the course of protests in **Albania** in January 2011, recordings broadcast first by *News 24* television and then by other outlets exposed how the killers of four protestors in a demonstration were not infiltrators among the protestors themselves (as claimed by government officials) but were members of the Republican Guard. Weekly *Novosti* in Croatia and

magazine *Insider* on television B92 in Serbia are also providing critical voices in the public space.

## Conclusions and recommendations

A number of detailed reports and analyses reveals that the trends in terms of financing, ownership and transparency of media in the Western Balkans are far below the standards required for building democracy and pluralism across the information landscape. The ability of media to engage in quality, investigative reporting and to perform their watchdog role is undermined by the political affiliations and increasing reliance on few sources of revenues.

As an investigative journalist from **Croatia** said:

*“Considering that practically the entire media sphere is polluted with corrupt-clientilistic-tycoon-political connections, the scope for corruption is widespread (especially that based on pressure found in the connection of owners with politicians and tycoons which includes threats of dismissal and self-censorship, rather than including direct pay-offs) is an everyday occurrence”* (Saša Leković, written reply, 19 August 2014).



The problems of media in the Western Balkans are deeply rooted in a flawed political and operational culture and they go far beyond the corruption of individual media and journalists.

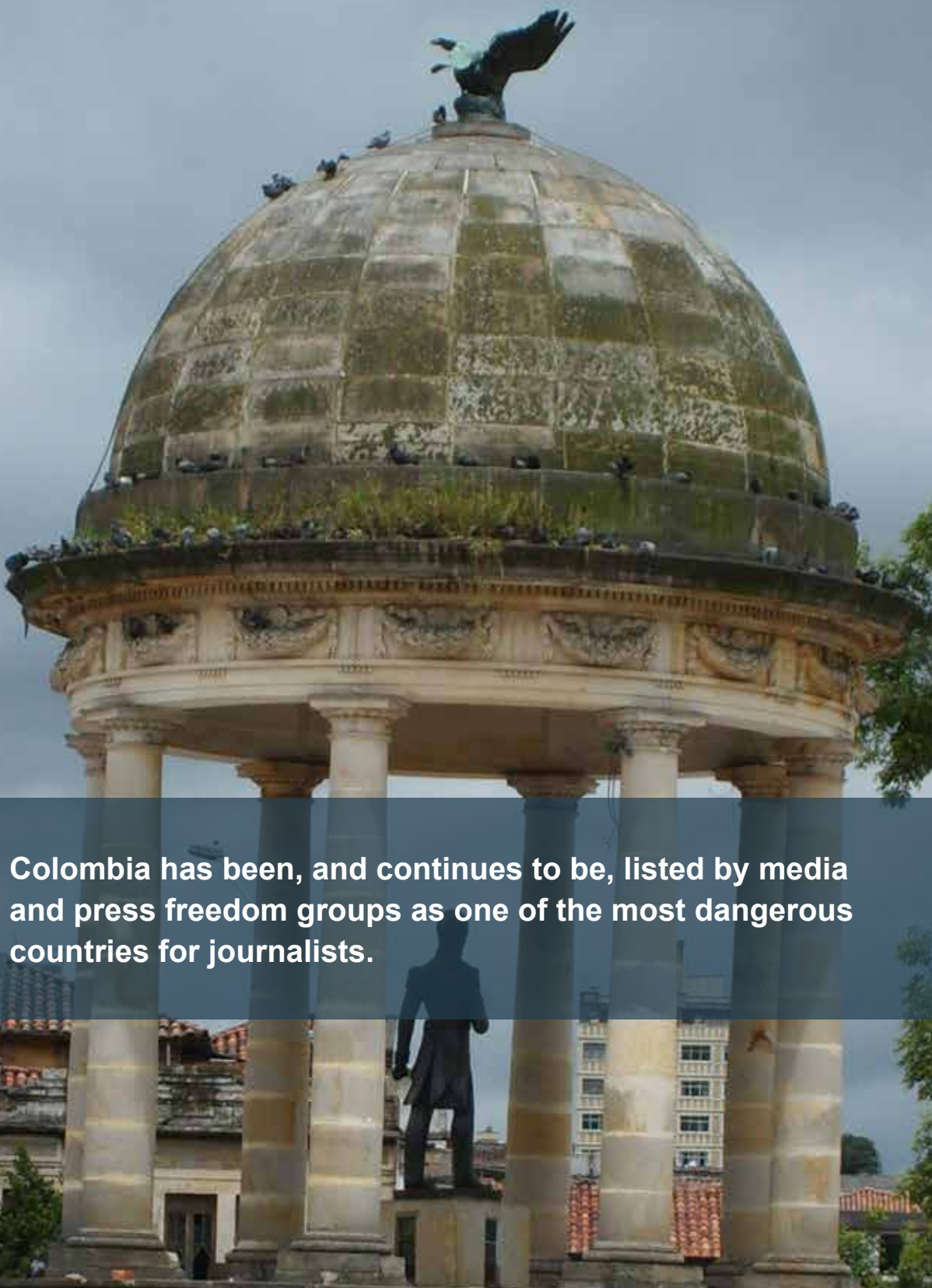
For their part, journalists are largely unable to challenge this situation because of their low socio-economic position. Many are simply discouraged from engaging in any journalism that would cause them problems and which, in all likelihood, would not see them getting the support they need from the media community or public institutions.

However, the news is not all bad. Some good examples and some policies in the region still leave room for hope. For example, in 2013 a policy of allocating three percent of lottery income to non-profit media was introduced in **Croatia**. Also, the introduction of the policy that media must have an internal statute in order to be eligible for state funding led many Croatian media to introduce editorials statutes which codify relations within their organisations.

And finally, it is noticeable that on some occasions, different stakeholders have taken action against poor media policy or poor practices with relative success. For instance, local civil society actors, together with international institutions, stopped retrograde amendments to the Freedom of Information Act in **Bosnia and Herzegovina** in 2013.

These developments are, however, isolated. More needs to be done to achieve better transparency of media operations, to eliminate conflicts of interest, to provide independent sources of funding for media, and to install better supervision over the functioning of public service broadcasting. There is a need for clear policy and systematic solutions.

These solutions will require initiatives to overcome profound scepticism about how ethical, independent journalism can be a sustainable and core element of strategies to establish democracy in the region.



**Colombia has been, and continues to be, listed by media and press freedom groups as one of the most dangerous countries for journalists.**



## COLOMBIA

# Corruption, censorship and bullet points for ethical journalism

>> JONATHAN BOCK

**I**n Colombia there are first and second class journalists and they live and work in two very different worlds. One group are journalists who work for big communication corporations, headquartered in the country's main cities; the others are regional journalists, serving more than 70 percent of the country's population, the people who have been directly affected by an internal conflict that has become the oldest in the world, lasting for more than 50 years.

Journalists ranked as first-class work for the most influential communications media, belonging to major economic groups. These companies enjoy good financial health, maintain excellent relations with the power structures, and have managed to survive the onslaught against the press led by actors in the Colombian armed conflict for decades.

They are journalists with similar working conditions to those in the international market. Their work has greater impact and wider dissemination, and they enjoy the freedom to report on issues silenced in much of the country including corruption scandals; coverage of the armed conflict; and links between mafia gangs and government. It is the press that has built a good international reputation, thanks to courageous stories revealing the horrors of war, and has helped to focus attention on the country's problems.

It's a very different story for regional journalists travelling in second class where journalists have had to ply their trade amid ongoing tensions, with military confrontations, harassment and presence of illegal powers, including paramilitaries, drug dealers, and guerrillas – operating as parallel states. It is in this reality that most of Colombian journalism has survived for the last 30 years.

These two classes of journalists face different forms of corruption that are largely marked by the concentration of the media; pressure and

manipulation of journalists by political authorities; blackmail through government advertising; and the irregular contractual relationships between journalists and their companies.

### Journalism enslaved by advertising, the wounds of war

When a diagnosis of the conditions of Colombian journalism is made, it is inevitable to look at how the Colombian conflict has influenced the press, and how attacks on media have created many of the current problems.

According to the Foundation for Press Freedom (FLIP) war in Colombia has been the main enemy of the press, with many direct and indirect victims. In the last 35 years 142 journalists have been killed because of their work; 57 percent of these murders are directly attributable to participants in the conflict whether paramilitaries, drug dealers, guerrillas or members of the Armed Forces.

Moreover, between 1986 and 2014 FLIP recorded that the war left 697 attacks on journalists. This figure represents 36 percent of all assaults.

Colombia has been, and continues to be, listed by media and press freedom groups as one of the most dangerous countries for journalists. The Inter-American Court of Human Rights agrees, commenting on a 1996 case it reports: "At this time and in later years Colombia presented a special hazard for journalists and social communicators in relation to the performance of their duties, by reason of acts of violence, threats, and harassment by actors of the armed conflict, including armed dissident groups, paramilitary groups, and some members of the Armed Forces, as well as common criminals".

In addition to those killed, there have been numerous kidnappings and threats that led to the

forced exile of dozens of journalists. The wave of intimidation and fear brought about a great silence in many regions. According to studies by FLIP, in 2014 there are several districts which still live under a “news blackout”, where local journalists tend to broadcast music rather than to report the news. Local newspapers publish beauty pageants and photos of folk singers, the space for discussion, complaint, and investigation is disappearing.

“In the last six years eight radio stations have disappeared. Some have closed because journalists receive threats and leave the region, or move away from journalism. But it is also because media work is not economically viable. The ones that have better relations with the Mayor’s Office and get advertising money are the ones that survive”, said one journalist from Cauca, capital city of the region of Bajo Cauca.

But the war has ceased to be the main concern for journalists. In the latest report published by the Antonio Nariño Project, assaults by illegal actors are less of worry for reporters than other forms of indirect censorship. Their main concern is the pressure to get advertising or direct interference by public officials and politicians.

The effect of war on the communications businesses has led to structural changes in the working conditions of journalists, creating more precarious work and consequently damaging the quality of journalism and media content.

According to a 2012 report by the Colombian Federation of Journalists (FECOLPER) on working conditions and professional practice, journalists in Colombia devote 60 percent of their time to selling advertising. Most of the other 40 percent work on editing and production. The ability to conduct investigative journalism and research stories that affect society is much reduced.

According to FECOLPER, only 51 percent of Colombian journalists have a permanent working contract. More than 20 percent get their income from selling advertising slots, and a further 22 percent are working on one-year contracts.

Germán Rey, director of journalism Javeriana University, who has studied this area, says the effects of the conflict have been felt at the same time as the transformation of media, and this has had a major impact on journalism.

“In just two decades, the country experienced radical changes in the legal regulations of the

media,” he says. “It has standardised the business mix for media owners and this tends to hurt the independence of journalism. It means private and government advertising is handled as extortion currency.” He says that journalism is strongly influenced by local, regional and national leaders with specific information needs regarding the government’s strategic economic allies.

## The microphone and hat, a booby trap

Alvaro Sierra, a journalist who has been in charge of the editorials of *El Tiempo* newspaper and *Semana* magazine, says the main problem for most regional journalists is the system of “quotas”, which forces them into a daily routine of what he calls the “microphone and hat booby trap”.

This is when a journalist is assigned to meet senior officials, he must first get out the microphone to ask questions and immediately after he must show the hat and convince them to advertise on his media, and thus collect money. Not surprisingly. It’s a situation that makes independent, critical journalism well-nigh impossible.

Javier Darío Restrepo, professor of journalism ethics, and Teacher of the Gabriel García Márquez Foundation, highlights the critical relationship of journalists with government advertising. He says, “It’s a form of pressure, because it works as an unwritten rule: those who speak well about the government will receive substantial contracts for advertising. Those who don’t will not get funding.”

The microphone and hat booby trap is a consequence of the advertising system’s “quotas” that operates in Colombia. Owners of radio stations provide radio or television space for journalists, as part of their remuneration. Thus, owners pay low wages, which are about 300 dollars, and in return journalists get more airtime, which in turn is sold to those interested in advertising. Journalists are forced to sell advertising to get their stories on air.

The many negative effects of this practice are clearly felt. Several journalists told researchers that state-funded advertising is most often awarded to those who provide news coverage favorable to the government, at the expense of journalists who are more independent.

In this situation, Professor José Darío Restrepo says the abusive use of official advertising is the most effective censorship because “it is installed in the heart of the journalist’s interests. It is even

more reprehensible because it is activated from the official offices. It amounts to the most effective and destructive attack on the press' dignity and on the right to freedom of information in the country".

In the book called *País lejano y silenciado* (Silenced and Distant Country), published by FLIP, the terrible consequences of this system are highlighted. According to the research it has given rise to a generation of journalists skilled in "extortion", who disseminate false information in order to press potential customers to advertise. It has also served to present cases of "parachutist" journalists, who aren't professionals but "opportunists who create programmes or newspapers with the only objective to make money from advertising".

An event that typifies this occurred on August 14, 2014, when police captured Cristian Yair Cuesta, a correspondent from *Caracol Radio*, in the Department of Chocó. The victim in this case was Yasson Bedoya, Mayor of Bagadó (Chocó). The Mayor claimed that he was a victim of extortion by the journalist, who was demanding a payment of 30 million pesos (15,000 dollars) for advertising in his radio station, in exchange for not publishing information on a criminal investigation against the government official.

Although Colombia hasn't conducted a national survey that reveals the criteria that local governments have on advertising, or know the details of the privileges they the media gets for disseminating favorable information other studies have identified several irregularities.

The book *El precio del silencio* analyses in detail the interference of governments on freedom of expression and on the media and journalists in Latin America and Colombia. It finds that although several mayors and governors have signed "Transparency Agreements" – commitments to establish procedures for the fair and transparent assignment of government advertising – these are willfully ignored in practice. "Bosses of senior officials call journalists, editors, and media owners to influence on the titles or the contents of certain news, or to request that particular information is not published," it reports.

## Direct censorship still subtly at work

Money is not the only currency used to blackmail in Colombian journalism. During 2014 several cases revealed evidence of direct censorship, even in some of the most prestigious media.

During the 2014 presidential campaign President Juan Manuel Santos and the opposition candidate



## The influence of Córdoba itself has generated episodes of self-censorship by some reporters.

Oscar Iván Zuluaga showed no fear in using any means to win the election fight and, of course, media was a critical battleground.

Freelance journalist Juanita León, director of the political website *La Silla Vacía* conducted a series of articles denouncing the influence exercised by the government of President Santos on mainstream media.

Two weeks before the Election Day, León denounced the influence that was being exerted on journalists of *El Espectador* by Gonzalo Mallarino Córdoba, president of *Caracol Television* and the newspaper.

"Although no newspaper journalist has been expressly forbidden to cover a particular topic in this election," wrote León, "the influence of Córdoba itself has generated episodes of self-censorship by some reporters. They prefer not to raise issues that would affect the President, to avoid problems with one of the most important figures of the newspaper".

According to León, the pressure from Córdoba consisted basically on calls made by some bosses to verify the approaches to the stories about Santos. "He never calls the journalists but the bosses, and asks how they are going to publish the topics that deal with Santos. When there are any notes against him, he gets upset and asks if what they want is to deinstitutionalise the country".

*El Tiempo* newspaper, which until 2012 was owned by the President's family, remains overtly 'santista' (supportive of President Santos). Although there were no reported cases about pressures, the



journalists argued that the editors had internalised the phrase “every journalist should know whom he works for.” It was not advisable to set positions against the government’s policies.

*Semana* magazine, the most influential media in the political setting and distinguished by its important investigations, did not escape the pressure. As reported by *La Silla Vacía*, there was no explicit order not to write against Santos, “but more subtle techniques are used to control approaches, such as reducing the number of pages for critical articles; editing a few sentences so that the whole point of a story is nuanced; maximising the topics that embrace the government positions; and putting some controversial news on inside pages, even though they are more newsworthy than cover stories about the government”.

Several media analysts point out that the magazine’s director, Alejandro Santos, is the nephew of the President, and its owner, Felipe López, is a close friend of the Chief of State, and both have been obstacles for the media to provide balanced information.

Days after the election, journalist Hassan Nassar, who ran the program *360 degrees* for Cablenoticias channel, resigned claiming that there was pressure from senior government officials. He said the owners of the channel, after talking with government officials, reprimanded him on at least three occasions. After the Santos’ triumph, the journalist said goodbye to the channel via a message posted on his Twitter account: “The only censorship that should concern a journalist is his own. For the others, there is always a letter of resignation”.

A month later, another censorship scandal came to light. On this occasion the renowned journalist Hollman Morris, manager of public channel *Canal Capital*, was accused. Journalist Mauricio Arroyave revealed that in his talk show *El Primer Café* (The First Coffee) he had interviewed Bogotá Councillor Carlos Vicente de Roux. After that broadcast, Hollman Morris struck him, saying: “Mr. Roux is no longer a friend of Canal Capital”.

Arroyave said that *Canal Capital* told him that his contract would not be renewed if he would not follow the editorial line of the company. A few days later, the reporter learned that his employment contract, which until that point was renewed every two months (as with most journalists in the channel), would not continue.

Even more compelling is the case reported by Juan Esteban Mejía, a correspondent for *Semana*

magazine over four years. In early 2014, the director of the magazine, Alejandro Santos, traveled to Medellín and told him he could not continue to criticise Mayor Aníbal Gaviria, and should look at other issues that were more sympathetic. The reporter felt this warning, although it took place on the most cordial terms, was interference in his line of work, as an investigative reporter working on irregularities in Medellín’s administration.

Mejía resigned and days later, the magazine ran a special on the region of Medellín, titled: *Antioquia gente 1 A* (Antioquia: great people), a special edition of 316 pages highlighting the positive work of the department of Antioquia and its capital. The publication was paid by the Mayor of Medellín around 500 million pesos (250,000 dollars).

## Media concentration, a consolidated risk

Between 1986 and 2014 the control of media in Colombia was consolidated in the three most powerful and richest families of the country. The Santo Domingo family, through Valorem Group, owns *Caracol TV* and the newspaper *El Espectador*; Ardila Lulle Group owns *RCN* national radio and television; and from 2012 Luis Carlos Sarmiento, Colombia’s richest man, owns more than 80% of the shares of *El Tiempo* publisher, the bestselling and most influential newspaper in the country. The fourth competitor is the Spanish group Prisa, owner of *Caracol Radio*.

Colombian researcher Maria Teresa Herrán warns that “media concentration without regulatory intervention by the State, due to lack of political will, by successive governments in Colombia, has enabled the owners of the media, sources, advertisers and the State to bypass their responsibilities in relation to the right to report. Information is increasingly tied to special interests”.

The *El Tiempo* purchase by Sarmiento Angulo, which exceeded 250 million dollars, created much speculation and public debate. Many claimed that the investment was not to seek economic returns, but a move to exert political influence. As a consequence some fear that the freedom of journalists to report on many subjects has been compromised, given the many different interests of Mr. Angulo. He owns five banks and has huge investments in the construction, agro-industry, tourism and energy sectors, as well as stakes in road, water, and airport companies.

The fears of restrictions on journalists have proved, to a certain extent, to be well founded. Although



several reporters from *El Tiempo* prefer not to talk about it openly, and the heads of the editorial note that there are no issues censored, in private conversations they reveal that editors are guided on how to handle certain issues, especially those related to the direct interests of Sarmiento Angulo.

## Peace process: Benefits for journalism?

The renowned journalist María Teresa Ronderos, currently director of the global program of independent journalism Open Society, has no doubt that press freedom in the country can be considered healthy. Even though, she notes there are phenomena that tip both sides of the scale.

“The Colombian market of information is governed by the competition, there are freedoms from the government, unlike in Ecuador, Venezuela and other Latin American countries,” she says. “The Colombian press is a vigorous and competitive, especially the written one and the radio. But there are daily pressures, and conglomerates with their political and business interests seek to keep the media far away from the regions and closer to the central power”.

This last concern has marked the development of journalism. The owners of the media give priority to economic interests and their journalism suffers. Pressures, often through advertising and marketing companies or other emissaries, act directly on media owners, editors and journalists, accommodating decisions from economic groups, defining government communication strategies, or influencing decisions while imposing self-censorship to hide problems from public scrutiny.

Although there is a legal and constitutional framework that supports the work of journalists

and it is the State's obligation to protect it, the efforts of successive governments to deal with the difficulties set out here have not been sufficient. In 2011 the Anti-Corruption statute was approved and sanctioned, which requires local governments to develop a transparent procedure for the distribution of “effective, objective, decentralised, and public acquisition of public advertising”.

However, three years later, corrupt practices continue and mayors and governors continue awarding advertising according to their personal and political interests.

Without adequate tools to deal with the corrupt practices surrounding the exercise of journalism, journalists respond to each of these situations according to their own ethical principles and needs.


“It is very sad to witness that ‘stomach journalism’ rules in the regions and, although this situation has been repetitively reported, there has been no progress”, commented a journalist who has worked for years in the department of La Guajira.

“The best way to create awareness about the need for greater transparency and actions to strengthen the public's confidence is to make visible those cases that occur within the newsroom”, he concludes.

The peace negotiations between the Colombian government and the guerrilla group FARC to end the conflict opens a window of opportunity for the future of journalism.

A second point, which has been partially agreed, is that the parties discuss the issue of communication and media policy. The guerrilla group leadership has asked the government to provide mechanisms for a more plural press and more effective resources to control advertising so that it does not continue to be a currency of blackmail. The commitments that may result could undoubtedly generate a favorable environment for the future of journalism.

Nevertheless, corrupt environments have been installed in the newsroom and they are a check on the ethics of journalists. They affect all journalists – both first and second-class – and the culture of journalism as a whole. The work to fully understand this media reality and to put pressure on government to bring about change and reform remains to be done. Unless the challenge is taken up, the prospects for development of peace and democracy remain limited.



The impact on Danish media was unprecedented. Denmark always scores high on the international transparency index and this scandal created shock waves...



## DENMARK

# Media transparency is the key in a world of challenges

>> SUZANNE MOLL

**I**t could have been just another book about media from a former drug addict, doorman and now an unknown journalist describing what everyone thought to be fiction. And it would have been soon forgotten beyond a few book reviews. But as it turned out this book triggered the biggest scandal ever to hit media in Denmark when the description of how the news magazine *Se og Hør* got their insider information turned out to be the truth and not fiction.

The author was largely unknown to the majority of media people in Denmark, so when Ken B. Rasmussen's book of memoirs *Livet det forbandede* (The damned life) was announced, nobody noticed. But rumours began circulating among media insiders.

When the book hit the newsroom of *Berlingske Tidende* one of Denmark's two daily tabloid papers they found his colourful stories from his work as a doorman in Los Angeles with huge addiction problems and celebrity sex much less interesting than the explosive details of undercover journalism and his description of how *Se og Hør* allegedly was paying an inside source with access to bank details from credit cards during the years 2008-11. It set off an earthquake, because by getting these details the weekly magazine was able to publish exclusive stories about the Danish Royal family and celebrities.

This is how they knew where a royal Prince spent his honeymoon, and how they disclosed the infidelity of the top comedian Casper Christensen (known to some as "Klovn") and a lot of other scandals.

The scheme was described as a systematic "work relationship", and the source was rewarded for every tip (needless to say without declaring it to the Danish tax authorities). *Se og Hør* is a part of Danish controlled Media Company Aller which is a top player in the Scandinavian Magazine market

and controlled by members of the Aller family for three generations. It is a reputable publisher and respected for its high integrity.

As it happened a new chief editor had just been appointed three months before the scandal broke. Niels Pinborg went directly into a tsunami of trouble shooting and remembers this clearly:

"It was totally crazy, and I knew nothing except the rumours before they published the first story," he says. "We established a task force to investigate from inside, and I was constantly talking to journalists. We were "the perfect target" because the magazine made a lot of people angry during those years. The tabloid papers were actually behaving much better than the so-called "credible" press."

The impact on the Danish media scene was unprecedented. The country's reputation for liberal democracy, freedom and lack of corruption was put to the test. Denmark always scores high on the international transparency index and this scandal created shock waves within media and beyond.

Of course every journalist has confidential sources and, for example, tabloid journalists might have sources inside the police, hospitals, and, of course, the Royal household etc. But this was too big to be a one-man operation.

And soon two former chief editors, managing editors, several other journalists and a corporate finance chief were in the spotlight. Subsequently nine people at *Se og Hør* were suspended. In the end four people were sacked (including head of content in Aller and the Chief Financial Officer), and one former employee lost her job in another media. How far up into the Aller board (revenue of 1,2 billion kroner) of directors this will go is yet to be seen. As this is written the chairman of Aller, Bettina Aller (a photogenic globetrotter with big

curly red hair) has managed to stay clear of criminal accusations. Several police investigations are pending but so far no charges have been laid.

Following the scandal Aller has raised a major case at the Supreme Court to challenge the police demand for access to all information about sources of information. Niels Pinborg, chief editor says: “Personally I would not mind to give them everything we have. But if we are forced to do this, all other media can be asked the same and this would include revealing sources within the police also. So we need to try this case at the highest level.”

## Self-rule and regulation

This is a case that highlights issues of press behaviour, ethics and public interest and gets to the heart of how media self-regulation works. Danish media have by no means escaped the global trend of media losing customers, falling advertising revenues and contraction of the media business model. Traditionally media has received public funding for decades, a system that is broadly accepted by public opinion. The National Danish Broadcaster (DR) receives 3,5 billion kroner (470 million euros) per year and the Print Media 370 million kroner (50 million euros) to support 61 titles some of which are owned by the two major players *Berlingske* and *Jyllands Posten/Politiken*. In addition the print media benefits from being exempt from paying VAT.

Public funding, of course, does not cover the cost of running and distributing newspapers among the 5,5 million people living in the country. So like everywhere else the publishers and broadcasters are trying desperately to avoid inevitable further contraction, but the clock is ticking.

With the general and economic support for independent media industry in Denmark, there has been a good relationship between the politicians and the media. The timing of the *Se og Hør* scandal however was unfortunate, because it coincided with a growing concern by some politicians about the ethics of the journalists. Some spectacular disclosures were already creating concern and anger.

For instance, when the Minister for Environment had her private trash can examined and this revealed her household throwing batteries in the bin and not separating waste like you are supposed to (bad girl!). Stories like this and other personal disclosures of politicians published not only by the tabloids led politicians to consider new legal controls on the press.



They argued that if the media cannot control themselves and clean up their bad ethical standards, then the politicians must lay down the law and do it for them. This objective created a rarely seen alliance between almost all political parties and in turn caused a big scare in the media circles where the principle still holds that freedom of expression and free press is a cornerstone in any democratic state, and should not be bend or exposed to interpretation.

The threat of new laws caused the press (both publishers and journalists) to initiate some precautionary measures. First of all an overall revision of the Press Ethical Rules was published in 2013 and accepted by all stakeholders.

According to Lisbeth Knudsen Chief Executive and Editor in Chief at *Berlingske* the original press ethical guidelines were written before the Internet, and this made them out-dated. “This in combination with a political demand for a longer time limit to file a complaint was the reason we revised the rules,” she says. “We did this with publishers and journalists working side by side”.

Besides the extension of the time limit the new rules include retractions and excuses being published at a more prominent place (that is, the front page) instead of hiding them in the back of the paper.

The web constitutes a special challenge for publishing content. In 2014 two Danish journalists published a survey: *Etik for journalister på nettet* (Ethics in Online Journalism). Their conclusions are based on interviews with over 5000 journalists from Europe. The overall finding is that demands for speed is the single biggest challenge for correct online journalism.

“Journalists in all three countries says they have to little time to fact-check and do independent

research. This means mistakes are made and jeopardises the credibility “says Jakob Albrecht one of the authors.

The survey shows only one percent of the journalists think the web has made press ethics better. Some 74 percent of journalists think the speed of the Internet harms the quality of their work.

In particular there is a demand for quick publishing on breaking news. In this case the journalist controls the speed but not the platform.

A journalist interviewed for this report cites an example. He published a story but after some further research the story had changed. But by this time the initial version had been published on several platforms. It's a common problem when the culture of “rush to publish” dominates the newsroom. However, “you don't have to be quick, just because you can” says the journalist involved. He subsequently spent a lot of time contacting the competing media to correct the initial mistake.

In spite of what most journalists interviewed think the authors believe the web can actually reinforce ethical methods, if the media are better at addressing the problems and benefit from the possibilities.

“The web is a God's gift to ethics,” says Andreas Marckmann Andreassen. “You can correct mistakes at once and have a direct contact with the readers on social media. You can be more transparent in your research and method than ever before.”

## Making money from tipping news

There is no excuse for the ethics at work at *Se og Hør*. If it is proved the magazine was systematically paying for bank details this is a crime, and will be dealt with using the judicial system. But the road towards this unfortunate possibility is shaped by a global trend of traditional media in a state of panic and adopting desperate measures to survive and make a profit.

Danish papers are losing circulation fast and the loss is counted in double digits. *Berlingske* lost 20 percent in 2013 alone.

No publisher in his right mind imagines turning the tide. But to keep the customers and advertisers as long as possible however, the daily papers even the public broadcasters have become more tabloid and colourful in order to attract viewers and readers. If a football player is caught drunk driving the story might very well hit the television news,

which was unheard of in the days when the news market was a cash cow and television primetime news were “King”. This slide towards celebrity news and scandals has put a pressure on the traditional tabloid magazines.

Initially *Se og Hør* started giving fees for tipping of a celebrity news story, and the custom spread to other media like the tabloid *Ekstra Bladet* owned by *Politiken*. While *Se og Hør* for obvious reasons do not pay for tips these days, *Ekstra Bladet* maintains the reward system. Editor in chief Poul Madsen explains: “We reward a tip, we use with maximum 1000 kroner (134 euros) but this is more symbolic. We get around 3000 phone calls/emails a month, and on the average we pay for three of them. These tips are not motivated by greed but by indignation, people being upset by something they find unfair”.

The Editor in Chief at *Se og Hør* might bring back the cash reward for a good tip. A working group is trying to draft guidelines on use of tip and photo. Says Pinborg: “If we do not reward people, they will contact our competitors. We can not maintain our market position, if we are more cautious than our competitors.”

## The modern journalist: One reporter, many platforms

The stereotypical image of a traditional working journalist is the person constantly walking the streets in the search for news, having long talks with people that could have interesting information. But the reality of today's newsroom is more that of a worker standing by the assembly line, producing 24/7 news for several platforms – web, print, audio television and social media. Today's news journalist has little or no time to leave the office and is increasingly dependent on stories coming to him.

The Danish Agriculture and Food society is naturally one of the most influential lobby organisations. Denmark has a very big production of meat, dairy products and other agricultural produce (20% of the export revenue). Only 10 years ago it was normal to wine and dine the journalist says Leif Nielsen, head of press and communication. But those days are gone and today the job is to make it easy (and fast) for the journalist to produce a story.

“We have an on-going dialogue and try to be both active and proactive,” he says. “We will help journalists by giving them access to our sources, as well as providing them with sources that might be against us. Because we know that a story with only one source will never make it in the paper.”



Lisbeth Knudsen from *Berlingske* supports this impression: “The production of business content has changed with the increasing demands. It is no longer a question of big dinners and wine. The lobby organisations monitor the journalists on the social media and try to accommodate their interests. In particular biotech and pharmaceutical industry are good at this.”

As for reporting on travel and leisure this was always been a special challenge, making room for great offers to see exotic countries free of charge, but with the expectation of a glossy mention over a couple of pages. With the increased focus on ethics these attractive offers are not taken. At the business daily *Børsen* (The Market) chief editor and CEO Anders Krab-Johansen has three simple rules: “1) we do not take this offer. 2) We pay our own transport and hotel. 3) We make sure to write explicitly in the article, that we were invited”. These rules apply in other papers too.

## The new landscape and its advertising challenges

Danish news media, like others in the West are trying to survive in a battle that they cannot win. News production is moving into social media and into corporate media production with the speed of a formula one race. And as the percentage of advertisement dropping leaves media very creative in combining the two. At the business paper *Børsen* (the Market) the independence of the corporate world is the single remaining selling point.

The CEO and editor in chief Anders Krab-Johansen says, “With the speed of the production, mistakes happen more. But it is no embarrassment any longer and we correct mistakes as soon as we can on the web. The competition from Google and the banks with their own media services and television channels is our biggest threat. Our credibility and independence is the basis of our livelihood”

At *Børsen* they have reinforced what the chief editor calls “an old fashioned ethical approach in a modern world”. All reporters working must declare and register their personal investments (pensions and all). If they write about a business on the stock market, they must not trade for one month before and after the article has been published.

At *Børsen* they are also careful with advertisements disguised as journalistic content. As a rule the logo of the company must be present, the font and colour must be different from the paper's. Other papers have

similar rules. The battlefield of placing commercials moves on. At *Ekstra Bladet* advertising revenue moves from print to sponsorships on their TV web programs.

Says Johanson, “It is like journalism but is controlled by sponsors. We will always safeguard our journalistic integrity, and our sponsors ask for journalistic content. This is a balance.”

The media group *Søndagsavisen*, a free weekly paper delivered in the mailbox, uses a different model. Content is a combination of editorial features with high focus on consumer related stories. Readership is 1,2 million, which makes it the biggest print media and an attractive place to reach families over the weekend.

The research shows the commercial content is very attractive and as a result Arne Ullum, CEO and editor in chief, has hired a journalist to work with the sales department in creating commercial content with journalistic edge.

Says Arne Ullum, “It must be very obvious that this is commercial content. Our rules are: we have a header that says commercial and include the logo of the company somewhere on the page. We have no journalistic byline. The journalist working with this does not take part in the editorial meetings. This is a guarantee both to the newsroom of independence, and to the advertiser that there is confidentiality.”

At *Berlingske* they also moved a journalist into the marketing department to help costumers create commercial/journalistic content. Lisbeth Knudsen explains, “The shutters are very tight. If the business section writes critically about Pandora (global Danish jewellery brand), they in turn cannot place an ad that goes against the original article”.

## Trust requires clarity

Nevertheless, at Copenhagen Business School (CBS), professor Jan Trzaskowski is not impressed with the Danish standards for advertorials and commercial content. He has done several studies in consumer behaviour and is not sure we always realise the marketing aspect. His point being that the pressure is rising because of the economic challenges and says it should be the responsibility of the publisher to make sure the underlining message is clear.

“The producer of a product has a legitimate interest in promoting and selling,” he says. “So it must be the responsibility of the publishing house to make sure it looks like marketing not journalism. We are



much more affected though our subconscious than we realise, and we should protect those who do not see through this.”

The grey zone covers the bloggers with no obligation to the ethical guidelines of the press.

However to the extent their blogging serves a commercial purpose, they must comply with marketing law.

“Horizontal marketing is much more effective than vertical,” says Jan Trzaskowski. “If someone you think is cool recommends a product, it becomes attractive to you. Lego for instance invite the bloggers to come and play with their product hoping to get a good mention. Interacting with bloggers is not an unfair commercial practice, but traders should ensure that the bloggers understand their obligations to disclose any commercial intent. This is particularly relevant for less professional bloggers.”

He is supported by Lisbeth Knudsen of *Berlingske*, “I wish the quality on the internet debate was more professional and a journalistic approach, because some of the debates do not reach professional ethical standards.”

Consumer protection is very high on the agenda of Pernille Tranberg. For many years she has been covering consumer subjects for several media, and spent six months as research fellow at South Danish University. The result of her work was a recommendation of the “Trust mark”.

“The whole idea of copying the way journalism is done is to hide the message and pretend it is journalism,” she says. She recommends three steps to ease the problems:

- ▷ Firstly, be transparent — put the ethical guidelines at the front-page of your website.

- ▷ Second, prove what you claim is true and establish a Trustmark, that can maintain the credibility to your news production, and
- ▷ Third, watch out for robots – like tools that can help identify and control credible content.

Some newspapers, but not all, use the Trustmark, disclaimers or “how we did it”. Anders Krab-Johansen of *Børsen* says: “I think it is a bit silly. Good journalism is easy to detect. It does not need explanation and journalists are held accountable every day.” But Tranberg disagrees: “The industry has neglected to explain how we work by claiming it our “secret”. But this is the key to (re)build our credibility”.

Back at *Se og Hør* Niels Pinborg has introduced new editorial guidelines and still recalls a staff meeting in the middle of the chaotic weeks following the revelations of years of malpractice:

“I was constantly in meetings never in the newsroom, everyone hated us and still staff kept working. And this particular Friday, I was trying to make a speech about how I admired their commitment to work. But I broke into tears and had to stop. *Se og Hør* was the “perfect target” for everyone to hate. But with me as editor we work within the law and not outside.”

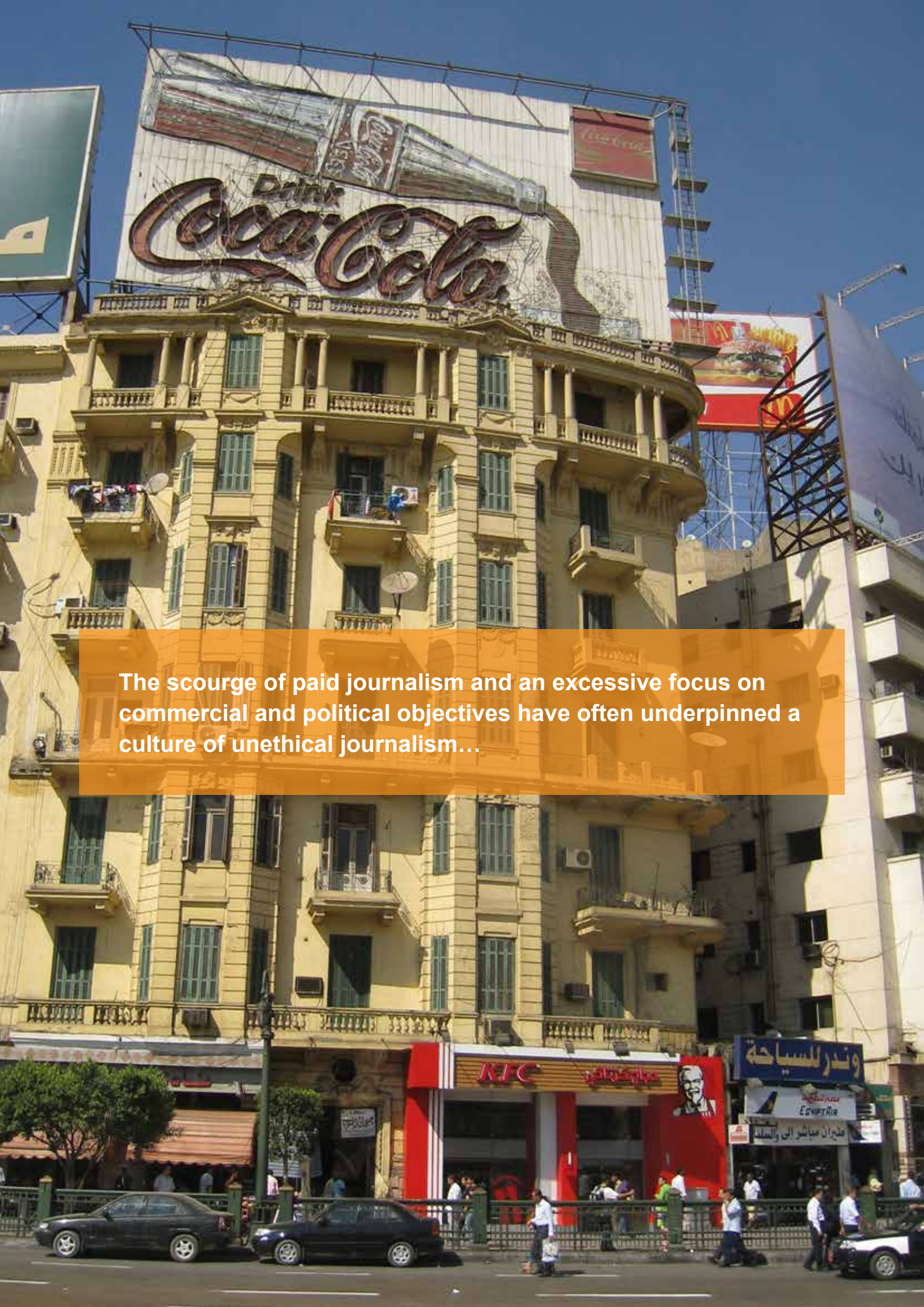
If the scandal ends in a court of law, the maximum will be two years prison. If any prison sentence is given it will be the first time ever in Denmark. So far two former chief editors and four other people are being investigated.

This spectacular case is not normal for Denmark where the media world still struggles to understand how a tabloid magazine could drop their standards to this all time low.

It is easy to point the finger and say “never with me”. But some reflection in the business might still be appropriate. The overall picture is of a fairly balanced media scene with all stakeholders fighting to maintain the credibility of independently produced journalism.

But no-one is complacent. Not only are business models challenged, journalism itself is under siege threatened not just by the whirlwind of change in the world of corporate media investment but by the fact that with the world wide web, we are all in control of our own media. Everything is changing, but it’s still not clear if it will be to the benefit of journalism and its ethics.





The scourge of paid journalism and an excessive focus on commercial and political objectives have often underpinned a culture of unethical journalism...



## EGYPT

# Zig-zag politics and the scourge of paid for journalism

>> TAREK ATIA AND MOHAMED ABDEL-RAHMAN

**E**gyptian media have suffered over the years from political pressure and legal restrictions, but some of its worst problems are self-inflicted. The scourge of paid journalism and an excessive focus on commercial and political objectives have often underpinned a culture of unethical journalism characterised by corrupt practices of employment, advertising disguised as news, and the absence of transparency.

Its most obvious output, advertorials — that is, advertising or special interest information posing as journalism — are frequent, and often hard to detect. But they only represent a window into the myriad aspects of this negative phenomenon.

This report examines the threats posed by

- ▶ Corrupt systems of payment for journalism and employment of people in journalism
- ▶ Mixing of advertising and journalism without clear distinctions between the two
- ▶ Enterprise-level systems of marketing that encourage commercial promotion and sponsorship at the expense of journalism
- ▶ Corruption in the allocation of state advertising, allocation of technical resources to media and allocation of state support or subsidies
- ▶ Levels of transparency and monitoring of problems
- ▶ Development of new automatic systems of advertising in the digital age that can undermine editorial identity and strengthen commercial and advertising power in newsrooms.

The report, based upon interviews with journalists and experts, draws upon local knowledge and provides examples of corruption problems. It examines whether these problems are properly acknowledged within journalism and what

solutions, if any, are found to deal with them.

Finally, the report provides a summary of trends in journalism, highlights efforts to try to maintain good standards of editorial governance and makes recommendations on some appropriate follow-up actions needed to raise internal discussion in media on how to improve transparency and to strengthen public trust.

### The zig-zag line that causes confusion in the news

Media students at Egyptian universities – like their colleagues around the world – are taught that there is a clear dividing line between editorial and advertising in any media operation. Once these students graduate, however, and start their first jobs in some of the country’s many print, online or television outlets, the reality of how media operates is not so clear-cut or rosy.

The “zig-zag” line is one of the confusing things that those who end up working in a newspaper might come across. As a symbol of the relationship between advertising and editorial, the “zig-zag” line is a small example that encapsulates how an under-regulated system often spawns confusion – to both the consumers of media, and those producing it.

As a design element, the black “zig-zag” line in newspapers is meant to (subtly) indicate that the content below it – whether an article, or photos and headlines — is advertising, or sponsored material. In reality, readers are encouraged to think they are just another article, or editorial content. They are sometimes crafted in the same font and style of the paper’s regular content.

Of course, advertisers or sponsors desire this kind of content because it gives them legitimacy and credibility, and looks much more serious than “we paid the newspaper to run our ad.” It also reinforces the real



**In Egypt, advertising sales executives offer gray-area editorial opportunities to clients, knowing that journalists working in newsrooms can be asked to write up content to suit the advertiser's needs.**

advertising (which is often either on the same page or nearby) that directly markets the same product, service or new development written about “editorially” within the “zig zag” lines. But how clear are those lines – to readers and to the media professionals themselves? And are media as transparent as they can be, with both their audiences and their staff about their how they deal with official policy is towards the contentious divide between the editorial and advertising sides of the media business in Egypt?

The blurring of the lines between editorial content and commercial content is a global phenomenon and in Egypt, like everywhere else, advertising sales executives offering gray-area editorial opportunities to their clients know that journalists working in newsrooms can be asked to write up content to suit the advertiser's needs. Journalists who accept this kind of work often get salary bonuses and end up making more money than their colleagues, creating an inequality between editorial pay scales and office resentments that are potentially harmful to healthy newsroom relations.

Many media encourage editorial and advertising to coordinate their efforts — by sharing editorial calendars, for instance, so that sales staff can attract advertisers to special sections or seasonal coverage — without compromising editorial credibility, or creating a “zig-zag” line.

In Egypt, media professionals from across platforms agree that greater discussion is needed on the challenge that this poses to the ethics of journalism and the wider media business. Many are concerned that if nothing serious is done about the problem, everybody in the process will lose.

For advertising sales staff, securing a piece of valuable editorial space will often be the decisive factor in reaching a deal on a contract to sell advertising.

But copywriting for the advertising department is not the only way that journalists and editorial managers end up getting paid for, or being involved in, producing paid for content.

Another is when journalists themselves seek out advertising — and receive commission for it. This happens despite the fact that according to the current semi-official code of ethics practiced by the Egyptian media community, it is illegal for anyone other than a designated sales representative or advertising manager to receive payment, or any sort of compensation, in exchange for advertising content.

Media either turn a blind eye to this practice, or in some cases even actively encourage editorial staff to seek out advertising opportunities as a way of enhancing their incomes. This also has negative effects on newsroom culture.

Even though it is prohibited, these violations are rarely pursued by the two official or semi-official bodies charged with acting as watchdogs: the Supreme Press Council and the Press Syndicate. Both these bodies have been overwhelmed by the instability of recent years, as a result of a turbulent political environment which has stalled media reform and key legislative transformation of the media landscape. During this period supervision of media and its ethical performance has been weakened. As a result paid journalism in Egypt has become more hidden, but at the same time, shockingly prevalent.

According to veteran editors who have worked for both the public sector and private media, journalists and editorial managers frequently receive money or favors from sources – whether government agencies, businesses, individuals, or any other entities — in order to produce favorable content about them.

“This is basically advertising masking as editorial in the form of investigative reports, news reports, or any other material that may be printed in the paper, online, or broadcast on radio or television,” says a former newspaper editor in chief.

In many cases, consumers of the content are completely unaware that the journalist or media entity has received some sort of remuneration – other than his salary as a journalist — in exchange for the coverage. Increasing competition and a more crowded media market has only made the problems of a lack of transparency more acute.

The Code of Ethics stipulates that journalists’ work be objective, independent, and in the public interest, and not for some special interest. And yet, says the former editor in chief, the prevalence of such deceptive practices requires urgent and serious investigation to combat this phenomenon, at the individual, institutional, and national level. “No less than the credibility of the media is at stake,” he says.

Young journalists entering the business quickly learn that the framework of paid journalism depends – first and foremost — on where the person receiving the payment sits in the editorial hierarchy. Is he or she capable of getting a “paid” story published or broadcast without being hassled or facing unwanted inquiries from bosses, underlings or colleagues? In this newsroom climate, unethical behaviour leads to colleagues looking the other way since they may need to bend the rules themselves in support of a special interest with which they are connected. Pretty soon the practice just becomes settled practice in the workplace.

Compensation for the journalists in these cases varies. It can be through direct cash payment, or what many in media call “envelope journalism”. Other methods include various forms of non cash payments – favors, employment opportunities for a relative or spouse, goods and services or other gifts.

The value of the cash payments depend on the amount of editorial space on offer and on the status of the media concerned. Public figures who want to protect their image or portray themselves in a certain way often have several writers, editors or journalists on their pay roll at a select number of media outlets. The standard budget, according to experts, for this kind of paid journalism operation is in the tens of thousands of Egyptian pounds per year. On the lower end of the scale — and much more common — is the public figure or special interest body just looking for any kind of favour from a small time hack, the sort who might produce coverage that may only cost the rough equivalent of a dinner invitation.

Interestingly enough, this practice is not always pursued as a way to get positive press; sometimes it is to prevent the journalist or media outlet from actually doing their jobs properly. Media observers allege that telecom and real estate business interests have an unspoken agreement with the media to not pursue aggressive investigative stories or consumer interest content in their domains, as a sort of *quid pro quo*, for granting major advertising.

The predominance of this practice has weakened editorial coverage in some vitally important areas of public interest. Journalists that participate may get a bonanza of gifts and rewards, but the public is sold short. Even government entities encourage this sort of advertorial practice. They may allocate a portion of the annual budget to payments (sometimes in the form of envelopes with cash in them) to be given to media people at press conferences or other events (these payments are often labeled “travel expenses”), or they themselves sponsor sections or content that appears under zig-zag lines.

Here the tragic irony of the situation becomes acutely clear: the sponsored content is usually written or produced by the reporter covering a particular governmental beat; in this way the reporter, instead of being the paper’s eyes and ears, becomes the mouthpiece of the very entity he or she is supposed to be subjecting to journalistic scrutiny (and will likely be compensated handsomely for it).

It is not a hidden phenomenon. A recent report released by the Unlawful Income Commission noted



that 680 journalists working for state-affiliated organisations had done work with advertising departments. A Press Syndicate statement in June 2014 indicated that these claims would be investigated by the syndicate; as of now, no results of the investigation have been announced, nor any of disciplinary measures taken place. This, a media critic said, may have more to do with internal syndicate politics.

Beyond the grubby business of newsroom bribery a larger form of politics plays a central role in the paid journalism phenomenon and relations between media organisations and government entities, said Alaa Al-Attar, the editor in chief of *Al-Ahram Al-Arabi* magazine, one of the publications of state-affiliated media giant *Al Ahram*.

The goal is to carefully orchestrate the coverage of the ministry or other government entity's performance, he said. Knowing that balanced or straightforward coverage would probably shed a harsh light on the entity's poor performance, it becomes worthwhile to find editors and reporters who are willing to trade editorial integrity for influence or other gains. The speed of the news cycle and social media's constant presence, however, has made this sort of relationship increasingly untenable, said Al-Attar.

"Things are changing because the idea of damage control via exerting influence on news production at the big newspapers or television outlets is becoming more and more irrelevant. People will find it out from somewhere else," he said.

If anything, Al-Attar thinks special pages and sections, supplements, and other clearly labeled sponsored or advertising content represent a better middle ground – as practiced on an institutional level. As long as it is clear they are sponsored, he said, the journalists who put their names on the articles in these sections have publicly proclaimed their loyalty to the buyer – namely the advertiser or the government entity — and have thus transparently and (with the audience's knowledge) put at risk their credibility.

For the media entities themselves, Al-Attar said getting these kinds of sponsorship deals is good for business, and necessary in tough economic times.

He says that in order to combat the more dangerous practices of individuals' secretly practicing paid journalism, a variety of approaches is needed. He says media should not permit a limited number of journalists to monopolise coverage of a particular beat, source, or ministry or government entity. This

will too often create too personal a relationship that is vulnerable to corruption. Such relations may result in the journalist abandoning his or her watchdog role.

Shady Eissa, deputy chief editor of private sector *Tahrir* newspaper, thinks the practice is not as prevalent at private media outlets. For Eissa, the key reason is purely financial: the private papers tend to seek out high calibre reporters and editors, and thus the pay levels at these entities is usually higher than in the public sector, making it less likely for reporters and editors to be bought on the cheap.

Eissa also said many private media have abandoned the idea of having in house advertising departments, and instead outsource their advertising to media buying agencies. This, he said, has by its very nature reduced the chances of journalists being recruited by the advertising side to write advertorial content.

Abeer Saady, deputy head of the press syndicate, and an editor at the state-affiliated *Akhbar* newspaper, sees the situation in terms of poor business practice. Some private media outlets that sprung up after the January 2011 revolution did so without sound business plans. Many have been shut down by their owners, and thus left many journalists out of work. This has resulted in some journalists "switching sides," and offering their services to the business community or government entities as media consultants or spokespeople.

These individuals have crossed the zig-zag line, she says, and as such there is no need for hidden envelopes or other methods. Like the specialised pages spoken of by Al-Attar, this type of paid journalism is done completely in the open.

Saady worries that many journalists employed by private media self-censor themselves, when it comes to reporting objectively on the media owners' other business interests — in this way, their basic salaries become part of the paid journalism system.

Business interests and other groups also start their own media entities to specifically promote themselves, thus making their journalists and editorial managers merely glorified propagandists and their continued employment dependent on the financial success of the business interest.

While some pine for the "good old paid journalism days when entities could simply look for some 'trusted' print journalists or editors to 'buy', these days the landscape is now much more complex," says Saady.

“The most important reason for the shrinking share of the bigger state-affiliated papers from the paid advertising pie,” she says, “is that now special interests will pay for an ‘army’ of online representatives to do the same thing, but constantly and on social media.

“It is more immediate and more impactful and more cost effective to promote themselves, and even attack their competitors in this manner. The traditional media will often then cover these online wars, thus generating even more coverage.”

On the local level, she says political candidates also use paid journalism at smaller, cash strapped media outlets to spread their messages. Many journalists are not even aware that it is ethically improper to take money or accept favors from a source.

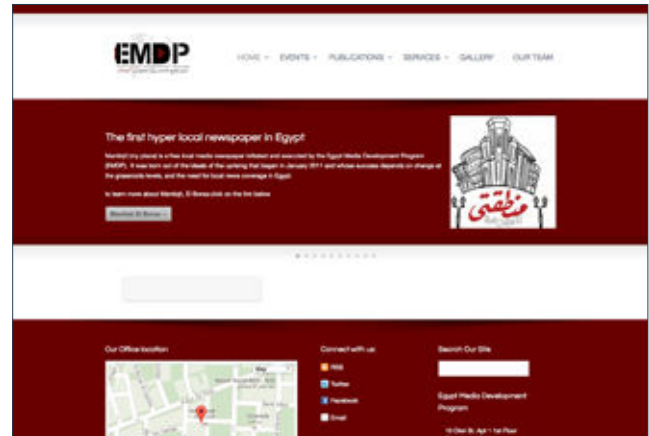
“In fact some see it as a perfectly natural necessity to improve either their incomes, or that of the organisation they are working for,” says Saady. It’s a key task for the press syndicate and other associations to convince them otherwise and to restore respect for media ethics.

## The changing tide – setting an agenda to eliminate corruption

A healthy discussion has grown in recent years about how to build trust and support ethics to deal with the multiple ills that keep the Egyptian media from achieving its potential. This debate takes place out in the open and involves both the media and the public. Leading voices from both within and outside of the media community have called for greater transparency regarding media ownership and influence, and are trying to build consensus on self-regulatory mechanisms to combat corruption.

Paid journalism, as outlined in this report, has clearly changed form and shape with the changing times, but it remains a thorn in the side of the practice of ethical journalism. Large and small Egyptian media have taken some positive steps including organising in-house workshops and training on ethics and the publication of codes of conduct and dissemination of more stringent internal conflict of interest policies and regulations. A raucous national debate is taking place regarding media practice, and the media community is aware of how pivotal the moment is for the future of their industry and profession.

In 2013, for example, the Egyptian Editors Association (EEA), a project bringing together



editors across media platforms to discuss issues of professional concern, held a seminar on paid journalism that featured – for the first time – an honest and detailed dialogue about many of the forms of paid journalism outlined in this report. If anything, the gathering – well attended at the highest levels of editorial management – made clear that this was a subject worth returning to again and again. The association continues to attract media professionals concerned about negative trends like paid journalism, and seeking ways to address these kinds of issues in a comprehensive and effective manner.

The areas where efforts are being made by EEA and other entities and individuals include:

- Updating codes of ethics and regulatory mechanisms to deal with new realities
- Examining the various levels of media production workflow, from the editor in chief downwards, for issues that may sound alarm bells
- Keeping track of the influx of new players (whether owners, editors, or reporters, or even those on citizen journalism or social media)
- Building awareness of the need for codes of ethics, style guides and other tools to make journalistic work more professional and transparent.
- Establishing effective monitoring mechanisms across all platforms that would be on the lookout for both recurring and new forms of paid journalism
- Involving the readers and the audience by establishing entities and personas that defend readers’ right to objective and fair journalism, greater transparency regarding the ownership and financing of media, and a clear distinction between paid for and proper journalism.





Indian media ... has failed to come up with a viable revenue stream, and some unscrupulous elements have embarked on a path that can only be termed blatantly unethical.



## INDIA

# Boom-time for media but with a growing ethical deficit

>> A.S. PANNEERSELVAN

**Indian media is an ironic entity. While it defies the global downward trend of traditional media and continues to grow in terms of new publications, television channels, websites and radio stations, it has failed to come up with a viable revenue stream, and some unscrupulous elements — both among the owners and the editors — have embarked on a path that can only be termed blatantly unethical.**

Before getting into the specifics of unethical practice, it is important to look at some structural issues. One of the finest editors, Bharat Bhushan, has identified four factors that affect media content in India:

- ▶ A growing market for newspaper readership and television viewing;
- ▶ Market perceptions of what readers with disposable incomes want;
- ▶ The changing role of the editor; and
- ▶ Growing neo-liberal consensus between government, the corporate world and the media.

The statistics on the size of the Indian media also highlight the enormity of the challenges in regulating this vast market both in terms of the market and the content.

According to the Registrar of Newspapers, the number of newspapers in India is: 82,222. Delhi is the only city in the world with 16 English daily newspapers. The Information and Broadcasting Ministry revealed that the number of television channels in the country had grown from 130 in 2004 to 788 in 2014. The sector has witnessed exponential growth where the size of the television industry had almost trebled since 2006 to a predicted level of Rs 50,140 crore in 2014. (That's just over five billion Pounds Sterling).

India has 124 million broadband Internet connections, and this is growing at a rate of 6 to 7 percent year on

year and by the end of 2014, India will have more than 1,500 radio stations under three different categories — state-owned Prasar Bharati stations, privately owned FM stations, and community radio stations.

In all, according to a study conducted by KPMG for The Federation of Indian Chambers of Commerce and Industry (FICCI), the Indian media and entertainment sector grew by 12 percent in 2013, a little less than in 2012, but this flat growth is attributed to the slowdown in advertising spending on television and print and a strong dollar that increased print costs.

In spite of this growth and sense of a booming media sector, it's not all good news in the media sector. In June 2013, Indian Vice-President Hamid Ansari, while addressing the Biennial Session of the National Union of Journalists, raised concerns about falling ethical standards. He warned about disconcerting media-related developments that “raise questions about the media's objectivity and credibility.”

He said: “These relate to: cross-media ownership, the phenomenon of ‘paid news’, media ethics and the need for effective and viable self-regulatory mechanisms, the declining role of editors and their editorial freedom and the need to improve working conditions of media personnel, their safety and security.”

The focus of this report is to highlight some of the issues behind this concern over failing ethics and will look at just five issues – the problem of ‘paid news’; the introduction of opaque private treaties in the news business; blatant blackmail; a widening gap in the legal regulatory framework; and, finally, the industry's flawed arrangements for measuring the audience reach and readership.

In doing so it's important to add a caveat: Indian media is not monolithic, it has many faces: exemplary, good, bad and ugly. I am acutely aware that of the

nearly 100,000 professionals in journalism, of which a substantial number of individuals and institutions uphold the core values and the cardinal principles of journalism. The exceptions are in a minority, but it's a number sufficient in numbers to colour the popular perception and to undermine public trust. When that happens media urgently need to look inward and to reflect upon the need to rekindle commitment to ethics and journalism in the public interest.

## The origins of 'paid news'

In 1991 the Indian economy opened up. There was rapid growth of market forces and public investment in stocks and shares with some initial apprehensions that some journalists were writing only partial truths on behalf of corporations looking to be listed in the stock market. Some reporters were failing to uphold ethical practice and few doubted that they did so with support from their media institutions.

In April 2003, one of the senior photojournalists of India and a member of Press Council of India (PCI), N. Thiagarajan, drew the attention of the council to a growing practice of advertisements being published as news for a fee. The PCI did not investigate but, instead, asked media companies to consider whether such practices harmed or enhanced the standing of their publications in the eyes of the public. They also issued a guideline calling for a clear distinguishing line between advertisements and news in the press.

Mrinal Pande, a leading women journalist who rose to be the editor of a major Hindi daily and later the head of the public broadcasting corporation Prasar Bharati, wrote an insightful piece headlined *The gains from masking reality*, in *The Hindu* in 2009 in which she explained the way this ugly phenomenon worked.

She said: "Not too long ago, some major dailies introduced a devilishly cunning scheme of offering what was innocently labelled 'Ad for Equity.' This met with loud applause from many managerial bosses all over. But before long the property, aviation and automobile sectors went into a tailspin, and the scheme left the companies that had adopted it red-faced and holding bags of (economy class) air tickets, empty flats, and unsold cars and so on.

"A little later, during some of the Assembly elections in 2008, the local editions of several multi-edition Hindi dailies started displaying laudatory and frequently contradictory news items on their front pages about specific candidates. With zero news value, none of these items merited such display,

but through the election period the front pages and op-ed pages of some dailies continued to carry mug-shots of particular candidates, even predicting a record win for him or her."

Ms. Pande's essay was exposing journalism for sale in the Hindi language press, but the sale of editorial space for cash was started by the richest media house of India, Bennett Coleman and Company Limited (BCCL), which publishes the world's largest selling English language daily, *The Times of India*.

Ken Auletta's essay titled, *Citizens Jain: why India's newspaper industry is thriving* in the *New Yorker*, along with Paranjy Guha Tharkurta's book *Media Ethics*, (OUP, Delhi), and several essays by Ramon Magsaysay journalism award winner P. Sainath give complete details of how the BCCL worked out this model of revenue stream and assimilated it into the system.

In 2003, the BCCL established a paid content service called Medianet. It offered to send journalists to cover product launches or celebrity events for a fee and came out with a tariff for different types of coverage.

In response to the outrage this move generated both inside and outside journalism, BCCL sought to justify its actions by saying that public relations firms were already bribing journalists to ensure the coverage of their clients, and the Medianet initiative was just a way of removing the middleman, the PR agency, and, anyway, they said there was nothing wrong in this practice as the relevant news items did not appear in the main paper but only in city editions.

Despite the protests BCCL devised yet another revenue stream called Private Treaties, under which companies allocate a certain amount of equity to the BCCL in return for advertising space in BCCL-owned media products.

Though the company denies that that it provides favourable coverage to its clients who sign private treaties its own advertisement in *The Times of India*, and *The Economic Times*, on December 4, 2009, titled *How to perform the Great Indian Rope Trick* contradicted their claim. It talked about a clothing firm, Pantaloon, "gaining immensely" from the Times Private Treaties.

However, the issue only caught the public imagination following the 2009 elections to the state assembly of Maharashtra when a journalist with *The Hindu*, P. Sainath, exposed the scandal of political paid news in a series of articles that also revealed the

cosy political and corporate relations in the news business. The wider corporate and political nexus also emerged from a set of exposes from Sucheta Dalal, the financial and economic reporter who broke the first scandal of the post-liberalisation India called the Harshad Mehta Scam.

Sainath's work focused on two cases, one involving the Chief Minister of an industrialised state in India, and another involving a multi-national corporation and the richest media group in South Asia. His article, *Reaping gold through cotton, and newsprint*, documented how *The Times of India*, in a span of three years, carried a full-page item, firstly as news and then as an advertisement. The story brings out how government, corporate and media interests were woven together to push for corporate profits.

The Government of India had permitted a trial run of genetically modified seeds in certain parts of India, but there was vocal opposition to this move.

A report in *The Times of India*, on October 21, 2008, titled "Not a single person from the two villages has committed suicide" claimed: "There are no suicides here and people are prospering on agriculture." The paper said the switch from the conventional cotton to genetically modified seeds "has led to a social and economic transformation in the villages [of Bhambraja and Antargaon] in the past three-four years."

The same story was run again in the same newspaper, word for word. (*Times of India*, on August 28, 2011). This despite the fact there were distress suicides by farmers in these two villages, which were also well documented by Sainath.

The reason for the rerun was simple: the Indian Parliament had failed to introduce a bill that would regularise the use of the genetically modified seeds in August, and the repeat of the story was aimed at lobbying for quick introduction of the bill.

Sainath writes: "The failure to table the Bill — crucial to the future profits of the agri-biotech industry — sparked frenzied lobbying to have it brought in soon." He said the full-page story titled *Reaping Gold* on the benefits of genetically-modified seeds on August 28 was followed by a flurry of advertisements from Mahyco-Monsanto Biotech (India) Ltd., in *The Times of India* and some other papers, starting the very next day.

"These appeared on August 29, 30, 31, September 1 and 3," he wrote. Sadly for the bill's sponsors it wasn't

introduced either in the monsoon or winter session of Parliament which was bogged down in other issues. Although the industry in this case did not "reap gold," said Sainath others did "with newsprint."

In the case of Ashok Chavan, then Chief Minister of Maharashtra, Sainath nailed the act of paid news by scanning the documents obtained through Right to Information Act. He noted that Maharashtra Chief Minister Ashok Chavan recorded spending a mere Rs. 5,379 on newspaper advertisements during the State Assembly election as well as another Rs. 6,000 on cable television advertisements.

"These figures," said Sainath, "are clearly at odds with the unprecedented media coverage the Chief Minister got during the election campaign. The Hindu has gathered 47 full newspaper pages, many of them in colour, focused exclusively on Mr. Chavan, his leadership, his party and government. These appeared in large newspapers, including one ranking amongst India's highest circulation dailies. However, they were not marked as advertisements."

After looking at the procedures of the Indian election commission and the expenditure incurred by others in the same election, Sainath concluded: "Mr. Chavan received astonishing media coverage during the campaign. The newspapers carrying those many full pages on him nowhere marked them as advertising. In other words, this material ran as 'news.'"

He said the flood of full pages on Mr. Chavan and his party, hailing this as the "Era of Ashok," and the "Era of Development," if advertising; this would have cost a small fortune in rupees.

These pieces were run in regional papers like *Lokmat*, the fourth largest daily in the country and the biggest in Maharashtra (2006).

As Sainath noted, "The huge mismatch between the account's stated Rs. 5,379 and the dozens of full pages of 'news' in *The Hindu's* possession will surely restoke the debate over what has now come to be called 'paid news.'" He followed this with a number of other investigations for a year finally forcing the Press Council of India (PCI) to take action.

The PCI commissioned two of its members, Paranjoy Guha Thakurta and K. Sreenivas Reddy, to examine the paid news scandal. The fate of their report, a damning indictment of the practice, exposed the limitations of the Press Council and the immunity the media acquired using its numerical strength in the council's governing structure.



The report told the full story, but its effect was nil. Some members of the PCI felt that naming the names of the publications would hurt the credibility of media houses. The council reduced the report to the status of a reference material, and decided not to publish it.

Nevertheless, some media watchers used the Right to Information Act to get the strongest indictment against the media in recent times to the public domain.

Commenting on the Council's failure Sainath wrote: "Presented with a chance to make history, the Press Council of India has made a mess instead. The PCI has simply buckled at the knees before the challenge of 'paid news.' Its decision to sideline its own sub-committee's report — which named and shamed the perpetrators of 'paid news' — will go down as one of the sorriest chapters in its history."

Meanwhile the Indian Election Commission (EC) addressed this issue and although Ashok Chavan was found guilty of non-disclosure of his election expenditure, the commission failed to tackle head-on the question of paid news.

But even this was not the lowest point, that came when the senior editors of *Zee News*, a major television network, were arrested for allegedly demanding Rs. 100-crore from Jindal Steel and Power Ltd. in the form of advertisements in return for diluting the campaign launched by their news channels against the company in connection with a coal allocation scam.

This news of Zee News demanding money was exposed by the steel company itself in a reverse sting operation. The issue was exposed in an editorial in *The Hindu* entitled *Media, where is thy sting?* (October, 27, 2012) which read:

*"On the face of it, paid news may seem no more than advertising camouflaged as reports or editorials. Naveen Jindal's shocking 'reverse sting' — aimed at exposing how two editors of the Zee network attempted to cut a shady deal with his company — shows that it can be much worse than this.*

*"It is a reminder of how easily the culture of paid news can lead, ineluctably, towards extortion. There is only one word for promising to back off on an investigation in exchange for lucrative advertising revenue: blackmail."*

The editorial noted that Mr. Jindal had thrown a spotlight on an issue which has begun to darken the Indian mediascape: *"the increasing number of deals*

*between corporate houses and media outlets, whether in the form of paid news or private treaties, to guarantee favourable press and, whenever required, to black out unfavourable news."*

The tragedy is that the investigation in this case had made no progress. In June 2014, the Delhi High Court upheld a sessions court's order directing the city police to conduct further probe against Zee Group Chairman Subhash Chandra, *Zee* editors Sudhir Chaudhary and Samir Ahluwalia for their alleged extortion bid from Congress MP Naveen Jindal's firm. But the change in the government at the centre has cast a shadow over credible investigation because of the closeness of the Prime Minister Narendra Modi and Zee Group Chairman Chandra. Chandra shared the dais with Modi during the latter's election rally at Kurukshetra — the constituency of Congressman and coal tycoon Naveen Jindal, who raised the issue of extortion in the first place.

It is in this context, one fully understands the anguish expressed by T N Ninan, Chairman of *Business Standard* group of publications and the former president of the Editors Guild of India. In a talk, *Indian Media's Dickensian Age*, he observed: "We have never had such a vast audience or readership, but our credibility has never been so tested...the quality of what we offer to our public has never been better but that same public can see that the ethical foundations of our action have plumbed new depths."

Behind both the critical assessment of ethical failings and the ruthless pursuit of dubious methods lies the biggest weakness of the Indian media: failure to get a fair assessment of both its readership for print platforms and its audience base for the broadcast streams.

## Corruption when the numbers don't add up

The Indian readership survey is supposed to give everyone — public, media and business interests alike — the demographic details of press readership and circulation. But the latest Indian Readership Survey (IRS) by the Media Research Users Council (MRUC) and Readership Studies Council of India (RSCI) has absurd figures which defy logic and reason.

When a survey — that projects its findings based on a sample on to a larger universe — comes out with results that are inconsistent with basic, independently verifiable facts, the obvious



conclusion is that there is something seriously wrong with its methodology or its execution.

For instance, the IRS report for 2013 claims the readership of English language newspapers as a whole plummeted by almost 20 percent but there is no explanation why and there are bizarre findings – for instance *Hitavada*, the leading English newspaper of Nagpur with a certified circulation of over 60,000, doesn't appear to have a single reader. Many of the findings just don't add up.

But it is not just in the press that the counting systems are in trouble. What is disheartening is that there is a total failure in capturing the reach of all forms of media.

The Television Rating Point (TRP), which is supposed to track the programmes that are most popular, has failed to gain the broadcast industry's confidence. Prannoy Roy, one of the respected television personalities of Asia and the Chairman of broadcasting *NDTV* group, shared a baffling piece of information in his lecture at Oxford University last year. Speaking about the increasing tendency to fiddle with viewership ratings, he said: "Virtually every city in India has a ratings consultant who, for a relatively small fee, will ensure higher ratings for any channel."

He revealed how the ratings consultants get to know where the people-meters that measure viewership are located. These are meant to be secret, but the ratings consultant visits the people-meter homes, gives the family a brand new 60-inch plasma television and tells them "Watch whatever you like on this lovely big television but on the television attached to the people-meter you must only watch such-and-such channels."

Roy said: "The family also gets an additional reward at the end of the year if they have done what they were asked to do efficiently. Recently, Nielsen sent

out their global head of security to India and, after an elaborate four-month investigation, he told a gathering of over a dozen people at the Taj Hotel in New Delhi, 'I have never seen as much corruption of the Nielsen system anywhere else in the world as there is in India'."

Statisticians and other number crunchers are expected to follow a rigorous methodology to provide reliable data on the media's reach. But if their projections are deeply flawed, which they are right now, it is not just a matter of getting the math wrong, it also undermines people's quest for the truth.

N. Ram, former editor-in chief of *The Hindu* group and currently group chairman used his James Cameron Memorial lecture in October 2012 to outline the full dimensions of the media crisis and to give a way forward from this murky reality.

He said: "The fortunes of the news industry and the state of journalism – ought not to be conflated. Manipulation of news, analysis, and comment to suit the owners' financial or political interests; the downgrading and devaluing of editorial functions and content in some leading newspaper and news television organisations; systematic dumbing down, led by the nose by certain types of market research; the growing willingness within newspapers and news channels to tailor the editorial product to serve advertising and marketing goals set by owners and senior management personnel; hyper-commercialisation; price wars and aggressive practices in the home bases of other newspapers to overwhelm and kill competition; advertorials where the paid-for aspect of the news-like content is not properly disclosed or disclosed at all; private treaties; and rogue practices like paid election campaign news and bribe-taking for favourable coverage.

He warned: "If this is what it takes to have thriving newspapers and other news media, then there is something seriously wrong with this growth path."

But, if some of the powerful players in the media industry are not willing to listen, then India's media boom will be worthless to journalism and the pursuit of truth.

Even worse, it will be of no value to India's more than 1.2 billion people who may have more infotainment, sensationalism and political spin at their disposal but who will remain ignorant of the facts and analysis of events around them. When that happens the world's largest democracy will be seriously weakened.





Malaysia is an illiberal democracy. We have freedom of speech, but no freedom after speech.

PUBLICATIONS (MALAYSIA)



## MALAYSIA

# State power, bribery and internet pollution of journalism

>> STEVEN GAN

**I**n 2001, British tabloid *The Mirror* sacked two writers for promoting companies in which they owned stock in their ‘City Slickers’ column. But the newspaper’s editor Piers Morgan, who made a killing by buying shares in one of the companies tipped by the column, was left unscathed. Morgan had spent £20,000 for shares in hi-tech company Viglen Technology, whose stock was tipped to rise by his newspaper the next day. He made a quick profit when he sold his shares days later. However, the proceeds were donated to charity after the scandal broke.

Morgan denied any wrongdoing and was later cleared by a government inquiry. *The Mirror*’s other journalists — Anil Bhoyrul and James Hipwell — were not so lucky. After a seven-week trial in 2005, they were found guilty of market manipulation.

Like their British counterparts, Malaysian editors are not immune to such temptations. There have been suspicions, speculations and rumours of similar chicanery in this emerging Southeast Asian country.

Indeed, some would go as far as to accuse the business sheets in Malaysian newspapers for being no more than public relations arm of major companies. Business editors were said to receive offers of shares and other kickbacks to put a gloss on the performance of certain companies in their newspapers.

### When journalists play the market

No one could really pin a finger on it. Not until Nov 1, 1995. On that day, two major Malaysian dailies — *The Star* and *The Sun* — printed an analysis of the ailing food and engineering company Innovest when its shares were traded in the stock market after a two-month suspension.

The analysis in *The Sun* appeared in the ‘Hawkeye’ column, a regular commentary that appeared in its business pages. While it carried no byline, most believed that the column was written by the newspaper’s editor-in-chief Philemon Soon. The same analysis in *The Star* carried the byline of its business editor PY Chin.

What was intriguing was that the two pieces were, but for a few words in their opening paragraphs, almost exact carbon-copies.

Both articles were to run in three installments over consecutive days. The calumny was discovered almost immediately and an embarrassed *The Star* published the second instalment of the series, but pulled out the final part. *The Sun*, however, put on its brave face and ran all three parts, including the second part which was again exactly the same as the one that appeared in *The Star*.

To this day, nobody knows who penned the piece. It is, however, unlikely, though not impossible, that both Chin and Soon colluded to run the three-partners in their respective newspapers. Soon was assistant to Chin for a number of years in *The Star*. But surely they were not that stupid. Another theory is that the piece could have been written by a stock analyst, or perhaps even Innovest itself. Indeed, companies prefer “independent” analysis of their stocks, however, it’s better still, if it can be written by top newspaper editors.

If that was the case, both Soon and Chin were guilty of a heinous crime in journalism — plagiarism. But this was, of course, more than a simple case of plagiarism.

It exposed the murky and deeply disturbing conditions in which today’s journalism operates. We will never know whether the two editors

received kickbacks for “services” rendered. We will never know who actually wrote the three-part analysis. We will never know how the two editors got hold of the articles.

We will never know because the scandal was kept completely under wraps. Such blatant abuse of their editorship should have become a public scandal in Malaysia. It wasn’t.

There wasn’t a squeak from Malaysia’s many watchdogs. There was no criminal investigation by the police and The Securities Commission, whose role is to examine cases of insider-trading and the manipulation of the stock market, did not bat an eyelid.

The National Union of Journalists, an organisation more concerned with bread-and-butter issues than press freedom, kept mum over the affair.

Despite the clear evidence of wrongdoing, all the responsible bodies sat on their hands and remained silent. This could be because while *The Star* and *The Sun* are rivals, they share common political interests. *The Star* is owned by a political party which is part of a ruling coalition that has been in power for more than half a century and *The Sun* is owned by a tycoon who boasts of close ties with the government.

Both editors got away with a slap on the wrist. Soon resigned a few months later and Chin was moved sideways in the editorial hierarchy and resigned quietly a year later. Insiders say they were nudged out by rivals who took the opportunity to squeeze them out. It was not because they had violated a cardinal rule of journalism.

Back in the UK following the shares scandal, *The Mirror* barred its editors and financial journalists from owning shares, apart from shares of the group’s newspapers. The Press Complaints Commission also launched an investigation. Journalists, after all, are forbidden to make monetary gain from information they have received in advance of publication.

But no such measures arose in Malaysia. By keeping a tight lid over its own wrongdoing, the Malaysian media has left undisturbed the cosy relations between journalism and big business which remain to this day.

## The complexities and paradoxes of media in Malaysia

Malaysia is a country with its fair share of complexities and paradoxes. It is multi-ethnic,

multi-cultural, multi-religious and multi-lingual. Some 63 percent of the population is ethnic Malay; 25 percent ethnic Chinese; 7 percent ethnic Indian; and 5 percent are of other ethnic groups. The majority is Muslim, while 40 percent — which represents a sizable minority — is non-Muslims. The people speak a multitude of languages including English, Malay, Mandarin and Tamil.

Malaysia is an illiberal democracy. We have freedom of speech, but no freedom after speech. There is freedom of movement, but no freedom of assembly. We have elections every five years, yet the same government is voted into power, time and again. There is a plethora of publications — about a dozen or so newspapers in four major languages — but no free press.

Although the constitution guarantees freedom of speech, it also allows the government to impose restrictions, as it deems necessary. This has led to a litany of laws that severely curb freedom of expression.

But while the government keeps the media on a short leash with repressive laws, it has decided not to do the same with the Internet, not because it is more open to political dissent online, but because, it has no choice; censoring the Internet would undermine economic ambitions and would cut off the country’s lifeline to the future.

Malaysia is one of the few countries, apart from a handful surviving communist regimes, which has not seen a change of government since independence from Britain almost 60 years ago. The government is able to hold on to power through skillful use of carrot and the stick policies, a manipulative mix of populism and social controls bolstered by repressive legislation. This is particularly seen at election time when it exercises sweeping control over the money, political machinery and media needed to decide the outcome. It is a simple yet winning formula in which a fearful electorate votes without hope.

## Media as mouthpieces of government

Until recently the government required the annual applications of all printing and publishing permits, thus keeping print journalism under control, but due to public pressure, this mandatory renewal of licences was repealed in 2011. This change is significant; it offers hope of a change of direction. But other draconian restrictions remain. The

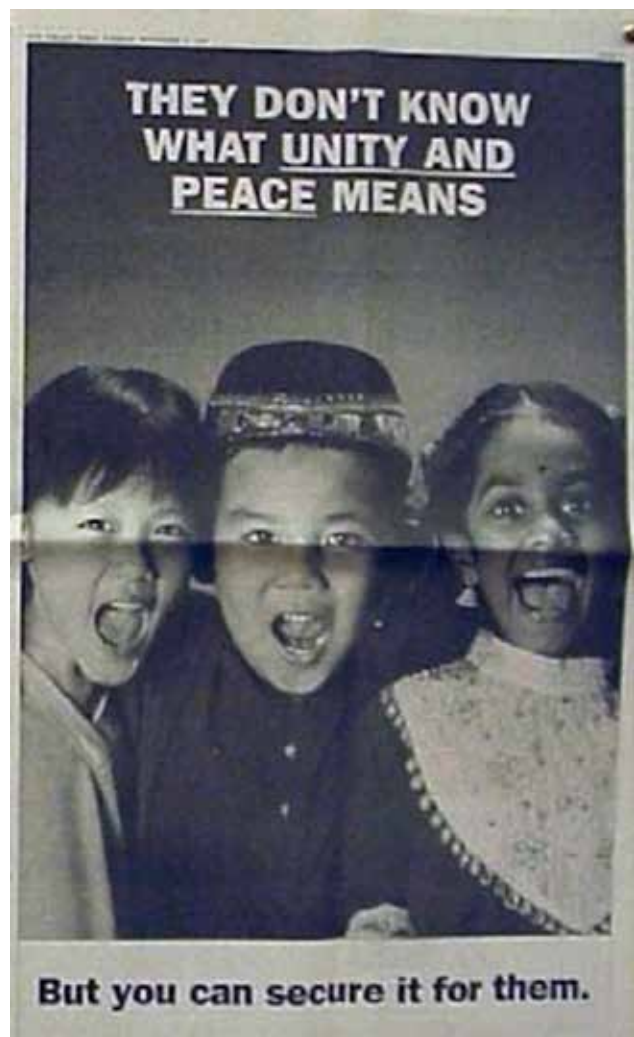


government has the absolute right to suspend or revoke printing and publishing permits. And its decision is not subject to review nor can it be challenged in court.

Licences are given to individuals who can be trusted to toe the government's line. Malaysia is a country where most media are either directly or indirectly owned by the government or ruling political parties. This ownership regime allows the government to exercise another layer of control.

*Media Prima*, the country's biggest media conglomerate, operates all four free-to-air television channels in Malaysia. Through this, it controls almost 90 percent of the nation's free-to-air advertising. The company also owns two major newspapers – English-language *New Straits Times* and Malay-language *Berita Harian*. It operates in monopoly conditions because there is no restriction on cross-ownership of news media.

*Media Prima* is also linked to United Malays National Organisation (Umno), the biggest political party in the



ruling Barisan Nasional (BN) coalition. At the same time, Umno directly owns a slew of Malay-language publications, *Utusan Malaysia* daily and *Kosmo!* newspapers as well as a number of magazines.

The Malaysian Chinese Association (MCA), the second biggest party in the BN ruling coalition, owns the nation's biggest English-language daily *The Star*, and two radio stations. The Malaysian Indian Congress (MIC), the third biggest party in the BN coalition, controls Malaysia's oldest Tamil-language newspaper *Tamil Nesan*, among others.

All the major Chinese-language newspapers — *Sin Chew Daily*, *China Press*, *Guang Ming Daily*, and *Nanyang Siang Pau* — are owned by timber tycoon Tiong Hiew King through his publishing arm, Media Chinese International.

Tiong, who sees himself as Asia's Rupert Murdoch, has a number of media organisations in the Asian region under his belt, including Chinese-language newspaper *Ming Pao* in Hong Kong. In Malaysia, Tiong's other flagship company, Rimbunan Hijau,



is a major player in the logging business and it relies heavily on the award of timber concessions by the government.

In 2001, MCA sought to strengthen its grip on the media by buying two of the four Chinese-language newspapers — *China Press* and *Nanyang*. But the controversial deal ignited stringent protests and a mass boycott from the public, forcing the political party to later divest its controlling shares in the two dailies to Tiong.

Astro, which has a complete monopoly in satellite television, has the largest pay-television subscriber base in Southeast Asia. It also owns eight radio stations, with a combined audience share of more than 50 percent. It is owned by Ananda Krishnan, Malaysia's second richest man with a net worth of 11.2 billion dollars, according to *Forbes* magazine. Like most tycoons in Malaysia, he is a close friend of former premier Mahathir Mohamad.

Another tycoon, Vincent Tan, who is among the top 10 of Malaysia's richest, owns free English-language daily *The Sun*. Tan, also a crony of Mahathir, has close business ties with the BN government through a number of plum contracts and concessions, including gambling. He also owns a British Premier League club, Cardiff City.

It is through this web of media ownership and restrictive laws that the government has operated a complete monopoly on public access to truthful information, until the arrival of the Internet.

The government, being a major advertiser, is a major source of revenue for many of these media. The government blatantly channels taxpayers' money to the media owned by political parties, many of which make sizable profits. Put simply, they serve a double purpose — while these companies help to disseminate government propaganda, they also contribute to the parties' finances.

A content analysis of political advertising in the 1999 general election found that while full-page advertisements backing government candidates appeared in most major daily newspapers, nearly all opposition advertising was refused.

The study's author Rick Shriver from Ohio University, said in the weeks preceding the elections, BN ads appeared on every other page of the Umno-linked *New Straits Times* [see images], while no opposition advertising was allowed.

The opposition has often complained that government-controlled media repeatedly refused to carry their election advertisements. Of the opposition advertisements that appeared, most were edited by newspapers that carried them.

According to Shriver, political advertisements by BN play on the themes of threats to national unity, warnings of civil unrest, and heightened concerns that a weakened BN could ultimately lead to an ineffective government.

"Malaysia's media campaign laws are such that political advertising and its sponsorship need not be identified," he said in *Ownership, Control and Political Content* (2003). "Pro-Umno television advertisements extolling the progress and stability achieved by the party had the appearance of documentaries, television news stories, or public service announcements."

Shriver cited an anecdotal example: "One notable television spot airing in the weeks preceding the election featured a series of stills depicting obvious signs of Malaysia's growth and development, such as the new Kuala Lumpur International Airport, the Sepang Formula One race circuit, and the Petronas 'Twin Towers', interspersed with photos of a smiling [then prime minister] Mahathir attending various functions and meeting with Malaysians of various ethnicities." The television spot contained no indication of its sponsorship.

"But it appeared to be a response to criticisms of Mahathir's economic policies. The spot suggested that Malaysia was prospering because of those policies and despite the predictions that they would fail," said Shriver. "At the same time, nearly all major dailies were reporting that racial equality, literacy, economic development, prosperity, and national tranquility were the products of Umno, and could be sacrificed if the opposition were to succeed in the election."

## The role of 'envelope' journalism

While government advertising in traditional media is an indirect form of electoral corruption, there are also cases of in-your-face bribery of journalists at election time. In the by-election in the east-coast constituency of Kuala Terengganu in 2009, for example, RM300 (100 dollars) cash was distributed in unmarked envelopes to more than a dozen journalists by a government information department's media centre.

Four journalists from *Malaysiakini*, the independent news portal, took the envelopes without knowing they contained cash. On discovering the money, the four immediately returned the cash. Several other journalists did the same.

Some later lodged a police report on the attempted bribery but the Information Ministry strenuously denied giving money to journalists. Ministry press secretary Hisham Abdul Hamid said they had never directed officers to give out cash. “This has never been the practice of the Information Ministry,” he told national news agency *Bernama*.

This has been the standard response from the government. Only a year earlier, the Information Minister Ahmad Shabery Cheek squashed the accusation that Malaysia practised ‘envelope journalism’ — a euphemism for bribing journalists.

Speaking at the launch of World Development Information Day in 2008, the minister said he was perplexed that although Malaysia had achieved “tremendous progress” in income level, infrastructure facilities, investment opportunities and more, it was nevertheless ranked far below in the World Press Freedom index — an annual survey compiled by Paris-based Reporters Without Borders.

“Malaysia has been undeservedly ranked as a country with little press freedom, very much below many other countries known to be aid-dependent and not even among the top 20 trading nations,” he said. “This sometimes begs the question whether absolute or near absolute press freedom will bring about greater well-being for the people.”

The minister said some countries which are ranked higher in the press freedom index may not weigh in equally with their corruption index. He refrained from providing examples of the supposedly corrupt countries but said it is a “well-known fact that some countries... practise ‘envelope’ journalism”.

“This shows that the connection between a free press and battle against corruption is not clear. The media which is supposed to keep watch on the government, turns out to be crooked and corrupt as they accept ‘envelopes’ from popular figures and in turn provide more coverage,” he explained. He reiterated that such practices did not exist in Malaysia.

The journalists who received cash stuffed in white envelopes a year later proved him wrong. Again, no action was taken. While the Malaysian Anti-

## Cleaning up their act

It is clear that much of the corruption in the Malaysia media is due to the nature of media ownership and this will remain so without major restructuring. This is not likely to happen anytime soon.

However, some media organisations are implementing in-house policies to check such corruption. One of these is the no gifts policy. For example, Malaysiakini employees are not allowed to accept gifts or gratuities above a certain value from any individuals, organisations or corporations. Gifts are politely returned, and should that be not possible, journalists are required to declare gifts above RM10 (3 dollars) to the office. The value is intentionally kept low so that journalists must declare almost all gifts.

These gifts are then auctioned off among Malaysiakini staff at the year-end staff party. The money raised is given to a charity of their choice.

Corruption Commission (MACC), a government agency, was tasked to investigate the matter, no one was punished, despite investigators being given the name of the person who allegedly distributed the money to the journalists.

## Native advertising and editorial: an unhappy mix

While traditionally media organisations observed a separation between news content and advertising, the wall between the two is becoming porous as a result of stiff competition for audience, especially those in cyberspace.

In the Internet, advertisers have more bargaining power than ever. They can now track not only how many people are looking at a page, but which part of the page readers are looking at, and how long they stay on the page. This puts tremendous pressure on media to deliver eyeballs to advertisers.

While advertisers are increasingly migrating online, the bad news is that it is not media companies that gain, but technology companies. Last year, online advertising in United States — at 42.8 billion dollars — commands the largest share



## Using cutting-edge technology, advertisers can now insert their content into news content seamlessly.

of the market, surpassing traditional television for the first time.

However, the online advertising landscape is very different from the traditional media. Competitors include those which are not strictly content providers — Google, Facebook, Yahoo, Microsoft and AOL, for example. Advertisers no longer rely on journalism to deliver their audience as they did with old media. Search engines alone control almost 50 percent of the market. Indeed, none of these top five online companies are media companies. In the US, 10 companies control over 70 percent of the online advertising market, much of it drained from traditional media sources.

They and 45 others control over 90 percent of the online advertising market. Anyone outside this elite group faces intense competition for a relatively small pot of money. Moreover, media companies

are competing directly with global brands, not just local brands. For many media competition for online advertising is so acute that digital media economics may not support professionally produced journalism.

In addition, advertisers are actively seeking to break the wall separating news content and the selling of their products and services. This is the genesis of so-called native advertising which, unlike its 'adverorial' predecessor, does not indicate to the audience that what they read or watch are advertisements.

According to an advertising agency, "Native advertising is sponsored content which is relevant to the user experience, not interruptive, and looks and feels similar to its editorial environment." It is seen as not-so-intrusive and the advertisement does not engage in hard sell or 'buy me now'. These native advertisements are served as a part of the content on the website and mirror the website's look and feel.

Using cutting-edge technology, advertisers can now insert their content into news content seamlessly. To unsuspecting news consumers, it appears as if the advertisements are part of the editorial content.

Chia Ting Ting, head of advertising in FG Media — a wholly-owned subsidiary of *Malaysiakini* — warns that such advertisements have the potential of undermining public confidence in independent journalism. She says other pressures from advertisers include the direct demand for media to interview top officials and to publish news stories involving their companies in return for their advertisements. As media compete for a shrinking pot of money, many succumb to these demands.

Unfortunately, there is no media watchdog in Malaysia to keep media honest. The likes of *The Mirror's* Anil Bhoyrul and James Hipwell in Malaysia will never be investigated, let alone punished.

## Investing online for a change

Malaysia is held up by many researchers as an interesting case study on press freedom in an authoritarian environment and in promoting the Multimedia Super Corridor — a Silicon Valley-type project in Malaysia — the government promises not to censor the Internet.

This unlikely situation has allowed a profusion of online news websites to emerge, chief among them



is *Malaysiakini*. Launched in 1999, the subscription-based news portal is the country's oldest. Since then, it is joined by other similar websites seeking to replicate its success.

However, many news websites find it hard to survive. *Malaysiakini*, generates revenue from a mix of subscription and advertising, but other websites offer their content for free and are burning money. Many received support from deep-pocket anonymous funders who invest their money in return for political influence.

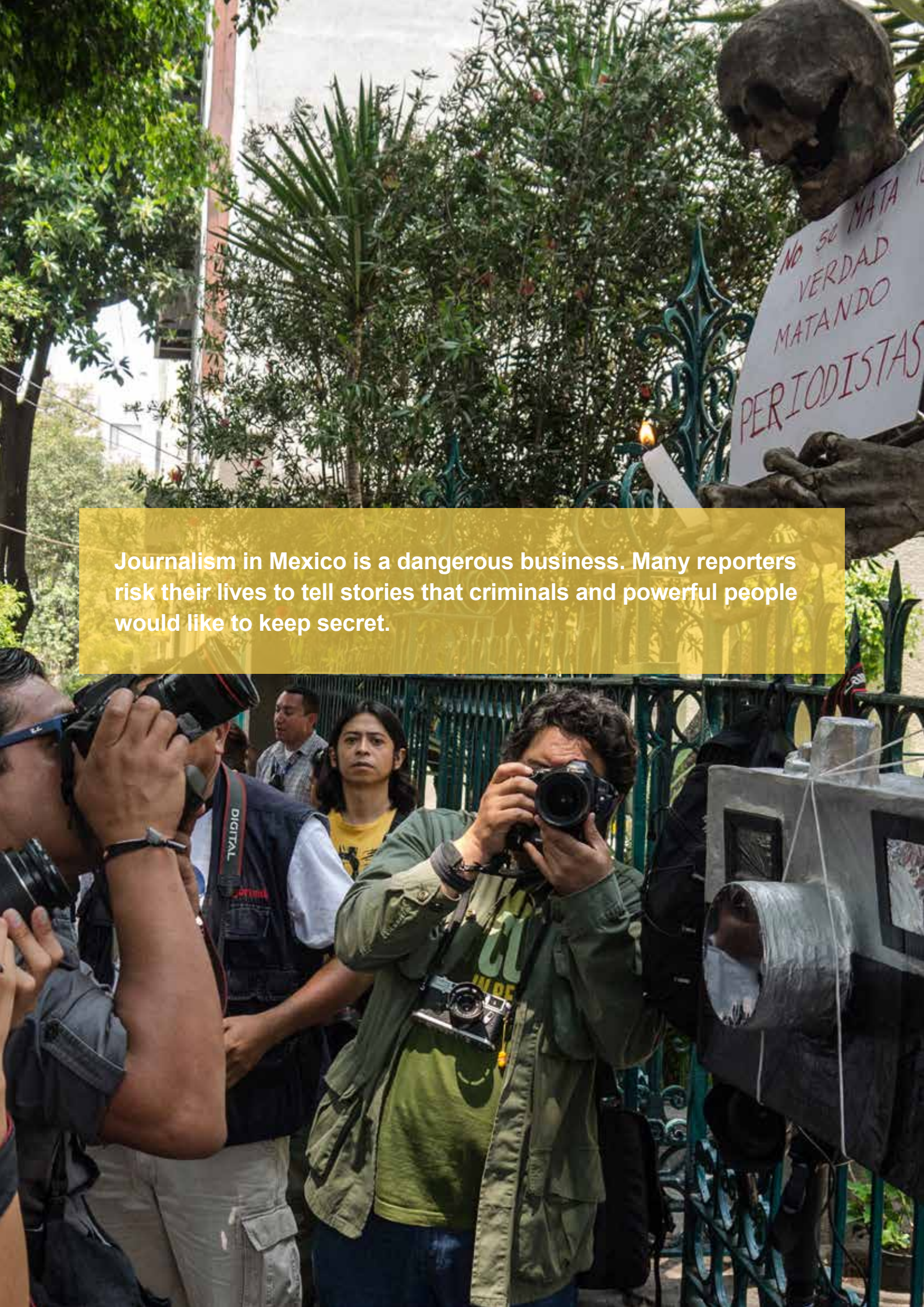
Given this, the cyberworld is no different from the real world. As big media conglomerates move online, it is expected that the control and

domination which we see in the real world will be reflected in the online world as well.

Advertising alone will not be able to fund independent news reporting. News consumers will have to start paying for news, and if they don't tycoons are ready to pay for journalism, but at a price. When that happens it will be the tycoons who get to enjoy press freedom, not Malaysian citizens.

In the cut-throat world of media advertising, ethical journalism is weakened by the compromises of media owners and advertisers. But ethical journalism is a value that must be cherished, protected and fortified if media are to maintain public support and democracy in Malaysia is going to prosper.





Journalism in Mexico is a dangerous business. Many reporters risk their lives to tell stories that criminals and powerful people would like to keep secret.



## MEXICO

# Journalism in the crosshairs of politics and corruption

>> ELVA NARCIA

**J**ournalism in Mexico is a dangerous business. Many reporters risk their lives to tell stories that criminals and powerful people would like to keep secret. Yet even if they can work safely, journalists run the gauntlet of a corrupt and politically compromised media landscape, in which media, hungry for lucrative government advertising, dance to the tune of its power elite.

The country's media are characterised by the absence of pluralism, a weak public service, a duopoly of terrestrial television, radio in the hands of a few businessmen, a great number of newspapers and magazines with very few readers and limited access to the Internet. Reporters Without Borders reports that "media independence and transparency is undermined by the very close connections between media and politicians."

The media landscape in Mexico is actually surprisingly developed and vibrant, at least compared with other countries in the region. There are more than 300 dailies printed in the country's 32 states, along with 1,646 commercial radio stations and 236 television channels. In México City alone there are almost 100 magazines and 25 newspapers.

Yet the sheer number of media outlets does not necessarily lead to quality journalism. Music programs, soap operas, competitions, gossip, sports, fashion and entertainment fill hours of radio and television and the pages of printed media and websites. Good quality journalism, well produced documentaries and investigative reporting can only be found in a handful of cases.

The few examples of truly independent media are mainly located in the most developed cities, including Guadalajara, Monterrey and México City. National newspapers such as *Reforma*

and *El Universal* lead the list. Weekly magazine *Proceso*, which has, since the early 1970s, practiced critical and investigative journalism, is the only independent national magazine in the country.

*Reforma* is also an editorial group that owns Monterrey daily *El Norte* and *Mural* in Guadalajara, both rare examples of independent media at the provincial level. All of these media outlets seem to have found a formula for survival on sales and commercial advertising. Contrary to most media in the country, government advertising is not their main source of revenue.

Some individual journalists do resist conformity. Broadcaster Carmen Aristegui, who currently presents a news program that airs on radio and cable television, is by far one of the most professional and the most influential. She has herself been at the center of controversy on several occasions, the latest example in 2012 when she broadcast a report on opposition claims that then-President Felipe Calderon was an alcoholic. Her contract with the broadcasting company MVS was terminated, arguing that she violated its code of ethics, but following pressure from intellectuals and journalists she was reinstated a few days later.

Like in much of the world, Mexico is experiencing an explosion of digital news sites and magazines. Most of them are replicating the model of traditional media, yet they struggle to survive and are dependent on government advertising. It's not rare for them to publish official news bulletins almost word-for-word, passing the bill later to a Ministry or government office.

But there are a few exceptions to the rule: websites such as *Animal Politico*, *La Silla Rota*, *Eje Central* and *Sin Embargo* have become points of reference for reliable information and examples of true critical reporting. Investigative journalism is practiced



only by a very small number of media outlets, as it is seen as expensive and time consuming. A large number of media organisations are owned by businessmen, and information is seen in many cases as a commodity to be traded.

## The rules for broadcasting

In broadcasting, big players dominate. National television mainly exists in a duopoly system in the hands of a couple of wealthy businessmen, Emilio Azcarraga Jean and Ricardo Salinas Pliego. *Televisa*, a private company that employs some 20,000 people, prints several magazines, owns a football team and manages sports programs, live entertainment and film distribution. The outlet's news programs are often the only source of information in remote areas of the country, and although there seems to be some degree of effort towards plurality, the channel is well known for its close links with the government.

Televisa's main competitor, *Television Azteca*, was originally a public broadcasting service, but was privatised and purchased in the early 1990s by Ricardo Salinas Pliego, a businessman who made his name in the electrical appliances industry. Azteca has since grown steadily, and it now also owns a football team and a bank and currently employs 15,000 people.

It isn't rare in Mexico for these kinds of businessmen to own media organisations; media outlets are often used as a tool to expand other businesses and to win political power and influence.

Sebastian Aguirre from Article 19 understands that media outlets are businesses with salaries to pay and expenses to cover. "Many of the media tycoons don't have a journalism background, they are businessmen", he said. "All that we ask is transparency, it doesn't matter if they have links with the government or a political party but they have to be open and transparent about it".

Roberto Rock, who currently manages digital news site *La Silla Rota* (The Broken Chair) explains that Mexico has a long authoritarian history, with media viewed as the muscle of political parties and an appendix to the government. It was a very comfortable relationship, he says, where journalists were sheltered by political power. But all of that changed during the 1980s following a huge financial crisis where there was no money to waste and the government realised it needed to talk directly to

the people instead of relying on newspapers or magazines (television was still seen as important).

Before moving to *La Silla Rota*, Rock was for many years the Director General of national newspaper *El Universal*, a daily founded in 1916. As with many other newspapers, *El Universal* once had close links with the ruling Revolutionary Institutional Party (PRI), but has since transformed itself into one of the few independent media organisations in the country.

"Mexico is a country in transition," says Rock, and the years of total government control are "long gone". But some media outlets still seem to miss the comfort of being sheltered by political power. "There is great confusion and little information, no ethical standards and no interest to push for more transparency in the ways the media receives financial support from the government".

The situation is especially grim in the provinces, where Governors traditionally exercise huge control over the media and journalists have little or no culture of independence. "Anybody who owns a media outlet knows that to be able to survive it is necessary to make alliances with the government," said Isain Mandujano, a journalist from the southern state of Chiapas who currently manages a news website called *Chiapas Paralelo* ("Parallel Chiapas"). The result of this is, in his view, "censorship, self-censorship, manipulation and distortion of information".

Mandujano founded *Chiapas Paralelo* along with his wife and a small group of friends. They claim to have refused government financial support to be able to practice independent journalism, and all have alternative sources of income, including lecturing at universities and writing for national newspapers or magazines.

They too would like to benefit from government advertising, "but not at any cost." What is needed, according to Mandujano, is a system in which the distribution of public funds is open and transparent. "Media organisations shouldn't be ashamed of telling everybody how much advertising money they are receiving".

At the federal level there is an official website where the distribution of funds for advertising is published and open to the public, but there are still millions of pesos that go unaccounted for. Media managers and owners continue to make unofficial

deals with politicians, and the impact is seen directly in the newsroom.

Sometimes the agreement is to attack the opposition and avoid publishing stories critical of the government, or vice versa. Self-censorship is usually the result and is itself an instrument of corruption – “to keep quiet to continue collecting money” in the words of Gerardo Albarrán, a former journalist and currently the director of “*Sala de prensa*” (“*Newsroom*”), an independent project that promotes freedom of expression and ethical journalism.

## The wages of sin: Bribery and corruption in the newsroom

Journalists in Mexico are paid very low wages compared to other professions in the country. A reporter just starting in his or her career, for example, gets paid around 250 euros a month. They are rarely full time employees with medical and life insurance, paid vacations and other similar benefits. They usually work long hours and often risk their lives on dangerous assignments. In some states like Oaxaca, in the south of the country, a freelance journalist gets paid approximately 2 to 3 euros for a published article.

To make ends meet, journalists usually have to find other sources of income – in some cases by taking on another paid job, but just as often through unethical practices such as bribes, special favors such as offering employment to a relative or friend, or expensive gifts. Sometimes it involves a monthly contribution from a source, whether it be the government, drug cartels, trade unions or other sources of information.

In Mexico this practice is called “chayote” “embute” or “peine” and traditionally it was given to journalists in small brown envelopes containing cash. The amount of money varies according to the stature of the media representative – it is usually the press officer who is in charge of giving these “gifts” in exchange for the media turning a blind eye to negative reports or publishing positive information on a particular government official.

Paid journalism has become sophisticated. Journalists are appointed directly as government advisors, and those who publish columns or news websites or have radio or television programs (or even a popular Facebook or Twitter account) often receive government advertising money or a financial contribution from a government official.



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**There is great confusion ... no ethical standards and no interest to push for more transparency in the ways the media receives financial support from the government”.**

**– Roberto Rock, *La Silla Rota***

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According to Gerardo Albarrán, several journalists that he met years ago have since become political columnists or have their own websites or programs in local television channels. “I have personally seen contracts for their websites or television programs and they get paid up to 130,000 dollars for five programs”.

Journalist Andrea Merloz, who used to cover the Congress for the national newspaper *Reforma* and currently edits *La Silla Rota*, remembers that, although the political transition in the country during the 1990s may have paved the way for the diversification of media, it didn’t end the “dance of millions”.

“I reported on Congress when the PRI (Revolutionary Institutional Party) lost the elections in 2000 after more than 70 years in power. That made the competition amongst journalists a real one.” But things didn’t change much, and Members of Congress still give money to journalists and camera people in exchange for a mention in a news report or being shown on camera even for a second or two.

Roberto Rock, gets angry when people talk about the corruption of reporters. “Corruption is at a higher level where suitcases of cash, with not thousands but millions of pesos go from hand to hand”.

“A reporter gets killed or abducted and his or her family doesn’t even have food to eat,” while media managers and media owners are getting millions of cash under the table. According to him, “that is where the corruption is”.

Millions of pesos of government advertising are distributed among media outlets throughout the country every year, but that distribution of public money is not transparent and is completely discretionary. It is essentially a tool for authorities to exercise control over the media and to push a political agenda.

“Government advertising is managed as a prize or punishment,” says Isain Mandujano, a reporter from the southern state of Chiapas. “The moment a journalist starts being critical, the advertisement is withdrawn and the journalist is prosecuted, or a family member loses their job, or crimes are fabricated.”

In many states, media organisations that are critical of the government or government bodies face numerous pressures such as financial audits, police intimidation and public discrediting, but the most common strategy is still to withhold public advertising.

Journalists are often caught up in the battle for public advertising too, with some outlets such as leftist newspaper *La Jornada* still engaging in the formerly-common practice of offering commissions to journalists from advertising revenues.

Juan Balboa, one of the 150 shareholders who own *La Jornada*, explains that the statutes of the newspaper originally established that reporters were entitled to 10 percent of advertising commission but that, since the 1980s, this has changed so much that some journalists now get a commission of up to 50 percent. According to him, “there is no transparency and no accountability” – if the shareholders demand



information it is rarely provided. He laments that the newspaper has “fallen into the corrupt hands of a small group that treats information as a business”.

## Regulation of government advertising

In the words of Gerardo Albarrán, public advertising is used as a “mechanism of control for which there does not exist proper legislation, nor rules or regulations that force the government to be transparent”. No rules to force the government but also no rules to force the media, and no interest, it seems, on either side to push for this kind of legislation.

Efforts to regulate official advertising started in the 1970s but “advertising is not ruled by the law, it is ruled by the political power,” says Francisco Vidal, media academic, journalist and author of “The Fourth State” a book on media as a business. “There is no way to supervise official advertising and governments spend more than what is approved every year by the Congress”.

Overspending in public advertising seems to be a common practice. The government of former President Felipe Calderon (2006-2012) had a 200 percent excess in expenditure according to the report *Buying Compliance; Governmental Advertising and Soft Censorship in Mexico*, produced by the Center for International Media Assistance (CIMA) in cooperation with the Center for Analysis and Research FUNDAR and the Mexican office of Article 19.

At a provincial level, 25 States spent 72 percent more funds than originally allowed for in the Congress-approved budget. This is described as a “masked subsidy” by Article 19.



Current Mexican President Enrique Peña Nieto (2012-2018) promised during his electoral campaign that he would implement normative changes during his first year in office. He pledged to promote laws and legislation to regulate official advertising through constitutional reforms.

As Francisco Vidal recalls, the President and the political parties agreed to create an independent and autonomous institution run by the civil society – a body that would be in charge of the supervision of all advertising contracts between media and federal and local governments. But, he says, “the legal framework doesn’t establish public, competitive, open and transparent procedures.”

The promised new law recommends that all contracts should have to follow the principles of public service, transparency, respect to editorial freedom, promoting access to information and establishing a limit to the amount of money spent in advertising, except during emergencies such as natural disasters. It would also guarantee the right of reply. Yet at the time of writing, eighteen months had passed since the signing of the agreement and the initiative had not even been sent to the National Congress.

In an effort to improve transparency, the federal government, through the Ministry of Public Administration, also created a website with regular reports on the expenditure on advertising and social communication. The annual budget, according to the website is 4,642,805,000 Mexican pesos (approximately 275 million euros).

Yet at the same time, the current administration has shown it is more than willing to use the media for its own ends. One of the main objectives on the political agenda of President Peña Nieto was to



push for a package of controversial constitutional reforms on education, telecommunications and energy. To sell the reforms to the Mexican public, an intensive communications campaign was carefully crafted, and millions of pesos of the annual budget were poured into radio and television spots, billboards and paid journalism. This bombardment of official propaganda gave little room for diverse and critical voices to be heard. They existed, to be fair, but only occasionally and only in some media.

A week before Peña Nieto’s first State of the Nation (September 1<sup>st</sup>, 2014), an avalanche of propaganda on the most watched and listened news and entertainment programs flooded national radio and television channels. The messages highlighted the achievements of the government with a promise of prosperity. The bombardment was such that it gave no time or opportunity to the audience to be able to make a critical assessment on the government’s activities during the past year.

The Center for Analysis and Research Fundar made a legal appeal to the judiciary court arguing against this practice, which it said prevents the public from receiving useful information and inhibits the right to a diversity of opinions.

The Ministry of Public Administration website shows that President Peña Nieto spent more than four million pesos on his first year in office – one million pesos less than his predecessor President Calderon (2006-2012) but more than former President Vicente Fox (2000-2006). According to Article 19, the expenditure on official advertising has increased since December 2012, 171.44 percent and each year continues to increase by 17.4 percent.

The same kinds of problems occur at the provincial level – in the southern state of Chiapas, Governor Manuel Velasco Suarez spent in December 2012, 130 million pesos (7 million euros) on advertising, blanketing the state with pictures of himself along with slogans of prosperity and government achievements. Legal action filed by the opposition was unsuccessful, with the national electoral body admitting that there was no law in place that established a punishment or a sanction for this kind of activity.

“In not a single state in the country is there a normativity that regulates advertising expenditure. This is an old demand from different organisations – law initiatives have been waiting in a corner. Laws that regulate advertising



expenditure are a pending chapter,” said journalist and activist Rogelio Hernández.

The relationship between political power and the media in Mexico is “perverse,” in the view of Aleida Calleja, former president of the Mexican Association for Freedom of Information. “The citizens lose but the political parties don’t care because they benefit from this lack of rules, hence the inaction on ruling on the matter”.

## Blurring lines between editorial and advertising

It is not rare to observe that, on high-rating news programs on radio and television, advertorials are broadcasts as news with no clear identification and no clear warning to the audience. The old tradition of framing the advertorials on printed press and using a different font to differentiate them from news seems to have been lost.

Monitored national radio stations and television channels for several weeks for this report, we identified a series of advertorials masked as journalism. News stories on national security issues or items in the public interest were mixed with reports on a governor giving uniforms to school children or another giving other kinds of gifts to women or farmers somewhere in the country. Stories that were clearly not newsworthy were broadcast as if they were.

“There is no chance to receive impartial and balanced reporting,” says Francisco Vidal, who describes the relationship between media and the government in the country as one of “total promiscuity”. He says that the media in Mexico has a love affair with the government and this is “a requited love”.

A more critical and educated audience is seeking out information on blogs, websites, Twitter accounts and other alternative media. “The people don’t trust main stream media anymore,” says Vidal, and the reaction of the people during protests and demonstrations captures this discontent. People chant “sold media” when they see a reporter and in some occasions journalists have been physically assaulted.

## Conclusions and recommendations

The close relationship between the media and the government in Mexico is a clear and present danger to independent journalism. Although in Mexico City increasing press freedom can be observed, the media still need government support to survive, and the reality is harsher in the provinces.

Government advertising, for instance, is not something negative – it helps build a bridge between the governments and their communities and informs citizens about challenges in areas of health, education, environment, development and infrastructure. It should be a public service funded with public funds. But this seems to have been forgotten by people in power who use it in a corrupt and authoritarian manner and with impunity. The fair and transparent distribution of government advertisement through transparent rules, regulations and laws could help media survive. By offering the audience professionalism and strong, innovative content will help recover trust, and that could improve sales and advertising prospects.

Democracy is still in the making in Mexico. The notion of public accountability and the need for transparency in government is still not widely understood. Journalists have to learn that they are watchdogs; they should expose illegal practices not practice them. Sadly, recognition of conflicts of interest is not part of the media culture, and where it is understood it is consciously overlooked. Media people, particularly in the provinces, fail to recognise that close links with politicians, trade unions, or any source of information can compromise independent journalism. The same goes for accepting freebies or bribes.

At the same time salaries for journalists are low and working conditions, in most cases, are appalling. The profession brings with it inevitable risks, particularly in Mexico, amongst the more dangerous countries to be a journalist.

Professionalisation of the media is urgently needed; introduction of ethical values, editorial guidelines and self-regulation in the newsrooms is essential. Most of all, journalists should acknowledge unethical practices and be more willing to change. This is probably the biggest challenge.

Similarly, media in private ownership is no bad thing, but when business interests encourage selling information or exchanging it for government favours it is unacceptable. Unless media are willing to change, government has an obligation to regulate media and punish this practice. But this is unlikely to happen. There are existing laws which should apply, but they are not implemented or enforced.

Mexico appears to be a developed country with a robust democracy, but on closer examination

it remains a country in transition. Strengthening institutions, fighting corruption, establishing clear rules and regulations, promoting transparency and accountability, ending the culture of impunity, along with civil participation and the development of an independent media, are needed to bring about a new flourishing of democracy in the country.

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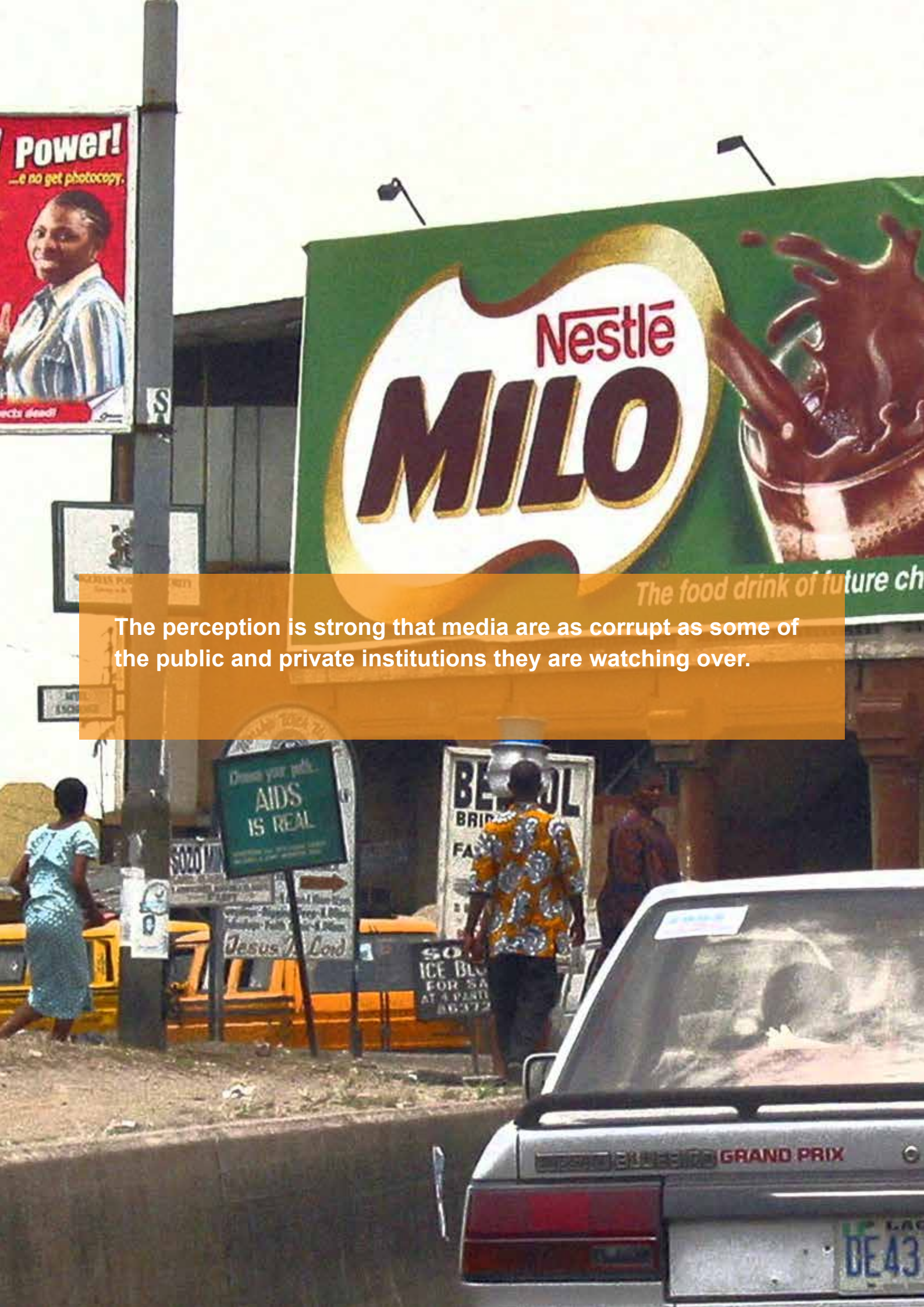
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The perception is strong that media are as corrupt as some of the public and private institutions they are watching over.

## NIGERIA

# Calls for ethical revival as corruption infects media

>> LANRE AROGUNDADE

**T**he 2011 African Media Barometer (AMB) describes Nigeria's press as very vibrant "with government-run and privately-owned media outlets vigorously trying to outrun each other for audience and advertising revenue". It says the private press is aiming to match international standards of quality of production, adding that "with the advent of democracy, journalists and citizens have also become more confident and vocal in expressing their views".

It is an optimistic view and indeed Nigerian journalism does now have extra but powerful backings for its watchdog role. The constitution obliges the media to make governance responsive and accountable to the citizens while the Freedom of Information Act (FOIA) confers on citizens, including journalists, the legally enforceable right to access information held by public authorities. These and other transparency laws, including the Public Procurement Act and the Fiscal Responsibility Act, provide legitimate instruments for the media to engage in investigative journalism.

At the same time, the phenomenal growth and increasing pluralism of Nigerian media over the past 20 years should have improved the quality of information and the ability of media to set a public agenda for accountability, transparency and good governance.

Media growth has been particularly rapid in broadcasting. From less than 50 broadcast stations (all Federal and State government owned) across the country before 1992, when the military regime of General Ibrahim Babangida, liberalised the airwaves, Nigeria now has about 200 radio and television stations, 40 of them private. But by owning up to 160 stations, the balance of broadcast power remains with Federal and State governments. Private

newspapers and magazines also flourish with more than 50 published nationally.

Overall the democratic environment is enough for media to surpass its record under military rule, yet 15 years on, some observers believe media has lost vigour and has weakened under democratic rule. The perception is strong that media are as corrupt as some of the public and private institutions they are watching over.

The often cited reason is conflict of interests within Nigerian media causing compromises that whittle down critical journalism. Among the discernible roots of the conflict are ownership issues and excessive commercialisation of news.

Media ownership in Nigeria is of two types – government (public) and private. The sole authority for issuing broadcast license remains the President, which means that licenses are usually issued to cronies of the regime.

### The power of advertising disguised as news

State broadcast media, non-commercial and originally totally funded out of state budget, was meant to serve as public service media – although that has never really been the case. Deregulation in 1992 marked the advent of news commercialisation with state media free to seek advertisement revenue.

Commercialisation is so excessive, that even the Nigerian Broadcasting Code is being violated. The code provides that "commercial in news and public affairs programme shall be clearly identified and presented in a manner that shall make them clearly distinguishable from content".



But a former Director of the National Broadcasting Commission, Dr. Tom Adaba says there is too little to distinguish between the “legitimate sales of airtime for paid messages adjacent to or within breaks in the news”; and “charging news sources for the privilege of covering and relaying their pre-paid views or messages as news”.

He says in the first case, the sponsors buy “the credibility of the newscast and newscasters to confer status by association on their company’s logo, message or product” while in the latter the broadcast station sell “cheaply the integrity of its newscast and newscasters by attesting to the “truth” of the claims of the so-called “sponsor”.

“By also charging and receiving fees by whatever name called, to cover `news’ of company annual conference meeting, weddings, funeral, chieftaincy installation, etc, stations are not only prostituting the integrity of news, they are insulting their audience and breaching the National Broadcasting Code”, Dr. Adaba charges.

Studies reveal that paid-for or commercial news is taking significant airtime in the state media. Professor, Kate Omenugha of the Nnamdi Azikiwe University in Eastern Nigeria revealed the following from a three-month study of the ratio of commercial news on the Enugu State Broadcasting Service (ESBS), Enugu State, Nigeria in 2007.

**Table 1: Commercial news stories in EBS, Enugu State Nigeria (2007)**

Month	News stories	Commercial Stories	% of commercial stories
Oct	155	62	40%
Nov	186	89	47.8%
Dec	199	101	50.6%

Professor Omenugha describes a similar trend in the print media: “In the newspapers, the so called specialised pages of the property, IT and computer businesses and finance pages are prime examples of commercialised spaces. The point is that no attempt is made to let the audience or readers know that these spaces are paid for and they end up holding them as sacred as they would news”.

For revenue drive most Nigerian newspapers have replaced traditional news pages with adverts. Previously front page news would continue on the second and third pages along other important

news items, but these pages are now usually occupied by adverts.

The most controversial phenomenon is called wrap-around, wherein the entire front and back pages of a newspaper are occupied by advert. Readers are presented with ‘false’ front/back pages dominated by product or political advertisements.

Former Editor of *Thisday* and now Publisher of the Online *Cable* newspaper, Simon Kolawole, said he initially frowned at wrap-around concept: “I initially complained about it until I saw it being used in advanced economies and well-established democracies. I simply shut up”.

The equivalent of the wrap-around in the broadcast media is called the ‘big story’ or the ‘special story’. According to Imoni Amarere, Managing Director News of the *African Independent Television* (AIT) this is when a company sponsors a particular segment of broadcast news. Such news may not be identified as sponsored but the advertising of the sponsor is normally aired at the beginning or at the end of the bulletin.

Despite reservations, editors favour wrap-around. Funmi Komolafe, Assistant Editor of *Vanguard* newspapers says though wrap-around might be “a clear case of commercial interest overriding editorial interest”, it should not be discontinued “because it earns the newspaper a lot of money which it cannot get from sales”.

Lekan Otufodunrin, Online Editor of *The Nation* describes the economic benefit as “attractive and critical to the survival of some publications”. Subject to content, a typical wrap-around attracts up to 40,000 dollars and above. Two pages of normal colour advertising cost far less.

But Amarere warns that attraction to *wrap-around* could prove fatal if examined from the perspective of a reader: “If I want to buy a newspaper and I see it wrapped around I might not be patient, complete wrap around is not a practice that they can sustain because they will lose readership”.

## Editorial independence or commercial interest?

There are darker sides to the commercial or advert over-drive, which the AMB notes is “aided in part by the tough business climate for the media in Nigeria”. The AMB states that “public officials and politicians





have found advertising to be a powerful tool in shaping the editorial content to their advantage. By either refusing or granting advertising, government officials often succeed to force the media to promote their agenda”.

Private corporations with deep pockets to pay for advertising are also emboldened to dictate editorial content. Amarere says for editors it is a matter of “making a delicate balance” between editorial independence and commercial interests.

Editors confirm pressure from advertisers. Amarere recalls the compliant by Mobil, a key advertiser and prominent oil producing company against his station.

“We revisited the Bonga oil spill of one and half years earlier and examined the failure to clean up the environment. So we did a story. Mobil does not have an office in any the oil producing areas and there was nobody to speak with us. When we called their head office in Lagos they did not respond.

“So we did a fact finding report which was critical of Mobil. They wrote that we did not give them fair hearing; the news was broadcast in July and they protested in August. But we replied saying we had tried to contact them. They later sent a release on the inaccuracies in our report and we granted them the right of reply”.

Otufodunrin tells of similar experience with Lafarge, a Cement manufacturing that advertises regularly in his newspaper: “The company was not happy about perceived negative reports of how its operations were affecting villagers; they would have preferred we didn’t publish but we gave them enough room to state their own story as generously as possible”.

Another senior editor of a private television, who prefers anonymity, says she and other reporters, were

once led by a government agency to a factory where a leading food company was allegedly repackaging expired products for sale. She says the company attempted to bribe them on the spot. As it happens, the story never saw the light of the day in most news mediums where the company happened to be major advertiser. The only station that reported the news did not even mention the concerned company’s name.

Secretary-General of the Nigeria Union of Journalists (NUJ), Leman Shuaibu attests to pressures on media to drop perceived negative stories: “What mostly happens is that when interested persons or groups try to persuade journalists to drop certain stories fail, they go round to the media managers or editors to ensure that such stories never get through. The journalists will only grumble but will never report their superiors for fear of the repercussions”.

Some editors say they adopt a softer tone in publishing critical stories about advertisers. According to General Manager of Radio 1, Lagos, Funke Treasure-Durodola “news cannot be compromised; if it is critical it has probably been covered by our competitors so why play the ostrich? Yes we will include it in our bulletin but probably give it a mild treatment”.

Other prominent forms of commercial interest in the media include public relations’ news which some believe threatens to supplant independent news reporting.

Self-censorship is also widespread. AMB notes that “faced with many threats and pressures from media owners, politicians, advertisers, and even armed groups, Nigerian journalists and editors have found safety in self-censorship”.

“Journalists are aware that running or investigating certain stories could end up in them losing their jobs. Newsrooms sometimes “kill” stories because they are sensitive to certain interests that are closely linked to the publication, such as advertisers and political ‘godfathers’ (a code word for political patrons)”.

## Sharp practice and bias that goes beyond advertising

Profit not only drives the news agenda; it wins prizes too. Analysts say that many media and journalist associations are biased in the way they confer awards on individuals and corporations.

In 2007, *Thisday* newspapers named Oceanic Bank the most improved Bank of the year; in

2009 it named Diamond Bank as the bank of the year, Erastus Akingbola, then Managing Director of Intercontinental Bank, Banker of the year and Guinness Nigeria PLC, company of the year. For 2009, it conferred awards of excellence on seven Governors as best in various categories of governance. *Vanguard* Newspaper named Intercontinental Bank, the Most Corporate Socially Responsible Bank in Nigeria for the years 2007 and 2008. All these companies are key advertisers and media sponsors.

In 2012, the National Association of Energy Correspondents (NAEC) named Chevron Nigeria Limited as the best Community Development Company of the Year. Same year, League of Airport and Aviation Correspondents (LAAC) conferred an award of excellence on the then Aviation Minister, Princess Stella Adaeze Oduah, (later sacked from the cabinet over allegations of irregular purchase of bullet proof cars) and decorated Dana Air, later involved in a crash, the Most Customer-Friendly Airline in Nigeria.

“The awards are not free, they are for money and anything that comes with a prize has implications”, says Olumide Adeyinka-Fusika, a lawyer. “If a newspaper names a bank as the best bank of the year and the bank is later indicted for corruption, that newspaper will not be willing to publish the story because that will be like passing a vote of no confidence on their own judgement”.

Oceanic and Intercontinental Banks actually collapsed following allegations of malpractices by the Central Bank of Nigeria (CBN).

The role of media owners is crucial. They have political and commercial interests and may inspire the conferment of such awards as they influence editorial decisions.

“Editorial independence from owners is difficult to obtain within the Nigerian media landscape. Most owners are also managing directors and even managing editors and so are involved in the development and implementation of editorial policies. In trying to balance editorial credibility of media houses, on the one hand, and the economic interest, and often times their personal agendas, on the other hand, media owners frequently interfere with the daily editorial decision-making process” says AMB.

Other sharp practises include the system of ‘retentions’ whereby news outlets receive regular

payment from public officials and politicians to undertake “special reporting projects.” This makes it difficult for the media to play its watchdog role over public authorities. It is common to find “Special Issues” of publications that run, cover-to-cover, sweet-worded reports on an official or particular institution. “A he-who-pays-the piper-calls-the-tune relationship has thus emerged between public authorities and the media in Nigeria”, according to AMB.

Some journalists also work as paid consultants to politicians and businesses thus threatening professionalism. AIT’s Amarere says it is demeaning to journalism as “some of the concerned journalists now work for companies through which they obtain jobs. They cover their track by saying they are staff of this or that company and run offices outside the newsroom. In this situation it is difficult to balance profession with commercial interest”.

*The Nation’s* Otufodunrin is blunt: “Journalists are not supposed to be favouring one news source above another based on their private dealings. It is unethical and makes it difficult for the readers sometimes to know if what they are reading is the fact or public relations stuff”.

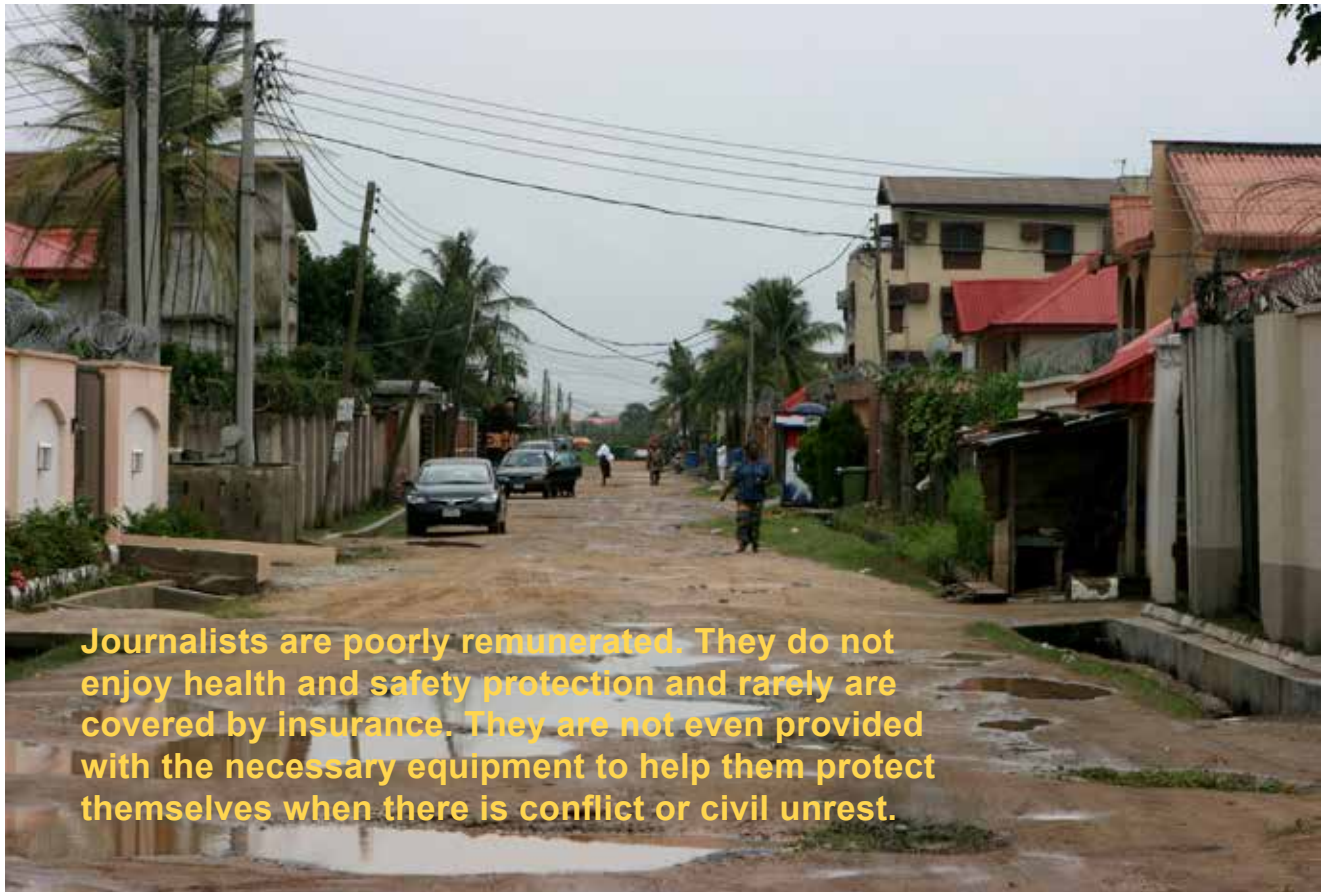
Kolawole of *Cable News* also rejects consultancy. “I support volunteer work for nonpartisan charities but anything with pecuniary benefit I oppose. This is clearly stated in our Editorial Policy”.

One suggestion from *Radio 1’s* Treasure-Durodola is that consultancy can be allowed if those concerned take leave of absence from the newsroom and *Vanguard’s* Komolafe states it could be excused if the journalists are not full time staff. But there is no middle-of-the-road for Amarere: “My view is if you want to practise PR then step out completely and if you want to be a journalist, be one, the two should not be mixed”.

Nevertheless, he criticises media managements who fail in their welfare obligations to employees. “In the past it was just a case of brown envelope, but now journalists become PR men to politicians. This is possibly because some the media outfits are also failing in the duties of ensuring proper and regular remuneration of their staff”.

## How ethical journalism suffers from low pay and exploitation

Debate over corruption in the media heats up when linked with poor working conditions. It is alleged



**Journalists are poorly remunerated. They do not enjoy health and safety protection and rarely are covered by insurance. They are not even provided with the necessary equipment to help them protect themselves when there is conflict or civil unrest.**

that some proprietors have openly wondered why any journalist would bother about salaries when they have meal tickets in the form of their identity cards; meaning that what concerns them is the stories and not how the journalists get them or how they survive.

NUJ's Shuaibu says working conditions of journalists are inadequate: "Journalists working on fulltime, and as freelancers, are poorly remunerated. They do not enjoy health and safety protection and rarely are covered by insurance. They are not even provided with the necessary equipment to help them protect themselves when there is conflict or civil unrest".

Journalists try to survive by demanding payment for stories. "They do so through blackmail and this has reached worrisome dimensions" attests Shuaibu.

Media proprietors explain that the economic climate is harsh and inflationary, increasing production cost. Poor electricity supply causes over-reliance and excessive spending on generators; imported newsprint is expensive. Proprietors want waiver on duties for newsprints and other materials arguing that media inputs

should be categorised as educational materials. They also complain that low circulation figures, partly arising from stiff online and social media competition affect their economic fortunes.

Shuaibu acknowledges the problems but says it offers no excuse because "even bigger media organisations that earn much revenue are not willing to pay salaries when they are due and some delay these meagre salaries for many months". He also says forthcoming elections are creating advert-boom. Some broadcast media charge as high as 30,000 dollars for live coverage of party campaigns and other activities.

NUJ therefore urges proprietors to pay staff reasonably competitive wages when they are due "to keep journalists on the ethical path".

But Kolawole does not agree that higher pay will automatically stop corrupt editorial practices because media also reflects wider societal corruption: "Corruption affects every facet of life in Nigeria, from the clergy to the lay. The media are corrupt too. I will not lie or pretend about that, but I see it as the Nigerian problem. No sector or segment stands out. Even NGOs and charities are involved".



Kolawole might be right, but others say the media shares much of the blame. When media scholar, Oladokun Omojola's discussed with nine Nigerian news consumers from diverse background on the relationship between media and corruption, they opined that:

- ▷ Poverty persists because of public sector corruption;
- ▷ If media performed watchdog role, corruption would not have reached current levels;
- ▷ The media fail to criticise government where they risk losing advertisements;
- ▷ As long as media favour commercialism over public interest, corruption will continue to rise.

## A search for solutions through transparency and fair dealing

Diverse solutions are being proposed to tackle hydra-headed corruption in the Nigerian media.

These include:

- ▷ **Better pay and conditions:** The need to improve journalists' welfare through decent pay and regular payment of wages. NUJ wants a Journalists' Welfare Act to criminalise non-payment of salaries. In 2012 a forum of media stakeholders convened by the International Press Centre adopted a Memorandum of Understanding on journalists' welfare.
- ▷ **A New Code of Ethics:** The NUJ is spearheading a review of the journalists' code of ethics incorporating a bill of rights and sanctions for violations.
- ▷ **Press Ombudsman:** In 2009, the Newspaper Proprietor's Association of Nigeria (NPAN) supported by Nigerian Guild of Editors established an ombudsman to adjudicate on complaints about ethical violation.
- ▷ **Strengthening the Law:** The Media Network on the Review of the 1999 Constitution requested the National Assembly to make media watchdog role legally enforceable while responsibility for issuing broadcast license should move from presidency to parliament.

Also on the agenda are demands for media owners to be more transparent by publicly declaring their political and commercial interests.



**Media houses will do well to disclose their interest... This will make it easier for journalists to decide whether they share same views and whether they can work for that organisation or not”.**

**– Leman Shuaibu, NUJ General Secretary**

Both Amarere and Otufodunrin say consumers will know where to draw the line and it will give more power. Komolafe adds that it “will enlighten the reader on the interest of the owners while the regulatory authorities will decide whether to register such a media organisation or not.”

Shuaibu, NUJ scribe says “media houses will do well to disclose their interest, both politically and otherwise. This will make it easier for journalists to decide whether they share same views and whether they can work for that organisation or not.”

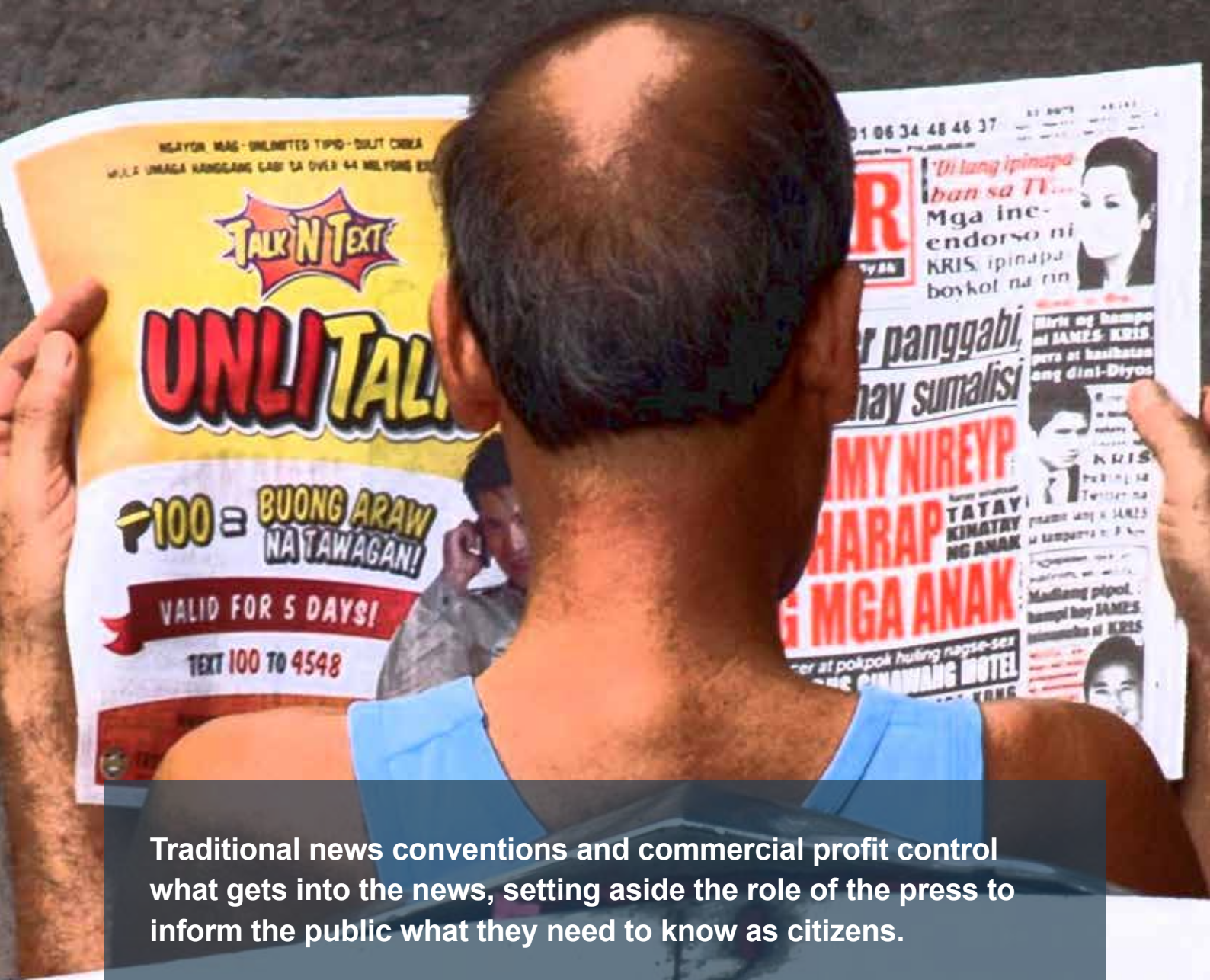
However, Kolawole believes owners' bias is already known: “We know their political interests. Nigerian media are largely owned or controlled by politicians. “Even in the history of Nigerian media, politicians, activists and nationalists were the pioneers. We knew their political interests. That didn't stop anything. More so, who can afford to set up a big media house today if not a politician or a business man or woman with strong political links? It's a tight corner”.

Kolawole urges both public support and more media more commitment to professionalism: “If millions of Nigerians buy newspapers, the working conditions will improve”. He proposes better management of advertising revenue through priority for staff welfare while “every media outfit must reorient journalists on the values and principles of their profession and apply sanctions for violations of ethics”

Otufodunrin urges journalists to be more professional and avoid self-censorship. Komolafe

seeks something stronger — a law “that could make media owners lose their license if found guilty by a court of law of influencing editorial decisions for political and commercial influence and criminalise non-payment of salaries”.

Nigerian journalism is taking up the challenge. Growing calls for more professionalism changes the mood; pointing to a future for ethical journalism.



Traditional news conventions and commercial profit control what gets into the news, setting aside the role of the press to inform the public what they need to know as citizens.



## PHILIPPINES

# How media corruption nourishes old systems of bias and control

>> MELINDA QUINTOS DE JESUS

**T**he Philippines has always had a complicated relationship with its press, going back to the country's national struggle for liberation from the colonial regime of Spain, when the media seeded the armed revolution with ideals drawn from Europe.

With the proclamation of the Philippine Republic in 1898, the Philippines became the first Asian country to win its freedom from a foreign power. The country was taken over by the United States at the end of the Spanish-American War leading to the establishment of the Philippine Commonwealth. By the time the country claimed full sovereignty in 1946 the press had assumed a strong role, independent and influential.

Filipinos enshrined the protection of press freedom in their written constitutions (1899, 1935). The present Constitution, ratified in 1987 prohibits laws that will abridge "the freedom of speech, of expression, or of the press." Privatisation of the broadcast industry has set it apart. Even with media owners holding political and business interests, the country still boasts of having the "freest" press in Asia.

Ferdinand Marcos declared Martial Law and ruled the country as a dictator, disrupting media development. But even during the period, an underground press flourished and later came out in protest against the regime. Galvanised by the assassination of opposition leader, Benigno Aquino Jr., a clutch of small publications fused the separate streams of dissident ideas into a national conversation, connecting the different communities to form the People Power uprising in 1986. The press was among the first institutions to operate in the new environment.

The free press operates with the freedom it held during the pre-Marcos era. Private media companies operate for profit. Four national newspapers (*Philippine Daily Inquirer*, *The*

*Philippine Star*, *Manila Bulletin* and *Business World*) enjoy wide circulation. Radio and television focus heavily on entertainment, but news and political talk shows feature prominently. Broadcast news personalities enjoy huge popular following. Internet and digital platforms for political information and commentary abound.

In this free market, the government may not be the strongest actor in terms of shaping the news agenda. But highly partisan politics make government officials key sources of news. Traditional news conventions and commercial profit control what gets into the news, setting aside the role of the press to inform the public what they need to know as citizens.

And yet, journalism continues to yield some quality, retaining the power to expose corruption. Reports contributed to the firing of corrupt officials, forced government agencies to investigate cases, and even brought about the impeachment of a President (2000) and a Chief Justice of the Supreme Court (2011).

This mixed performance of the press reflects weaknesses and strengths of the larger society as well as its contradictory trends. Political corruption persists, embedded in both the culture and context of business and government. It is not surprising that journalists are also enlisted to serve corrupt ends. Although no licensing system limits the print media, there are laws that restrict reporting of terrorism and rape.

The law still requires radio and television stations to secure a congressional franchise, which could imply a conflict-of-interest transaction. The commissioners of the National Telecommunications Commission are political appointees. The office is not seen as exercising power to supervise the industry, with the level of independence of the US Federal Communications Commission or Ofcom in the UK.

## Self-regulatory systems

During the Marcos period, military censorship gave way to voluntary regulatory mechanisms to observe government guidelines for the press. However, a licensing system effectively limited media ownership to the ruling family and Marcos cronies.

There are two print associations. Philippine Press Institute (PPI), a national association of newspaper/publication owners, closed itself down during the Martial Law period to avoid being co-opted by government but reorganised when the regime fell. The Publishers Association of the Philippines (PAPI) was formed to take PPI's place during the Marcos period. Some news organisations are members of both.

After 1986, the *Kapisanan ng mga Brodkaster ng Pilipinas* (KBP), the national association of broadcasters, continued the system of self-regulation, setting guidelines on its own. Unfortunately, media owners still hold vested interests which may interfere with coverage of these issues.

These press groups set up codes, guidelines and mechanisms to receive complaints: the Press Council for PPI, and the Standards Authority Board for the KBP. But neither has served adequately to address public grievance; they have only a cosmetic effect. Even journalists working on the Press Council have become disenchanted with the process. On its part, the KBP's sanctions are perceived as weak and meaningless.

One example is case in August 2010, when a disgruntled police officer took a bus hostage with 25 tourists onboard from Hong Kong and Filipino tour staff, declaring them captives in an open site at the Manila's Quirino Grandstand. He made his demands through the media and held siege for 11 hours, at the end of which eight hostages and the hostage taker were dead. The crisis strained diplomatic relations, with the officials and communities in Hong Kong demanding reparations for the victims and dismissing the formal apologies of the Philippine government.

Government investigations showed how live media coverage contributed seriously to the tension and the resulting tragedy and recommended that charges be filed against the media. The charges were abandoned after media companies marshaled prominent lawyers in their defence. After conducting its own review, the KBP sanctions on erring members were so light as to raise questions about their willingness to genuinely sanction their own.

## The business model as conflict of interest

There are presently 1,018 news organisations — print, radio and television — operating in different areas in the country. Journalism operates on different levels, but with exception of church and NGO media, most media operate as commercial enterprises, including news programmes as profit centers.

The commercialisation of the news forces journalists to work for ratings and circulation. This involves a fundamental conflict of interest and clash between profit and the objectives of news as a public service.

Newspapers now run multiple sections, with a large proportion of pages given over to topics such as lifestyle, entertainment, fashion, food and sports, youth and travel. As advertisers and media buyers demand more prime space, newspapers have yielded by creating more of these “soft sections”, thus adding to the number of “front” pages (the first page of each section) and with layouts dominated by ads. News from a traditional journalism agenda is in short supply and there is a fraction of space given over to foreign coverage.

## Conflict of interest and employment issues

Journalists and news staff often find themselves caught in a bind where unequal pay and employment conditions lead to unacceptable compromising of ethical standards. While large media companies provide mostly fair working conditions, salary differentials indicate such a huge variance between the pay of star hosts and anchors, producers, reporters and researchers. Greater importance is given to the show-business side of journalism.

At the same time most news organisations in the provinces are small commercial operations producing news weeklies or community based-radio/TV stations who would operate at a loss if they hired and paid for trained editorial staff or broadcasters. In the regions basic corporate obligations, such as insurance and other benefits to employees are ignored. It is a hard life, but this fact has not deterred the numbers of young people and others who wish to work as reporters.

Provincial weeklies are assured some form of income through the printing of judicial announcements issued by the government, decreed during the period of Martial Law as a way to gain support of the provincial press. These judicial notices or any other



official announcements are not always distributed fairly, however, and may often be made in exchange for favorable coverage of those concerned.

PPI executive director Ariel Sebellino says local government units can influence media coverage with government advertising in the provinces through “mostly judicial notices.” He adds: “there are government ads that intend ‘to bring them closer’ to local media or newspapers. And this is self-serving knowing that they want tamer coverage on them. Short of saying, (it is) PR (public relations).”

The quality of community press varies widely. There are dedicated journalists reporting on corruption in local governments, police or business operations, and they are often endangered for doing so.

When small media owners do not pay regular compensation or benefits, reporters themselves are asked to solicit advertisements from local merchants or government and are given commissions or shares of earnings from these ads. These practices give rise to conflict of interest issues and violate ethical standards. Sebellino said: “Marketing people getting commission for paid advertisements is a standard. But there lies the problem when a self-proclaimed journalist or reporter also acts a ‘solicitor’ or marketer.”

## The shadow of paid-for journalism

During the 1970s, a call for journalism in aid of development provoked heated discussions. Its legitimate progressive aspects were co-opted by governments wanting to control the press. The practice saw the wholesale and institutional re-purposing of journalism as a vehicle for state propaganda.

This also encouraged and institutionalised the practice of cash incentives or gifts given to journalists

to secure favorable coverage. The conflict of interest is obvious: a journalist who takes bribes is reporting for his personal gain. A reporter then can slant the story to favour a subject who has paid or promised payment and shares the reward with other editors.

The practice cannot be excused because of low salaries: even those who are well paid succumb to bribery. The overall lack of transparency is sinister. During the Marcos years the press openly favoured the regime. Given today’s supposedly free press system and the claim for press autonomy, “paid-for news” and political bias can be passed off and appear as legitimate stories.

There is now a rich taxonomy of media bribery and those described below are among the more colorful:

- ▷ **AC-DC (Attack-Collect-Defend-Collect):** A kind of journalism where the reporter attacks a person in order to collect money from that person’s rival or enemy. The same journalist then defends the person originally attacked, also for a fee.
- ▷ **ATM journalism:** Refers to a practice in which reporters receive discreet and regular payoffs through their ATM accounts. News sources simply deposit cash into these accounts instead of handing the money over to journalists through envelopes.
- ▷ **Blood money:** A payoff before publication to ensure that a story or a critical article is killed, or else slanted to favor whoever is paying.
- ▷ **Envelopmental journalism:** A take on “developmental journalism,” a concept which became popular during the martial law period, when the Marcos regime appropriated the term to discourage criticism. The generic term refers to various forms of corruption.
- ▷ **Intelligentsia:** A play on “intelligence” as used by police and other security forces; this is the share of journalists on the police beat of bribe or protection money given to police.

## The advertorial

The line between editorial and advertising content blurs easily on the pages of newspapers, where the content of reports may sometimes legitimately provide consumer information about new products in the market. However, the most blatant demonstration of a conflict of interest occurs when the advertising contract includes non-advertising content. The “advertorial” is presented as a report, but it is nothing but re-packaged advertising material, produced by ad companies.



The advertorial has also made its way into the community-based press as described by Sebellino: “Advertisers now want their traditional advertisements to be accompanied by articles and some of these are disguised as news. So that newspapers package these as marketing strategy to augment revenues.”

Broadcasting organisations have depended on the practice of “blocktimers” as a revenue stream. The KBP Broadcast Code defines the term as when “*natural or juridical persons... [buy] or contracts for or is given broadcast air time.*”

It applies to entertainment as well as public affairs broadcasts. The radio or television station, sells the time segment (programmes can run from one-hour or more) to a “blocktimer” who can then produce a programme independently. The station does not pay for expenses. It assures the station owner revenue for the media segment, without any marketing effort.

The blocktiming company, group or individual is free to get advertisers or not. The practice is used for political campaigns or for other forms of advocacy and it is open to any association, charities, public service NGOs, church or religious group, a government agency, political party or politician.

KBP’s power is limited to member stations. It is unable to monitor all the blocktime programmes. Media companies which are not KBP members operate with little accountability for its operations. In general the practice of blocktiming is practically unregulated.

KBP executive director Rey Hulong said the association is updating its list of blocktimers. In 2007 to 2010, KBP local chapters reported around 354 blocktimers — “at least one station with a blocktimer on the air in every major city or municipality.” The Center for Media Freedom and Responsibility (CMFR) notes that these were election years, but even so, the practice is common, with or without elections. It is increasingly seen as standard practice for the broadcast industry.

Full disclosure helps mitigate the conflict of interest. The public should know the real identities of those involved in the blocktime transactions, the source of the information and who benefits from this exposure. When a well-known professional broadcaster agrees to host a programme on behalf of an unidentified blocktimer, he or she may lend credibility to a propaganda campaign. Such programmes are launched in advance of an election, presenting a broadcaster as an independent commentator on false pretext.

The KBP and PPI issued a review of blocktiming and other forms of corruption (*In Honor of the News: Media Reexamination of the News in a Democracy*). But the practice continues and is virtually unsupervised.

## Transactions for election coverage

A publication of the PCIJ, *News for Sale* (2004), documents the wholesale transaction between political candidates and media broadcast networks to assure coverage of political candidates, arrangements apart from the placement of political ads. These commit airtime through interviews and appearances in shows and programmes of network affiliates all over the country.

“Given the power that television wields, media strategists in 2004 exerted greater effort to capture the TV audience through advertising, aggressive public relations with broadcasters, and all sorts of means—legitimate and otherwise—to sway television coverage in their favor.”

With electoral laws limiting the candidate’s spending on television advertising, such airtime expands the exposure for political candidates. The practice diminishes the role of independent journalists in determining the kind of political information the public receives during a campaign. Media marketing has taken over the function.

The Philippine Center for Investigative Journalism reported: “In the 2004 elections, as in the 1998 presidential and 2001 senatorial races, radio networks struck million-peso deals with campaign managers that allowed candidates and parties to circumvent legal limits on advertising and media exposure. These deals involved ‘commercial packages’ offered to candidates and included a guaranteed number of commercials, press releases, daily interviews, and rally coverage aired on the networks.”

Journalist sources told CMFR that such arrangements were still very much in operation during the 2010 and 2013 elections.

Some journalists are retained by political groups to produce campaign reports, without taking leave of their jobs. Political campaigns also take care of the needs of assigned reporters, including meals and other expenses.

Another issue is product endorsement by news personalities which has been prohibited by one major television network, ABS-CBN 2. But it is allowed in a rival company, GMA-7. It is not always

clear whether this system provides them with extra compensation from the advertising revenue. The practice has not been questioned by the KBP.

## **Lack of transparency: Online news and commercials**

Exchange deals, merchandise and other business services, are not all reported and the audience can be oblivious to the advertising content in these so-called news features. Exchange deals are used for employees as well as for guest entertainers or commentators who are not paid anything for their time.

These practices have also found their way online. Puff pieces on companies and their services appear as regular articles but may have been produced on the basis of an exchange.

There has been no effort to establish rules about how news services online should clarify the division between advertising and news. The dynamic character of web and social networking sites further blurs the distinction between news and advertising and the lines separating the two. Advertorial features can be found in the same space (home pages and social media timelines) as the news and other independently-produced editorial content.

“Likes”, “retweets”, “hits” and “visits” are the Internet’s currency. People who can provide these are paid for the service. In an environment where disinformation and misinformation abound, “influencers” can dictate agenda and content, and act as a media “point man” and/or “shepherds”.

## **The search for solutions**

The range of challenges and opportunities for corruption and bad practice compels the media to improve enforcement of self-regulation at industry level. However, a mix of self-interest and scant means for internal monitoring suggest that media owners are wary of exerting their power either because they do not care or are unable to enforce discipline.

PPI and KBP know that the Press Council and the Standards Authority are passive mechanisms, activated only by public complaints. According to Sebellino and Hulog, the two associations are working on a more “efficient” way of monitoring these common practices.

Although the general public is the most important stakeholder in the fight against conflicts of interest



in the press, people are often passive consumers of news. In general, the public remains uninformed about how easily and extensively the news can be manipulated. Only a small segment of the audience would be able to detect a media spin, and even fewer would know enough about an issue to check inaccuracies in a report. Even if they are aware, they do not bother to complain or express their criticism.

## **Press ombudsman?**

The creation of a national independent Press Ombudsman has never really been discussed. Ideally, this should be a mix of funding that includes contributions from the media industry as well as a government subsidy. The latter however is usually regarded as a barrier to autonomy and independence.

Yet the country’s experience with independent agencies, such as the Constitutional commissions (the Ombudsman, Civil Service Commission and the Commission on Audit) could help assess the acceptance of such an agency.

## **Media literacy training for the public**

The lack of understanding about how journalism operates and the dangers of misinformation suggest that people must learn to understand the media and the role of the press. They must appreciate why the press is protected. But there must also be appreciation for the need for media accountability.

Media literacy training can be undertaken in schools. More important, there should be training for citizens, including public officials but particularly for the public, so an audience is empowered to evaluate and criticise media practice when necessary.





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## ENER'İN BÜYÜK AŞKI

This structural reality and lack of good governance in Turkey determines how news is covered and has contributed to the atmosphere of self-censorship which dominates the landscape...

Radikal ve AKADEMİK İŞBİRLİĞİ İLE HAZIRLANDI

**KPSS**

GENEL YETENEK VE GENEL KÜLTÜR DENEME SERİLERİ

TOPLAM 120 SORU

YARIN RADİKAL'DA

İşbirliğiyle

**KPSS DENEME SINAVI**

Türkçe: 25  
Matematik: 25  
Fen ve Teknoloji: 25  
Sosyal Bilimler: 25

TOPLAM 100 SORU

16 ve 17. sayfa

# Radikal

YIL: 40 SAYI: 4245 40 YKR (KIBRIS: 1 YTL)

hafta arayla iki işçi can verince kapatılmıştı



## TURKEY

# Journalism a victim of cosy relations between politics and media

>> CEREN SÖZERI

**J**ournalism in Turkey has long suffered from a 'clientilistic' relationship between media owners and the state. The shifting ownership structure of media in the 1980s, when new investors entered the industry from other sectors, established the current 'corporate mentality,' even though the media business was not yet a profitable market.

Even today, many media cannot generate optimal advertising revenues and are therefore unable to operate in the black. As a result, many owners use their media holdings to scale up their investments in other sectors and to gain access to more public procurement. Considering the turbulence of difficult market conditions, media owners can easily pay less attention to the quality and credibility of their content.

This structural reality and lack of good governance in Turkey determines how news is covered and has contributed to the atmosphere of self-censorship which dominates the media landscape in Turkey. Examination of ownership issues and the economic strategies used to subdue the media, creates a picture that illustrates how media in Turkey have become little more than tools for business magnates to show loyalty to the government.

All of this is made worse by a corrupt system clouded by a complete lack of transparency, and an online sector following the competition for clicks down the rabbit hole of sensationalism and fluff pieces.

### Ownership, government control and self-censorship

The big media groups that dominate the information sector also invest in other areas of the economy such as energy, mining, finance and construction, and are increasingly winning important public tenders in proportion to their size.

The role of their media operations during this process cannot be underestimated, since it explains why the

media owners eager to please the government at every possible occasion. According to the Freedom of House's Special Report members of the media and the government alike describe newspapers' Ankara bureau chiefs as "lobbyists" for their companies.

The current ruling Justice and Development Party (AKP) government has used certain economic tools to subdue the media. The largest media group, The Doğan Group, for instance, was forced to downsize its media investments following colossal tax fines. The fines were reduced from 4.9 billion lira to 940 million lira through restructuring the tax debt after the group sold two significant newspapers (*Milliyet* and *Vatan*) to Demirören Group.

At the time, the Prime Minister responded to questions over the heavy tax fine by stating: "The Finance Ministry asked me about that. Would any politician confront a powerful media group just before the elections? He does after the elections." (*Hürriyet*, 2009).

Recently, the daily *Taraf* has been fined 5.5 million lira (2.6 million dollars) due to its scrap paper sales to paper mills. This is the first time a daily has been fined for this kind of activity, leading to a perception that the fine was an act of revenge for its critical coverage, especially over a corruption scandal that broke out in December 17, 2013, implicating Prime Minister Erdoğan along with his family and associates.

A spokesman for the European Commissioner for Enlargement and European Neighbourhood Policy Stefan Füle criticised the non-transparent tax implementation saying that it would damage freedom of expression (*Today's Zaman*, 2014). The Savings Deposit Insurance Fund (TMSF) has also been used to reconfigure the mainstream media in line with the ideology of the ruling party, beginning in 2002.

Firstly, the country's second biggest media group, Turkuvaz Media, was sold to Çalık Group, which has close ties to the government: in 2007, the chairman of

the board was the son-in-law of the Prime Minister. Çalık Group used credits provided by two major public banks, and recently resold another pro-government construction company which took a number of important public procurements for infrastructure projects. Then, in 2014, TMSF once again seized the media outlets of another big media group, Çukurova Group, due to public debt and eventually sold them. A businessman, Ethem Sancak, who declared himself to be “lovesick for the prime minister,” acquired a television channel and a newspaper in this transaction (*Turkish Press Review Blog*, 2014). Shortly afterwards, he won a public tender for BMC, one of the largest vehicle manufacturers in Turkey.

The other investments and business connections of media owners have also increased self-censorship in the media. The official corruption allegations were barely covered by the mainstream media, due to the owners’ dependence on the government and the mutual interests between them.

In August 2014, six people died in Siirt in the southeast of the country, after a dam reservoir was opened to let out excess water and the warning sirens were not heard by picnickers. The owner of the dam, who has close ties to the government, declared he would provide a loan of 100 million lira for the acquisition of pro-government Turkuvaz Media (Diken, 2014). As a result, these media outlets covered only one side of the story, completely ignoring any possible liability on the part of the company.

In other example, Mustafa Hoş, a former news director of *NTV*, a major news channel owned by Doğu Group, noted that their coverage of a firedamp explosion in 2009 was actively restrained following the decision of the mining company involved to transfer all of its money to the Doğu-held Garanti Bank.

A former economic and business news service director of a large newspaper stated that, today, the pages prominently cover the company news, while the economy news journalism came up with the stories on labour struggle thanks to the strong trade union movements in 1960s and 1970s in Turkey.

The issue of workplace fatalities, for instance, is one of the most prominent in the country, and was the subject of a national outcry following the May 13 deaths of more than 300 workers of Soma Holding in the worst mining disaster in Turkey’s history. The construction sector is also often criticised due to its hard and dangerous working conditions (*IPSNews*, 2014). Although at least 1,235 workers died in 2013, and in the first six months

of 2014 the number had already reached 979, work safety issues have not been adequately and promptly covered by economic and business news services of the mainstream media.

The former news director gave another example about a workplace death at a major construction company a few days after the Soma mining disaster. Reportedly, the construction company responded by calling media outlets and letting them know about their new advertising campaign. Any stories concerning the worker’s death due to negligence were called off.

News services in Turkey have lost their editorial independence says the news director. “The advertising departments decide on the contents. The advertising department director conveys the news request of the company to the boss. If it is approved, it’s sent to the news director. It is marked as ‘boss news’ to prevent removing the story by the night news team,” he added.

It is not easy to resist this kind of request any more — as another former news director Ali Topuz has pointed out, editors must reconcile their conflicting desires to maintain editorial independence and avoid becoming unemployed.

On the other hand, some journalists have benefited from these unfair economic and political privileges. “I had hated business and economic reporting because you have to be a part of the mechanism which publishes PR bulletins of the companies instead of real stories for gifts or free travel,” reporter Tuğba Tekerek posted on Twitter on 26 August 2014. The comment followed the daily *Milliyet* publishing a story on the safety of a major new tower development owned by Soma Holding less than three months after Soma mining disaster (*Milliyet*, 2014).

## Unethical journalism and dodgy advertising practice

In Turkey, advertising expenditures are about two million dollars a year as of 2013, according to the Association of Advertising Agencies (*Reklamcılar Derneği*, 2014). Considering that their ratio to GDP remains around 0.3 – 0.4%, it is clear that advertising revenues have the potential to increase further. At the same time, however, the media advertising pie is also far from large enough for everyone, and is almost entirely divided between the major media groups in all sub-sectors of the media except for cinemas and outdoor media. There is a large dispersal imbalance across the media, with the biggest share (more than 50 percent) always going to television. Due to the



Aside from regular advertising, ‘buying the page’ has become widespread, especially in industries such as banking, insurance, education, travel, automotive and fashion.

highly concentrated nature of the market, most newspapers cannot generate optimal advertising revenues and therefore operate in the red.

Another factor that prevents the equal sharing of advertising revenue is political polarisation. A few years ago, the chief editor of a pro-government media group complained about unbalanced distribution of ad revenues among outlets due to a “military tutelage effect”. In 2011, the former vice chief editor of daily *Taraf* admitted that some companies shy away from giving advertising to the paper for fear of damaging their commercial reputation. Owing to the state-centred structure of the economy, the government’s approach to the media has influenced the preference of advertisers.

Aside from the more formalised regular advertising, an informal advertising practice named ‘buying the page’ has become widespread in mainstream newspapers, especially amongst companies in industries such as banking, insurance, education, travel, automotive and fashion.

As the name suggests, the company in question buys a whole page of advertising, but without clearly indicating that it is a paid advertisement. The page is covered with related news that is approved by the advertiser to be placed next to the formal advertising of the company. This comes close to the

practice known elsewhere “paid journalism.” Private universities, for example, have often sponsored newspapers’ education supplements during university preference period. It is even claimed that a particular private university has regularly prepared the education pages of one of the big national newspapers, including the specialist’s column.

Travel stories are also sponsored by travel agencies or related companies most often. The former chief editor of the biggest daily *Hürriyet*, Ertuğrul Özkök, wrote an article series on Bhutan after his travel was supported by MNG Kargo. This is despite the fact that a few years earlier, certain *Hürriyet* columnists were criticised by the daily’s ombudsman on the grounds that they acted in commercial ads (Dördüncü Kuvvet Medya, 2013).

## Corruption allegations and a lack of transparency

Any research carried out on the political economy of the media in Turkey has always been hampered by difficulties in gaining access to data. Due to an overall lack of transparency there is often no reliable data about circulation of the newspapers or advertising revenue. Just two media groups control the entire newspaper and magazine distribution sector, excluding subscriptions. The ABC Circulation Audit Committee was established in 2005 to control information related to newspapers and magazines’ circulations, but was abolished after extensive debate on competition violation and the resignations of some media groups by its founders in 2009 (Rekabet Kurumu, 2009).

The official advertisements and announcements distributed by The Directorate General of Press Advertisement (BİK) are important sources of revenue for small, independent and local press, which are economically vulnerable vis-à-vis the existing media market structure.

It is claimed, however, that the largest share of official press advertisements distributed by BİK goes to pro-government media (T24, 2014). BİK functions as a public body with the power to prohibit any publication that it deems to have violated media ethics from receiving advertising, leading to a censorship effect amongst the print media. Local media, minority media and dissident media have had unequal access to official press advertisements, although in recent years efforts have been made to strengthen the local media through increasing their share of official advertisements. Yet the minority media still cannot equally benefit from official



advertisements despite the amendments to the BİK's regulation in 2011 (Agos, 2014).

A new radio television law (Law no. 6112) has increased transparency expectations in the broadcasting sector, following on from progress made in 2011. The law seeks to prevent any one media organisation from getting more than 30 percent of all commercial communication revenues in the market to prevent monopolisation. However, the Radio Television Supreme Council (RTÜK) is yet to declare any information regarding the market share in the sector.

In 2014, a series of merger and acquisition transactions in the media – particularly the media outlets who were sold by TMSF – created new debates on the use of public funds and transparency in the media. As previously mentioned, the second largest media group was bought by pro-government Çalık Group in 2007 through credits provided by two major public banks, and last December resold to another pro-government investor.

After the acquisition, a parliamentary question by an opposition MP was rebuffed on the grounds that providing pricing and credit terms would be tantamount to revealing trade secrets (TBMM, 2008).

## Online media: the ethical cost of competition for clicks

Large media groups were also among the first investors in online media, through carrying their newspapers over to the internet as early as 1996. Online-only news outlets did begin to emerge after this, however. The internet penetration in the country is about 48 percent as of 2013, with 75.6 percent using it to access the news. According to a survey conducted by *Webrazzi* (as cited in The state of Internet in 2013 in Turkey Report) during and after the Gezi protests the proportion of the population on *Facebook* approached 90 percent, while Twitter users increased by 31.1 percent.

Social media were critical of the delivery of information during the protests, with mainstream news channels famously preferring to broadcast documentaries about penguins, which became a symbol for protesters to remind people of the self-censorship climate in Turkey. Mainstream media websites are still the most popular online news sources; however, according to the statistics – as of July 2014 (IAB, 2014), the daily *Hürriyet* has 8.7 million real users and *Habertürk* 4.6 million.

All players in online news media have applied an advertising-based business model because the provision of free content online has made it difficult

for newspaper publishers to monetise digital news. In 2013, internet advertising revenues in Turkey were 538 million dollars, or 20 percent of total revenues. Considering that, as in many other countries, the big share goes to international giants such as *Google*, *Facebook*, *Yahoo* and *MSN*, the online news media is still far from becoming a place to compete with television or newspapers.

The cost of clickthrough rate competition and pressures of speed and time is a sacrifice of quality of online content. Whilst one study showed that there are more female news directors in online media than the traditional media in Turkey, women are still confined to headlines as sex objects, victims or instrumental (visual) objects, in addition to photo galleries consisting mostly of female celebrities. Female journalists are often forced to take part in this kind of discrimination as well: a web editor in the mainstream media argues that severe competition, that is the 'click war' between news sites, results in the compromising of ethical standards. Soft news (e.g. celebrity news or 'sexy' content with photos) is preferred over hard news by news directors.

"Recently, we had to place the hacked photos of some Hollywood celebrities," the editor said. "Despite our objections that even many tabloids in other countries avoided using them, we do and it's disgraceful. However, they asserted to publish them by saying these photos broke out in social media".

## Conclusion and recommendations

After the third coup-d'état in 1980, new investors who came from other sectors brought their 'corporate mentality' into the country's media operations and 'clientilistic' relationships between media patrons and the state increasingly became established. Today, irrational market conditions and a patronage relationship have resulted in a climate of self-censorship and unethical journalistic practices in the media.

The big media groups that dominate the sector are also heavily invested in other industries such as energy, mining, finance and construction, and are increasingly using their media holdings to influence their access to major government tenders.

The government has attempted to control the media through economic tools – since Erdoğan's consolidation of power, the media has become just another way to demonstrate faithfulness to the ruling party in order to survive and grow in all sectors of economy. Official corruption

allegations are covered to a very limited extent by the mainstream media, and media owners seem to willingly ignore the quality of contents and credibility. The quality of contents in online media is also sacrificed due to clickthrough rate competition.

To improve ethical standards in the media, more effective self-regulation should be applied and editorial independence should be preserved through journalists' willingness, along with support from readers, to engage in collective action against both the state and media owners.

A summary of proposals along these lines comes from an international report produced by the Ethical Journalism Network after a mission to Turkey in 2013. These include actions that will:

- Promote and strengthen systems of self-regulation inside media, to promote transparency and systems of good governance;
- Strengthen dialogues between traditional journalism and online media on the need for responsibility in the use of information and for ethical content across the public information space;
- Support programmes to strengthen independent professional associations of editors, owners and journalists;
- Consider how best to create independent, credible and effective national systems of self-regulation of journalism covering all platforms of media.

These will not solve the problems of corruption and governmental undue influence overnight, but actions to promote more transparency and accountability make a start by giving signposts to supporters of public interest journalism on how to put media in Turkey back on an ethical track.

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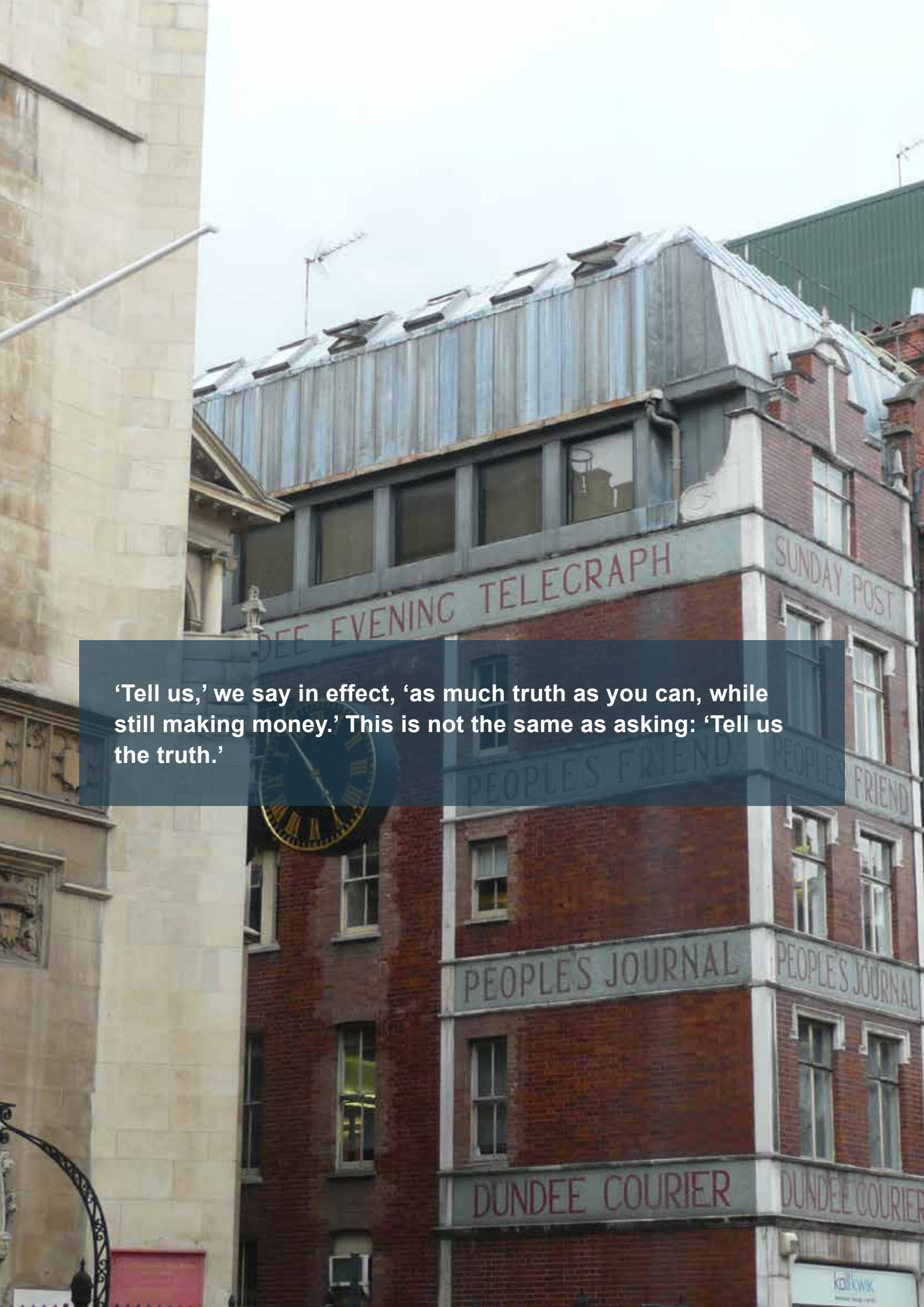
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**‘Tell us,’ we say in effect, ‘as much truth as you can, while still making money.’ This is not the same as asking: ‘Tell us the truth.’**



## UNITED KINGDOM

# The self-inflicted wounds that point to enemies within media

>> RICH PEPPIATT

**W**hen it comes to describing the state of British journalism the best description I have found comes not from Britain at all, but America, and the author George Saunders' essay *The Braindead Megaphone*.

Saunders characterises the mass media as akin to a man who arrives at a civilised dinner party carrying a megaphone, and sets about using it to dominate the conversation. He writes:

*"Megaphone guy is a storyteller, but his stories are not so good. Or rather, his stories are limited. His stories have not had time to gestate – they go out too fast and to too broad an audience."*

*"Storytelling is a language rich enterprise, but megaphone guy does not have time to generate powerful language. The best stories proceed from a mysterious truth seeking impulse that narrative has when revised extensively; they are complex and baffling and ambiguous; they tend to make us slower to act, rather than quicker. They make us more humble, cause us to empathise with people we don't know, because they help us imagine these people, and when we imagine them – if the storytelling is good enough – we imagine them as being, essentially, like us."*

*"If the story is poor, or has an agenda, if it has come out of a paucity of imagination or is rushed, we imagine these other people as essentially unlike us: unknowable, inscrutable, inconvertible."*

*"In surrendering our mass storytelling function to entities whose first priority is profit, we make a dangerous concession: 'Tell us,' we say in effect, 'as much truth as you can, while still making money.' This is not the same as asking: 'Tell us the truth.'"*

That final line strikes at the heart of the problem of conflict of interest and its impact on ethical journalism

in contemporary Britain. A commercial imperative has superseded the journalistic one, and corrupted the process of news-gathering and dissemination.

But, first let us establish what precisely we even mean by the word journalism. The dictionary definition limits itself to "the activity or profession of writing for newspapers or magazines", which is far from exhaustive. The following definition, from Professor Brian Cathcart of Kingston University, is a far more robust effort: "Journalism is an activity that is demonstrably valuable to society. It tells us what is new, important and interesting in public life, it holds authority to account, it promotes informed debate, it entertains and enlightens."

It is useful, then, to look at the characteristics of this ethical definition of journalism provided by Professor Cathcart and contrast it with today's newsroom environment.

### First, journalism tells us what is new...

A great deal of what passes as news in both print and other media in the UK is, far from being new, merely a regurgitation of other news sources. It has long been a practice among newspapers to cannibalise stories from each other (usually without attribution) when the first print editions arrive on news desks around midnight.

Now, in the digital era, individual news organisations know their ownership of a particular story will last only until the moment it is published online. It could be argued that this 'plagiarism' is a form of dishonesty/corruption or in fact just a reality of today's relentless news cycle, but what is undeniable is that the level of checks applied to scrutinise the veracity of cannibalised stories is extremely low; a story having appeared in one publication is in and of itself a verification of its truth and accuracy. The role of many journalists is changing from uncovering

something new for their audience, to re-packaging second-hand content.

One effect of this regurgitation process is that what is considered ‘newsworthy’ becomes narrow and insular, a series of pre-defined narratives and well-worn stereotypes that journalists are expected to follow, rather than challenge. Such implicit assumptions may include ‘multiculturalism is a problem’, ‘the National Health Service is inefficient’, ‘teachers are failing pupils’ and ‘Islam is dangerous’. These assumptions dictate how stories are framed, and to break away from this framework – to attempt something new – is difficult. Such work may be considered sub-standard, or poorly conceived, and fail to make it in to print.

It is also hard to deny that the increase in the instances of cannibalisation comes from commercial pressures not to be ‘left behind’ on any story, out of fear of readers taking their custom to another publication, which, particularly among mass market papers, seems to carry more currency than supplying readers with original, carefully conceived journalism.

This phenomenon has been described under the moniker of “churnalism”, by journalist Nick Davies in his book *Flat Earth News*. Whilst partly referring to journalists’ plagiarising from one another, Davies is also referring to the insidious influence of Public Relations on contemporary journalism in Britain. A study by the Media Standards Trust found that more than half of news contains some form of public relations material. Far from finding new, fresh information, journalists are increasingly turning to pre-filtered, agenda-rich sources to fill their pages.

There are now more public relations professionals in the UK than journalists, and it is a trend that is getting worse, not better. Better pay and opportunities in the public relations industry is seeing a talent drift away from journalism as a profession, which has serious implications for public accountability, but it also forges ever-closer links between the two industries.

One journalist working at a leading UK tabloid and speaking under the condition of anonymity, told me: “I probably have more friends that are PRs than are journalists – or are journalists now, at least. Obviously, you want to help them where you can by getting a mention for their clients etc. in the paper. In return, you’ll get a nice slap up dinner, a bottle of champagne or something.

“I wouldn’t say that it would stop me writing a negative story about their clients if one fell in my lap, but it’s human nature not to want to make your friend’s life harder, so that probably has some influence upon me.

“Accepting gifts in return for coverage is not something that is hidden away; it is openly discussed. In fact it’s almost a competition for who can get the best freebies. The further up the newsroom ladder you are, the better freebies you can usually get. I know editors who haven’t paid for a holiday in years.”

This account certainly mirrors my own experience of working at the tabloid end of the newspaper market. The vast majority of the emails I received everyday were from PR companies even to build relationships based on the notion of securing positive coverage for their clients in return for gifts.

## Secondly, journalism holds power to account...

with the exception of the *Guardian*, which is managed by the Scott Trust, Britain’s national press is proprietorially owned – 70 percent or so by politically conservative billionaires. Whilst journalism and journalists like to consider their profession anti-establishment, it is difficult to level this with the fact that most newspaper owners are very much part of the establishment. They have a vested interest in the status quo and in promoting – or at the very least treating uncritically – political policies which suit their business interests, and free market capitalism in general (after all, it is a system under which they are doing rather well).

Whilst much newsprint is dedicated to the money defrauded from the taxpayer by ‘benefit scroungers’, far less column inches can be found on the topic of tax avoidance by wealthy individuals and corporations. Nearly every newspaper proprietor has been accused of such practices, and it is hard not to conclude that this influences this imbalance.

It feels almost trite to say, but there is an innate conflict of interest between being a wealthy, powerful newspaper proprietor when the role of your newspaper(s) is to hold the powerful to account. The most obvious example is Rupert Murdoch, who has for decades traded business and political influence for favourable coverage.

A glance at his titles such as the *Sun* and *Times* in recent years reveals a wealth of current and former



politicians working as columnists and leader writers: former home secretary David Blunkett, former Conservative MP Louise Mensch, ex-Metropolitan police chief John Yates... the list goes on (the *Telegraph's* Barclays brothers, the *Mail's* Lord Rothermere, among others, are little better, counting London Mayor Boris Johnson and the wife of senior Tory minister Michael Gove amongst their employees).

This 'revolving door' between the upper echelons of politics, business and journalism does not suggest the holding of power to account but the subtle corruption of mutual kinship, of favours traded and bought amongst a social elite.

These men (because they're always men) own newspapers as a business – the business of making money and the business of increasing their power, and when the public interest implicit in the practice of journalism comes in to conflict with the self-interest of capitalism it is the latter which today too often prevails.

If any newspaper group embodied this problem most blatantly it would be Richard Desmond's *Northern & Shell*, publisher of titles including the *Daily Star* and *Daily Express* and owner of TV Channel 5. Television shows are frequently promoted on the front page under the guise of news stories, a type of synergistic cross-promotion that may increase the profits of

his business, but utterly degrades the practice of journalism. A current *Daily Star* journalist (whose words certainly echo my experience of working for the title) spoke to me anonymously about this self-promotion masquerading as journalism.

He said of Reality TV show *Big Brother*: "Whenever a new series is on Channel 5 it would take a new World War for that not to be splashed on the front page. It could perhaps be forgiven if it was just one day but we're talking for weeks on end, the banal behaviour of minor celebrities on a television show is treated as if it is the most important thing in the world.

"When there's nothing interesting to say about their behaviour it is basically fabricated. Who's going to complain if you own the TV show and the newspaper confecting stories about it? The losers are the journalists forced to write it and the readers being fed nonsense".

It is not just the tabloid press that allows the commercial to encroach upon the editorial. A recent report in *Private Eye* magazine recounted how a review for Hollywood movie *Despicable Me 2* was given two stars by the *Daily Telegraph* journalist tasked with watching it.

That was until the Executive Director of *Telegraph Media Group* insisted the film was given an extra star in case the scathing review jeopardised a lucrative advertising deal with the film's producers, Universal Studios. The link between advertising spend in print by large corporations and positive coverage of said corporations is increasingly pervasive across Fleet Street, and a blatant commercial corruption of journalistic integrity.

There is also the rise of the advertorial in print media. Advertisers, realising that their adverts are more effective if not recognised as adverts by consumers, have, with collusion of the commercial departments of newspapers, been allowed to place content which appears to all but the closest observer to be part of a newspaper's own editorial content.

In some instances it is even a one of the newspaper's own journalists tasked with penning the advertorial. It is a practice that demands a higher ad rate than a standard advert, and so is an attractive commercial proposition.

The practice of special sponsored supplements is also on the rise. For example, the *Telegraph* publishes a *Russia Beyond the Headlines* supplement paid for by the Government of Vladimir Putin (for a



reported 40,000 pounds an issue) and *The Times* has printed a number of supplements from the banking group Santander.

Of course, journalism does criticise powerful institutions such as big business and government, but, I would argue, this is far too often a by-product of one powerful institution flexing its muscles against another for self-interested ideological or commercial reasons. Negative coverage of, say, the BBC as bloated, left-leaning and increasingly debased fits this profile. Some of the stories may have justifiably shone a light on a public service body, but the light was primarily pointing in the BBC's direction because the likes of News International, Associated Newspapers and Northern & Shell have a commercial interest in undermining a powerful rival.

### Thirdly, journalism promotes informed debate...

In his book *The Establishment*, journalist Owen Jones quotes separate YouGov and Ipsos MORI polls which paint a startling picture of public ignorance in Britain. Amongst those surveyed, 27 percent believed social security is claimed fraudulently, whilst the true figure is 0.7 percent. They also believed 41 percent of social security goes to unemployed people, whilst the true figure is just 3 percent. The rate of teenage pregnancy in the UK was perceived to be 25 times higher than the true statistics, the proportion of the population identifying as Muslim was estimated at 24 percent when the true figure is more like 5 percent. This is just a snapshot of the types of misinformed opinions commonly held.

How, with the wealth of news platforms, is public opinion so out of step with reality? How is journalism failing so badly in its role as the great informer of the public? Perhaps because, I would argue, this vital duty to inform has been subjugated to the bottom of the priority list. In one of the opening statements of the country's Leveson Inquiry into the Culture, Practices and Ethics of the Press, Jonathan Caplin, lead counsel for Associated Newspapers (the publisher of titles such as the *Daily Mail*) inadvertently lifted the lid during his opening statement.

"Our Aim", he said, "is to entertain – to engage the reader." It is a telling choice of words. Because to entertain and to inform are not necessarily easy bedfellows. That is not to say the two cannot exist together, but it is a more time and resource intensive process to take the occasionally bland realities of life and make them sing to a reader or viewer.

Time and resources are two things today's journalist is often deprived of. Instead, the pressure to create an eye-catching story and put a sensationalist spin on the facts at hand takes precedence. The traditional divide between news and comment is a thing of the past. The journalist's job is to make the story adhere to the newspaper's view on an issue. In recent years Britain's broadly anti-European press have accused the European Union of wanting to ban kilts, curries, charity shops, the British Army and lorry drivers, to name but a few. None of these, needless to say, came to pass.

We return again to this notion of pre-defined narratives and well-worn stereotypes; to edit the facts at hand in a manner that makes immigration appear out-of-control or Islam to be eroding 'traditional' British culture or people's hard-earned taxes supporting a huge underclass of feckless scroungers enjoying a life on benefits makes, put simply, a better story.

When 'journalism as entertainment' becomes a dominant ethos, as it has across much of British journalism, the driving force is to provoke an emotion, and emotions provoked are, in this case, overwhelmingly negative: fear, anger and hatred. This is intrinsically linked to commercial pressures – in an age saturated by 'new media' in the form of video games, thousands of TV channels and fast internet connections, people have a huge amount of choice. Beside their rivals newspapers tend to look rather dull and dated.

Bigger headlines, more scandal, more intimate revelations, are all tools of trying to compete with their naturally flashier media cousins. With readers leaving in droves, editors are desperate to pander to their perceived prejudices as a means of keeping their custom. It is a desperate downward spiral.

The pervasive influence of celebrity culture in society has been exploited for commercial ends within the news industry, as a form of cheap, easily accessible filler for their pages. A study by the Media Standards Trust found that between 1979 and 2009 the percentage of print dedicated to foreign news events had declined from 20 percent to 11 percent. In the five years since then I would hazard that the situation has deteriorated even further, and that this decline is largely linked to the rise of celebrity content, once limited to a single gossip column but now often dominating the front pages.

Foreign news is the first to be pushed out to make room for the trivial, and a lack of understanding

about the world beyond our shores reinforces insular values and discourages understanding among voters. The fact is, however, that as a commercial strategy, focusing news resources on showbiz content is effective.

The *Daily Mail's* MailOnline website has established itself as the biggest news website in the world off the back of a right-hand sidebar of celebrity stories, most of them amounting to little more than 'celebrity X is pictured walking down the street', 'celebrity Y is pictured eating lunch'.

Sadly, for young reporters entering the industry, showbiz journalism is one of the few viable options available to them – hardly an arena to hone serious journalistic skills. It comes down to cold economic calculations: it is cheaper to have a reporter spend the day chained to their desk, churning out copy to write around celebrity pictures, than it is to allow them to investigate a genuine public interest story, which may take days or weeks and eventually amount to nothing.

Though it is apparent from discussions with working journalists that increased power on the commercial side of newsrooms is a troubling trend, it is difficult for reporters to push back against what many regard as a corruption of the journalistic profession. As previously mentioned, the job market is contracting, leaving many more reporters than there are jobs.

In August 2014, Northern & Shell announced plans to cull 25 percent of their editorial staff, just two years after similar cuts were imposed (and all whilst the company was boasting profits in the multi-

millions). Those reporters lucky enough to be in full-time roles are desperate to hang onto them, which naturally discourages dissent.

Many reporters who are receiving work are doing so on short-term, casual contracts that can be terminated at any time, again making speaking up an unwise career move. Compounded by the declining power of journalism unions, the commercial operation of the news business is able to dominate editorial content. This culture of silence among journalists as their profession is dismantled around them was laid bare at the Leveson Inquiry. Given a once-in-a-generation chance to speak out against the pressures heaped upon them, only a few chose to do so, and for the most part anonymously.

It is also unfair to ignore the pressure news organisations are under to survive, and this makes them increasingly susceptible to the lure of corporate money. It has been argued to me, not wholly unconvincingly, that a press in the thrall of corporate interest is better than no press at all. But a press that is financially sustainable and not a mouthpiece for big business must still be the goal of efforts for a better journalistic eco-system.

A starting point for fighting back against the intrusion of corporate influence within journalism is an ownership cap, with the 15 percent limit suggested by the Media Reform Coalition seeming a broadly sensible level. There seems only a tepid appetite among too-limited a selection of MPs to see this pass into law in the near future, but it is, in the medium term, an achievable aim.

A photograph of a public gathering in Ukraine. In the background, a man wearing a brown hat and a dark jacket holds a Ukrainian tricolor flag. To his right, a person is seen in a full-body gas mask and protective gear. In the foreground, a man with glasses is partially visible, looking towards the camera. He is holding a newspaper. A semi-transparent yellow box with white text is overlaid on the center of the image.

...with terrorists committing atrocities, taking hostages and killing civilians, and a continued Russian propaganda offensive, some regional media still publish paid materials, demonstrating complete blindness to reality, and glossing over tragic events by giving their readers a picture of a carefree life”.

## НАЦІОНАЛЬНА РЕВОЛЮЦІЯ! ДЕКІЛЬКА ВАЖЛИВИХ ПУНКТІВ

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УКРАЇНСЬКА НАЦІОНАЛЬНА РЕВОЛЮЦІЯ.  
А НЕ ПІДЛІЖИ ПРОТИРЕЖИМНИЙ РЕЗИСТАНС





## UKRAINE

# Paid journalism – fooling the people for political favours

>> LESIA GANZHA AND OLEKSII POGORELOV

**T**he number of editorial articles paid for by advertisers has been growing over the last several years in Ukrainian media. Many analysts and experts identify paid journalism as a major problem, undermining transparency, weakening public trust in journalism and compromising the hopes for a more democratic and open information landscape.

In this study, we analyse the results of monitoring, the economic situation and cause-and-effect relationships to determine what is behind the visible reality of paid journalism in Ukrainian media. We have tried to find a solution, not just to ensure the materials paid for by customers/advertisers are placed in compliance with the law, but that media maintain ethical standards to ensure readers can distinguish such paid material from genuinely independent editorial content. In particular, the aim is to stop fooling the readers.

One major concern is how paid journalism has an impact on the advertising market as well as how it affects the readers' perceptions of journalism. These issues have been tackled by some of the NGOs that monitor the placement of paid content in the media, including the Ukrainian Reform Education Center, NGO Telekritika, and the Academy of Ukrainian Press.

The criteria by which they define paid materials are almost identical (see the list below), however these criteria alone are insufficient, and qualified experts are brought in to help.

Otar Dovzhenko from NGO Telekritika, which monitors daily news on national television, says that intuition is the most important tool for recognising paid content. "Knowing the context and history, you can select the articles that are somewhat wrong," he says, "and then analyse who benefits from them".

Of course, most monitors are not just focused on paid journalism, but editorial standards in general. He adds that "in order to understand the situation with such materials at a certain point, you need to see all the results, to compare them, for example, with those of the past year, and to communicate with insiders... Although usually ... paid journalism is quite typical, and there is no need to prove anything".

However, Professor Valery Ivanov, President of the Academy of Ukrainian Press, casts doubt on this logic. He says identifying paid content and separating it from genuine editorial work is not easy. Most major television networks in Ukraine, for example, require news stories to include at least two points of view. Yet paid articles can appear standards-compliant by presenting multiple arguments but clearly showing a bias in favour of the desired one.

Similarly, regular content may appear to be paid by seeming to only show one point of view. "In a time of serious decline in advertising and almost total overload of journalists," he believes, "in addition to their often not-so-high competence, we get low quality editorial content in a lot of media."

Given the relative constancy of the composition of monitoring experts, this study considers the relative data of changes and trends highlighted by these researchers. The key trends in the distribution of paid materials by regional print and online media were described by Svetlana Eremenko, head of the monitoring project of the Ukrainian Reform Education Center (UREC). UREC experts analyze about 1000 materials monthly: 600-700 printed and about 300 online publications. Only socially important publications are evaluated; materials on other topics such as history, culture and sports are not considered.

She notes that “regional media misinform the readers by placing a large number of editorial materials with signs of political and commercial content (paid journalism). Every fifth material includes the signs that the publication was paid for by the customer. And before the parliamentary elections in 2012 this was true of about one in three materials”.

As for the media that are more likely to violate the standards, Eremenko notes that “above all (from 30 to 60 percent), paid for materials are published by municipal newspapers, indicating their dependence on the authorities.

Often there is a violation of the Journalist Code of Ethics – only 30 percent of journalists are familiar with the Code. The compliance score for journalistic standards is low: it ranges from 3.43 to 4.09 out of a possible six. The journalists best comply with the standards of ‘reliability’, ‘accuracy’, ‘promptness’. But they fail on issues such as ‘balance’, ‘separating facts from comments’ and ‘completeness of the facts’.

This situation in the regional media remained more or less stable until November 2013, with the exception of the election campaign of 2012.

## Paid journalism and the Ukrainian revolution

“Since then, however, our group of experts has been observing interesting new trends,” says Eremenko. “At first, as if by “magic” (and in fact under the influence of authorities) the regional media started to place paid articles about the signing of the Association Agreement with the European Union. Many regional paid articles were aimed at misinforming citizens about the Euromaidans protests. In January-February 2014, during the world-shaking protests, paid articles in the regional media decreased by approximately one third compared with December.”

By April 2014, in the lead-up to the country’s presidential elections, the prevalence of paid materials in the regions had increased once again, with 19.6 percent of materials showing signs of bias. “It is very sad,” says Eremenko, “that, at a time when the brutal undeclared war of Russia against Ukraine continues in the East, with terrorists committing atrocities, taking hostages and killing civilians, and a continued Russian propaganda offensive, some regional media still publish paid materials, demonstrating complete blindness to reality, and glossing over tragic events by giving their readers a picture of a carefree life”.



She makes some conclusions about the phenomenon of regional paid materials and highlights the following trends:

- Increasing manipulation of media and a large number of paid editorial journalism that violates basic standard of journalists, objectivity and balance.
- Journalists pay less attention to their social responsibility. Being accustomed to working under conditions of strict control and dependence on local authorities, regional media and journalists find it difficult to adapt to the democratic working principles.
- Editorial policies and management practices of regional media practically are not changed despite the country’s democratic aspirations. During elections, for the most part, media earned money promoting candidates and continue to misinform their readers.
- During the tragic events at Maidan, the most objective coverage of events as well as diverse and balanced information was provided by journalists in Lviv, where many publications made Maidan a top theme. In contrast, some media in Crimea, Kharkov and Donetsk launched anti-Ukrainian and anti-Maidan campaigns. In the hot months of confrontation, when many journalists risked their lives in reporting events, others spread panic, called for violence, stirred up hatred and aggression, and spoke disparagingly of the protesters.

Eremenko also reports progressive tendencies: for the first time during the 30 months of monitoring, for example, in the newspaper *Vinnicchina*, where previously experts noted up to 50 percent paid for journalism, there were no paid materials.

If war, propaganda and internal corruption were not enough to inspire a crisis, the situation is further aggravated, according to UREC experts, by the low literacy level of journalists.

## The economic realities of paid journalism

In order to analyse the causes and nature of paid journalism we talked to leading experts and observers of the Ukrainian market.

Tatiana Efimenko, Director-General of Ukraine's largest publishing house Ukrainian Media Holding (UMH) notes that "there are customers who ask not to mark promotional material in any way. They think that it will help to attract more attention from buyers."

She sees this as a huge risk for publishers and says most don't do it. "After all, there are different ways to mark the advertising material: using 'advertising' plates, highlighting certain headings as promotional, publishing the materials as non-editorial etc".

Andrey Vdovichenko, Director-General of PH Burda Ukraine agrees: "Advertisers believe this form of advertising is more interesting to the reader." And Yaroslav Sukhomlyn, publisher of Chernigov Media Group, the region's largest publishing house, puts emphasis on the importance of ethics in dealing with the problem.

He says that they are routinely saying no to advertisers looking for paid journalism without any marking. "This happens regularly, almost every week," he says. Even where the financial offer is tempting, they say no. "Our reputation is too valuable".

The prevalence of paid journalism is chiefly due to the dire economic situation faced by media, according to Professor Valery Ivanov, who notes that "it all started a long time ago, back in the late 1990s. Then paid materials not marked as advertising were an additional income for the media and journalists – they were paid for in cash, and these revenues were not subject to tax."

By the early 2000s, such publishing was paid for officially, the same as common advertising and was taxable. However, by that time, advertisers were not prepared to give it up and many recognised how competitors that continued to use this system turned out to be a success.

A second reason for the continued use of paid journalism says Ivanov is the excessive number

of media in relation to the size of the country's population: "We have too many media and advertising is not enough for such a number of media outlets. With a population of approximately 45.59 million people, more than four and half thousand print media are published in Ukraine."

The country also suffers from a small advertising market. In Poland, with a population of 38.5 million is about 20 percent less than in Ukraine, but the market of television advertising is much greater. By the end of 2012 it was third in the region after Russia and Turkey and worth around 2.07 billion dollars, compared with that of Ukraine of only 483 million dollars, more than 4 times less.

He says native advertising is actively developing around the world. "However, we have this kind of advertising 'embedded' in the content of traditional media, and in the world it is mainly a vector of development for digital media. But if you don't focus on the medium, the trends are very similar. Earlier, in my opinion, the main difference was that we did not pay taxes on these revenues. Now, in my opinion, there is no difference".

On the business side media expert Sergey Syrovatka highlights the importance of the public relations industry to the television business. He says: "It is important to distinguish between companies' attempts to promote disguised information about themselves, and information warfare, which is accompanied by mass publishing of compromised information in the media for cash."

Due to the economic crisis, he says, the demand for advertising, including the hidden advertising fell by 50-60 percent. "At the same time there is a renewed demand for paid journalism generated by the information war accompanying the corporate and political conflicts," he says.

He says society after Yanukovich is more open and such conflicts are probably a necessary evil in this transitional period. Nevertheless, the media economy is difficult and complicated by regional and political issues.

- Firstly, there is a small volume of media market and advertising, on average, covers only about 50 percent of media costs. The rest is subsidised by the owners of media groups.
- Second, large transnational companies can save on advertising costs in Ukraine where, in relative terms, the cost is several times lower than in Poland and Russia.



- ▷ Third, he says, the allocation of advertising budgets for Ukraine suffers because regional offices are often located in Moscow, and the European offices, not to mention the headquarters, are hard to reach.
- ▷ Fourth, he says new ideas to ban advertising of certain categories of goods are constantly emerging which leads to instability in the advertising market and forcing advertisers to find ways to circumvent the ban. This can be the cause of declining revenues of the media which leads to an increase in dependence on a limited number of individuals/companies and, inevitably, to a lowering of professional standards including with regard to advertising.
- ▷ Fifth, across Ukraine, he points to a systematic dependence of the media on the owners and other sponsors, the use of media as a lever of influence/pressure to reach the political and business objectives”.

Despite this there is a mood of change. Syrovatka notes that “after the Maidan the amount of paid journalism declined.” A combination of economic crisis and more responsible attitudes in media have had an impact, he says.

Yaroslav Sukhomlyn says that “more than a half of paid materials are of a political nature. Therefore, their number varies from election to election”. However, the heads of major publishing houses disagree. Tatiana Efimenko argues that “the amount of advertorial is growing. And the number of customers who are asking about placing “unmarked” materials neither grows, nor reduces”. Andrey Vdovichenko confirms that “in recent years (2010-2013) there was a strong growth in the placement of advertising materials”.

But are these materials “clear” advertorial or paid-for editorial, that is, articles paid for by a customer, and not marked as such? And how do publishers fight corruption among journalists, when some journalists are bribed to prepare and publish materials paid for by the customers.

Syrovatka says: “Editorial materials, the publication of which is officially paid for through the accounting department, prevail. And the publication of materials not marked as advertising, of course, is paid for in cash”.

Sukhomlyn responds: “Our journalists cannot publish anything for a bribe. All negotiations in such cases are held solely by a commercial service



and we visually distinguish all materials. Payment is made in the accounting department as it is for the promotional material. A journalist’s work is always paid for based on the same principle, no matter what kind of material is being prepared. After all, journalist’s work inherently must be of a high quality.”

However, he agrees that the municipal media often publish such materials, and it is possible to make an agreement with the journalists. “In these publications, I see this editorial content without any marks,” he says. “I think there are two reasons for that: the municipal newspapers don’t have an owner, who would track the cash flows and it can be cheaper to make an agreement with the journalist (editor)”.

Efimenko says that marking the different sort of content is crucial. She says: “If a journalist takes a bribe, he would never admit doing so. And the marking of content as advertising is not a strict requirement. There must be a visually clear separation of editorial content from advertising”.

## Ethical standards and the role of public censure

As in other countries, the compliance with ethical standards is relevant for Ukraine. The Journalistic Ethics Commission at our request and for this report examined the complaints received in 2013-2014 and reported the following:

“The number of complaints received by the Commission in 2013-2014 (30 complaints) does not allow a full analysis. However, we can identify some of the key trends.

- 1 Complaints from organisations claiming harassment by the media. They complain that

journalists consciously and deliberately make efforts to tarnish the reputation of the organisation.

- 2 Complaints from individuals about the infringement of individual honour and dignity. A number of individuals make charges of improper behaviour of journalists in gathering information (recording with a hidden camera, aggressiveness) and in its presentation (intentional misrepresentation, value judgments).
- 3 In 2014, complaints over hostile and prejudiced language in journalism have become more frequent. There are cases where journalists clearly show their bias in relation to the political conflict; they use unfounded accusations against politicians or colleagues; and they use hostile language towards supporters of certain political forces.

The Head of the Journalistic Ethics Commission, Vladimir Mostovoy, stressed that “the Commission does not receive complaints about paid journalism. It is very difficult to establish that a journalist received the payment for the publication of a certain material”.

There is a large variation over how outlets or individuals found to be breaching the Code of Ethics react to the remarks and conclusions of the Commission. “Some of the ‘offenders’ publish Commission’s decisions. Others publish the decision, and then publish their own commentary and interpretation, which can be much more verbose than the decision itself. But mostly there is no visible reaction.

The Commission expects that our decisions gradually influence and change the relationship of the journalists and the media, thereby increasing the quality of their work. And in many cases this is the case”.

As an experienced editor and co-owner of one of the oldest analytical papers in Ukraine, Zerkalo Nedeli, Vladimir Mostovoy commenting on the driving forces behind paid materials, said: “There is a choice between to take money and to pay journalists for their daily work. Or not to take money and just to close the newspaper”.

## Searching for solutions: Some expert opinions

We asked our experts to propose effective tools to reduce the incidence of the practice across all media.

“I do not think that there is no freedom of speech in Ukraine,” said Sergey Syrovatka. “Moreover, the range of views represented in the leading Ukrainian media is now wider and the discussions are more acute than in the media of the so-called old democracies. The risks for free speech are in the financial dependence of the media on donations from the owners of media holdings.

He says the only answer to the problem is to improve the financial condition of media, and ensure the growth of the media market. But even when conditions will improve the problem may still exist. “The supply on the paid journalism market exists not only because of the low income, but also because of greed”, he said.

Valery Ivanov says the solution is to be found by fighting on two fronts. “Firstly, by fighting against the violation of tax law. Here, in my opinion, the state should work to challenge when income is not declared. And, secondly, by insisting that media play their social role and show social responsibility.”

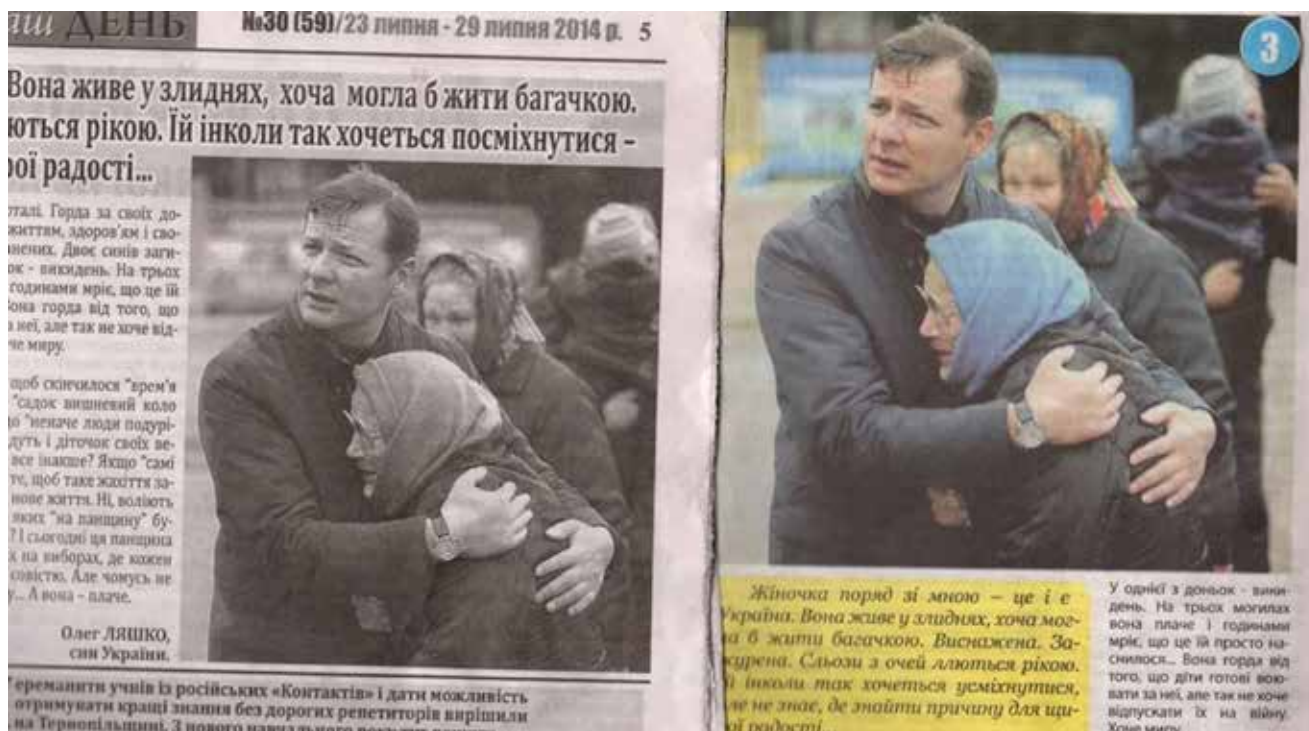
To do that, of course, media have to effectively self-regulate: to investigate and expose violations, have them dealt with by the Journalistic Ethics Commission and by doing so eliminate the practices.

“However, the most important thing in this work,” he says “is to determine what exactly are we monitoring and what are we fighting against? What material is clearly paid for, how to find it and how to influence the situation so that this practice is discontinued”.

For his part Yaroslav Sukhomlyn pleads for financial independence for media: “Newspapers should have greater independence. But this can only be achieved through the general recovery of the market. No laws will help here. Ethics is important, but I believe more in the economic influence”.

Tatiana Efimenko agrees: “The improvement of the economic situation in the country, the transition of the Ukrainian economy to a 100 percent legal sector, the increase in the purchasing power of the population – all can help in the fight against paid journalism. And, of course, the cancellation of the stupid bans on advertising, for example, of pharmaceuticals so that the publishers would stop looking for ‘loopholes’ and exist cost-effectively”.

Andrey Vdovichenko sees a role for education and training. He said: “The clarity of wording in the



## This is how paid material looks like in the municipal media

Posted on a Facebook page by Oleksa Shalayskiy on 4 August 2014 at 16:59

Law on Advertising would help. At the moment it allows the editors and advertisers to use any language, which is convenient for the consumer. But educational work with the advertisers aimed at increasing the confidence in the work of the editorial staff will help as will work to improve the professionalism of editors."

Finally Svetlana Eremenko is realistic and says that it is impossible to speak of one step or decision that will help to eliminate paid journalism.

"A comprehensive solution is needed," she said. "And it is necessary to start with the development of public information policies and programmes to protect the information environment. As we see it private media are more concerned about quality of content, and better comply with the Journalist Code of Ethics and make more efforts to maintain their credibility in the eyes of the reader. It is necessary to promote the experience of such publications as widely as possible."

She also calls for the denationalisation of the media as soon as possible. "Today in Ukraine there are 667 state and municipal publications," she said. "The maintenance of this system which annually costs millions allocated from different budgets. This

system hinders development of the media market.

"In addition, it is necessary to improve the professionalism of journalists, which for the past 10-15 years has decreased dramatically," she adds. "It is important to start with the editors and owners, forming their attitude towards the professionalism of journalists as a pledge of credibility and market value of the publication.

"Media managers need to be trained, as some of them are not familiar both with ethics and with standards. And journalists do not know the requirements of their ethics and the Law on Advertising that paid-for journalism should be marked as advertisement or advertorial."

The final call for a debate on the need for journalists to show responsibility to the community, to enhance the prestige of their work journalists and the profession, is something on which everyone might agree. It certainly is needed to shape the consciousness of the new generation of journalists now preparing to come into the profession at a time of historical change and challenge. They will make a good start if they target the elimination of the continuing corruption caused by paid-for journalism.



# CONTRIBUTORS

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**Tarek Atia** is the CEO and Founder of EMDP (Egypt Media Development Program), which offers professional development services to the Egyptian and regional media sector. EMDP is also the publisher of *Mantiqti* (My Neighborhood), Egypt's first hyper local print newspaper covering downtown Cairo. For two decades, Atia has been a journalist, trainer and online innovator.

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**Sanela Hodžić** has been involved in the numerous research projects tackling with issues such as labour relations, media freedom and economic and political pressures, hate speech, communication practices and e-governance at the level of local communities in Bosnia and Hercegovina, etc. (most of the reports available at: <http://www.media.ba/ba/o-mediacentru/publikacije>). His report was produced within Mediacentar Sarajevo.

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**Rich Peppiatt** is a journalist and filmmaker who came to prominence after publicly resigning from the tabloid *Daily Star* in 2011, citing the newspaper's Islamophobia. He subsequently gave evidence to the Leveson Inquiry into press standards in the UK, toured a comedy show about his tabloid experiences and his first feature documentary, *One Rogue Reporter*, was released in December 2014.

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