Clientelism and media capture in Latin America

MIREYA MÁRQUEZ-RAMÍREZ & MANUEL ALEJANDRO GUERRERO
Associate Professors, Department of Communications, Universidad Iberoamericana, Mexico City

Several Latin American countries present a textbook example of a captured media system. In many instances, seemingly free and independent media outlets remain owned or buoyed by the same corporate interests that supported the region’s past authoritarian regimes. But the region also offers a study in contrasts where new, high-quality digital media funded by foreign donors exist alongside corporate-owned media outlets. This chapter surveys the Latin American media landscape, discusses its legacy of clientelism and capture, and looks at how digital start-ups and non-profit resources could still change it all.

This essay is a chapter from Anya Schiffrin, ed., In the Service of Power: Media Capture and the Threat to Democracy (Washington, DC: Center for International Media Assistance, 2017)
A proliferation of digital outlets

Between 2009 to 2014, the publication of in-depth, investigative pieces in literary magazines, books, and platforms outside the mainstream media became a common occurrence in Latin America. Professionals seeking to overcome the limits posed by more traditional media have found ways to conduct independent reporting about social and political issues, such as the effects of violence, corruption and human rights abuses. As such, independent, native digital media continue to thrive across the region, exposing the abuse of power and wrongdoing, and fostering technological and creative innovation in storytelling and fact checking. These include *El Faro* in El Salvador, *Plaza Pública* in Guatemala, *Animal Político* in Mexico, *Ojo Público* in Perú, *Ciper* in Chile, *Chequeado* in Argentina, *Agencia Pública* in Brazil, and *La Silla Vacía* in Colombia, to name just a few.

According to a recent study (Meléndez Yúdico 2016), many of these journalistic initiatives are either funded or devised with the help of international organizations that not only provide training and development in new digital skills, but also foster collaborative work across borders. However, it is not clear whether new digital outlets are, in fact, financially sustainable. Much of the excellent work being carried out independently has depended or relied on the talent and initiative of visionary professionals who, given the costs associated with producing quality journalism and investigative reporting, often struggle to sustain their projects. Others depend on international donors, non-governmental organizations, trusts, or universities, whose resources are finite. For most of them, however, digital advertising continues to be the most common source of revenue. Though their numbers are growing in the digital media ecosystem, independent outlets still tend to be the exception rather than the norm in Latin America.

Decline in press freedom

Apart from the challenges brought by technological change, journalists in mainstream and traditional media still confront challenges to their professional autonomy. Press freedom across Latin America has declined in recent years, according to the latest report by Freedom House (Dunham 2016). Only Chile and Uruguay, two of the most established democracies in the region, are labeled as “free,” while five others—Mexico, Honduras, Cuba, Ecuador and Venezuela—are classified as “not free” for various reasons. The rest of the countries in the region, including Argentina, Brazil, and Colombia, are currently classified by Freedom House as partially free.
### Examples of independent news media outlets in Latin America

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>MEDIUM</th>
<th>MEDIA TYPE</th>
<th>CONTENT FOCUS</th>
<th>BUSINESS MODEL</th>
<th>SAMPLE OF EXEMPLARY WORK</th>
<th>LAUNCH DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARGENTINA</td>
<td>Chequeado</td>
<td>NGO/ Foundation</td>
<td>Fact-checking initiatives through the use of open data</td>
<td>International support; individual donors; workshops, events and seminars</td>
<td>Launched its own “DatoDuro” (hard facts) app</td>
<td>Oct. 2010</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.chequeado.com">www.chequeado.com</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRAZIL</td>
<td>Agencia Publica</td>
<td>NGO/ Foundation</td>
<td>Investigative journalism with creative storytelling (i.e. comic format)</td>
<td>International support; crowdfunding</td>
<td>A comic-based, investigative project on sex trafficking of children during the Brazil World Cup</td>
<td>March 2011</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.apublica.org">www.apublica.org</a></td>
<td></td>
<td></td>
<td></td>
<td><a href="http://apublica.org/2014/05/hq-meninas-em-jogo">http://apublica.org/2014/05/hq-meninas-em-jogo</a></td>
<td></td>
</tr>
<tr>
<td>BOLIVIA</td>
<td>La Pública</td>
<td>NGO/ Foundation</td>
<td>Citizen journalism; indigenous language content</td>
<td>International support; and local trusts</td>
<td>Datavo, a project to foster data journalism and data visualization</td>
<td>May 2014</td>
</tr>
<tr>
<td></td>
<td><a href="http://www.lapublica.org.bo">www.lapublica.org.bo</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHILE</td>
<td>Centro de Investigación</td>
<td>NGO/ Foundation</td>
<td>Use of access-to-information laws for in depth-reporting</td>
<td>International donor support; university funds; funds from media consortiums</td>
<td>A data journalism project that traces possible conflicts of interest by tracking the links between public servants and the private sector</td>
<td>May 2007</td>
</tr>
<tr>
<td></td>
<td>Periodística</td>
<td></td>
<td></td>
<td></td>
<td><a href="http://www.lapuertagiratoria.cl">www.lapuertagiratoria.cl</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td><a href="http://www.ciperchile.cl">www.ciperchile.cl</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COUNTRY</td>
<td>MEDIUM</td>
<td>MEDIA TYPE</td>
<td>CONTENT FOCUS</td>
<td>BUSINESS MODEL</td>
<td>SAMPLE OF EXEMPLARY WORK</td>
<td>LAUNCH DATE</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------</td>
<td>------------------</td>
<td>--------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>COLOMBIA</td>
<td>La Silla Vacia</td>
<td>For-profit</td>
<td>Investigative journalism; data journalism</td>
<td>International donor support; Advertising; Consultancies; workshops and seminars; crowdfunding; content sponsorship</td>
<td>Proyecto Rosa, a multimedia, arts project on the victims of violence in Colombia <a href="http://www.proyectorosa.com">www.proyectorosa.com</a></td>
<td>March 2009</td>
</tr>
<tr>
<td>ECUADOR</td>
<td>GKillcity</td>
<td>For-profit</td>
<td>Narrative &amp; literary journalism</td>
<td>Crowdfunding; content sponsorship; advertising</td>
<td>Produces weekly multimedia and interactive stories based on narrative and literary journalism</td>
<td>June 2011</td>
</tr>
<tr>
<td>EL SALVADOR</td>
<td>El Faro</td>
<td>For-profit</td>
<td>Long-form, narrative and Investigative journalism</td>
<td>International donor support; advertising; workshops and events; content sponsorship; crowdfunding; product sales</td>
<td>Sala Negra, a micro-website with in-depth reporting on violence in central America <a href="http://www.salanegra.elfaro.net/">www.salanegra.elfaro.net/</a></td>
<td>May 1998</td>
</tr>
<tr>
<td>GUATEMALA</td>
<td>Plaza Pública</td>
<td>Non-profit</td>
<td>Investigative and long-form journalism, narrative innovation</td>
<td>University funds and facilities; international donor support</td>
<td>Produces data visualization and interactive stories, such as this interactive, investigative piece on the distribution of power in the congress <a href="http://www.plazapublica.com.gt/content/distribucion-de-fuerzas-del-partido-patriota">http://www.plazapublica.com.gt/content/distribucion-de-fuerzas-del-partido-patriota</a></td>
<td>Feb. 2011</td>
</tr>
<tr>
<td>COUNTRY</td>
<td>MEDIUM</td>
<td>MEDIA TYPE</td>
<td>CONTENT FOCUS</td>
<td>BUSINESS MODEL</td>
<td>SAMPLE OF EXEMPLARY WORK</td>
<td>LAUNCH DATE</td>
</tr>
<tr>
<td>---------</td>
<td>------------------</td>
<td>---------------</td>
<td>---------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>MÉXICO</td>
<td>Animal Político</td>
<td>For-profit</td>
<td>Politics, current affairs, investigative journalism</td>
<td>Advertising; crowdfunding; international donor support</td>
<td>NarcoData, a platform to track drug cartel activity and its societal effects in Mexico <a href="http://narcodata.animalpolitico.com/">http://narcodata.animalpolitico.com/</a></td>
<td>Nov. 2009</td>
</tr>
<tr>
<td>PERU</td>
<td>Ojo Público</td>
<td>NGO/foundation</td>
<td>Investigative journalism, data journalism and digital innovation</td>
<td>Self-funding; international donor support; workshops, events, and seminars; third-party development; crowdfunding</td>
<td>Cuentas juradas, a search engine, app and website to track candidates’ assets <a href="http://cuentasjuradas.ojo-publico.com/">http://cuentasjuradas.ojo-publico.com/</a></td>
<td>Sept. 2014</td>
</tr>
<tr>
<td>URUGUAY</td>
<td>Sudestada</td>
<td>NGO/foundation</td>
<td>Stories on transparency; access to information; open government; and corruption</td>
<td>International donor support</td>
<td>Developed web applications and interactive pieces such as Quién Paga? to track the assets of elected officials</td>
<td>May 2014</td>
</tr>
</tbody>
</table>

*Source: Author’s research*
In some countries, such as Mexico, Brazil and Guatemala, factors like organized crime, government corruption, extreme violence, weak rule of the law, and impunity put journalism and journalists at risk. In other countries, according to the Freedom House report, the growing intrusion of the state in the media—in both the management of media outlets and the content that they produce—is the main threat to press freedom.

While Freedom House mentions Ecuador and Nicaragua as the primary countries where officials are hostile toward certain media organizations and journalists, Argentina tops the list of “countries to watch,” where changes in the press freedom environment are likely, for better or for worse (Dunham 2016, 6). The organization cautions that although the election of Mauricio Macri as president of Argentina in late 2015 appeared to mend relations with the conservative press, “it remains unclear whether he will allow impartial regulation or simply shift the government’s bias from left to right” (Dunham 2016, 6). But such political realignments are only part of the story when organized crime, intrusive governments, and corporate power continue to undermine press freedom across the region.

**The future of the media in Latin America**

So what is the future for quality journalism in Latin America, particularly the kind that holds institutions accountable? There are signs that social media and digital technology have provided a platform for citizens to discuss their own issues and shape alternative agendas. Still, capture and clientelism are pervasive factors that hinder the independence and quality of journalism. They undermine the freedom of the press and the healthy role of the media as watchdog.

Capture and clientelism are at the core of two contrasting yet overlapping developments observed by experts and scholars in the past two decades in the region: a high degree of media concentration fueled by market-oriented communication policies, and the re-emergence of state intervention (Mastrini et al. 2013; Waisbord 2013; Guerrero and Márquez-Ramírez 2014). It is a common belief that authoritarian states often employ harsh regulation or subjugate media to ensure the control of information. However, in the case of Latin America, a symbiotic relationship between authoritarian states and private, commercial media has long existed, resulting in a lack of regulation enforcement and the configuration of mutually beneficial alliances and complicity between media barons and political elites.

**Historically high levels of media concentration**

How did we get here? Historically, Latin America has been one of the world regions with the highest levels of media concentration, as some of its countries are home to the biggest media conglomerates of the Hispanic and Portuguese-speaking worlds. The majority of these media conglomerates first emerged as family businesses that ran for generations, and gradually consolidated as the market leaders. They grew to
their current giant proportions with the neoliberal reforms of the 1980s and 1990s, when market deregulation increased their assets and shares.¹

**Freedom of the Press in Latin America and the Caribbean in 2016**

Multimedia enterprises such as Globo in Brazil, Televisa in Mexico, Clarín in Argentina, Cisneros in Venezuela, El Comercio in Peru, and Santos in Colombia are key players. As the dominant players in their markets, they benefited from deregulation and increased their vertical and horizontal expansion. In Colombia, for example, the news media have become somewhat less partisan, but still reflect the prevailing political forces in the country. In addition, media regulation remains generally inefficient and more focused on content than the concentration of ownership (Montoya-Londoño 2014).

In some cases, liberalization involved the penetration of foreign capital—mostly Mexican—into local corporations, such as Miami-based Albavisión, an affiliate network with TV channels and other media businesses across Southeast Mexico, Central, and South America. Some countries saw economic reforms create conditions for foreign capital to ally with local corporations, including Chile’s Megavisión network and Colombia’s Casa Editorial El Tiempo media group. (Guerrero and Márquez-Ramírez 2014). The degree of concentration for every television network in each country can be observed in the accompanying table, “Media concentration in Latin America.” The table presents the Herfindahl–Hirschman Index (HHI) score for the sector, a measure of concentration used in many industries that squares the market shares (by revenue) of the companies in an industry and then adds them up, such that a higher score indicates higher concentration. The table also presents the more intuitive measure of audience share for each of the networks.

---

**Authoritarian rule and media influence in the twentieth century**

The growth and consolidation of these media corporations were not the result of economic reforms alone. In fact, their existence is intrinsically linked to local politics and alliances, especially during the periods of dictatorships and authoritarian rule. These types of governments acted in two fundamental ways: first, many regimes prosecuted or silenced critical journalism; and second, governments established close relations with media proprietors and executives by offering protection, benefits, contracts, and subsidies.

The cornerstone of this collusive relationship is political advertising, consisting of the discretionary allocation of government advertising contracts from state agencies to their media allies. Due to the high penetration of TV consumption and small, elite readerships of print media, markets alone were insufficient to guarantee long-term economic sustainability. The steady income of public money, therefore, became the backbone of the media business model across the region, particularly for newspapers and other print media.
In many ways, the strength and continuity of dictatorial and authoritarian rule were partially explained by the media’s validation of their allies in government. For example, Mexico’s PRI party ruled continuously over seven decades, and dominated several media companies. News coverage on Televisa, the network that held up to 90 percent of the market share in the 1980s, was mostly sycophantic toward the president and the government in general. This included favorable coverage of the military and the police, and would typically exclude critical and oppositional voices from mainstream reporting. Worse, in some cases the network blamed protesters for their own repression, and would not cover events and episodes in a way that made the federal government—and particularly the president—look bad.
In the Service of Power: Media Capture and the Threat to Democracy

(Márquez-Ramírez 2014). Peru provided another prominent example of media-state collusion in the late twentieth century, when the national media were quick to throw their support behind the civilian-military regime led by Alberto Fujimori (Protzel 2014).

Other ways in which the regime in Mexico ensured media loyalty throughout the second half of the twentieth century were the subsidy of print media, the discretionary and opaque allocation of advertising budgets, and the informal payment of editors and reporters through payoffs. Most importantly, the government granted broadcasting licenses to key allies. Some of these tactics—particularly broadcasting licenses and governmental advertising—persist today.

Such a scenario was also typical in countries like Argentina and Chile, where the mainstream TV and print media hid, and also justified, cases of human right abuses, repression, and torture on the part of the military regimes. That is why the concentration of media properties in Latin America was problematic not only with regard to market competition, but in terms of its implication for news media to provide its watchdog and public service functions.

Starting in the 1960s and continuing through the late 1970s, media scholars and experts across the region denounced the unequal access to information in the developing world. They were concerned about media concentration and unregulated, market-driven policies that, they maintained, undermined local production, voices, and creativity due to dependence on US content, formats, and technologies, as well as information supplied by Western-based news agencies.

Most importantly, in a Cold War context where dictatorships and authoritarian governments were prevalent in South America, and guerrilla movements and resistant voices sprouted up throughout the region, TV networks were instrumental in sustaining the status quo by becoming regime allies. They silenced critical voices, masked human right abuses, and generally upheld pro-capitalistic values. The movement against these practices played an instrumental role in the drafting of the UNESCO-funded MacBride report on media and communication policies.

The paradox of media capture in Latin America

Commercial forces and global markets have strengthened the concentration of international media conglomerates, and privileged corporate interests and profitable content. Moreover, digitalization and technological changes that dissolve the boundaries between platforms have made it more difficult to legislate media diversity and plurality.

Unlike cases of authoritarianism, where regimes took over private media and replaced it with state-managed, propagandist media, the collusion between authoritarian governments and private media worked in Latin America due to the high incentives for both parties and the relatively weak legal frameworks and
their loopholes. The paradox of media concentration is that its expansion coincided with public discourse on political democratization. It was assumed that market forces and media competition would gradually disentangle corrupt relations and help strengthen emerging democracies by providing a more diverse range of voices. In reality, though, the media conglomerates—not citizens—benefited enormously from “democratic” and neoliberal governments, and from market deregulatory reforms.

In countries with neoliberal rule, there are legal frameworks that protect press freedom, guarantee access of information, and, in theory, foster media competition. However, the arrival of new political groups in a context of competition, elections, and marketing implied both the creation of close relations, formal and informal, with already well-established media groups and the recognition of their interests at the expense of pluralism (Guerrero 2014). The captured nature of the media means that there are negotiations and exchanges that take place between media lobbyists and institutional powers to favor the private interests of media executives and politicians over the public good. In Mexico, Brazil, Colombia, Peru, and in Central American countries, politicians have been awarded regional broadcasting licenses or own newspapers. There also are cases of media businessmen—or their allies—who run for office or legislative seats and manage to twist legislation to benefit their own business interests, not just in media but also in other sectors such as finance, energy, and technology.

In Brazil, the government in the 1980s awarded broadcasting licenses to top military officers in the region (this process is known as “Coronelismo Mediático”). Other cases include the president of Colombia, Juan Manuel Santos, whose family owns El Tiempo, the major newspaper group in the country; former president Sebastián Piñera of Chile, who was the main shareholder of TV Network Megavision; and Mexican tycoon Ángel González, the owner of the major broadcasting organizations in Central America who constantly is under suspicion of influencing political decisions and political appointments and candidacies.

In El Salvador, two families—Dutriz and Altamirano—own the most important newspapers and their markets. The Dutriz family has important investments in media-related and telecommunications businesses, as well as in sectors as diverse as real estate, property development, retail, steel, painting, law, and several others. The Altamirano family has had strong links with the right-wing political party Alianza Republicana Nacionalista (ARENA) (Becerra and Mastrini 2009; Benítez 2014). Other newspaper owners in the country are also investors in coffee and sugar plantations. In Guatemala, the founder of the radio network Corporación de Radio Vision, Harold Caballeros, was a presidential candidate and former foreign minister of the current government (Gramajo 2014). In Mexico, former media executives often are promoted by their organizations to run for legislative seats in Congress and for broadcast and telecommunications commissions in order to shape policymaking and actively lobby in favor of their interests.
In sum, media elites in these countries use their media organizations and news output to negotiate good coverage in exchange for benefits for their media organizations and other business enterprises. This process of capturing policymaking to benefit big business comes at the expense of the wider social and general interest, since these various interests take over in ways that often weaken the law and policymaking.

“State capture” refers to a condition where some aspects of the policymaking process and the rules of the game are twisted in favor of certain private interests—a phenomenon that continues to happen in media and communication policy. However, the term “capture” goes even further: it highlights a situation in which powerful non-journalistic criteria shape, determine, and limit the watchdog role of the media in a context of regulatory inefficiency (Guerrero and Márquez-Ramírez 2014).

### Progressive and populist politics and twenty-first-century media capture

So what is the solution? Are media captured solely by corporate and political interests, in alliance with their corporate cronies? What happens when regulation is put in place and those corporate powers are challenged? With the arrival of progressive and populist rulers in some countries in the first two decades of the twenty-first century, we witnessed a transition toward the revival and strength of public and state media, and a stronger interference on the part of the state.

The governments of countries such as Venezuela, Bolivia, Ecuador, Argentina, and Nicaragua actively proposed legislation to strengthen public media with the stated intention of counterbalancing private media. Across the region, advocates for such legislation often claimed that only by challenging the grip of moguls over the media would it possible to provide more varied and local content for the region’s diverse ethnic and social groups, and to guarantee better access to a wider and broader range of voices.

Key heads of state such as Cristina Fernández de Kirchner in Argentina, Hugo Chávez and Nicolás Maduro in Venezuela, Evo Morales in Bolivia, Rafael Correa in Ecuador, and Daniel Ortega in Nicaragua openly challenged the corporate powers that media proprietors represent. Such moves have raised not only a great deal of debate and controversy, but also have been accompanied by deep political polarization and even institutional crisis (Waisbord 2013). On the other hand, in an environment where digitization has pulverized markets, changed consumption patterns, and blurred media platforms, private firms actively lobby for advantageous or very limited regulation to minimize the threat to their economic interests.
In fact, it has been common to argue in public forums that left-wing rulers tend to be “troublemakers” for press freedom, as they pester and are hostile toward certain media organizations—and even worse, certain journalists. However, as cases across Mexico, Colombia, and Central America have shown, with center-right governments, the critical journalists and those exposing corruption, wrongdoing, or human right abuses also have been fired, censored, alienated, or punished in some way (Benítez 2014). The situation is such that freedom of speech is in peril from both undue state interference on media content and the private interests of media owners.

The role of government advertising

The clientelism underpinning press-state relations in a private media environment is supported by the placement of political advertising. Capture is also observable through the exchange of favors taking place between outside actors, in spite of any legislation put in place. Populist governments that have enacted legislation in the name of the public good apply these laws at their discretion and use them to favor and protect allies or to punish selected rivals. Measures carried out by such governments include the awarding of new licenses, withdrawal of governmental advertising contracts to critical media, exhaustive fiscal auditing of certain firms but not others, and support for the emergence of new private and public media organizations loyal to the government. In Venezuela, the government has taken over the communication duties of journalists, and the pro-state media now dominates the public agenda (Cañizález 2014). In Argentina, the most progressive features of recent media reforms appeared promising with regard to media pluralism, access, and concentration. But in practice they were mostly used by the Kirchner government as an excuse to confront a single corporation, the powerful Clarín group, and not necessarily to promote media pluralism (Liotti 2014). In Bolivia, communication reforms aimed at promoting the democratization of public spaces through community media need to be approved by government structures, which are often more supportive of loyal outlets than truly independent media (Quintanilla 2014), while in Venezuela, communication policies have involved the government taking over public and community media for propagandist aims (Lugo-Ocando 2008).

Conclusion

In light of these patterns, key questions remain: what are the prospects for quality journalism; the balance and diversity of voices, debate and discussion on public issues; and the healthy exercise of press freedom and its watchdog role? What we see in Latin America is that legal frameworks are insufficient and often helpless in protecting the people’s right to information. We believe it is the combined efforts of individuals and professional, ethical journalism that gradually will diminish the influence of media capture.
Despite the captured nature of media structures, journalists from independent digital media outlets are challenging the status quo and making all the difference in an ocean of infotainment, viral news, and the decline of the public’s trust in the media. It is now the duty of the readers and audiences to give them the credit and financial stability they deserve.

ENDNOTES

1 To see how Latin American media consortiums emerged, see (Sinclair 1996; Sinclair 1999; Fox and Waisbord 2002).

2 For work on Mexican media, authoritarian rule and political democratization, see (Fromson 1996; Hallin 2000; Lawson 2002).

3 For more information about capture in different countries, see (Guerrero and Márquez-Ramírez 2014).

WORKS CITED


