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Media Capture in Europe

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SCALE OF THE PROBLEM

The dawn had barely cracked on 19 June 2004 when all copies of *Evenimentul Zilei*, a Romanian daily newspaper with nationwide coverage, were sold out in Cluj-Napoca, Romania's second largest city with a population in excess of 320,000 inhabitants. It didn't take long for local journalists to understand why this newspaper got so popular on a lazy Saturday morning. In an attempt to kill *Evenimentul Zilei*'s unflattering story about dubious tactics planned by the ruling Social Democratic Party (PSD) to win the elections scheduled for later that year, the PSD's local branch decided to buy the newspaper's entire print-run.

Six years later, the 3,000-copy print-run of *Bihoreanul*, a local newspaper serving the county of Bihor in northwestern Romania, disappeared from newsstands in the early hours of a June Monday morning. The newspaper ran that day an article detailing a secret love story between Simona Iancu, head of the local employment office, and Mircea Matei, a bigwig in the Democratic Liberal Party (PDL) who was at the time a secretary of state in the Romanian Interior Ministry. Iancu, the article revealed, was using public funds to pay for her regular flights to Bucharest to see Matei. Thinking, somewhat naively, that their long-distance trysts would be kept out of the public eye if the newspaper disappeared, Matei bought *Bihoreanul*'s entire print-run.

Examples of companies, political parties or even individuals buying the entire print-run of a publication in an attempt to kill a story were fashionable in Romania a decade or so ago. But this is hardly an effective way to hide a story, especially in the internet era. Referring to the *Bihoreanul* episode, a party official said that buying the entire print-run of the publication was simply stupid because the newspaper can republish the article or do another print-run. Better buy the publisher or even all the publishers out there, he added, half-jokingly.

In the past decade, politicians and oligarchs have done exactly that across Eastern Europe.(1) The failed reform of the public service media coupled with unchecked concentration of media ownership inflicted much damage on journalism. Dominant media groups controlled by a handful of moguls and government-financed media channels proliferated.

But the collusion between the political class and media owners has reached unprecedented levels, leading to a phenomenon known as media capture, a situation where most or all of the news media institutions are operating as part of a government-business cartel that controls and manipulates the flow of information with the aim of protecting their unrestricted and exclusive access to public resources.

(1) We use the term "Eastern Europe" here to refer to the region of Central, Eastern and Southeastern Europe, stretching from Albania in the south to Estonia in the north and from the Czech Republic in the West to Romania and Bulgaria in the East.

Media capture: key events

The concept of media capture is relatively new in the specialist literature about media and journalism. The term “capture” is an economics term that basically defines a situation where regulators “become overly empathetic or supportive of those they are meant to be regulating,” Anya Schiffrin wrote in the introduction to one of the few books about media capture written to date.(2)

Definitions

Among various scholars and journalists attempting to define “media capture,” Alina Mungiu-Pippidi stands out. In a book written in 2013, Mungiu-Pippidi defined “media capture” as a “situation in which the media have not succeeded in becoming autonomous in manifesting a will of their own, nor able to exercise their main function, notably of informing people. Instead, they have persisted in an intermediate state, with vested interests, and not just the government, using them for other purposes.”(3)

Forms of media control or concentration of ownership have existed for decades. What fundamentally distinguishes media capture from other forms of government control of the media is the involvement of the private sector, Schiffrin wrote.

Media capture often appears as a complement to a much broader phenomenon: state capture, “a situation where powerful individuals, institutions, companies or groups within or outside a country use corruption to shape a nation’s policies, legal environment and economy to benefit their own private interests,” according to Transparency International, a global anti-corruption NGO.(4) State capture is an extreme situation of government control where public institutions including lawmaking bodies, the government, the judiciary and the country’s regulatory agencies are subject to capture. Transparency International refers to state capture as “one of the most pervasive forms of corruption.”

(2) *In the Service of Power: Media Capture and the Threat to Democracy* (ed. Anya Schiffrin), National Endowment for Democracy (NED), 2017, available online at https://www.cima.ned.org/resource/service-power-media-capture-threat-democracy/ (accessed on 15 February 2019).

(3) “Freedom without Impartiality. The vicious Circle of Media Capture’, in Gross, Peter & Jakubowicz, Karol (eds.), *Media Transformations in the Post-Communist World*, Lexington Books, UK, pp. 33-47.

(4) Maira Martini, “State capture: an overview,” Transparency International, 2014, available online at https://www.transparency.org/files/content/corruptionqas/State_capture_an_overview_2014.pdf (accessed on 18 February 2019).

Key events

It is hard, and probably futile, to establish with precision the date of media capture's birth simply because elements of media capture can be identified at many points in time throughout the past decade or more. A 2005 report studying television in Europe highlighted the threats posed by growing ownership concentration in Europe's media and politicians' increased financial support to commercial television.(5) The report found that, "the level of concentration of media ownership is higher in Western Europe than in the transition countries [of Eastern Europe]," giving the notorious example of Italian commercial broadcasting dominated in the early 2000s by Mediaset, a conglomerate run by the Milan entrepreneur and Italy's then Prime Minister Silvio Berlusconi.

But the first signs of media capture, particularly the prodigious participation of the government in the market, directly or through clusters of private owners, appeared in Eastern Europe in the late 2000s at a time when media markets worldwide were badly disrupted by new technologies and ravaged by the harsh consequences of the financial crisis. This context provided a fecund terrain for media capture because, first, the value of mainstream news outlets tumbled, making them easier purchasing targets for rich oligarchs or governments; second, the changing nature of the media gave governments carte blanche to tweak the regulatory field; and third, governments took advantage of the declining economies to boost their leverage in the media market, mostly by using state funds to finance the media.

Faced with this new series of challenges, most of the foreign media owners across Eastern Europe upped sticks and went home. That was a key media capture event that has unfolded throughout the past decade. While all countries in the region experienced an exodus of foreign media owners, countries like the Czech Republic, Slovakia and Bulgaria were particularly affected, losing most of their key foreign investors, particularly in the publishing business.

Five major foreign publishers, most of them German-owned, have departed from the Czech market alone. The year 2008 marked the exit of Verlagsgruppe Handelsblatt group, which sold the publishing house Economia to Zdenek Bakala, a coal magnate. Five years later, Rheinisch-Bergische Verlagsgesellschaft (RBVG), another German publisher, sold Mafra (publisher of two of the best-selling dailies in the country) to Andrej Babis, owner of the Agrofert manufacturing colossus who then became Prime Minister. A year later, Daniel Kretinsky, a Czech financier, bought one of the most profitable publishing businesses in the country, the Swiss-German owned Ringier Axel Springer Media.

(5) *Television across Europe: regulation, policy and independence* (eds. Marius Dragomir, Dusan Reljic, Mark Thompson), Open Society Institute, 2005, available online at https://www.opensocietyfoundations.org/sites/default/files/summary_20051011.pdf (accessed on 20 February 2019).

A total of 11 of the 17 most prominent foreign owners left the region in the past decade. Among them, Swedish-owned broadcast operator Modern Times Group (MTG) had the broadest outreach with operations in seven countries. The group left the Slovenian market in 2013, sold its broadcast operations in the Baltics four years later and agreed in the first quarter of 2019 to sell its commercial broadcaster Nova in Bulgaria, a deal that marks MTG's exit from Eastern Europe.

The exodus: departure of foreign media from Central and Eastern Europe, 2006-2018

Print media

Media group	Country of ownership	BG	CZ	EE	HU	LV	LT	PL	RO	SK	SL
WAZ		E							E		
Verlagsgruppe Passau			E					O		E	
Rheinische Post			E					E		E	
Verlagsgruppe Handelsblatt		E	E							E	
Ringier Axel Springer Media			E		O			O	E	O	
Metro International			E		E						
Bonnier		E		O		E	O	O			O
Schibsted				E			E				
Mecom							E	E			
Northcliffe International					E					E	
Styria Verlag											O

E: exited; O: still in operation

Chart: Center for Media, Data & Society (CMDS) • Created with Datawrapper

Source: Vaclav Stetka (Loughborough University), CMDS ownership database

The exodus: departure of foreign media from Central and Eastern Europe, 2006-2018

Television operators

Media group	Country of ownership	BG	CZ	EE	HU	LV	LT	PL	RO	SK	SL
MTG	🇸🇪	E	E	E	E	E	E				E
CME	🇺🇸	O	O						O	O	O
News Corp	🇺🇸	E				E		E			
RTL	🇩🇪				O						
ProSiebenSat1	🇩🇪				E				E		
Schibsted	🇳🇴			E							

E: exited; O: still in operation

Chart: Center for Media, Data & Society (CMDS) • Created with Datawrapper

Source: Vaclav Stetka (Loughborough University), CMDS ownership database

The vacuum left by foreign-owned media players was filled by a new class of media owners, predominantly domestic, closely linked with political parties or interest groups, or politicians themselves. Set up through loans from state-controlled banks or capital from unknown sources, these newly emerging media operators have expanded rapidly into dominant conglomerates with large portfolios of print titles and broadcast operations.

In Bulgaria, for example, New Bulgarian Media Group (NBMG), co-owned by the MP Delyan Peevski and his mother, has been expanded into the biggest player in the country's media market, controlling swathes of media outlets, including six newspapers and nearly 80% of the print media distribution network. In Slovakia, Penta Investments, a financial group, has taken over in the past 10 years a slew of media outlets, including print titles and websites. The company was rocked in 2012 by a corruption scandal that linked it with a coterie of politicians whom Penta Investments allegedly bribed in exchange for favors. With a few exceptions, most of the leading commercial media outlets in Hungary have been taken over by oligarchs close to Fidesz, the party chaired by the Prime Minister Viktor Orban. In the year before the latest Hungarian elections, Russmedia CEE, a notable Austrian business, sold its operations in Hungary, a total of 18 county newspapers, to a publisher close to Fidesz.(6)

(6) Justin Spike, "Fidesz-tied oligarchs now control all 18 regional daily newspapers," The Budapest Beacon, 5 August 2017, available online at https://budapestbeacon.com/fidesz-tied-oligarchs-now-control-18-regional-daily-newspapers/ (accessed on 18 February 2019).

But the most extreme case of collusion between government and business is Andrej Babis, a wealthy industrialist who has invested heavily in media during the past five years and has held the Prime Minister post in the Czech government since 2017.

One of the key foreign-owned publishers in the Balkans, WAZ Media Group of Germany, has sold most of its assets there since 2010. They included Vision Plus TV, a commercial broadcaster in Albania, sold in 2012 to its previous owners, two Tirana-Based construction tycoons; Politika, the oldest newspaper in Serbia, sold the same year to East Media Group, a Russian owned group; Dnevnik, Utrinski Vesnik and Vest, three Macedonian newspapers with a large share of the country's newspaper market, sold to Orce Kamcev, a powerful business magnate close to the then ruling VMRO DPMNE party.

Expanding beyond Europe

Media capture is hardly an eastern European product. Instances of media organizations losing their ability to operate autonomously are found almost everywhere. Thailand experienced in mid-2000s a situation where most of the media were engulfed in a web of interest groups, both political factions and businesses that denied media the ability to act independently.(7)

Much of that power was held by an interest group close to Thaksin Shinawatra, former Prime Minister of Thailand. Japan has its own capture model. In a 2012 book, Pak Hung Au and Keiichi Kawai wrote about the "symbiotic relationship between politicians and news outlets" in Japan, where journalists as a rule respond to an already set political agenda rather than shape relevant news.(8) Natalya Ryabinska in 2014 mapped the key actors in media capture in Ukraine, explaining the local conditions that made capture possible.(9) A year later, Sinaia Urrusti-Frenk touched on media capture in a book examining the political economy of Mexican media.(10) The London School of Economics (LSE) in 2017 documented cases of media capture in South Sudan, Tanzania, Bangladesh and South Africa, identifying four drivers of media capture (media capacity, socio-economic, demographic and institutional factors).(11)

(7) "Media ownership trend compromising independence of the press, experts say," IFEX, 30 September 2004, available online at https://www.ifex.org/thailand/2004/09/30/media_ownership_trend_compromising/ (accessed on 27 February 2019).

(8) Pak Hung Au, Keiichi Kawai, "Media capture and information monopolization in Japan," The Japanese Economic Review, 7 June 2011, available online at https://onlinelibrary.wiley.com/doi/full/10.1111/j.1468-5876.2011.00538.x (accessed on 26 February 2019).

(9) Natalya Ryabinska, *Ukraine's Post-Communist Mass Media. Between Capture and Commercialization*, ibidem Publishing House, 2017.

(10) Sinaia Urrusti-Frenk, *The Political Economy of Media and Violence in Mexico*, 2015, UC Berkeley, available online at https://escholarship.org/content/qt895747g1/qt895747g1.pdf (accessed on 1 March 2019).

(11) Pamela Jiménez Cárdenas, Antony Declercq, Mandy Shi Lai, Nathan Rasquinet, "The Political Economy of Media Capture," LSE, 2017, available online at https://assets.publishing.service.gov.uk/media/58d131dde5274a16e8000076/1.LSE_Capstone_Final_Report_for_DFID_WB_09Mar2017.pdf (accessed on 21 February 2019).

Even in Spain, a vibrant and diverse media market, alliances of businesses and government neutered the media's autonomy to cover relevant topics. Government control of RTVE, the country's public broadcaster, coupled with outstanding debts owed by media companies to the large banking groups in Spain, led to widespread self-censorship among journalists in the mainstream media. Writing about the state of Spanish media, the New York *Times* referred to the "formidable combination of government and financial pressures" that blunted journalists' "ability to cover any range of conflicts of interest among big business and politicians." (12)

However, in spite of this broad array of variants, media capture in its Eastern European version is probably the most stifling form of capture known to date.

Media capture trends: how it works

Besides its academic relevance, media capture is a concept that can have various practical uses. Professional and industry groups, primarily companies and investors, journalists and regulators can use the concept to develop practical measurement tools to assess the degree of control in the media as well as to find remedies.

Practical uses of the concept

First, the media capture concept can be used to design indicators that can help guide industry players, be they media companies or investors interested in funding news media operations. For existing market players, higher or increasing levels of capture can be a strong signal of market failure, prompting owners, particularly foreign ones, to make exit plans. For investors interested in entering a new market, media capture can provide a risk assessment tool to use in the due diligence process.

Secondly, journalists investigating corruption and influence peddling can use media capture as a conceptual base to identify the companies and individuals at the heart of the capture. The concept can also help journalists better plan and structure their reporting on media related issues.

(12) Raphael Minder, "Spain's News Media Are Squeezed by Government and Debt," *New York Times*, 5 November 2015, available online at https://www.nytimes.com/2015/11/06/world/europe/as-spains-media-industry-changes-rapidly-some-worry-about-objectivity.html?mcubz=0&_r=0 (accessed on 25 February 2019).

Finally, the media capture concept can (and should) be used by media regulators as a tool to assess the level of competition, unwarranted influence in public service media or illegal or non-transparent funding schemes used to finance media. Such analysis would only help regulators improve their decisions. Today, methodologies used by regulators across most of Europe are antiquated, failing to keep up with the latest technological developments and complex captured structures. These methodologies should be updated to take stock of these increasingly complex structures and assess media systems more holistically. Unfortunately, in media capture environments, regulators are not the solution, but rather part of the problem. However, less captured regulators can use the concept as a barometer to anticipate and prevent major capture threats.

Media capture: four key components

There is a difference of opinion among scholars when it comes to the scope of media capture. For Tim Besley and Andrea Prat, two scholars who write extensively on media power related topics, media capture occurs when all media are captured.(13) In contrast, two other scholars, Cristina Corduneanu-Huci and Alexander James Hamilton, suggested the existence of various levels of capture within a given environment.(14) They say, for example, that there could be situations where only one media segment (e.g. radio) is captured. Corduneanu-Huci and Hamilton's take is more useful for practitioners who want to understand how media capture occurs in real-life situations. As such, this report argues that media capture is a process with its own intensity scale consisting of higher or lower levels of control.

Ongoing research conducted in over 30 countries was used by the Center for Media, Data and Society (CMDS) to create a four-component model that can be used to identify the intensity of media capture in a given national context:

- Regulatory capture
- Control of public service media
- Use of state financing as a control tool
- Ownership takeover

(13) Timothy Besley & Andrea Prat, "Handcuffs for the Grabbing Hand? Media Capture and Government Accountability," CEPR Discussion Paper, Jan 2002, available (with subscription) at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=298049 (accessed on 24 February 2019).

(14) Cristina Corduneanu-Huci & Alexander James Hamilton, "Selective control: the political economy of censorship," The World Bank, Policy Research Working Paper Series, 2018, available online at http://documents.worldbank.org/curated/en/329391534428575999/pdf/WPS8556.pdf (accessed on 1 March 2019).

In the most extreme cases of capture, state institutions act as a private enterprise and at the same time oligarch-controlled media become an active user of public resources. Sometimes it is hard to distinguish between the two. In such an environment, it is nearly impossible for independent media to operate as their access to public resources (broadcast licenses, frequencies or state subsidies) is blocked and the market is captured by a handful of companies, a situation in which the space for fair competition is dramatically reduced and independent journalism ends up on the fringes (if it survives at all).

Regulatory capture

Regulatory capture happens when the government takes control of the regulatory process. This is usually the first step that governments take in capturing media simply because it's the easiest: regulatory bodies are in most cases subordinated to authorities, their annual reports and budgets are approved by either parliament or the government and, most importantly, people staffing their governance structures are appointed by state authorities. Members of regulatory bodies in most European countries are vastly political appointees.

There are two types of national regulators that have influence in the news media industry in Europe: broadcast and competition authorities. The former exert leverage in the media mostly through their licensing powers: television or radio broadcasters can start an operation only after broadcast regulators award them a license to operate. Broadcast regulators in the past had a major say in media affairs mostly because in the era before digitization, only a few broadcast frequencies were available. Thanks to better compression of data made possible by digitization, a frequency can now host a myriad of television channels instead of one. Thus, as broadcast frequencies have become widely available, broadcast regulators have lost in recent years much of their regulatory weight. Nevertheless, most of them began to extend their remit to the internet, which gives them renewed clout in media affairs. In 2016, for example, the Slovak broadcast regulator, the Council for Broadcasting and Retransmission (RVR), identified a total of 65 online platforms that fall under its regulatory remit, according to research from CMDS. They include (websites of) some local television channels, but also publishers and a telecommunications operator.

Other sector-related regulators, such as the frequency spectrum watchdogs (in charge of allocating frequencies that broadcasters need in order to air their programs), do not have much influence in news media. Staffed by engineers and technology experts, they perform a rather technical task. Data protection regulators are a new player in the communications regulatory mix. Almost all European countries have by now such a regulator in place, but there has been no instance where these bodies meddled with media, mostly because their remit is now limited to protecting personal data.

However, antitrust watchdogs are a major player in media regulation (as in all other economic sectors). Appointed by the government, but theoretically operating as independent institutions, these bodies are created to ensure that companies comply with rules on economic competition. Trustbusters have so far played a key role in media capture as they allowed amassment of ownership by oligarchic groups. For example, one of the most influential people in the Czech regulatory field has been Petr Rafaj, the head of the country's antitrust watchdog, the Office for Protection of Economic Competition (UOHS). Rafaj's rise to the helm of UOHS was mainly a result of his political affiliations. The UOHS approved in the past five to 10 years a raft of acquisitions that helped oligarchs cement their position on the Czech media market. *(See more about media capture in the Czech Republic in the* **Case studies** *section in this paper)*

Control of public service media

The reform of former state media into public service media has generally been a failed process across most of Eastern Europe. Governments in the region have maintained a tight grip on public service broadcasters thanks to their power to appoint the governance structures and funding of these companies. *(For a more detailed discussion of funding mechanisms, see* **Use of state financing as a control tool** *below.)*

With a few exceptions such as Czech Television (CT), which has managed to generally stave off attacks from politicians, or Slovak Television (STV), whose newscasts and journalistic investigations garnered appreciation from both the profession and its audiences in the past five years or so, the public service media in Eastern Europe have remained mere government mouthpieces.

In Hungary, for example, the public broadcaster MTVA operates as a government body rather than an independent institution. The country's Prime Minister Viktor Orban was quoted as saying that MTVA is tasked to "promote government interests."(15) Since its victory in the 2010 elections, Fidesz has reorganized the Hungarian public media by merging Hungarian Television, Hungarian Radio and MTI (the Hungarian news wire) into one state-run holding known as MTVA. By 2016, the outlet expanded to six television channels and seven radio stations, including a 24-hour all-news television channel. Across the Western Balkans, the public service media are heavily politicized bodies paid from government funds to promote state policies. In particular, BHRT, the public broadcaster in Bosnia & Herzegovina, has been ravaged by political bickering, which has often led to financial crises at the station. BHRT sank under debts of over US$ 20m in 2017.(16)

(15) Csaba Toth, "Hungary state media to replace private media as gov't mouthpiece," *The Budapest Beacon*, 6 February 2015, available online at https://budapestbeacon.com/hungary-state-media-to-replace-private-media-as-govt-mouthpiece/ (accessed on 1 March 2019).

(16) Gordana Knezevic, "Public TV Survived The War, But Can It Survive Peacetime In Bosnia?", Radio Free Europe/Radio Liberty, 10 May 2017, available online at https://www.rferl.org/a/bosnia-tv-survives-war-but-not-ethnic-politics/28477888.html (accessed on 15 March 2019).

Use of state financing as a control tool

State funding is another effective tool to control media outlets. As private news media companies have been grappling with the effects of the economic crisis, accompanied by a decline in ad spending, government financing has become a lifebuoy for many news media outlets. There are four main categories of financial strategies and tactics governments are using to control media:

- Public funding for state-administered media
- State advertising(17)
- State subsidies
- Market-disruption measures

The distinctions between the first three types of funding are often blurred, but what is common for all is that the government is the main decision-making actor responsible for dishing out public funding to media outlets. State advertising (public money used to either run social campaigns or advertise products and services offered by state-controlled companies) is plausibly “the most insidious form of government funding in the media” as governments use this tool to reward or punish media outlets, depending on how they report on the government and its allies.(18) Decisions to strip media outlets of state advertising cash often condemn media outlets, particularly smaller, independent ones, to extinction.

In Hungary, the government earmarked a total of HUF 83.2bn (€270m) for MTVA in 2019, according to Mertek, a local think tank.(19) That accounts for roughly a third of the total state expenditure on higher education. On top of that, the Hungarian government spends large amounts of money on state advertising. In 2017, the government became the largest advertising spender in the country with a budget of €32m, according to data from weCAN, a network of ad agencies operating across Central and Eastern Europe. Second came (at a distance) Telekom, a leading telecom operator, with an ad budget of roughly €15m.

(17) In some countries, it is known as “official” or “public” advertising.

(18) Marius Dragomir, “Control the money, control the media: How government uses funding to keep media in line,” Journalism, Volume 19, 2017, available online (for subscribers) at https://journals.sagepub.com/doi/abs/10.1177/1464884917724621 (accessed on 1 March 2019).

(19) “Funding for public service media in Hungary – a form of unlawful state aid?”, Mertek, 9 January 2019, available online at http://mertek.eu/en/2019/01/09/funding-for-public-service-media-in-hungary-a-form-of-unlawful-state-aid/ (accessed on 23 February 2019).

In neighboring Romania, the government doled out in 2017 a total of RON 946.2m (€208m) to TVR, the country's public broadcaster.(20) That accounted for approximately half of the total advertising market in Romania, according to data from mediaFactBook.(21) In 2017, for the first time in decades TVR was funded mainly from the state budget. The broadcaster until then received financing from the license fee, a tax that all Romanian households were legally obliged to pay.

Across the Western Balkans, the government is by far the largest spender in the media. Research from Reporters Without Borders (RSF), a Paris-based NGO, found that the Serbian state, through its ministries and state-owned enterprises, has been for years the largest advertiser in the country. The exact sum of money the Serbian government spends in the media is not known as only 20% of the funding to media outlets is awarded through a transparent, competitive process.(22)

In most of the countries in Eastern Europe, the size of public funding (either money collected through license fees or other taxes, or state subsidies and advertising) makes the government the largest funder of media. As much of this funding goes to national public media and media outlets supportive of the government and its policies, state financing badly distorts media markets, keeping investors away and helping, albeit indirectly, to bankrupt independent news media.

Ownership takeover

The takeover of commercial media is an important piece of the media capture puzzle. Control of regulators and public service media coupled with preferential allocation of state funding in the media already gives government significant leverage in the media sector. But that is not sufficient to guarantee electoral wins every four or five years. Control of private media is also needed.

(20) C. Ionescu, "TVR în 2017, primul an de finanțare de la stat: buget de 1 miliard de lei, datorii plătite de sute de milioane, an încheiat tot cu datorii. Audiențele stagnează" (TVR in 2017, the first year with financing from the state: budget of RON 1bn, unpaid debts of hundreds of millions, year ended also in debt. Audiences stagnate), HotNews.ro, 17 April 2018, available onlien at https://economie.hotnews.ro/stiri-media_publicitate-22398044-tvr-2017-primul-finantare-stat-buget-1-miliard-lei-datorii-platite-sute-milioane-ncheiat-tot-datorii-audientele-stagneaza.htm (accessed on 1 March 2019).

(21) Petrisor Obae, "Piața de publicitate din România se duce spre jumătate de miliard de euro. Cea mai mare creștere de după criză" (The advertising market in Romania goes up to half a billion euros. The biggest increase after the crisis), Paginademedia.ro, 7 June 2018, available online at https://www.paginademedia.ro/2018/06/piata-de-publicitate-din-romania-se-duce-spre-jumatate-de-miliard-de-euro-cea-mai-mare-crestere-de-dupa-criza (accessed on 1 February 2019).

(22) See more in RSF, Media Ownership Monitor at https://www.mom-rsf.org/en/countries/serbia/ (accessed on 15 March 2019), a research project funded by the German government.

Concentration of ownership has been high and on the rise in Eastern Europe for years, but the past decade has seen a new wave of ownership takeovers carried out by a newly emerged elite of oligarchs (many of whom are regular recipients of public procurement contracts) and politicians (who use the oligarchs to extend their control in the media). Hungary best illustrates this collusion. Since 2010, a total of 400 media outlets, ranging from Echo TV and Hir TV to the daily Magyar Idok to all the local newspapers in Hungary, were taken over by a group of oligarchs supportive of Prime Minister Orban and his party, Fidesz. In late 2018, they established Central European Press and Media Foundation, a media conglomerate that brought under one roof all the media outlets of the oligarchs. The merger was exempted from regulatory scrutiny following the intervention of Orban personally who says that this merger serves the public interest and thus is not subject to competition rules.(23)

Ownership takeover intensifies particularly around elections: governments and their affiliated businesses tend to boost media expenditure and more aggressively target unaligned media outlets twelve months or so before elections. During the four months before the April 2018 elections in Hungary, the government increased its ad spend by 75% compared to the same period in 2017, according to data from weCAN.

Following the wave of ownership takeovers in Eastern Europe, many good journalists quit their jobs in the captured media companies. Many left the profession altogether, but some launched their own blogs or news portals, financed either from their own pockets, by philanthropies or, in the best case scenario, by investors (as in the case of DennikN in Slovakia).

(23) Gergely Szakacs & Marton Dunai, "Hungary's Orban exempts pro-government media group from scrutiny," Reuters, 6 December 2018, available online at https://www.reuters.com/article/us-hungary-media/hungarys-orban-exempts-pro-government-media-group-from-scrutiny-idUSKBN1O51DW (accessed on 26 February 2019).

Case studies

Hungary: a textbook case

The Hungary of Viktor Orban is often cited as a classic example of media capture. Orban's plans to more tightly control the media have their roots in the early 2000s when Orban and his allies began to build a right-wing alliance whose goal was to fight and wring out the alleged "left-wing liberal bias" in the media. Media capture in Hungary was a process systematically implemented after 2010 when Fidesz won political power in a victorious election. It was a methodical process carefully and adroitly carried out by Fidesz and its oligarchs through which they gained control over regulatory authorities, public media, state funding and a vast majority of commercial media outlets.

Step 1: Regulation

As soon as it secured victory in the 2010 elections, Fidesz's first move was to adopt a new media law, which, in vague and equivocal language, required media content to be "balanced" and not to incite hatred "against any majority." The law also put forward steep fines for those who failed to comply. A new media watchdog, the Media Council, was created to implement these new rules. Its members were appointed by Parliament where Fidesz had a two-thirds majority. By securing control of regulation, access of potential new players to broadcast licenses was practically denied.

Step 2: Public media takeover

The same 2010 law created the legal framework allowing the government to merge all public media in Hungary (television, radio and news agency) into one large holding. The head of the Media Council, a political stooge, was appointed to also manage the new public media institution, MTVA. The changes were accompanied by a massive staff purge that forced out most of MTVA's critical journalists.

Step 3: Preferential media funding

The government's spending patterns in the media changed dramatically after 2010. Until then, the main beneficiaries of government advertising contracts were foreign-owned media companies, which qualified for large state advertising contracts thanks to their large audience reach. After 2010, as Hungarian owners began to take over (or influence) more media companies, state advertising spending dramatically shifted towards domestic owners, according to data from Mertek.(24)

(24) Ágnes Urbán & Gábor Győri, "State advertising 2006-2017," Mertek, 25 February 2018, available online at https://mertek.atlatszo.hu/state-advertising-2006-2017/ (accessed on 25 February 2019).

In the first five years after 2010, companies controlled by Lajos Simicska, then a close ally of Orban, were a key recipient of state ad money. As soon as more outlets were bought by oligarchs close to Orban, state ad money made its way to them, too. After TV2 was taken over from its German owners by the late Andy Vajna, a former Hollywood director who was on friendly terms with Orban, the station's income generated from state advertising increased significantly. In 2015, when Simicska's relation with Orban turned sour (over money-related disputes), the ad spend in Simicska's media companies ended abruptly. Analysis done by Mertek shows that the majority of the 20 largest state advertising recipients between 2006 and 2017 had ties to Fidesz.

Step 4: The market takeover

Once the regulatory authorities and public service media were brought into line and a system of favor-based state advertising spending was in place, Fidesz focused its entire attention on private ownership, its oligarchs gobbling up at a fast pace one media outlet after another. Many of them did so using generous loans from state-controlled banks. Vajna used such a loan in 2016 to buy TV2, the second most viewed television channel in Hungary. One year later, Mediaworks, a large newspaper publisher, was taken over by Lorinc Meszaros, another Orban supporter who knew the Prime Minister from childhood. Meszaros' media portfolio has since grown to include radio stations and the TV channel Echo TV. By 2018, the media empire linked with Fidesz included nearly 500 outlets ranging from teen magazines to television channels, according to Atlatszo, a local investigative reporting outfit. Some 60% of those outlets were newspapers.(25)

Media capture in Hungary has been accompanied by a series of attacks, mostly targeted at media that refused to fall into line. In 2014, the government adopted a new law that imposed a disproportionately high tax on the revenues generated by media outlets with a specific level of income. Miraculously, only RTL Klub, the most popular television channel in the country not yet captured, fell into that category. Because of these legal provisions, the owner of RTL Klub, the German conglomerate Bertelsmann experienced a slump in its revenues the following year. Another method used by the government to protect Fidesz's stranglehold on the media market is regulatory action. A decision of the Media Council in 2011 to oppose a planned merger between Swiss-owned Ringier and Germany's Axel Springer, two of the largest publishers on the Hungarian market, prevented the rise of a powerful competitor thatcould have changed the power dynamics in the market.

Finally, when laws and regulations are not sufficient to keep competitors at bay, downright closure of media outlets is the last resort. In 2016, Nepszabadsag, the largest opposition newspaper in Hungary, was unexpectedly suspended. The brand was later bought by Opimus, a company controlled by Meszaros.(26)

(25) Attila Batorfy, "Data visualization: this is how the pro-government media empire owning 476 outlets was formed," Atlatszo.hu, 30 November 2018, available online at https://english.atlatszo.hu/2018/11/30/data-visualization-this-is-how-the-pro-government-media-empire-owning-476-outlets-was-formed/ (accessed on 10 February 2019).

(26) Marton Dunai, "Hungary's Opimus acquires Mediaworks after disputed newspaper closure," Reuters, 25 October 2016, available online at https://www.reuters.com/article/us-hungary-newspaper-idUSKCN12P2O8 (accessed on 24 February 2019).

Case studies

Czech Republic: market first

The Czech media capture case is characterized by the rapid rise of the oligarchic groups through a wave of takeovers that helped them absorb most of the country's mainstream media. Czech oligarchs' conglomerates operate in a spate of industries ranging from manufacturing to energy to finance. The Czech case differs from the Hungarian one in two aspects. First, the oligarchic fabric is different: Hungarian oligarchs were bred by Orban whereas Czech oligarchs were "self-made," so to speak, building their business empires before they started to buy media. Second, the approach is fundamentally different: Orban first cemented his control of the state administration and regulators, and only then began the assault on private media, whereas Czech oligarchs started by taking over commercial media first and then began to penetrate the state administration.

Step 1: The market takeover

Since 2013, a group of wealthy businessmen owning multi-industry operations have taken over a high number of mainstream media. Major deals included the 2013 purchase by the manufacturing behemoth Agrofert, controlled by Babis, of Mafra, a major publisher that owns the dailies Metro, Mlada fronta Dnes and Lidove noviny; the purchase by the entrepreneur Daniel Kretinsky in 2014 of one of the most profitable publishing operations in the country, Ringier Axel Springer Media, which runs tabloid Blesk, the best-selling Czech newspaper, and a slew of magazines; and the takeover in 2014 by Penta Investments, a financial group originating in Slovakia, of the publisher Vltava-Labe-Press, formerly belonging to the German-owned Verlagsgruppe Passau.

Media capture in the Czech Republic is ongoing. Several media outlets are still outside the oligarchs' control. Oligarchs and large financial groups are said to eye TV Nova, a coveted asset of the American-owned broadcast group CME. The daily newspaper market has almost entirely been taken over: only one key newspaper, Pravo, is not yet part of an oligarchic structure.

Key influencers in the Czech media

Influence	Operator	TV	Radio	Print	Online	Annual income 2016 (CZK m)
Government	Czech TV & Czech Radio	CT (6 channels)	CRo (23 channels)	-	-	9.1
CME	TV Nova	TV Nova (7 channels)	-	-	-	4.7
Helifreak	Seznam.cz	Seznam TV	-	Pravo	Seznam.cz, Novinky.cz, Super.cz	3.7
GES	Denemo Media	Prima TV (6 channels)	Radio United Broadcasting (6 radios)	-	-	3.1
Andrej Babis	Mafra	-	Radio Impuls	Metro, Mlada fronta Dnes, Lidove noviny, Tema	iDnes.cz, Lidovky.cz, Expres.cz	2.6
Penta Investments	Vltava Labe Media	-	-	Denik	Denik.cz	1.8
Daniel Kretinsky	Czech Media Invest	-	Evropa 2, Frekvence 1, Zet	Blesk, Aha!, E15, Reflex	Blesk.cz, Zive.cz, Reflex.cz, E15.cz	1.1
Zdenek Bakala	Economia	-	-	Hospodarske noviny, Respekt, Ekonom	Aktualne.cz, Centrum.cz, Penize.cz, iHned.cz	811.0
Jaromir Soukup	Empresa Media	TV Barrandov	-	Sedmicka, Tyden, Instinkt	Tyden.cz	363.0

Source: CMDS • Created with Datawrapper

The daily newspaper market in the Czech Republic, 2013-2017

By 2017 sold circulation (number of sold copies)

Newspaper	2013	2014	2015	2016	2017	Operating company	Majority owner
Metro*	–	–	–	–	263,629	Mafra	Agrofert
Blesk	266,860	251,449	233,115	206,604	212,777	Czech News Center	Czech Media Invest (CMI)
Mlada fronta Dnes	182,683	159,790	146,201	138,747	128,269	Mafra	Agrofert
Denik	160,826	150,161	136,846	132,983	119,722	Vltava Labe Media	Penta Investments
Pravo	101,367	91,068	85,616	79,561	76,045	Borgis	Seznam, Zdenek Porybny
Aha!	62,435	60,616	56,379	50,730	46,147	Czech News Center	Czech Media Invest (CMI)
E15	53,561	53,710	53,585	38,681	39,086	Czech News Center**	Czech Media Invest (CMI)
Hospodarske noviny	36,718	34,688	32,112	30,518	33,813	Economia	Zdenek Bakala
Lidove noviny	35,082	38,946	38,213	37,194	35,193	Mafra	Agrofert

*Note: data for end of year; n/a: not available; data refer to paid circulation; *Metro is distributed free of charge; **through the merger of the company in May 2018 into Czech News Center.*

Source: ABC CR, CMDS • Get the data • Created with Datawrapper

Step 2: The political takeover

The rise of Andrej Babis to political power, which peaked in 2017 when he became Prime Minister, marked a new turn in Czech media capture. Although oligarchs always exerted significant influence over politicians, they lacked direct access to the public administration through which they can influence several media players not yet captured, particularly Czech TV, the country's public broadcaster. From government positions, oligarchs can also meddle in regulatory affairs such as licensing of broadcasters (which is the remit of the Council for Radio and Television Broadcasting (RRTV), the media watchdog) or competition-related decisions (which is handled by the antitrust watchdog, UOHS).

Step 3: Public media, next in line?

Czech TV has been praised for years as one of the few public service broadcasters in Eastern Europe that has successfully managed to withstand political attacks and pressures. As powerful oligarchs are infiltrating the state structures, the fate of Czech TV is in jeopardy. Attacks on Czech TV by commercial media or its supporters have intensified in recent years. One of Czech TV's most aggressive detractors is Jaromir Soukup who owns TV Barrandov, the youngest broadcaster on the market. A supporter of the Czech President Milos Zeman, Soukup has repeatedly criticized Czech TV for mismanaging public money, as he claims.

Babis has recently adopted a strategy of rapprochement with Czech TV, which is reportedly aimed at mollifying the station's journalists. Last February, Babis asked MPs of his party, Action of Dissatisfied Citizens (ANO), to approve the station's annual report.(27) The Communist Party of Bohemia and Moravia (KSCM) and the right-wing Freedom and Direct Democracy (SPD) both asked their MPs to reject the report. According to the law, if the annual report of Czech TV is not approved by parliament, the station's supervisory council has to be replaced. This provision has been used in the past by politicians who wanted to sack the regulator's governing body.

(27) "Babiš podržel Českou televizi. Vyzve poslance ANO, aby schválili její výroční zprávy" (Babis supported Czech Television. He invites ANO MPs to approve its annual report), Lidovky.cz, 5 February 2019, available online at https://www.lidovky.cz/domov/babis-vyzve-poslance-ano-aby-schvalili-vyrocni-zpravy-ct-a-nepripojili-se-ke-komunistum-a-spd.A190205_194119_ln_domov_ele (accessed on 4 March 2019).

Media capture: crossbreeds and inbreeds

Forms of media capture are proliferating across the world, but it is Eastern Europe where the phenomenon is having the most destructive impact on independent journalism. Worldwide, if we take out extreme political cases such as failed states or dictatorships, the two most captured media cases are arguably Turkey and Hungary. In Turkey, following a failed coup in 2016, the regime of President Recep Tayyip Erdogan and its allies have taken over almost all the media in the country. The latest major acquisition was in 2018 of the Dogan group, a media conglomerate that owns two of the country's four biggest newspapers, the leading TV channel CNN Turk and a news agency.(28) With the country's regulators and public media under its control, the Erdogan government has managed to complete the takeover of the commercial media in less than two years. In Hungary, that process took longer as the media sector sported more owners (including foreign players). *(See* **Case studies** *in this paper)*

There are clear signs of media capture in most of the countries of Central and Eastern Europe, but also at Europe's eastern periphery, particularly in Moldova, Ukraine and Georgia, where the capture has a strong Russian element (an increasing presence of Russian companies in media ownership). In Western Europe, we see media capture "variants," cases where parts of the media sector are captured by a specific industry (see the capture of Spain's media by financial groups).

On the other hand, the rise of right-wing parties in many European countries signals potential for capture in more Western democracies. In Austria, for example, the right-wing parties in power (the center-right OVP and the far-right FPO) are vying to take control of the public broadcaster, ORF, a popular media outlet that has traditionally been critical of FPO. Attacks on the public media by right-wing politicians are, in fact, intensifying in several Western European countries, including established democracies such as Denmark and Germany.

At the same time, exchanges of media capture models and practices have increased. One major trend is the cross-border expansion of the oligarchic structures, a process in which the Orban oligarchy plays a leading role. Investigations from the Organized Crime and Corruption Reporting Project (OCCRP) revealed that in the past couple of years Hungarian businessmen and companies linked to Orban have been purchasing stakes in media companies in the Balkans.

(28) "Turkish Media Group Bought by Pro-Government Conglomerate," The *New York Times*, 21 March 2018, available online at https://www.nytimes.com/2018/03/21/world/europe/turkey-media-erdogan-dogan.html (accessed on 11 March 2019).

They include NOVA24TV.si, a Slovenian outlet known for its support for the Slovenian Democratic Party of Janez Jansa, former Slovenian Prime Minister and an ally of Orban; Alfa TV, a television station in Macedonia known for its support for the country's former conservative VMRO-DPMNE party, which ruled the country for a decade until 2017 and whose former Prime Minister Nikola Gruevski is also an Orban ally.(29)

But nowhere has the Orban oligarchy invested more than in Romania, home to 1.2 million ethnic Hungarians, most of whom have been given citizenship (and thus the right to vote) by the Orban regime during the past decade. By 2016, the income of the four most popular news websites in Transylvania, the northwestern part of Romania where the Hungarian community lives, came straight from the Prime Minister's Office.(30) In 2017, a company serving Orban and his party Fidesz bought the Austrian-owned publisher Russmedia, which ran most of the local newspapers in Hungary. The deal included Russmedia's operations in Romania, newspapers in both Romanian and Hungarian languages.(31)

Another prominent oligarchic cluster dominant in the media in Eastern Europe brings together several financial groups owning swathes of businesses in various industries ranging from real estate to banking to healthcare facilities to insurance to energy. They include Penta Investments, a Slovak conglomerate that is expanding its media portfolios both at home and in the neighboring Czech Republic; J&T, a financial group directly and indirectly (via some of its former partners and lawyers) invested in the media; and PPF Media, a company controlled by a wealthy Czech entrepreneur, Petr Kellner, which has been eying media outlets across Eastern Europe (the latest was an attempt to buy TV Nova group in Bulgaria). These three players (directly or through some of their current or former partners) were reportedly planning to do a joint bid for Markiza TV, the largest commercial television station in Slovakia.(32)

(29) Maja Jovanovska, Tamas Bodoky & Aubrey Belford, "Right-Wing Hungarian Media Moves Into the Balkans," OCCRP, 9 May 2018, available online at https://www.occrp.org/en/spooksandspin/right-wing-hungarian-media-moves-into-the-balkans (accessed on 10 March 2019).

(30) Zoltan Sipos, "Fidesz has won over the Hungarian online press in Transylvania," Atlatszo.ro, 28 November 2017, available online at https://atlatszo.ro/2017/11/28/fidesz-has-won-over-the-hungarian-online-press-in-transylvania/ (accessed on 1 March 2019).

(31) Marius Dragomir, "Controlling the Message in Romania to Lock up the Election in Hungary," MediaPowerMonitor.com, 16 November 2017, available online at http://mediapowermonitor.com/content/controlling-message-romania-lock-election-hungary (accessed on 15 February 2019).

(32) "TV Markíza may be sold, Slovak and Czech oligarchs showing interest," The Slovak Spectator, 8 November 2017, available online at https://spectator.sme.sk/c/20691583/tv-markiza-may-be-sold-slovak-and-czech-oligarchs-showing-interest.html (accessed on 16 February 2019).

One of the cluster's most notable media investors is Daniel Kretinsky, a Czech lawyer and entrepreneur, formerly J&T partner and now owner of large businesses including an energy provider and a football team. He owns Czech Media Invest (CMI), a company that has grown through a series of acquisitions to become one of the largest players in the national market (See Case studies in this paper). Kretinsky's company has also been expanding west. In 2018, he bought a stake in Le Monde, a major French newspaper distributed all over the world. Explaining the main reason for buying Le Monde, Kretinsky said that he wanted to fight the global dominance of American technology colossuses Google, Apple, Facebook and Amazon. (33)

Media capture exchanges are also rife in regulation and law. Poland's nationalist-conservative party Law and Justice (PiS) has been striving in the past five years to copy the Orban government in media regulation. Like Fidesz after 2010, one of the PiS' first moves after its victory in the 2015 elections was to establish partisan media regulators and replace the management of the public media with the party's loyalists.(34) Selective advertising spending, another instrument used to control media by Fidesz, was also replicated in Poland: in the year ending March 2016, the daily Gazeta Wyborcza saw its state advertising revenue down by nearly 15%. In contrast, the government-friendly daily Rzeczpospolita experienced an increase in state advertising allocations of almost 50%.(35)

(33) "Daniel Kretinsky dit investir dans « Le Monde » pour combattre les GAFA" (Daniel Kretinsky says that he invested in Le Monde to fight the GAFA), Le Monde, 3 November 2018, available online at https://www.lemonde.fr/actualite-medias/article/2018/11/03/daniel-kretinsky-dit-investir-dans-le-monde-pour-combattre-les-gafa_5378509_3236.html (accessed on 11 March 2019).

(34) Krisztian Simon, "Media Capture Central European Style," Heinrich Boell Foundation, 31 January 2019, available online at https://www.boell.de/en/2019/01/31/media-capture-central-european-style (accessed on 1 March 2019).

(35) Aron Kerpel, "Pole and Hungarian Cousins Be? A Comparison of State Media Capture, Ideological Narratives and Political Truth Monopolization in Hungary and Poland," Slovo, Vol. 29, no 1, 2017, pp. 68-93, available online at http://discovery.ucl.ac.uk/1538690/1/5.pdf (accessed on 1 March 2019).

Scale of the problem

"For media activists, civil society, and international donors who are trying to help countries improve their media environment, media capture is a baffling policy conundrum with no simple answers"

Concentration of ownership and state control have a negative impact on the quality of news and the independence and autonomy of media and journalists. Media capture, a more advanced form of control that combines ownership concentration and an extremely high incidence of state intervention, is having a highly pernicious effect on media independence. With much of the market as well as state authorities and regulators under their control, the newly emerged oligarchic structures drastically reduce the market entry points, making it nearly impossible for any business to compete and pushing independent journalism to the periphery or completely out of the market.

But the impact of media capture has a much broader effect that goes beyond media: it reduces the space for civil society voices, increases the cost of doing business (as the space for critical reporting, essential for a diverse and competitive free market, is shrunk to almost zero) and completely eliminates any form of government accountability. In Orban's Hungary, media capture has led to a situation where government policies and laws are no longer receiving critical scrutiny in the public sphere, allowing the government to adopt laws that force NGOs or academic institutions out of the country.

A high level of wealth concentration is also likely to lead to corrupt media, which is a worrying trend as it can irreparably damage the health of the media in the long-term.(36) Lacking options, journalists are increasingly pushed into supporting state propaganda. MTVA, Hungary's state broadcaster employs upwards of 2,200 people. Those who refuse simply quit and do other jobs as there are almost no options to work in journalism in Hungary.

Given the complexity of the media capture problem, finding solutions is a testing task. "For media activists, civil society, and international donors who are trying to help countries improve their media environment, media capture is a baffling policy conundrum with no simple answers," wrote Mark Nelson.(37) Scholars and thinkers are pointing to policy solutions including regulations on governing cross-ownership, state advertising and transparency of ownership.(38)

Indeed, policy solutions are essential to tackle media capture, but as policymaking and regulation are part of the problem (they are a cog in the media capture wheel), it is hard to envisage changes at that level. Hence, the only solution lies in direct intervention: renewed and much larger investments in independent news outlets, with a focus on new, more disruptive forms and formats of critical journalism able to better reach and engage large audiences.

(36) Giacomo Corneo, "Media capture in a democracy: The role of wealth concentration," Journal of Public Economics, Vol. 90, Issues 1-2, Jan 2006, available online at https://www.sciencedirect.com/science/article/abs/pii/S0047272705001210 (accessed on 1 March 2019).

(37) Mark Nelson, "What is to be done? Options for combating the menace of media capture," in Anya Schiffrin, ed., *In the Service of Power: Media Capture and the Threat to Democracy* (Washington, D.C., Center for International Media Assistance, 2017).

(38) Anya Schiffrin, "Government and corporations hinder journalists with 'media capture'," CJR, 29 August 2017, available online at https://www.cjr.org/watchdog/media-capture.php (accessed on 12 March 2019).

Media capture in Central and Eastern Europe: an overview

Country	Regulatory capture	Funding	Commercial media capture	Public media capture
Bosnia & Herzegovina	Full control/decisions on mergers and acquisitions, licensing	Full control: preferential distribution, lack of transparency, state: the largest advertiser	High	Full control: governance structures and funding
Bulgaria	Full control/aligned with the political power	Full control: selective allocation of state advertising, lack of transparency	High	Full control: governance structures
Croatia	Full control/aligned with the political power	Relatively fair	Medium	Full control: governance structures and funding
Czech Republic	Full control/decisions on mergers and acquisitions, licensing	Full control: lack of criteria and transparency over the state advertising resources	High	Partial: governance structures
Hungary	Full control/aligned with the political power	Full control: totally discretionary decision-making, the government is the largest advertiser	High	Full control: governance structures and funding
Poland	Under attack	Full control: lack of transparency over allocation decisions	Medium	Full control: governance structures, funding, editorial decisions
Romania	Full control/aligned with the political power	Full control: total lack of transparency	Medium	Full control: governance structures and funding
Serbia	Full control/aligned with the political power	Full control: preferential distribution, lack of transparency, state: the largest advertiser	High	Full control: governance structures and funding
Slovakia	–	Full control: lack of transparency over allocation decisions	Medium	Full control: political control of governance structures

Source: Marius Dragomir • Created with Datawrapper

*"[...] the collusion between the political class and media owners has reached unprecedented levels, leading to a phenomenon known as **media capture**, a situation where most or all of the news media institutions are operating as part of a government-business cartel that controls and manipulates the flow of information with the aim of protecting their unrestricted and exclusive access to public resources."*

Media Capture in Europe
A report for MDIF by Marius Dragomir

Media Development Investment Fund (MDIF)

MDIF is a not-for-profit investment fund, providing affordable loan and equity financing to independent news organisations in countries where access to free and independent media is under threat. It invests in independent media providing the news, information and debate that people need to build free, thriving societies.

Marius Dragomir

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