Calling the Shots: How Ownership Structures Affect the Independence of News Media

A Report to the Center for International Media Assistance

By Michelle J. Foster

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The Center for International Media Assistance (CIMA), at the National Endowment for Democracy, works to strengthen the support, raise the visibility, and improve the effectiveness of independent media development throughout the world. The Center provides information, builds networks, conducts research, and highlights the indispensable role independent media play in the creation and development of sustainable democracies. An important aspect of CIMA’s work is to research ways to attract additional U.S. private sector interest in and support for international media development. The Center was one of the main nongovernmental organizers of World Press Freedom Day 2011 in Washington, DC.

CIMA convenes working groups, discussions, and panels on a variety of topics in the field of media development and assistance. The center also issues reports and recommendations based on working group discussions and other investigations. These reports aim to provide policymakers, as well as donors and practitioners, with ideas for bolstering the effectiveness of media assistance.

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Preface

The Center for International Media Assistance (CIMA) at the National Endowment for Democracy commissioned this study of ownership structures for news media around the world. It is based on interviews, a literature review, and the author’s extensive experience in this field.

CIMA is grateful to Michelle Foster, a veteran international media management and marketing consultant and trainer in media business practices, for her research and insights on this topic.

We hope that this report will become an important reference for international media development efforts.

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Introduction

Around the globe, traditional news media—newspapers, magazines, and broadcast networks—are operating in more concentrated environments with fewer owners and less diverse voices. Growth in the number of news media outlets and channels has not resulted in a parallel expansion of viewpoints in traditional news media, especially within local communities. This has adverse consequences for the ability of citizens and communities to hold their governments accountable. If media cannot be free and competitive, they can be neither plural nor diverse. Who owns the media and its infrastructure and who controls its sources of capital and revenue are crucial for any media system.

Four case studies presented in this report illustrate various ownership structures, ranging from private investment that can foster a plurality of voices to mechanisms used to constrain media, hide ownership, move it into the hands of proxies or cronies, and interfere in markets. They also show how market forces and technological changes have challenged the financial viability of independent media.

The report examines the multitude of ways that governments use those tools. It also examines cases of unintended consequences, where media freedoms are constrained by market (rather than political) forces or the lack of sustainable alternatives. It considers how governments structure intermediaries that wield powerful influence on independent reporting.
Overview

The global financial crisis, which coincided with the decoupling of advertising from mass media, created a perfect storm that has devastated revenue sources for media in many regions and has drained away shareholder investment. The impact has been devastating; particularly at the community level where, in many places, independently-produced local news has been reduced or eliminated. Outside investors have departed, too often leaving media either floundering or in the hands of oligarchs or government cronies.

At the same time, governments seeking to control and politicize the media are using increasingly complex ownership structures—be it for news content producers, distribution channels such as telecommunications and information technology companies, or advertising agencies—that ultimately limit independent reporting and stifle media as businesses.

Technological changes that have brought unprecedented communications access to populations have done so unevenly, and a severe urban/rural split has left the poorest people in much of Africa and elsewhere served only by radio, which is often in the hands of the state, while citizens in urban centers have greater access to diverse news sources. This problem can be invisible to those surrounded by abundant media sources.

In the largest sense, governments establish how media markets function. Some of their mechanisms can bring about greater transparency and diversity. Broadcast spectrum licensing can enable a media environment with broad and diverse viewpoints. Cross-ownership restrictions can prevent one person, one company, or one party from controlling all the voice in a market. Allowances for public service media can support independent investigative reporting and the sharing of important non-commercial information.

Yet the entire system can also be designed to limit independent reporting:

- Regulators can allocate the broadcast spectrum in ways that lack transparency.
- Government agencies can use political criteria for issuing media licenses.
- Cross-ownership restrictions can be used to prevent independent voices from gaining traction.
- Government agencies can direct advertising budgets as rewards and punishments.
- State organs can transform public service media into ruling-party mouthpieces.
- State news agencies can simultaneously access tax-free government funding while competing against independent media for advertising revenue.
The flow of international investment into media also has pluses and minuses. In best-case examples, it brings much-needed intellectual and financial capital. Media companies in many parts of the world—often founded by activists and journalists—suffer from a deficit of management skills. Outside investors, whether bankers or foreign owners, have brought in much-needed business knowledge.

Even so, outside investment can also be a way to move ownership offshore and hide it behind shell companies to conceal corruption and shelter revenue from taxes.

The increasing availability of appealing content via international networks has had the unintended consequence of diverting ad revenues away from local media. Anti-concentration laws typically affect locally-owned companies, but do little to protect a market from the proliferation of global media channels and programming (for example, Animal Planet, Discovery, and National Geographic) that are politically neutral and efficiently deliver world-wide audiences without providing advertising revenues at the local market level.

The commercialization of media in rapidly-developing countries has generated huge revenue growth in the sector, notably in China and India. In the former, a comprehensive approach to media sector development has created opportunities that will bring long-term financial returns to the state, businesses, and investors, while maintaining the controls that sustain one-party rule.

In India, private ownership has created media conglomerates as well as many diverse regional voices; it has also allowed media to experiment with new business models that blur the line between news and advertising.

Social media, which has had substantial impact in the Middle East and China, provides uneven access. Although citizen journalists play vital roles, their messages must travel on Internet networks and often gain the greatest power when amplified by traditional media. This assumes that these channels are neutral and available, which is not universally true. Moreover, studies in the United States and Indonesia—and observation elsewhere—have shown that traditional news media are often the source of original reporting carried on the Internet. Yet it is disproportionately the platform owners, such as Google and others, who capture the related revenue, again diminishing the ability of local media to harvest income. Countries that are experiencing transformational change are a source of guarded optimism. Through the end of 2011, the countries most affected by the Arab Spring had shown improvements in media freedom, plurality, and sustainability. Today, in the face of ongoing conflict, it is unclear what picture will emerge in the days ahead.
In some instances, countries lack the political mechanisms and will to implement progressive laws surrounding media ownership. The role of the international community in encouraging transformation in such instances is vital.

The ownership model that appears to be most likely to provide unbiased news reporting and content is one where there are many investors and owners who jointly seek to reap financial rewards from media businesses. For this to thrive, media businesses must move urgently to develop new revenue streams and business models. Advertising, always a cyclical revenue source, is now undergoing structural change across the globe. Philanthropic and NGO ownership have important roles to play, but they are unlikely to replace—particularly at the local community level—the financial support for continuous, robust, independent reporting.
Four Models of Media Ownership

Four different case studies were chosen to reveal the way ownership of media, media channels, advertising agencies, major advertisers, news agencies, and other actors can alter reporting and people’s access to objective news:

- **The United States.** This case study broadly outlines the regulatory environment for U.S. media and the key principals shaping its structure. The United States has a long tradition of press freedom and independent reporting, buttressed by the First Amendment. Still, as this example shows, market forces—rather than political ones—can rapidly limit plurality and inadvertently lead to less transparent ownership.

- **China.** Opaque by design, with veneers of transparency, China’s media regulatory system is vast, complex, and multi-tiered. This example showcases the growth in China’s media and its powerful combination of big business, big money, and big government—a model China is actively exporting to friendly countries as a fundamental component of one-party rule.

- **Serbia.** Seeking accession to the European Union, Serbia must make steps towards compliance with European standards. Among journalists, there is strong hope these strides will be made. Ownership of every aspect of the media sector now has government interference; good journalists can write and report, but they can’t land their punches when media are forced to self-censor to stay afloat. This example showcases the need for international allies who support the transformation of entrenched media systems to become transparent ones.

- **Honduras.** In one of the most lethal countries for reporters, where organized crime affects nearly every segment of the economy and ownership of news media is concentrated in just a handful of families, independent reporting has almost vanished. A private philanthropist tried for years to keep independent reporting alive; yet, as is often the case, donor funding ended. This example shows how vital external people and organizations can be to keeping press freedom alive and showcases the risks when sustainability is not part and parcel of that effort.
The United States

The clearest example of a pluralistic, multi-stakeholder, private investment-oriented media system is in the United States.

Under the First Amendment to the U.S. Constitution, no government organization has the central authority to control news content or journalism.

The Federal Communications Commission (FCC), created by the Communications Act of 1934, regulates “interstate and international communications by radio, television, wire, satellite, and cable.” Within the FCC, different media are regulated by separate bureaus that oversee issues related to the technical infrastructure and standards of particular communication channels.

The five commissioners who oversee the FCC are appointed by the president and confirmed by the Senate. They serve five-year terms and only three at any one time may be from the same political party. Typically, the commissioners are lawyers who have held a wide range of executive and leadership roles in both the public and private sectors and have experience in communications, law, and policy.

The FCC, however, does have some structural control of news media through restrictions on ownership designed to prevent the concentration of all news media, particularly in local media markets, in the hands of a few producers. It does so by limiting the total number and/or reach of broadcast stations that can be owned by one company and by limiting media companies from operating both newspapers and broadcast stations in the same market. The caveat is that cross-ownership may be allowed in top 20 markets, under strict guidelines, where there exist an adequate number of total media outlets so that diverse viewpoints are expressed. In smaller markets cross-ownership may be considered, but it is seldom approved.

It also limits foreign investment in the broadcast spectrum.

Under section 310 (b) of the Communications Act, there is a 20 percent direct or 25 percent indirect benchmark for investments by foreign individuals, corporations, and governments in entities that control a U.S. broadcast, common carrier, or aeronautical radio station license. That said, the FCC has discretion to allow higher levels of foreign investments as long as it is perceived to be in the public’s interest. It does not have authority to limit foreign ownership or investment in news media outside of the broadcast environment.
In alignment with international and U.S. law, the FCC does not license print or Internet media, nor does it license journalists or journalism organizations. It does, however, license the broadcast spectrum, which is a limited asset that belongs to the American public and is regulated in alignment with the country’s democratic values. The courts have found this licensing to not be in violation of the constitution because of scarcity: The broadcast spectrum is not unlimited. 4

Within that framework, the FCC seeks to preserve local news reporting with the belief that diverse voices best support democracy. It favors competition over regulation and seeks through its cross-ownership rules to foster localism and pluralism. It also believes in reducing barriers to entry in media markets, including the ability to transfer broadcast licenses with limited restriction, so that if an owner is doing poorly it can be transferred to someone who can do better.

Clearly much has changed since the FCC was created in 1934, and the impacts of Internet and mobile news media have forced it to take a fresh look at the environment. It recently concluded a substantial investigation into the impact of digital and mobile channels on news reporting.5 Supporting that investigation was a working group report, The Information Needs of Communities, that highlighted the important role that news media play in protecting democracy, preventing corruption, and creating voice for minorities. It concluded that:

- “An abundance of media outlets does not translate into an abundance of reporting...”
- “While digital technology has empowered people in many ways, the concurrent decline in local reporting has, in other cases, shifted power away from citizens to governments and other powerful institutions, which can more often set the news agenda...”
- “Far from being nearly-extinct dinosaurs, the traditional media–TV stations and newspapers–have emerged as the largest providers of local news online.”6

This last finding was particularly persuasive and was supported by findings of the Pew Research Center for Excellence in Journalism showing that most local news stories are based on reports done by traditional media, irrespective of how it reaches consumers (via newspaper, the Internet or mobile devices).

Thus the FCC recommended that eliminating or softening restrictions on cross-ownership and broadcast licensing would be unwise and—in light of the economic realities faced by stations and publishers—might “place programming choices in the hands of too few owners, limiting diversity and underserving the needs of local and minority communities.”7

This finding was not universally welcomed by media corporations; the Newspaper Association of America, commenting on the quadrennial review, argued that market forces more than regulation should shape the ownership of news media.
In its March 2012 submission to the FCC, the NAA stated:

There is little the government can, or should, do to secure the benefits of first-class journalism in the United States. The challenges facing our industry are, in the main, marketplace issues that the industry is working steadfastly to address, not government issues. There is one striking exception … The newspaper-broadcast cross-ownership rule is a relic that undermines the Commission’s goal of preserving strong journalism to serve the information needs of American communities. Eliminating this rule, and thus allowing newspapers to obtain investment from in-market broadcasters and other media companies, is the one action that the Commission can take to accomplish this goal.

The issue of external investment—driven by a profit motive—is significant. Arguably, in the United States the stock market and shareholder ownership of media may exert a more direct impact on news quality than government restrictions.

The majority of the top U.S. media organizations—including newspaper, online, network television, cable news, local television, and radio outlets—are publicly traded corporations. Exceptions include Clear Channel Communications (held by two private equity funds, Thomas H. Lee Partners and Bain Capital), Media News Group, and Univision, as well as public service broadcasters PBS (Public Broadcasting Service) and NPR (National Public Radio).¹⁸

Those publicly-traded businesses have faced substantial challenges in recent years. At the same time that legacy media are now supplying the majority of news content online, there has been a rapid decoupling of advertising revenue from news content: During 2007 through 2011, U.S. newspaper advertising revenue declined 51 percent, from $42.2 to $20.7 billion.⁹

Moreover, many publicly-traded media companies, particularly those with strong holdings in newspapers, pursued aggressive expansion and acquisition strategies during the prosperous 1990s and early 2000s. This led companies like McClatchy, Media News, and the New York Times to carry high debt-to-equity ratios which, when coupled with the steep declines in ad revenue, played important roles in the financial crises they faced.¹⁰

As revenues fled, so did investors. Contractions in ad revenue drove down the share prices and market capitalizations of major news companies. For example, at three major news organizations (Gannett, New York Times and McClatchy) stock prices plummeted between 2007 and 2012 and, when combined, the market caps for all three companies lost 75 percent
of valuation, dropping from a total of $16.6 billion to $4.17 billion, or less than the $5.2 billion in 2011 revenues of Gannett.

The changes to the underlying business models of news media, particularly newspapers, led to severe cost-cutting and, ultimately, the loss of reporting jobs. The American Society of News Editors census estimates the loss of full-time reporting jobs at U.S. daily newspapers to be 14,400, or 26 percent between 2007 and 2012. Overall newspaper job losses during the past decade are estimated to have exceeded 100,000.11

Looking forward, these market challenges to news reporting seem likely to continue.

Technology intermediaries are increasingly controlling the flow of advertising and capturing its revenues. Traditional news media companies that once reported, produced, distributed, and monetized the news are now stymied by consumers who prefer not to pay for it and advertisers who reach them in other ways.

Google, Facebook, and other technologists are consolidating the infrastructure through which news is distributed and are thus capturing online revenues.

Shareholders—who typically have no direct influence over newsrooms and content, have enormous collective impact as owners once they take their money elsewhere. A look at the stock prices of the New York Times Company and Google ($8 and $655 on November 8, 2012, respectively) offers a clear indication of where the market is placing its bets.

Thus U.S. news media—like many of their international counterparts—have entered a period of innovation, transition, and frustration.

Old business models are changing and the reliance on shareholders and family ownership is giving way to new and different models. Journalism centers have emerged, funded by philanthropy, grants, and fees. Various forms of facilitated citizen journalism have arisen in parallel with the increased use of social media as a news channel.

In a concerning trend, private equity firms have stepped up ownership of media companies. In 2012, Berkshire Hathaway announced its acquisition of Media General; Revolution Capital purchased the Tampa Tribune. Previously, the New York Times regional newspaper group was acquired by Halifax Media. Alden Global Capital has invested in Media News Group, the Journal Register, the Philadelphia Media Network and Freedom Communications; it has also purchased substantial holdings in publicly-traded media companies such as Gannett Co., Inc., Nexstar Broadcasting Group, and the Sinclair Broadcast Group.12 Thomas H. Lee Partners, alone or with investors, has acquired media companies such as Clear Channel Communications, Univision, VNU, and others.13

Why is this concerning? In publicly-traded companies, management is transparent and accountable to boards of directors representing shareholders. In private equity-owned
businesses, it is not. And unlike the shareholders who own securities in public firms—typically maintain an arms-length distance from managing them—private equity firms actively manage the firms they invest in or acquire. The primary motivation is producing strong financial returns, which are achieved by setting strict goals and imposing rigorous cost controls.

Columbia University Professor Eli Noam—an expert on media concentration and ownership—has sounded a cautionary note about private equity ownership of the news media. He says:

Little information is available to the press. Securities analysts stop following the stock. Small investors and activists have no public shareholder meetings to probe management. Governments cannot evaluate the soundness of companies that may provide essential national infrastructure. All this raises questions about openness, transparency and control. In open societies large media holdings must be in the open … The role of media is to inform and shine light; their own structures cannot be secretive. Otherwise accountability becomes impossible, suspicions abound, and the credibility of all media will suffer.14

The Case for Multistakeholder Ownership

Allen H. Neuharth, founder of the Freedom Forum, USA TODAY and the Newseum, has worked with media companies around the world and was CEO of the largest U.S. newspaper company, Gannett, Co., Inc. These thoughts on the benefit of being publicly-owned and the role of state ownership of the media were taken from his interview with the author.

**AHN:** The main benefit of being publicly-held was that we had access to greater resources to do the job. Unless you’re very rich, you are limited in what you can do with a private company. It’s the revenue. The critical factor in going public for us was that we had the opportunity to acquire a large number of newspapers. As a private company, we couldn’t afford them. But as a public company, assuming you perform and satisfy your shareholders, we had almost unlimited resources. You must have enough money to pay the bills and have something left for the shareholders. You can then use your increased revenues to produce greater earnings.

**MJF:** What advice would you offer media leaders as they try to promote an independent press in emerging and developing nations?

**AHN:** Give the readers what they want and need. But be damned careful about meeting the needs, not just the wants. The role of independent journalism is essential in any country for it to be free. And it is essential that the people of that country are well-informed without government interference in how that information is provided, or what it is, so long as it is not unfair.

First, to be successful, you must deliver a free and fair press. If you are neither free, nor fair, you won’t make it.15
China

At the other extreme is China’s model of news media ownership.

In China, as in other market authoritarian states, several government organizations have a role in controlling media. The Communist Party and its government are deeply embedded in every aspect of the news media, which is a unique and powerful combination of big business, big money, and big government. Despite attempts to make these organizations and their influence appear transparent and neutral, they remain singularly opaque.

The state controls:

- The media channels that create and distribute news—through licensing, registration, and regulation.
- News content—through propaganda, censorship, and directives issued through the Chinese Communist Party’s Central Propaganda Department and other government offices.
- Media management—because leaders are appointed by the government.
- Access to capital—through funding and regulation.
- Journalists—through limits to the issuance of press cards, enforcement of workplace discipline, and, ultimately, threat of imprisonment.
- Access to news sources—by rationing official commentary and threatening reprisals against people who speak out.
- User access to media—by shutting down social media sites and blocking external news sources.
- Access to stable revenue flows—by punishing media outlets that publish “bad” stories, withdrawing advertising, especially in the more liberal media environment of Guangzhou and Shenzhen.

There are also Communist Party cells within media outlets. But the most significant and pervasive mechanism of control is that only the government may own news media.

Despite recent examples of the commercialization of media, the impact of private funding, and the recent move to issue initial public offerings (IPOs) of news media companies, only state agencies can actually own media. Even in commercialized environments, private investment is capped and the registrations and licenses are owned by the state.
Government Organizations Controlling Media

The State Council (also known as the Central People’s Government, which is headed by the premier and is the highest executive and administrative organ of the government) directly manages the major government organizations that oversee news and information. These include:

- The Ministry of Culture
- The Ministry of Industry and Information Technology
- The State Council Information Office (SCIO)
  - State Internet Information Office (SIIO)
- The State Administration of Radio, Film, and Television (SARFT)
- General Administration of Press and Publication (GAPP)

In addition, the Communist Party of China (CPC)—to which the government is subordinate—operates the Central Propaganda Department (CPD). It is a powerful organization that coordinates with GAPP and SARFT to control media content in support of party policy and to suppress or censor unwelcome news.

These controlling agents act in concert with the organizations that own the media. All media are at some level state-owned and must have a sponsoring organization (a danwei or unit—typically a state-owned or government institution) and must be licensed through GAPP, SARFT, or regional or provincial entities.

Despite the increasing vibrancy of the commercial press and the increasing acceptance of private capital within the media sphere, editorial content is subject to state controls. The “Media’s Four Unchangeables” policy states that the party’s control of media, its leadership, ideological direction, and asset structure will not change in light of commercialization. In short, as the University of Hong Kong’s China Media Project says, the party maintains “a clenched fist for politics and ideology, and open hand for business interests.”

Notes author He Qinglian, “in China, a media organization’s standing depends on the ‘administrative rank’ (political status) it is assigned by the government, the purpose of which is to ensure effective control of the media.” Thus all media workers are considered government employees and are appointed “in accordance with the same strict ranking system used for Party and government officials.”

As a practical matter, this means that the government—either central or local—can order the dismissal of media professionals if they are dissatisfied with their political behavior or reporting. It can also reduce their income and make public examples of them. Examples abound, but the process is internal and rarely described externally.
This ranking of the media is hierarchical. The higher the level of the sponsoring organization, the higher the level of the media organizations it sponsors. In this scenario, different types of media are allowed either more or less space to operate; they are also closer or further from active government management.

In recent years there have been attempts to open the press to less stringent content controls. Despite its many levels of command and control, the government has an uneasy relationship with the media. On the one hand, it seeks to control the way the party and its government are portrayed and to reduce public criticisms of the state’s shortcomings. On the other hand, the genesis of the Communist Party is the premise that the government would do good things and improve the quality of life for its citizenry. Thus, investigative reporting that exposes issues and holds officials accountable helps reinforce the government’s legitimacy. It also helps bring to light information covered up by competing government agencies.

For years, publications like *Caijing* and *Southern Weekend* have produced and published impressive factual investigative reports. Corrupt government officials have been outed on social media and in the press. And, since media are expected to pay their own way, they have become more closely attuned to audience interests and local reporting.

Even so, during times of “sensitivity,” press controls grow tighter.

It is worth noting that although all senior media leaders are government employees, they often play multiple roles, some of which can be quite lucrative. Many media organizations have contracted out their specific business functions—such as advertising or distribution—to sister organizations or subcontractors.

The government-appointed leaders of the news organization often participate as principals and owners in these aligned companies, which tend to both generate and harvest profits. There is a vast chessboard of leadership in the media industry, across which players move with prosperous fluidity.18

Television, which is considered the most influential media, is also the most controlled. It is 100 percent state-owned, whether at the national, provincial, or local level. CCTV has almost no live broadcasting, and its news reports are picked up by the regional and local stations under a policy issued by SARFT.
Although the local stations rely heavily on advertising for revenue, their content is closely managed by central and local authorities. There are no television networks that cross provincial boundaries. Consequently, there are constant clashes between CCTV (backed by SARFT) and the regional stations over the ad revenues generated from CCTV’s prime time news reporting that is broadcast locally.

Radio is allowed to broadcast live. While there is an efficient system in place to block or cut content in real time, the most popular stations broadcast live with celebrity hosts. Although radio stations can exist as single outlets, many are now being aggregated into larger media groups. Those groups are government held but allow private investment.

Newspapers and magazines exist on a sliding scale of oversight. There are two main categories of media in general and specifically of print publications: those that are entirely or heavily subsidized by the state or party, and those that are commercially operated with little or no state subsidies. The latter are funded by advertising and circulation revenues and recently have been able to solicit external investment. The former includes People’s Daily and the Xinhua News Agency (although both have considered offering IPOs for their Internet brands), the latter includes such groups as Caixin Media Company Limited.

Even those organizations that seek external investment limit it, and majority control is maintained by its license-holder, ultimately the state.

Outright foreign ownership of media is also prohibited. A number of global publishing groups have cooperated with local government, operating in joint ventures. However, the foreign partners cannot totally control the content nor can foreign capital take a majority ownership position.

The exception to all of this is the ownership of Internet brands which, although theoretically banned from producing news content, carry a wide amount of news content across the country. Among the ocean of online sites in China, news is distributed in two major ways. The dominant form is through the online sites of existing media outlets: Virtually all major media have a presence online.

Other sites, those that started on the Internet, are officially precluded from producing original news content; they must obtain it from licensed media outlets. They are, however, allowed to produce commentary, a vague rule that allows some de facto original content.

The history of Internet ownership follows a different path than traditional media ownership in China. Many developed as technology firms and, as such, were relatively independent of
the scrutiny that media organizations receive. Unlike traditional media, where the government directly owns and licenses all outlets, Internet companies, especially those with various forms of social media, represent an exception.

Since technically speaking these are not “news media companies,” they fall under different ownership guidelines than traditional media organizations and can be privately owned or publicly listed. Thus while they are licensed by at least three different agencies (the Ministry of Information Technology, SARFT, and GAPP), the platforms are privately owned. As such, the government’s role is not an ownership role, but rather one of a regulator.

Even so, ownership of social media and Internet firms is not unrestricted. Foreigners and foreign entities cannot directly own Chinese Internet companies. However, they can invest in them on stock exchanges. A number of the market leaders, including Sina Corporation, Baidu, Youku Inc., Renren, and Sohu, are listed on Nasdaq or the New York Stock Exchange. Tencent, most noted for its QQ instant messaging platform, was listed on the Hong Kong Stock Exchange beginning in 2004. These are complex firms with multiple holdings, interlocking technologies, a number of platforms (Sina owns Weibo.com, the important social networking site), and vast opportunities for generating revenue.

The primary vehicle for listing and investing in these companies is through Variable Interest Entities (VIEs) which are offshore entities that own Chinese subsidiaries.

As George Washington University Law School Professor Donald C. Clarke wrote in his post *Who owns the Chinese internet?*:

> Because foreigners can’t own internet operations directly, an offshore entity is set up (the Baidu that’s listed on the New York Stock Exchange, for example, is a Cayman Islands company). Typically, the offshore company (“Offco”) is the sole owner of a Chinese subsidiary (“Chisub”). Chinese individuals (“Chiparties”)—typically, the entrepreneurs associated with the business—also set up a Chinese company (“Chico”). Because Chico is owned by Chinese, it is able to hold the licenses and operating permits needed to run an internet business. Offco raises money through a listing abroad, and either directly or through Chisub lends the money interest-free to Chiparties. Chiparties then use the money to capitalize Chico. Both Chiparties and Chico sign a series of contracts with Offco and/or Chisub pursuant to which Offco, directly or through Chisub, controls the operations of Chico, reaps the benefits, and suffers the losses. Since control and risk-bearing pretty much define what ownership is about, this structure mimics—or at least attempts to mimic—precisely what is prohibited under Chinese law.22

As a result of these ownership structures and the nature of Internet media itself, the control of content on Internet and social media sites is less centralized, more diverse, and yet even more subject to control via licensing, regulation, and legal restrictions on owners. Internet usage is controlled by keyword blocking, real name user registration, and other measures that seek to
diminish the speed and efficacy with which citizens—or self-proclaimed netizens—can themselves create and disseminate news and information.

Writes the China Media Project at the University of Hong Kong:

Internet controls are handled in China by a dizzying array of party and government bodies. Most important are the CCP’s Central Propaganda Department, the supreme body enforcing “propaganda discipline” (or the party line) for Chinese media, and the Information Office of the State Council (SCIO). Of these two, the SCIO is the most active agent of controls for the Internet, and its Internet Affairs Office regularly sends out directives to online news sites about sensitive content.23

Internet organizations are forced to be compliant—at least at some level—with these regulations. Weibo recently announced a new type of control. According to the Committee to Protect Journalists and the New York Times, Weibo has released new guidelines restricting users who share banned content or use Chinese rhyming puns to indirectly comment on sensitive topics. It seeks to impose self-censorship on social media users.

Notes the New York Times:

Sina Weibo imposed “user contracts” that award each of its 300 million microbloggers a starting score of 80 points. Points can be deducted for online comments that are judged to be offensive. When a blogger reaches zero, the service stated, a user’s account will be canceled. Users who suffer lesser penalties can restore their 80 points by avoiding violations for two months. Deductions will cover a wide range of sins, including spreading rumors, calling for protests, promoting cults or superstitions and impugning China’s honor, the service stated.24

**Media and Cultural Assets as a Source of GDP Growth, Soft Power and Public Diplomacy**

Like China’s Internet companies, traditional news media are also becoming enormous and integrated enterprises with significant opportunities for market leverage.

The central government has prioritized growth in the media sector and believes it can be a much stronger contributor to GDP. For nearly a decade, under GAPP, the government has pursued a policy of “cultural system and structure reform.” Its goal has been to encourage media organizations to consolidate into large media groups that can be listed and traded, allowing private investment capital to flow into “cultural” industries via structured mechanisms.

During the first quarter of 2012, Premier Wen Jiabao announced the Communist Party has made “cultural reform” a first-time focus for investment in its new five-year plan, along with a paired commitment to increasing China’s soft power around the globe.25
GAPP has issued new guidelines concerning newspapers and magazines that established specific criteria and goals for them to expand internationally as a move to increase China’s voice on the global stage.

And People.cn, a state-level Web portal that shares news and information globally, was given approval from the China Securities Regulatory Commission (CSRC) to place an IPO on the Shanghai Stock Exchange. It is believed to be the first time a state-level news media organization has been listed; its current major shareholder is People’s Daily, which retained controlling interest following its 1.34 billion yuan IPO in April.

Following that IPO, however, the important financial newspaper Caixin reported that CSRC and GAPP have decided to approach future listings with caution and intend to limit the number of companies from a region or province that can be listed.

As well-documented in CIMA’s report Winds From the East: How the People’s Republic of China Seeks to Influence the Media in Africa, Latin America, and Southeast Asia, China seeks to both train other nations in its system of media control while simultaneously amplifying its own voice through their local media. It builds entire state-owned television and radio studios in places as diverse as South Sudan, Venezuela, and Laos. Spreading its ownership model of state control of media—while offering investment capital in the sector—is part of the message. This business model is part and parcel of one-party governance.

These moves to concentrate media voice and expand its influence are not without controversy. Internally, there are substantial questions about whether uncompetitive ownership structures of telecoms are hindering China’s overall growth by limiting the footprint and speed of broadband connectivity. Other questions concern issues of public safety and corruption: If the state can block any form of news that would cause people to doubt its ultimate authority, what harm is being wreaked unseen upon its population? However there is no clear signal from the state that its complex ownership role in news and news media will change soon, even if censorship restrictions are loosened, particularly as it expands its use of news media as a tool of soft power.
Serbia

Somewhere between the opposites of independent media and state-owned media are countries that constitutionally assert press freedoms while systematically undermining them. One such country is Serbia.

During Slobodan Milosevic’s rule (1989-2000), courageous journalists and independent media played a vital role in exposing the truth and rallying people to bring about democratic change. Despite a strong regime-controlled media sector, independents like radio B92, regional broadcaster Nis TV 5, the newspaper Danas, and many others—supported by civil society and international donors—were able to help inform the public and produce investigative journalism. (Nis TV 5, a grantee of the National Endowment for Democracy in the 1990s, went out of business because of financial difficulties in late 2012.)

Today, courageous journalists still exist, as do strong supporters of media reform, but they exist within a system that is stacked against them in ways that are visible, invisible, and intransigent. Despite a spate of positive legal improvements, IREX ranks the Serbian media environment as unsustainable with a score of 1.90 in its 2012 Media Sustainability Index.

Although legislation has been passed to support media pluralism and the diversity of ideas, the Serbian government has been unwilling to loosen its control over the media. It allows the opaque and interlocking ownership of media; government and crony ownership of media-supporting businesses (such as advertising agencies and public relations firms); state-sponsorship of politically motivated programming; and the concentration of media in the hands of unknown and offshore owners. Despite new legislation requiring the licensing of media and registration of owners, piracy of broadcast channels abounds, and unlicensed media are still common.

All of these take a toll on independent reporting. There is too little money spread over too many media outlets. The Serbian media market has only an estimated 175 million euros (about U.S. $228 million) in annual advertising revenue, spread thinly over more than 1,000 different media channels. The ratio of media channels to population is 1 for roughly every 7,000 people, an unsustainable level of plurality.

Moreover, the state’s direct ownership of media and support of it through advertising expenditures—estimated to be at least 25 percent and perhaps as high as 60 percent of all advertising—is anti-competitive and directly hurts independent media outlets.
Valiant media and journalists operate, but they do so in a country still recovering from a series of wars, in an economy upended from the economic crisis, and in a media market where there is a paucity of revenue controlled by powerful ad agencies that punish or reward political reporting.

Media businesses are pressured to the point that independent reporting is endangered. Noted one local community radio manager, “Real journalism is gone at the local level.”

The Legal Environment for Media Ownership

After the fall of the Milosevic government in 2000, Serbia entered a period of chaotic and incoherent media reform. Four major laws were implemented:

**The Broadcasting Act (2002),** which institutionalized a dual broadcast system (public service and commercial), created the Republic Broadcast Agency (RBA) to act as a regulator able to issue media licenses and mandated the privatization of state-owned media (with the exception of the major national television stations, Radio Television Serbia RTS and Radio Television Vojvodina RTV). The RBA was empowered under Article 97—which prohibited the concentration of media ownership—to develop the Business Registers Agency to maintain data on media owners.

The act, although designed to promote pluralism and the free flow of ideas and information while prohibiting the monopoly of public information, did not address topics such as the size of media markets, access to capital, or ownership concentration. These were added later, but only for electronic media. Delays in implementing an oversight council under the Broadcast Act undermined the implementation of the act; the council thus remained inoperative until mid-2005. The consequences of this delay were substantial. The implementation of the Broadcasting Act was stymied, including the process of issuing licenses, the privatization of broadcast media, and the creation of public service media at the national and provincial levels.

**The Public Information Act (2003),** which stressed pluralism of ideas and opinions, outlawed censorship, and prohibited information monopolies. The Business Registers Agency established the Register of Public Media (2009). This act had flaws. It lacked a verification process and failed to require that ownership registration specify the actual natural owners of the media (i.e., people). It only required that the “legal persons” owning media be listed, which can be business entities registered offshore. This feeble attempt at transparency was later deemed unconstitutional.

**The Law on Free Access to Information of Public Importance (2004),** which allowed access to public records.
The Law on Advertising (2005), which set setting time limits on the amount of advertising that can appear on television broadcasts and outlining principles related to various categories of advertising (such as alcohol and pharmaceuticals) and to ads targeting minors.

During 2011, as part of its EU accession efforts, Serbia also adopted the Public Information Development Strategy, more commonly known as the “media strategy.” The strategy is notable for many reasons, but three things stand out because they recur in virtually every section of the document: the call for ownership transparency; the insistence that government step back from ownership of media and its outsize role in advertising and media distribution networks; and the insistence that existing laws be enforced. The latter is important. Many of the laws exist in name only. The political will to enforce them has been limited.

In an assessment of how well Serbia is meeting the European standards for accession, a report found that “in several cases, legal regulations are simply not being implemented or are implemented in a manner contrary to the clear intent of the law. This is happening due to the weakness of the implementing institutions, but also because of the … nature of the political system allowing particular political interest to take precedence over the principle of the rule of law, without any legal consequence.”

Shortly after the media strategy was adopted in September 2011, it too was undermined. Laws were passed in direct conflict with its precepts. In December 2011, the Serbian government passed the “Decree on Amendments and Addendum to the Decree on the Rules for Allocation of State Aid” that left room for state aid to continue to support media and called for the creation of additional government-controlled public sector media.

Who Owns Serbian Media? Good Question.

In September 2011 Verica Barac, head of the Serbian government’s Anti-Corruption Council (ACC), published a stunning report on the depth, breadth, and structure of corruption in Serbia’s media industry.

The Report on Pressures on & Control of Media in Serbia is a page-turner. One local commentator said that “the report reads like a detective story–it follows the money associated with companies that have offshore addresses, moguls, media and government circulating around the globe … More importantly, the report shows clearly how the money moves so to hide true ownership and prevent … public’s media scrutiny.”

Over a 30-month period from 2008 to 2010, Barac painstakingly unraveled the corrupting influence of the state on media and media-supporting organizations throughout Serbia. She analyzed how money flows in the media sector, particularly funds springing from government coffers. And she took a clear and unstinting look at how media ownership hides behind opaque offshore shell companies in countries with banking secrecy laws.
The report walked through data collected on specific media houses and traced their stated and unstated owners, known connections to other organizations, and relationships to government or organized crime leaders.

It concluded that there are three major structural problems with Serbian media:

- The lack of transparency in media ownership.
- The economic influence of state institutions on media through a wide variety of budget payments.
- The political influence on the programming of public service broadcaster RTS, which actively publicizes the ideas and profiles of political parties and ruling elites.\(^{35}\)

Specifically, the council found that among the top 30 media houses in Serbia, 60 percent lack ownership transparency. Real owners are hidden behind offshore companies; because of this, it is unclear what interests own the media, what their other media holdings are, and what additional business interests the owners hold.\(^{36}\)

The report also showed how the Serbian government shapes news content directly through the state-owned news agency Tanjug, which has a staff exponentially larger than those of independent agencies, and through its influence on two public relations firms, TV Infobiro and Frame. Their services are paid for by the government, and they cover political events to provide news content at low or no cost to impoverished media channels unable to afford covering the stories independently. Thus in addition to having a polished and deliberately crafted message about various officials, ministries, or government programs, the public is denied critical reporting on those entities or on government activities.

The council concluded that all sectors of the media market lacked ownership transparency to an extent that could compromise news reporting and citizens’ access to information. For example, it showed how market-leading advertising agencies are controlled by government cronies. Multikom Group is in part owned by Dragan Djilas, the mayor of Belgrade, and McCann Erickson is owned by Srdjan Saper, an influential Democratic Party member and close friend of former Serbian President Boris Tadic. In addition to providing advertising services and developing actual television programming, the agencies control a vast amount of advertising placement.

One way they influence the content of local media is by purchasing wholesale advertising space for resale to advertisers. Local media managers complain bitterly that this allows the agencies to exert control by paying or withholding payment, and by rewarding and punishing media outlets for their reporting. It also induces self-censorship in media houses starving for revenue.\(^{37}\)
Noted one regional television producer, “These ad agencies control the big advertisers and where they spend their money; they also control our cash flow and profitability. For example, perhaps an agency places a schedule with us. They might schedule huge blocks of time, leaving us no inventory to sell to others. But then we air something the government disagrees with. The agencies then break the contract and don’t run any ads, and we can’t replace their high-cost ads with a lot of small ads at the last minute. Or they may run the schedule—or more than one schedule—but then delay the payment for weeks or months. We lost our cash flow, we can’t pay our bills, and we can’t get the law to enforce it.”

The council’s findings have been validated by other organizations. For example, a report evaluating Serbia’s preparedness for joining the EU criticized the hidden ownership of media and media sector businesses. It found that distribution networks for print are monopolies, often highly concentrated in the hands of shady characters and hidden in offshore corporations. Although media’s right to equal access to distribution channels is guaranteed under the Public Information Act, those laws are general rather than specific and remain unenforced, further creating constraints on access to news media. The non-transparent privatization of the press distribution system and the formation of joint ventures created two major players in the field: Futura Plus, with more than 1,000 kiosks, and Stampa Sistem, which owns 550 newspaper stands and has 50 retail shops. The latter has an ownership association with Stanko Subotic, who is being prosecuted in abstentia on cigarette smuggling charges, and was formerly owned by Darko Saric, who was charged with organizing drug trafficking.

The lack of transparency in Serbian media ownership is linked to its licensing and registration procedures. As in other countries, under the Serbian constitution, media may be freely established without prior permission, with the exception of broadcast media using the public spectrum, which must be licensed by the Public Broadcasting Agency. Yet the laws that limit concentration and mandate transparent ownership are unenforceable. Although all media should also be entered in the Register of Public Media, the Serbian Constitutional Court determined that the registry and its sanctions are unconstitutional. Thus, tracking ultimate ownership is almost impossible.

The Anti-Corruption Council published its findings the same month that the media strategy was announced. The latter was heralded with much fanfare; the council’s report went virtually unnoticed.

Months later a leading weekly publication, Vreme, published a series of articles written by media leaders rebutting the report’s findings and discrediting Barac personally. Although acknowledging that corruption exists in the media sector, each author found it existed outside his or her own shop.

Barac died in March 2012 and her Anti-Corruption Council was shut down. A new council has been established.
Honduras

In some countries where media are rated as Not Free by Freedom House and unsustainable by IREX’s Media Sustainability Index, it is possible for outside NGOs, donors, or individuals—local or international—to fund independent media and operate openly, albeit under pressure, scrutiny, and threat.

The journalists who report for these outlets take considerable risks; the owners do, too, both personally and financially. At the very least, for owners it is not typically a path to wealth.

Thus philanthropic ownership and funding of independent media is an essential tool in the media development toolkit. It supports independent reporting but has one substantial drawback: Ultimately the funds run out, and unless the media businesses become self-sustaining, they often can’t survive.

Freedom House ranks Honduras as the most dangerous country in Latin America for journalists and designates its press environment as “Not Free.” More than 20 journalists have been killed with impunity during the past three years. The government censors media and manipulates its national advertising budget to choke independent media and induce self-censorship.

The overall media market is controlled by just a few powerful players. Article 19, the freedom of expression advocacy organization, has found that media ownership is concentrated in the hands of six families that also control vast and diverse holdings in banking, pharmaceutical, insurance, retail, fast food, import, and agricultural firms. While not reliant on government advertising to survive, these media organizations actively suppress investigative or watch-dog reporting to protect the regime and their lucrative relationships with it.43

Notes Freedom House in an article on Honduras:

Self-censorship is rooted in fear, scare tactics, coercion, and a closed media system in which advertising works as a straitjacket. To these factors can be added the close links between the media, politics and business. The large media are sustained by cross-ownership and integration among financial conglomerates, resulting in an imbalance in social diversity and in the interests represented in the media system.44

During the 2000s, private investor Allen Andersson sought to change this.

After making a fortune in the technology industry, Andersson—a former Peace Corps volunteer in Honduras—sought to use it help others. With his wife, Susan Riecken, he decided the best approach was to help the poor and the place was Honduras. “I asked myself if I want to help poor people, whom do I know who’s poor? I didn’t know a lot of poor people in Bethesda, Maryland; the only poor people I knew were in Honduras … a place I knew and understood.”45
Andersson, who previously designed telecommunications networks, wanted every dollar to count. He felt that “the thing that travels the cheapest over a hundred miles of bad roads is information. People need information. They need access to information to find new jobs, to learn what’s going on in their own country, and to learn what’s going on in the rest of the world.” His Riecken Foundation established 65 community libraries throughout Honduras that are still in existence today.

But when his wealth grew from $3 million to $300 million during the 2000s tech boom, he set his sights higher. Former U.S. Ambassador Robert White encouraged Andersson to use his influence and money to help oust President Pepe Lobo—who condoned and aided the illegal logging that ruined many rural communities and impoverished their people—and bring in a candidate committed to environmental protection and human rights. Andersson backed Mel Zelaya.

He bought a newspaper, El Libertador, which eventually led him to create a media group, Grupo Picacho, that owned a radio production company, the newspaper (ultimately renamed The Patriot), and an online site. He hired independent journalists and, unlike other journals in Honduras, let them investigate and report on government corruption, environmental abuses, and corporate malfeasance. A renegade and a scrapper, Andersson had fun doing it. Over the course of years his various efforts included hiring private detectives to investigate environmental abuses, recording corrupt officials making deals, and warning off goon squads that sought to intimidate his reporters.

“We ran it at a loss,” he said “but our reporters were the happiest reporters in the country. They were the only ones who were allowed to investigate the news and report it.” In the end, the candidate he backed won the presidency.

Without his financial support, the news operation was unviable. “I had predicted that the big advertisers would not advertise with us. In Honduras, all newspapers are owned by the oligarchs. There is about a half a dozen families that run about 95 percent of the country … So when our newspaper started up with independent reporting, they went to all the distributors and said ‘don’t distribute this newspaper. If you do, then we will not let you distribute ours.’” In response, Andersson had newsboys, reporters, and editors hawk the paper.
Selling ads to small businesses was no less problematic. Although a number of merchants wanted to be supportive, they cited reprisals ranging from social consequences (being expelled from country clubs) to economic consequences (non-renewal of bank loans). If the newspaper got three pages of ads in a 30-page edition, it was a banner week.

“There was never even a chance we could get revenues to be 20 percent of our costs. I expected it to be a loss, but I never expected it to be such a total loss. If I did it again, I would budget it to be a total loss. That’s the only way that you can be independent,” Andersson observed. “Nobody can make a big difference in the media and also make a big profit in these countries.”

During the financial crisis, Andersson’s private merchant bank, Paperboy Ventures, went bust. While the Riecken Foundation’s libraries remained strong throughout Honduras, he was no longer able to personally finance independent reporting. The Patriot’s reporters now operate it as an online-only news source; most are volunteers who work for the mainstream media and do independent reporting under pen names. The effort has faded to almost nothing. Even so, Andersson says their efforts founded a cadre of newspaper reporters and editors who can imagine and envision independent reporting.

Would he have done anything differently? “I would be more careful about paying attention to my own business … I feel so regretful that I let my business fail.”
Conclusion

At the very highest level, government determines who can own media. It can take a structural role that sets parameters on how media can be owned and operated. It can take an intrusive role that limits who can or cannot own specific media channels. It can preclude independent ownership through state controls or state ownership. Or it can play a subversive role, by moving the control of capital and sources of media revenues into the hands of cronies.

How governments allow or constrain news media ownership sets the stage for the relative independence and perceived credibility of journalism.

Two different systems highlighted in this report, in the United States and China, are macro examples of how media markets can be organized. These systems provide a strong contrast and yet share similarities. They are both far from perfect.

Both seek a media structure that furthers deeply-held national goals. Both organize, at some level, how capital can be invested in media organizations. Media stocks can be listed and traded in both countries; media organizations can operate as successful businesses and enrich investors. Both countries use government-sponsored news platforms as part of their international soft-power and image-making (i.e., VOA, RFA, RFE-Radio Liberty, CCTV, and Xinhua). Both have faced the disruptive influence of the Internet and puzzled how to absorb its influence. And both countries have made media a top level concern with agencies that oversee their operations.

But they differ in essential respects.

In the United States, regulations surrounding media and its ownership are designed to avoid an anti-democratic concentration of the news media that could constrain wide access to diverse viewpoints. They also seek to support economic competition and address anti-trust concerns. Although there are instances where officials or agencies try to curb journalists (for example, by limiting access to public meetings or records), the use of legal means to curb reporting tends to be unrelated to media ownership.

In China, the government seeks to use its news media to maintain social stability while reinforcing state control, recycling content on different platforms, and increasing its use as a tool of public diplomacy, propaganda, and soft power. Ownership control is essential.

There is a vast middle ground between these two opposites.

Throughout the world, media ownership issues are increasingly sophisticated and complex. They enable or constrain press freedoms in subtle ways. Thus, in the field of media development, more diverse and sophisticated approaches should be adopted when attempting to bring about greater press freedoms.
Journalists can be trained. That is essential to creating the fair and independent reporting supporting democracy. Yet their contributions are systematically undermined when their news organizations are owned by government cronies, conspired against by state organs, undermined by ad agencies, and denied capital.

Media simply cannot be free under those conditions. Media ownership, and the ownership of all the institutions that influence media, must be independent and transparent so that free expression can exist.
Recommendations

- Media outlets should cultivate business sophistication and hire people who have it.

- At an international level, the media development community should advocate for standards governing media cross-ownership limitations, best practices in media licensing, and the licensing of the broadcast spectrum.

- States should adopt net neutrality and support increased uncensored access to social media and Internet news sources. They should scrutinize media ownership sales and declare non-transparent sales of media companies illegitimate and make their ownership visible.

- Media owners, governments, and media development funders and practitioners must modify the belief that advertising will always automatically support independent media. It won’t. It is not in any advertiser’s business model to underwrite news reporting; first and foremost, it is their fiduciary duty to build their own customer bases. If that means redirecting marketing strategies to more effective platforms, they will. And they have.

- The media development community should commit to aggressively accelerating the financial management, business, advertising, and digital media skills of media managers, particularly in transitional countries.

- When entering transitional markets, media outlets should first conduct audience research to establish a baseline for advertising rates. Cronyism and coercion lack force when advertisers, particularly large international advertisers, are given legitimate choices among alternatives.

- Media developers should support independent community and investigative reporting, especially local radio, through multiple funding sources, including helping to build local revenue bases, even if they exist outside traditional media business models.
Endnotes


4. Article 19, http://www.article19.org/pages/en/international-guarantee.html. The Universal Declaration of Human Rights contains the most widely recognized statement of the right to freedom of expression in Article 19: “Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.”


13. Eli Noam, *Private equity is a problem for public media*, http://www.ft.com/intl/cms/s/2/50ca3cb0-c01e-11db-995a-000b5df10621.html#axzz1wvYk5gNE.

14. Ibid.

15. Allen H. Neuharth, Interview with the Author by Phone, February 20, 2012.


21. Ibid.


29. Ibid.


32. Serbian Media Scene (SMS) vs. European Standards, Page 16, May 2012, http://www.anem.rs/en/aktivnostiAnema/AktivnostiAnema/story/13442/Publication+%22Serbian+Media+Scene+%2B+European+Standards%22.html, “The analysis is the product of a joint effort undertaken by the Civil Rights Defenders organization, the Association of Independent Electronic Media (ANEM), the Independent Journalists’ Association of Serbia (NUNS), the Independent Journalists’ Association of Vojvodina (NDNV) and Local Press (Association of Local Independent Media). Included are interviews with 240 editors-in-chief of media outlets from 79 towns in Serbia; 69 media owners; 40 political party officials; 50 members of nine national minorities; and representatives of 26 governmental, regulatory, and self-regulatory bodies in the media sector.”

33. Ibid, Page 60.


36. Ibid., Page 3.


38. Serbian Regional Television Producer, Interview with Author, November 11, 2011.
39. Serbian Media Scene (SMS) vs. European Standards.

40. Ibid., Page 51.

41. Ibid., Page 4.

42. Milivojević.


45. Allen Andersson, Interview with Author, December 7, 2011.

46. Ibid.

47. Ibid.

48. Ibid.

49. Ibid.

50. Ibid.
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