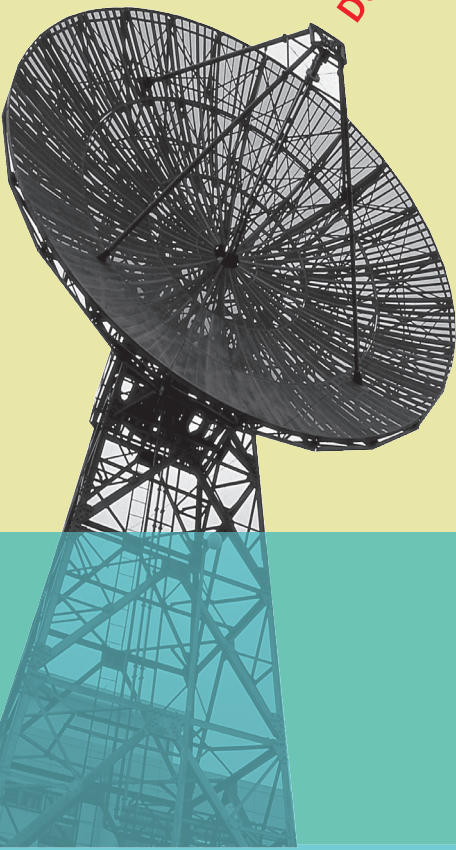


MEDIA SUSTAINABILITY INDEX

2003

Development of Sustainable Independent Media in Europe and Eurasia





According to Mark Pomar, President of IREX, "The longitudinal analysis of independent media points to a strong correlation between media sustainability and democratic government. The two move in tandem, and therefore a comprehensive study of independent media is one of the more accurate indicators of political development."

Introduction

I am pleased to introduce the Media Sustainability Index (MSI) 2003. For the third consecutive year, the MSI provides in-depth analysis of the conditions for independent media in 20 countries across Europe and Eurasia.¹ The MSI was conceived in cooperation with the United States Agency for International Development (USAID) in 2000 as a tool to measure media development. Since then, the MSI has evolved into an important benchmark study to assess how media structures change over time and across borders.

During the past three years, the MSI has continued to expand its readership and its role in building a knowledge base for those interested in promoting independent media. For example, Transparency International referenced the MSI in its Global Corruption Report 2003, underscoring the role media play in revealing and combating corruption. The MSI was cited in a report by the US General Accounting Office (GAO) as a comprehensive tool for assessing media in transitioning countries. In response to congressional concern about cuts to Voice of America and Radio Free Europe programs, the GAO report suggested the MSI could be used to more accurately gauge specific media environments before determining budget cuts. Furthermore, the MSI continues to be used by USAID and many implementing organizations in determining democracy and governance development strategies.

Equally important is the significance of the MSI for media professionals in each of the countries assessed. For some, their presence on the MSI panel serves notice to repressive governments that independent media have an important social voice. For others, the study offers insight into how similar outlets in neighboring countries become sustainable businesses, or how the establishment of even one media association in support of journalists' rights can begin to counteract the political pressure on reporters and editors. And journalists can measure the costs of passive self-censorship, alongside the damage to professional standards from more traditional censorship by managers, owners, or the government. The MSI also demonstrates that having laws that purport to enshrine the right to a free press does not equate to having an independent media in practice, and that state-controlled media cannot necessarily be passed off as being in the public interest.

¹ IREX analyzed Kosovo and Montenegro as distinct entities.

By providing such perspectives to readers of the MSI, we hope to reinforce support for developing media systems in the 20 countries currently studied. However, as opportunities arise to analyze the environment for independent media in other countries and regions, we will continue to apply the MSI as a useful analytical and advocacy tool.

IREX would like to thank all those who contributed to the publication of the Media Sustainability Index 2003.

Participants, moderators, and observers for each country, listed after each chapter, provided the primary observations and analysis for this project.

At USAID, Peter Graves and numerous field-based staff provided valuable comments on the content of the study. All have been essential supporters of independent media and advocates for the MSI as an analytical tool for development professionals.

At IREX, Michael Clarke, Jill Jarvi, Maggie McDonough, Drusilla Menaker, Gerhard Saric, Cara Stern, Linda Trail, and Mark Whitehouse provided editorial support. IREX Resident Advisors and IREX field staff in the 20 countries provided important support in developing the panels or providing logistical support. Theo Dolan managed the overall implementation of the project.

We hope you will find this report useful, and we welcome any feedback.

Sincerely,

A handwritten signature in blue ink, reading "Mark G. Pomar". The signature is fluid and cursive, with the first name "Mark" being the most prominent.

Mark G. Pomar
President, IREX

The third annual Media Sustainability Index (MSI) reveals key trends in the development of independent media in Europe and Eurasia during 2003, as well as those since the assessment began in 2001. Scores over this period show the uneven progress of the 20 countries analyzed in four regional tiers. Southeast Europe constitutes the first tier, with the nine countries of the region moving rapidly to establish sustainable independent media. The Caucasus, in the second tier, show a very gradually improving media landscape. In Russia and the Western Eurasia countries, progress has leveled off over the three-year period, with the dramatic events affecting media in Belarus having a significant impact. In Central Asia, the fourth tier of media development, countries have been able to make only halting reforms.¹ These regional tiers indicate a similar pace of media development for each group of countries, yet the progress—or lack thereof—of the individual countries indicates just how unique the path to sustainability can be.

Southeast Europe

The countries of Southeast Europe largely continued their rapid progress toward media sustainability during 2003. Croatia remains the country closest to establishing overall sustainability, but Macedonia, Montenegro, and Serbia evidenced the greatest growth on a percentage basis from 2001 to 2003. Much of this can be attributed to the emphasis the region's countries placed on gaining membership in multilateral organizations such as NATO and the European Union. These countries also shared an improving business climate that allowed growth in the number of quality media outlets. Bosnia and Herzegovina improved significantly in 2003 as well, but progress is restrained by a complex political structure and corresponding delays in reorganizing public broadcasting and implementing legislative reforms.

Bulgaria and Romania demonstrate a different trend: With NATO membership promised in 2004 and EU membership attainable in 2007, both countries have regressed slightly in their media development. Their efforts to assert themselves internationally appear to have

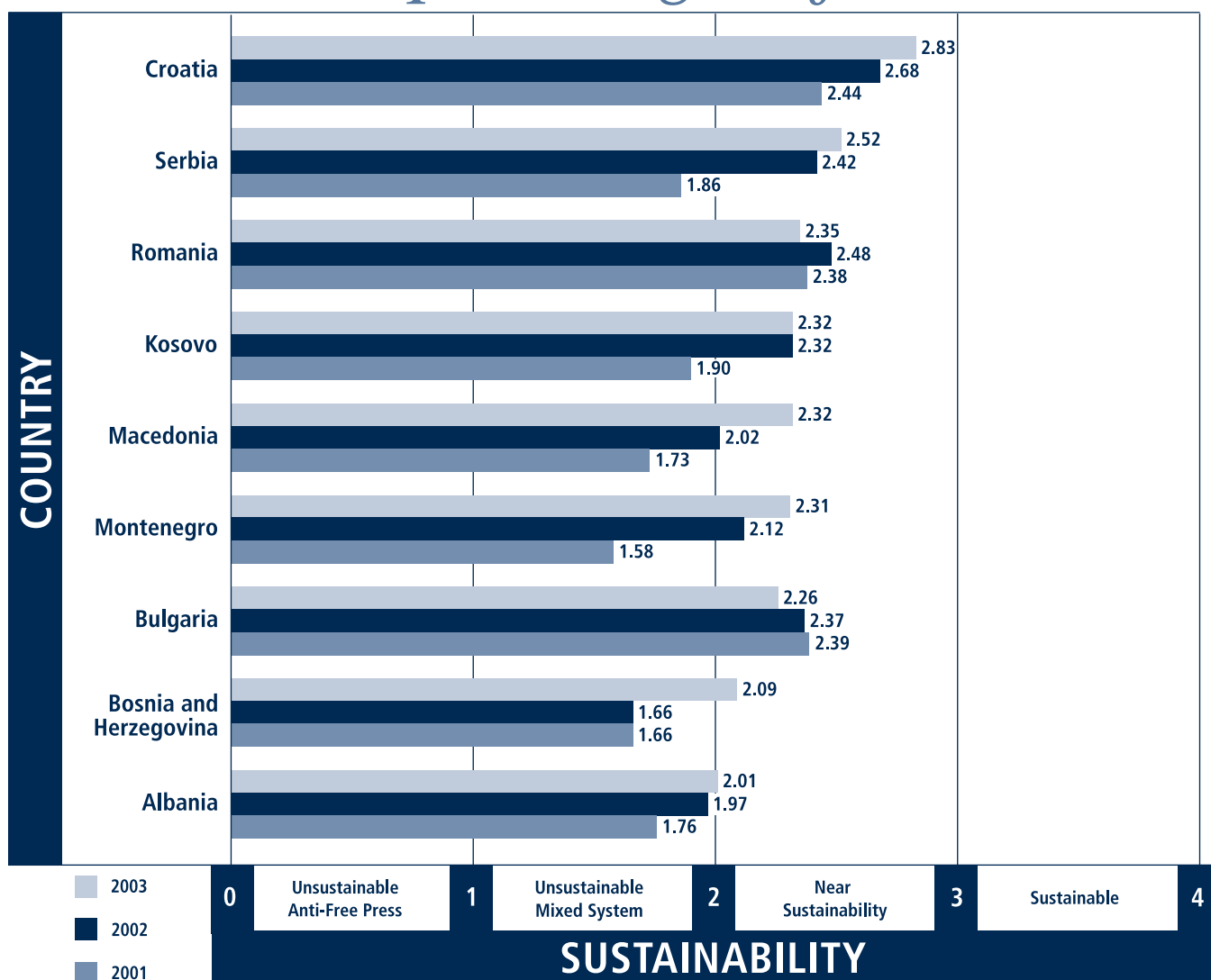
¹ Editor's Note: Turkmenistan was not included in the MSI.

diverted attention from domestic efforts to promote further media liberalization. Indeed, both countries have experienced significant problems with implementing media legislation and protecting journalists' freedom of speech. The lack of judicial reform also prevents these countries from displaying the kind of progress exhibited by their neighbors.

Albania and Kosovo have shown little improvement over the three-year period. Albania's progress is tempered by the strong grip of political and business groups on media outlets. Meanwhile, Kosovo—essentially an international protectorate—must cope with a saturated media market as the internal bureaucracy shapes effective media legislation and an independent media regulatory commission.

Despite liberalization in the media sector throughout Southeast Europe, potential dangers linger. Media outlets in many countries continue to be strongly influenced by political or business interests, affecting editorial independence and professionalism. Furthermore, the media sector is becoming increasingly consolidated as large foreign conglomerates buy local media. This trend often leads to more financially sustainable media but risks centralizing editorial decision-making in a few hands. Advocates for independent media cannot assume the significant progress recorded in Southeast Europe since 2001 will continue. Accession to international organizations will not be a guarantee of a sustainable independent media unless each country in the region maintains its focus on nurturing the growth of a free press within its borders.

Southeast Europe: Average Objective Scores

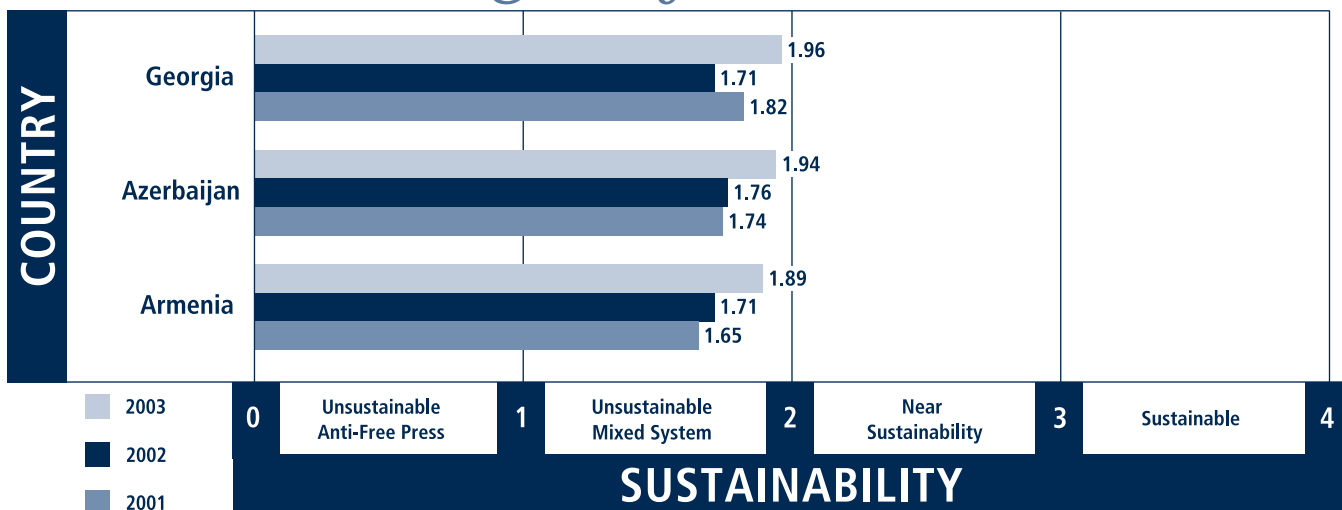


Caucasus

The countries that comprise the Caucasus region all evidence marginal improvement in the media sector despite the contentious elections that dominated activities in 2003. These elections witnessed a cycle of harassment and violence directed against journalists, requiring media associations and nongovernmental organizations (NGOs) to step in more frequently to defend journalists' rights in all three countries. Despite the still underdeveloped advertising markets in the Caucasus, modest economic growth across the region bolstered media outlets. In another regional trend, Armenia, Azerbaijan, and Georgia all made progress in drafting new media laws. Armenia adopted new statutes on mass media and freedom of information, while Azerbaijan and Georgia presented controversial new broadcasting legislation. During the continuing debate, all three countries will need to consider international criticism of their criminal defamation codes and repressive judicial systems.

Overall, the countries in the Caucasus have inched forward in their media development since 2001. However, much remains to be done. Associations must seek protection for journalists and apply ongoing pressure on governments to initiate judicial reforms. Legislative bodies also must resist pressure to weaken pending media laws with amendments that increase state control. With the 2003 elections completed, the media sector has the opportunity to focus its professional efforts on regaining the public trust rather than taking political sides.

Caucasus: Average Objective Scores

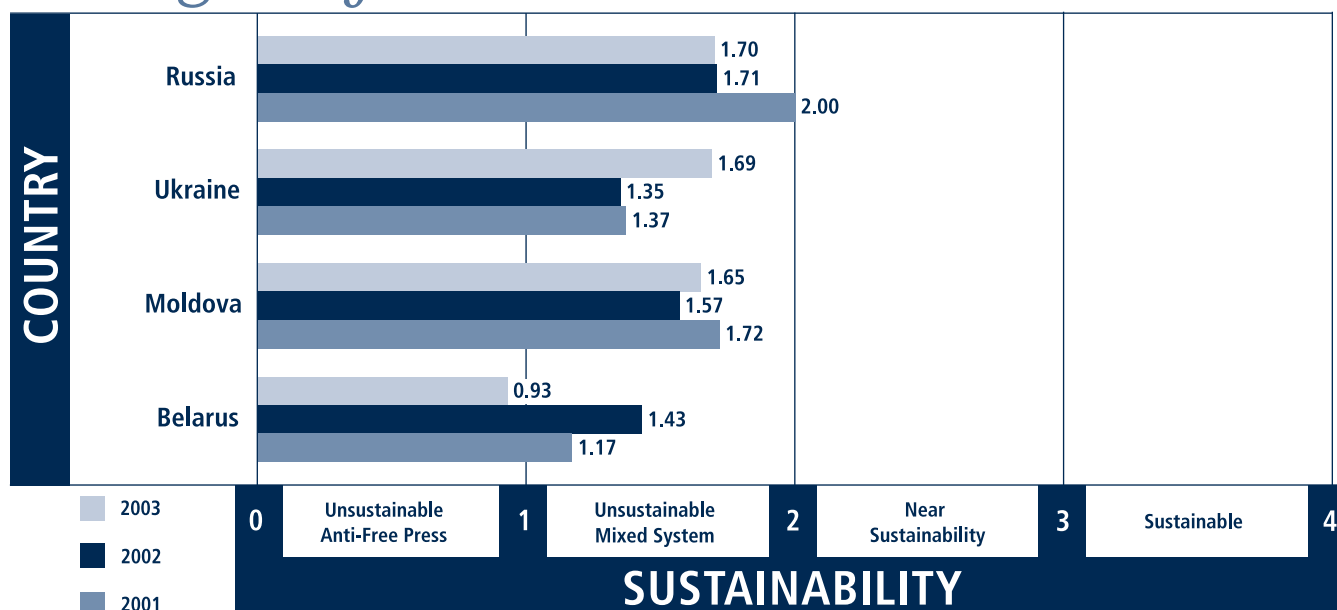


Russia and Western Eurasia

The media development assessment for Russia and Western Eurasia was lowered by the repression of independent media in Belarus as President Alexander Lukashenko turned his country away from democratic liberalization. Lukashenko consolidated his power during 2003 by using new regulatory procedures, court decisions, and presidential decrees to restrict the activities of non-state media outlets. As a result, Belarusian media fell below their 2001 starting point in the MSI ratings.

Since the 2001 MSI, Russia has tapered off in the development of its media independence. Politicized media are set against the struggling independent media, and an apathetic public is caught in the middle. With control over the national broadcasters concentrated in the central government and the market distorted by the many government-run regional newspapers, independent outlets struggle to maintain their presence. Such firm government control has led to a decrease in the objectivity of coverage and diversity of opinions available to Russian audiences. The country's declin-

Russia and Western Eurasia: Average Objective Scores



ing score is offset somewhat, however, by a modest gain in business management professionalism as an upswing in economic indicators fuels an improving advertising market for some outlets.

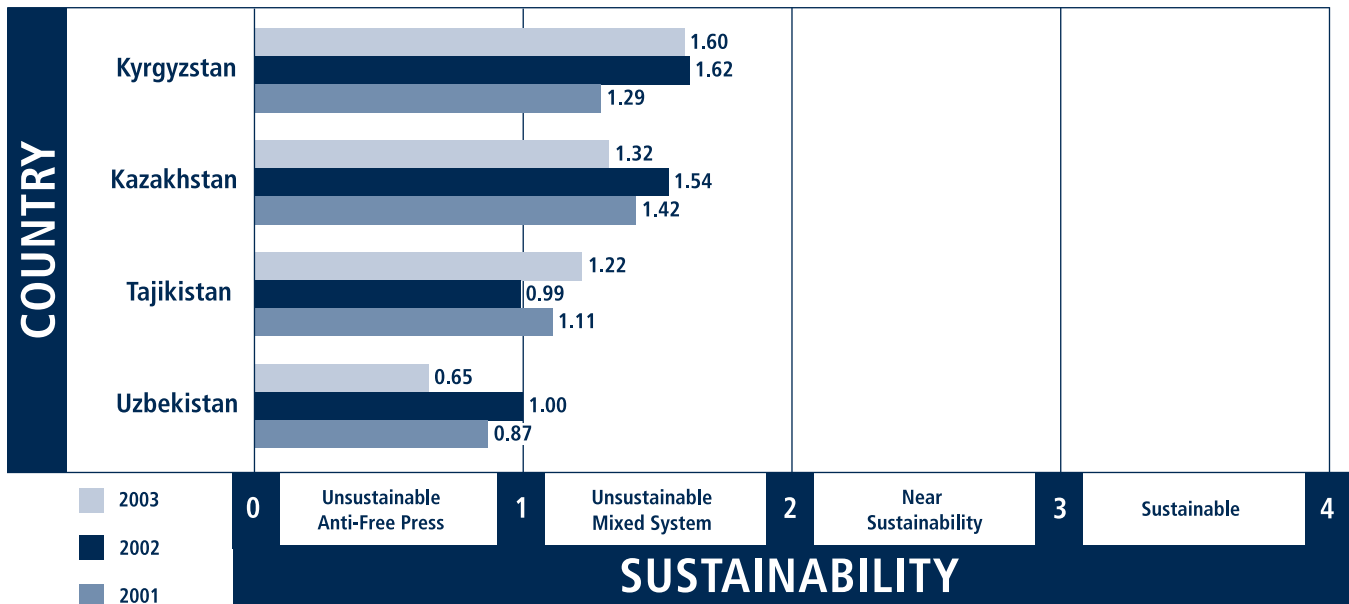
The 2003 MSI scores show inertia in Moldova’s media development. The activities of NGOs and media associations in support of media development continue to boost the overall index, but journalists still lack access to information, decreasing the level of their professionalism. Overall, the Moldovan media sector is searching for traction as it confronts Soviet-era traditions, a poor economy, and state control of many portions of the media industry infrastructure.

Ukraine demonstrated uneven progress during 2003. While scores indicate improvement across all categories, the 2003 results must be put in the context of the dismal reports from the two prior years. Nevertheless, Ukraine has displayed significant improvement in supporting institutions such as associations and NGOs. With signs of economic improvement, the advertising industry has also brought new opportunities to the media sector. But vigilant political control over the media and poor ethical standards among journalists lessen the positive effects.

Central Asia

As a whole, the Central Asian region suffered through a difficult year in media development. With the exception of modestly increasing press freedoms in Tajikistan, the four countries representing Central Asia in the MSI are far from a sustainable independent media. Governments in Kazakhstan, Kyrgyzstan, and Uzbekistan waged targeted campaigns in 2003 to assert control of independent media. Much of the progress measured by the MSI in Uzbekistan and Kazakhstan during prior years unraveled during 2003. Journalists were arrested, harassed, and abused with near impunity by political and business interests. Kazakhstan’s President Nazarbayev reflected the attitude of the region’s

Central Asia: Average Objective Scores

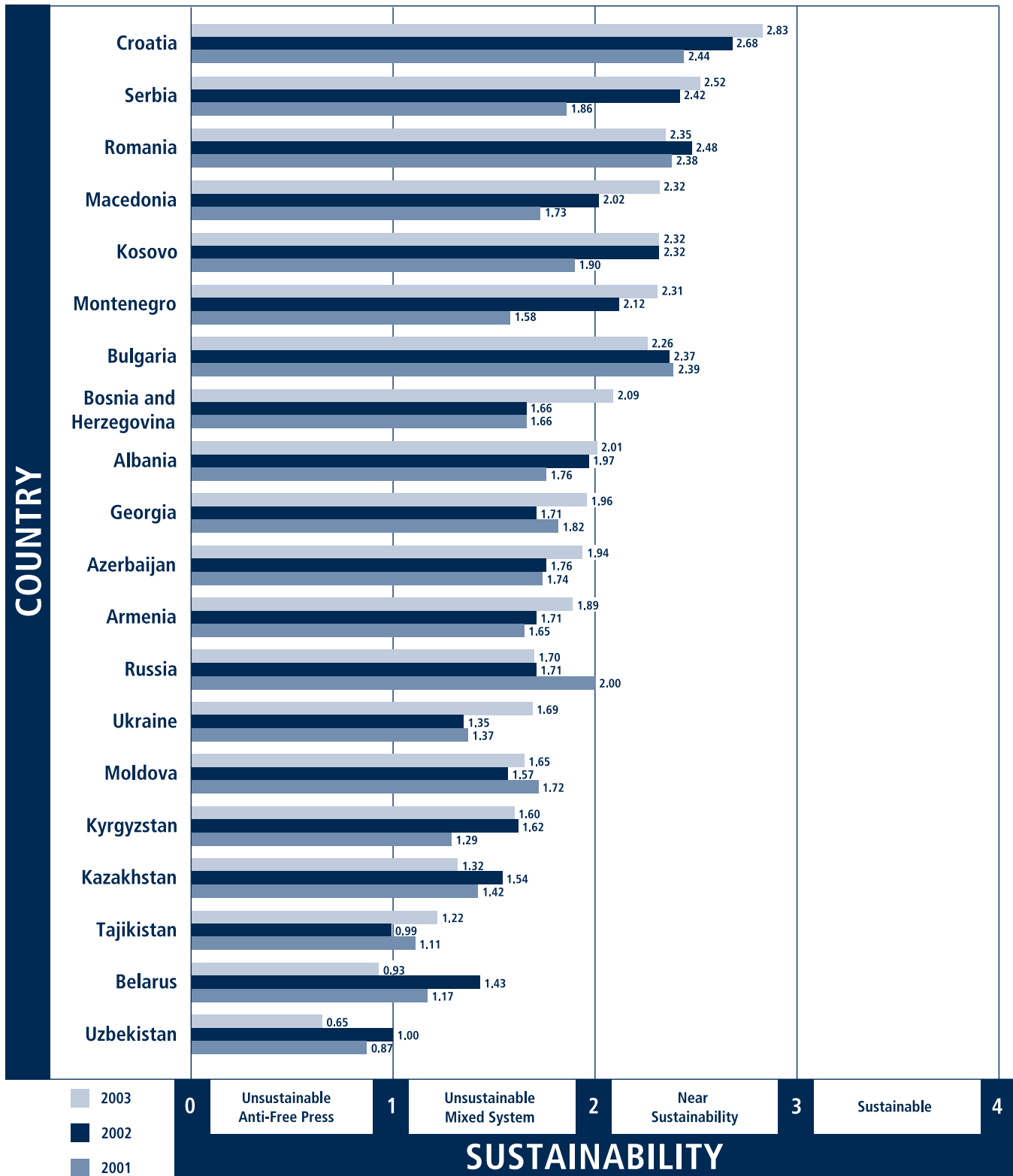


regimes when he commented, “In a poor society, torn by social antagonisms, it is impossible to attain the model of a liberal and pluralistic press.”

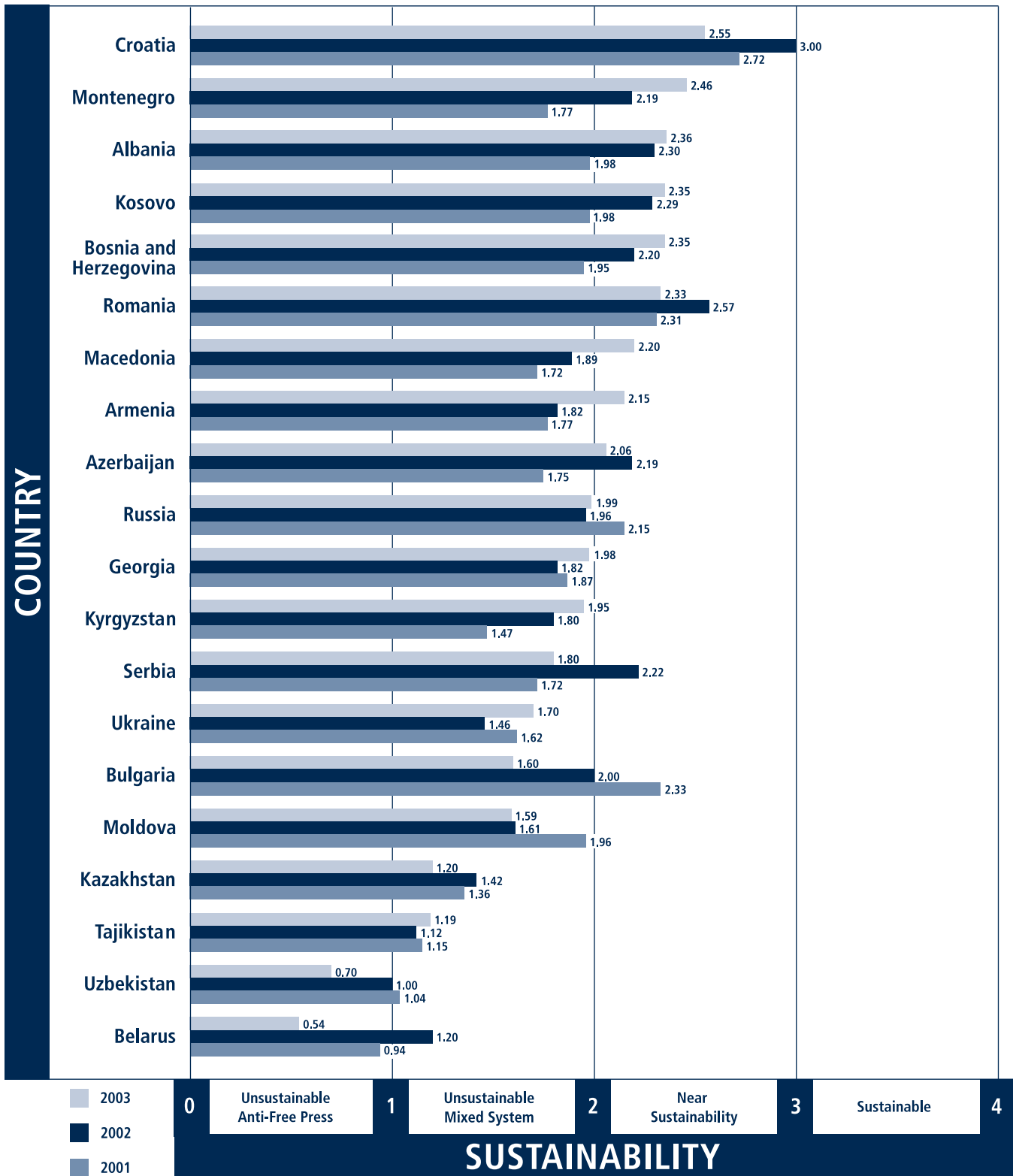
Tajikistan holds the most hope for Central Asian media. Though many journalists lack access to information and opportunities to develop professional skills, new independent media outlets are proliferating and competition among the Tajikistani media is reviving the industry. Control over the media in Central Asian countries had been noted by the MSI since 2001. However, recent scores indicate that the governments of the former Soviet republics did not react well to independent journalism in practice, and are seeking to control the flow of information to citizens. Future media development appears dependent on reform or change within the Central Asian political power structures.

Overall, countries must summon the political will to initiate the reforms needed to give teeth to well-intentioned media legislation. Governments, politicians, and public institutions in all four regions must accept accountability for their actions. And they must commit to giving citizens the information needed for their performances to be judged. Concurrently, media outlets must appreciate fully their roles as responsible conduits so that the public can make informed decisions. The gains in development noted in the MSI merit appreciation, while the roadblocks and setbacks demand attention. The points of convergence across the surveyed countries indicate the areas requiring particular focus if independent media are going to be fully sustainable and provide the credible information the public deserves.

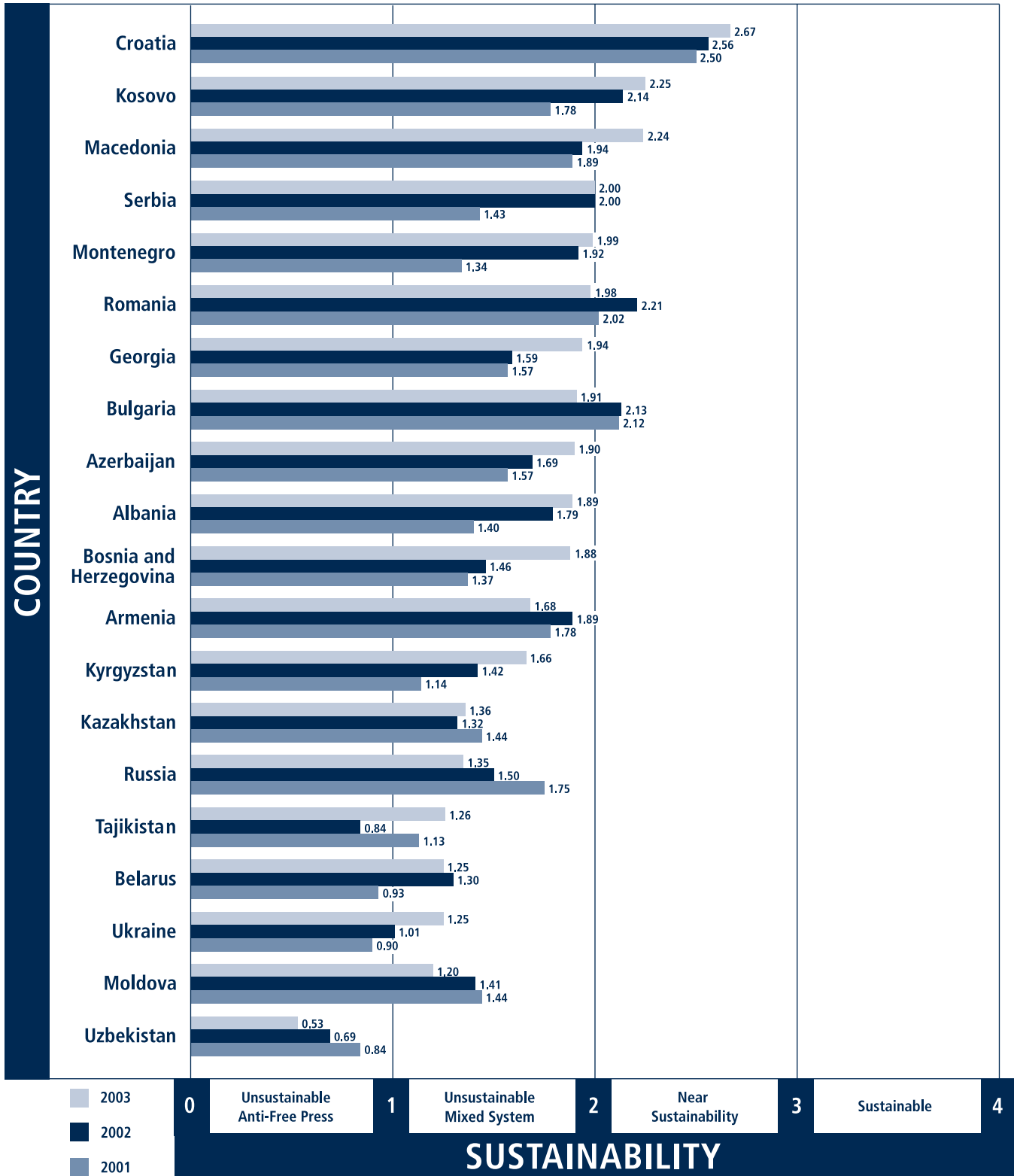
Average Scoring for All Objectives



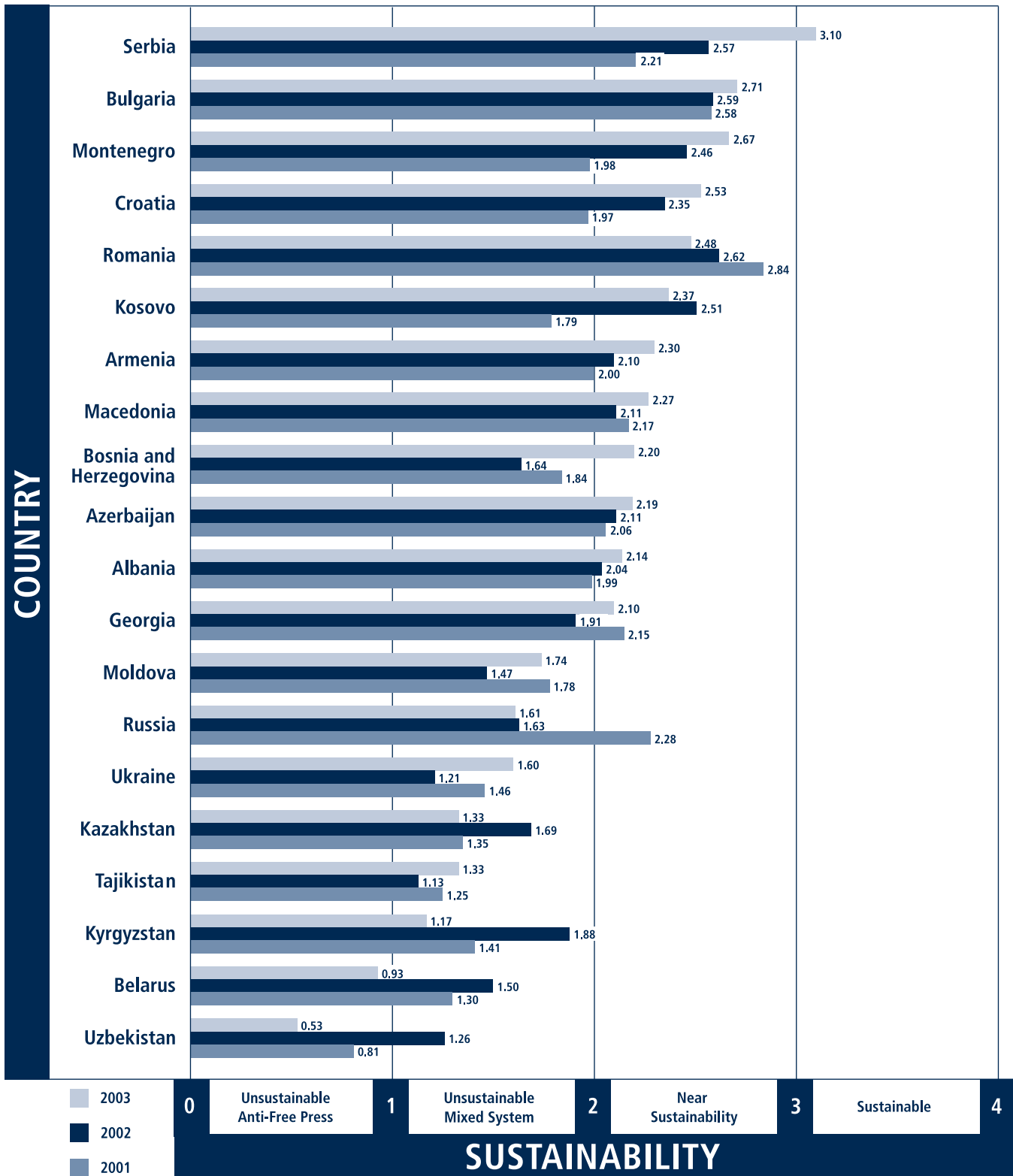
Objective 1: Free Speech



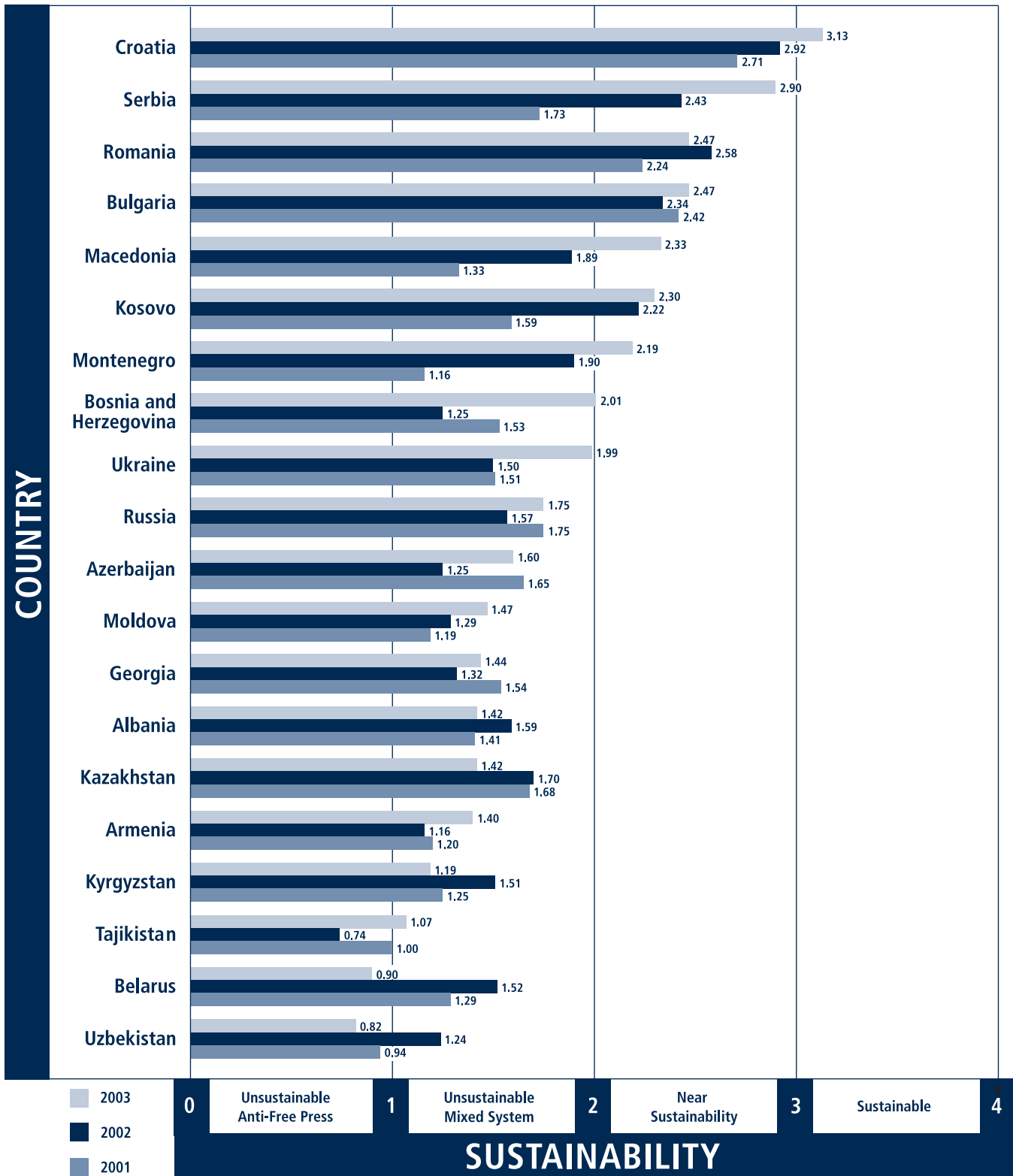
Objective 2: Professional Journalism



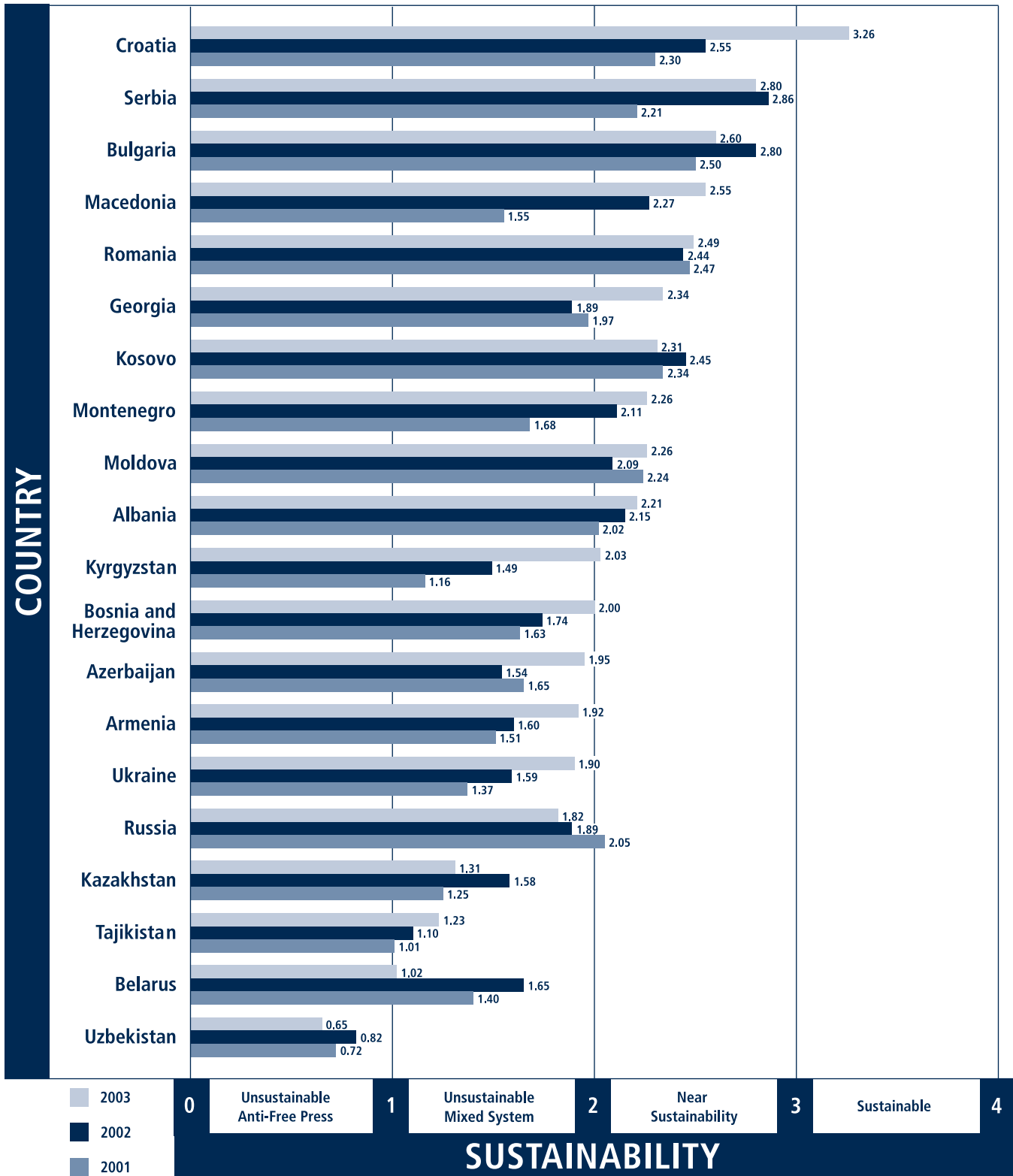
Objective 3: Plurality of News Sources

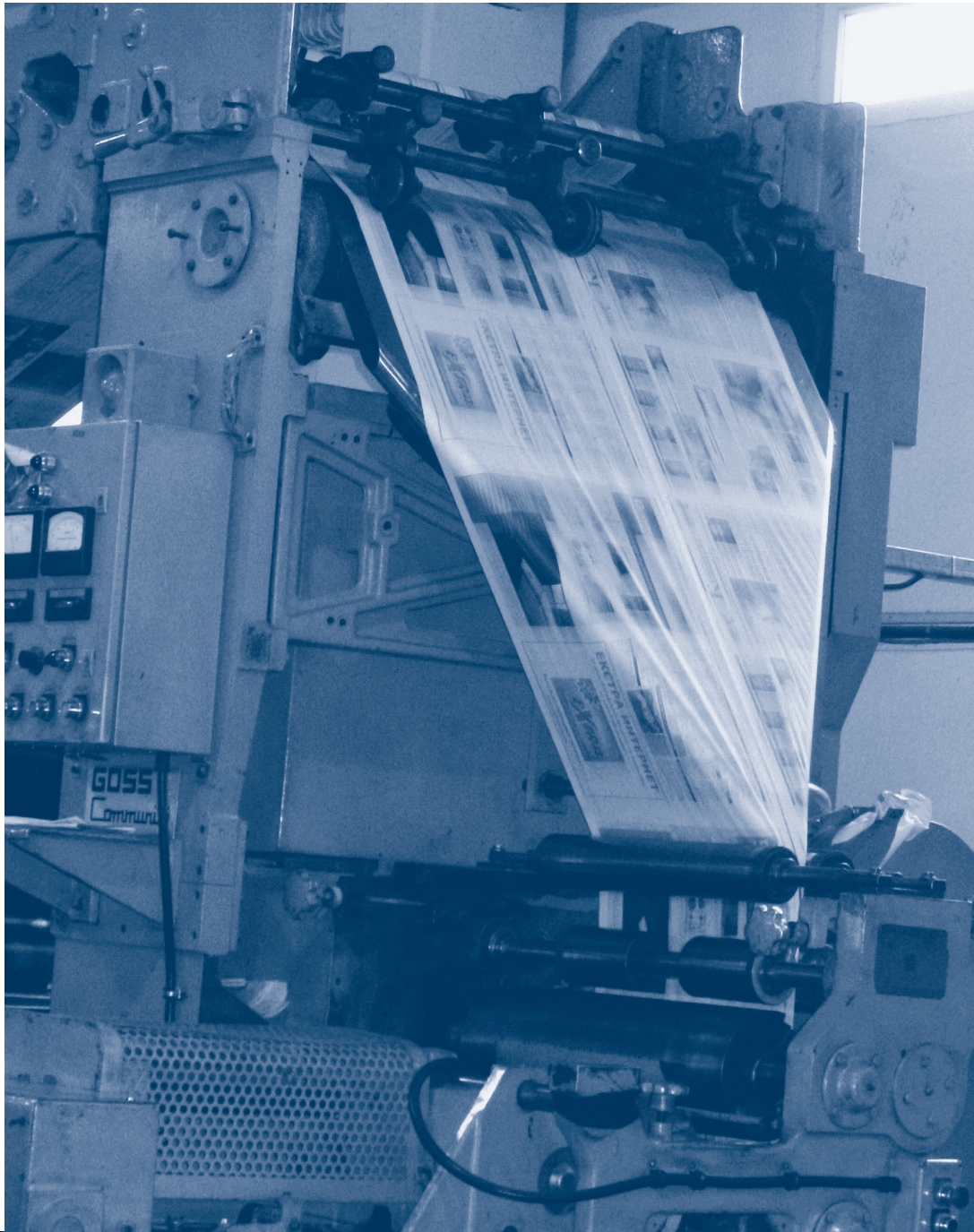


Objective 4: Business Management



Objective 5: Supporting Institutions





The gains in development noted in the MSI merit appreciation, while the roadblocks and setbacks demand attention. The points of convergence across the surveyed countries indicate the areas requiring particular focus if independent media are going to be fully sustainable and provide the credible information the public deserves.

IREX prepared the Media Sustainability Index (MSI) in cooperation with the United States Agency for International Development (USAID) as a tool to assess the development of independent media systems over time and across countries. IREX staff, USAID, and other media development professionals contributed to the development of this assessment tool.

The MSI assesses five “objectives” in shaping a successful media system:

1. Legal and social norms protect and promote free speech and access to public information.
2. Journalism meets professional standards of quality.
3. Multiple news sources provide citizens with reliable and objective news.
4. Independent media are well-managed businesses, allowing editorial independence.
5. Supporting institutions function in the professional interests of independent media.

These objectives were judged to be the most important aspects of a sustainable and professional independent media system and served as the criteria against which countries were rated. A score was attained for each objective by rating seven to nine indicators, which determine how well a country meets that objective. The objectives, indicators, and scoring system are presented below.

The scoring was done in two parts. First, a panel of experts was assembled in each country, drawn from representatives of local media, nongovernmental organizations (NGOs), professional associations, international donors, and media-development implementers. Each country’s panel had a slightly different composition, but in most cases, the same panelists from last year’s MSI were invited to return for the 2003 study in order to maintain consistency.

Each panel was provided with the objectives and indicators and an explanation of the scoring system. Panelists were asked to

review the information individually. The panelists then assembled to discuss the objectives and indicators, and to devise combined scores and analyses. The panel moderator, in most cases a host country media or NGO representative, prepared a written analysis of the discussion, which was subsequently edited by IREX representatives.

IREX in-country staff and Washington, DC, media staff also reviewed the objectives and indicators, and

scored the countries independently of the MSI panel. The panel scores and IREX scores were then combined to obtain the final score presented in this publication. This method allowed the MSI scores to reflect both local media insiders' views and the views of international media-development professionals.

I. Objectives and Indicators

Objective 1: Free Speech

| Legal and social norms protect and promote free speech and access to public information | |
|---|---|
| FREE SPEECH INDICATORS | ■ Legal/social protections of free speech exist and are enforced. |
| | ■ Licensing of broadcast media is fair, competitive, and apolitical. |
| | ■ Market entry and tax structure for media are fair and comparable to other industries. |
| | ■ Crimes against journalists or media outlets are prosecuted vigorously, but occurrences of such crimes are rare. |
| | ■ State or public media do not receive preferential legal treatment, and law guarantees editorial independence. |
| | ■ Libel is a civil law issue; public officials are held to higher standards, and the offended party must prove falsity and malice. |
| | ■ Public information is easily accessible; right of access to information is equally enforced for all media and journalists. |
| | ■ Media outlets have unrestricted access to information; this is equally enforced for all media and journalists. |
| | ■ Entry into the journalism profession is free, and government imposes no licensing, restrictions, or special rights for journalists. |

Objective 2: Professional Journalism

| Journalism meets professional standards of quality | |
|--|--|
| PROFESSIONAL JOURNALISM INDICATORS | ■ Reporting is fair, objective, and well sourced. |
| | ■ Journalists follow recognized and accepted ethical standards. |
| | ■ Journalists and editors do not practice self-censorship. |
| | ■ Journalists cover key events and issues. |
| | ■ Pay levels for journalists and other media professionals are sufficiently high to discourage corruption. |
| | ■ Entertainment programming does not eclipse news and information programming. |
| | ■ Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient. |
| | ■ Quality niche reporting and programming exists (investigative, economics/business, local, political). |

Objective 3: Plurality of News Sources

| | |
|--|--|
| Multiple news sources provide citizens with reliable and objective news | |
| PLURALITY OF NEWS SOURCES INDICATORS | ■ A plurality of affordable public and private news sources (e.g., print, broadcast, Internet) exists. |
| | ■ Citizens’ access to domestic or international media is not restricted. |
| | ■ State or public media reflect the views of the entire political spectrum, are nonpartisan, and serve the public interest. |
| | ■ Independent news agencies gather and distribute news for print and broadcast media. |
| | ■ Independent broadcast media produce their own news programs. |
| | ■ Transparency of media ownership allows consumers to judge objectivity of news; media ownership is not concentrated in a few conglomerates. |
| | ■ A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources. |

Objective 4: Business Management

| | |
|---|---|
| Independent media are well-managed businesses, allowing editorial independence | |
| BUSINESS MANAGEMENT INDICATORS | ■ Media outlets and supporting firms operate as efficient, professional, and profit-generating businesses. |
| | ■ Media receive revenue from a multitude of sources. |
| | ■ Advertising agencies and related industries support an advertising market. |
| | ■ Advertising revenue as a percentage of total revenue is in line with accepted standards at commercial outlets. |
| | ■ Independent media do not receive government subsidies. |
| | ■ Market research is used to formulate strategic plans, enhance advertising revenue, and tailor products to the needs and interests of audiences. |
| | ■ Broadcast ratings and circulation figures are reliably and independently produced. |

Objective 5: Supporting Institutions

| | |
|--|---|
| Supporting institutions function in the professional interests of independent media | |
| SUPPORTING INSTITUTIONS INDICATORS | ■ Trade associations represent the interests of private media owners and provide member services. |
| | ■ Professional associations work to protect journalists’ rights. |
| | ■ NGOs support free speech and independent media. |
| | ■ Quality journalism degree programs that provide substantial practical experience exist. |
| | ■ Short-term training and in-service training programs allow journalists to upgrade skills or acquire new skills. |
| | ■ Sources of newsprint and printing facilities are private, apolitical, and unrestricted. |
| | ■ Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted. |

Objective Scoring

The averages of all the indicators are averaged to obtain a single, overall score for each objective. Objective scores are averaged to provide an overall score for the country. IREX interprets the overall scores as follows:

- 3 and above:** Sustainable and free independent media
- 2–3:** Independent media approaching sustainability
- 1–2:** Significant progress remains to be made; society or government is not fully supportive
- 0–1:** Country meets few indicators; government and society actively oppose change

Indicator Scoring

Each indicator is scored using the following system:

- 0 =** Country does not meet indicator; government or social forces may actively oppose its implementation
- 1 =** Country minimally meets aspects of the indicator; forces may not actively oppose its implementation, but business environment may not support it and government or profession do not fully and actively support change
- 2 =** Country has begun to meet many aspects of the indicator, but progress may be too recent to judge or still dependent on current government or political forces
- 3 =** Country meets most aspects of the indicator; implementation of the indicator has occurred over several years and/or through changes in government, indicating likely sustainability
- 4 =** Country meets the aspects of the indicator; implementation has remained intact over multiple changes in government, economic fluctuations, changes in public opinion, and/or changing social conventions

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