

MEDIA SUSTAINABILITY INDEX

2008

**The Development
of Sustainable
Independent Media
in Europe and Eurasia**



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The Development of Sustainable Independent Media in Europe and Eurasia

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USAID

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- Economic growth, agriculture, and trade
- Global health
- Democracy, conflict prevention, and humanitarian assistance

USAID provides assistance in four regions of the world:

- Sub-Saharan Africa
- Asia and the Near East
- Latin America and the Caribbean
- Europe and Eurasia

With headquarters in Washington, DC, USAID's strength is its field offices around the world. They work in close partnership with private voluntary organizations, indigenous organizations, universities, American businesses, international agencies, other governments, and other US government agencies. USAID has working relationships with more than 3,500 American companies and over 300 US-based private voluntary organizations.

IREX

IREX is an international nonprofit organization specializing in education, independent media, Internet development, and civil society programs. Through training, partnerships, education, research, and grant programs, IREX develops the capacity of individuals and institutions to contribute to their societies.

Since its founding in 1968, IREX has supported over 20,000 students, scholars, policymakers, business leaders, journalists, and other professionals. Currently, IREX is implementing 40 programs in more than 50 countries with offices in 17 countries across Europe, Eurasia, the Middle East and North Africa, and the United States. IREX serves as a major resource for universities, governments, and the corporate sector in understanding international political, social, economic, and business developments.

At this point, the government's focus is on the print media because that is the only sector that is not directly or indirectly controlled by the establishment. Defamation, libel, and slander are all crimes that still are adjudicated under the penal code in Azerbaijan. The government is reluctant to change the laws for "fear that the journalists will run amok" and that they do not know the difference between reporting the facts and prevarication or fabrication.



AZERBAIJAN

“And then there were none.” Of course, that is an exaggeration of the plight of opposition and independent journalists in Azerbaijan, but no less an exaggeration than the charges brought against them by the ruling party’s establishment. Although President Aliyev has prohibited members of his government from initiating litigation against reporters, that does not preclude the government from employing stalking horses to do their bidding. Members of the vast, pervasive police force set traps for journalists. Opposition newspaper offices frequently find themselves forcibly closed.

At this point, the government’s focus is on the print media because that is the only sector that is not directly or indirectly controlled by the establishment. Defamation, libel, and slander are all crimes that still are adjudicated under the penal code in Azerbaijan. The government is reluctant to change the laws for “fear that the journalists will run amok” and that they do not know the difference between reporting the facts and prevarication or fabrication. There may be some truth to that assumption, however, based on the results of the MSI survey.

The opposition press is not totally without culpability. It does tend to fill its pages with egregious statements where one might find a thread of truth but seldom a balance, and usually a mix of editorial comments with innuendo and then a damning conclusion.

Eight journalists were imprisoned during the 2007 calendar year on charges ranging from defaming Islam to inciting cultural hatred to hooliganism. In one case, the 120-pound editor of *Azadliq* was convicted of beating up a 200-pound police associate. However, the indictments and jailings are all one-sided. None of the journalists charged reports for a government-sponsored newspaper, despite the equivalent offenses being made in those outlets. All of those imprisoned worked for what is euphemistically called the “independent” press. But in Azerbaijan, if one is not part of the establishment, then one is against it and thus is a threat.

The overall score for Azerbaijan changed little this year. It still reflects an “unsustainable mixed system” with significant elements unfriendly to the free operation of the media.

AZERBAIJAN AT A GLANCE

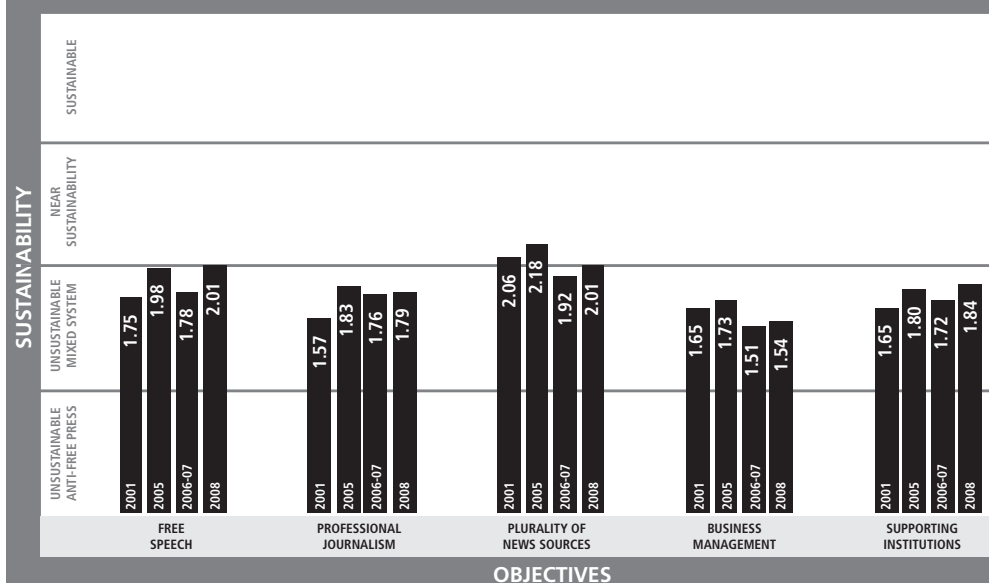
GENERAL

- > **Population:** 8,120,247 (July 2007 est., *CIA World Factbook*)
- > **Capital city:** Baku
- > **Ethnic groups (% of population):** Azeri 90.6%, Dagestani 2.2%, Russian 1.8%, Armenian 1.5%, other 3.9% (1999 census, *CIA World Factbook*)
- > **Religions (% of population):** Muslim 93.4%, Russian Orthodox 2.5%, Armenian Orthodox 2.3%, other 1.8% (1995 est., *CIA World Factbook*)
- > **Languages (% of population):** Azerbaijani (Azeri) 90.3%, Lezgi 2.2%, Russian 1.8%, Armenian 1.5%, other 3.3%, unspecified 1% (1999 census (*CIA World Factbook*))
- > **GNI (2006-Atlas):** \$15.71 billion (World Bank Development Indicators, 2007)
- > **GNI per capita (2006-PPP):** \$5,960 (World Bank Development Indicators, 2007)
- > **Literacy rate:** 98.8% (male 99.5%, female 98.2%) (1999 census, *CIA World Factbook*)
- > **President or top authority:** President Ilham Aliyev (since October 31, 2003)

MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print: 32 dailies, 43 weeklies, 85 monthlies; Radio: 10 AM, 17 FM; Television stations: 17 (7 in Baku, 10 regional), but two more are approved in the regions
- > **Newspaper circulation statistics:** Most widely read publication is *Azadliq*, the party organ of the Popular Front Party which is oppositional
- > **Broadcast ratings:** Azad TV (entertainment), ANS-TV (news), AZTV (state-owned) (AGB/Nielsen, SIAR)
- > **News agencies:** Turan, Trend, APA, and Day.Az. Day.Az is the mostly widely read of the group perhaps because it is a free service, while both Turan and Trend are subscription based. The government has its own service called AzerTag.
- > **Annual advertising revenue in media sector:** TV: \$30 million (2004 est.). Newspaper: Approx. \$500,000. Radio: Minor.
- > **Internet usage:** Approximately 8% or 700,000, most in Baku

MEDIA SUSTAINABILITY INDEX: AZERBAIJAN



Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

OBJECTIVE 1: FREEDOM OF SPEECH

Azerbaijan Objective Score: 2.01

Although the laws of Azerbaijan proclaim that speech is free, it appears that the consequences of speaking openly in the press are very costly. As the presidential elections draw nearer, free speech could become even more precious—so much so that the panel chose to evade the topic completely, focusing more on the court system and its impunity in dealing with the journalists who have been arrested, indicted, and, in some cases, sentenced all in one day. According to Rashid Hajili of the Media Rights Institute, “There are no regulations or court system that defend public dignity and support normal freedom of speech.”

In short, criticism is not tolerated, either by the administration or those who support it, and there is little question as to which way the scales of justice will be tipped when an action is brought to trial. This was best explained by Alesger Mammadli, an IREX attorney, when he said, “The supreme branches of the government make regulations according to their own ideas, but they basically ignore the expectations of the society. In fact, our courts are supposed to use European laws, but again, they never obey them in practice.”

None of the panelists could recall any incident in which a crime against a journalist, other than those who work for official outlets, has ever been brought before the courts. On the other hand, there have been instances of beatings and intimidation by “private parties” against members of the opposition media. The assassination of Elmar Huseynov still remains unsolved, as do the beatings of various reporters from *Azadliq* and *Yeni Musavat*, both opposition newspapers.

Azerbaijan continues to be condemned by Western diplomats for retaining libel and slander as crimes punishable under the penal code, yet the government refuses to consider making them matters for civil courts. Officials justify the policy as a deterrent to journalists running amok, yet it is not serving as a deterrent now: even with the threat of imprisonment, journalists are still frequently charged with the crime of libel. Perhaps this is because libel has a different meaning in Azerbaijan, and only those in authority have the ability to discern libel from editorial comment.

Licensing of broadcasting facilities is not a significant issue in Azerbaijan, given that the regulatory body does not have control of the spectrum. Control rests in the hands of the Frequency Commission, which is supposed to provide the National Television and Radio Council (NTRC) with a list of available frequencies each year but seems loath to do so. In the past year, only two television licenses have been granted,

Officially, all citizens of Azerbaijan have access to information. Realistically, not all citizens enjoy access. Furthermore, it is apparent that not all government agencies are aware of their obligation to provide information.

even though the spectrum has vast room for expansion, especially in radio. NTRC announces tenders in a whisper, and only a chosen few hear it. Ownership of broadcast licenses, for the most part, remains an enigma.

Taxes in Azerbaijan are problematic, but it is the Ministry of Taxes, not the tax system, that warrants examination. The administration uses the ministry as an enforcer; even if the entity being examined runs a flawless operation, the intimidation that the tax officials bring with them is enough to still the most strident voice among the opposition.

Officially, all citizens of Azerbaijan have access to information. Realistically, not all citizens enjoy access. Furthermore, it is apparent that not all government agencies are aware of their obligation to provide information. The opposition media have difficulty getting the information they require to inform their readership.

LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

FREE-SPEECH INDICATORS:

- > Legal and 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 offended parties 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.

Politics is the most discussed topic in the media. However, according to Rovshan Hajiyev editor of Azadliq, "The media does not reflect any political views. The media itself is a political view." None of the other panelists disagreed.

At this point, there is no legal prohibition on receiving information from foreign sources. However, within the past year, the authorities have restricted programming from broadcasters such as the BBC that were critical of the administration.

Azerbaijan law also has no restrictions on joining the journalism profession.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Azerbaijan Objective Score: 1.79

The panelists conceded that very few Azerbaijani journalists adhere to an ethical approach to reporting, and instead make up the facts as they go along. On the question of whether journalists follow ethical standards, the panel's response is best summed up by Mammadli, who said, "I would say yes, but not completely." Second sourcing is rare because of the time that would be involved for the beleaguered correspondent.

Censorship is not imposed by the authorities, because it has no need to do so. As one of the publishers of the primary Russian language daily told a delegation from the U.S. State Department recently, "There is a line we do not cross if we wish to survive."

Panelists said that primary news events are covered, but the information in news articles may vary, depending upon the political orientation of the media outlet.

Journalists, especially those in the print media, are among those at the bottom end of the pay scales in Azerbaijan. Newspapers are understaffed and their journalists are overworked. According to Sanan Rzayev, correspondent with *Echo*, "I know a newspaper which publishes eight pages a day, but it has just five people in its staff. There is not enough money in media in order to make progress and professionalize."

The capital city of Baku is the center of media in Azerbaijan. Most of the newspapers are printed in Baku and distributed

throughout the regions, often arriving days later and long after the news has been provided via the Baku-based television stations. There is no comparison between the facilities of the Baku stations and those in the regions, except for a newly reopened broadcaster in the tiny city of Xhamaz that has some questionable ownership and a facility estimated to cost several hundreds of thousands of dollars.

Radio is an ignored medium. The NTRC is unwilling to consider the establishment of regional radio, even though the spectrum is vacant for the most part. The NTRC contends that the stations would not be viable financially, even though international NGOs have presented the commission with facts that prove the contrary.

The time dedicated to television entertainment reports does not eclipse news reporting. But the Baku-based stations seem to have more interest in developing the sets for the news program than in the actual presentation of the information. If the same investment were made on developing the staff as building the anchor's desk, the quality would be vastly improved.

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The television stations each produce their own news programs, yet there is a similarity among them all. Items of constant interest usually revolve around the status of Nagorno-Karabakh and the comings and goings of the president of Azerbaijan. The program that is considered to be the least biased is aired on the station Ictimayi. This program

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).

is one of the very few where all segments of the political spectrum participate.

Investigative reporting is a never-learned art. The opposition papers do not investigate; they merely print rumors or innuendo. Broadcasters are controlled by the authorities or owned by friends of the ruling party, and thus anything that would shed a negative light on the establishment is verboten.

OBJECTIVE 3: PLURALITY OF NEWS SOURCES

Azerbaijan Objective Score: 2.01

The primary source of information in Azerbaijan is television, which is controlled either by owners who have allegiance to the establishment or by the local authorities. Newspaper distribution has improved over the past couple of years, primarily due to international assistance for the Gaya Distributing Company. But even this improvement is in jeopardy, now that the two government controlled distributors, Gasid and Azermetbuatyayim, have been “privatized.” These are now under the control of an organization called Caspi that is owned by Ali Hasanov of the presidential apparatus. Circulation of newspapers is diminishing precipitously.

The Internet is a secondary news source, mainly because access is limited, especially in the regions. But even given its limitations, the authorities are taking steps to control content on the Web. As an example, in the beginning of the year, when the electric company tripled its rates, a young man

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.

If political programming can be regarded as involving social interests, then Azerbaijan has more than its fair share. But, aside from the occasional program about the displaced persons and their plight, which in essence is political, little programming is available that reflects the social conditions of the country.

complained on his blog and within three days he was arrested for “resisting the authorities.”

Citizens have many alternative sources of information from places other than Azerbaijan. The BBC has a radio frequency in the country, as does Radio Liberty. Satellite dishes abound in the country and the programming fare is nearly limitless.

Several news agencies operate in Baku. Most toe the line of the establishment, and those that do not are not given access to government functions. Reliability of national news is somewhat suspect, especially among those that adhere to the policies of the current government.

Aside from ANS-TV and some of the regional broadcasters, whose ownership is quite clear, the rest of the Baku stations, those in Lenkeran, and the Xhamaz station are puzzles. Rumors abound as to who owns what, but it is certain that a given station does not operate without some connection to the powers that be.

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OBJECTIVE 4: BUSINESS MANAGEMENT

Azerbaijan Objective Score: 1.54

Within the media are “haves” and “have nots.” Newspapers definitely fall within the latter category: few of the Azerbaijan newspapers are profitable. Most operate as subsistence businesses. Advertising revenue in print decreases as the circulation drops. Television stations, especially those that operate in Baku and have national licenses, draw the lion’s share of the advertising revenue, estimated to range

Commercials are the main source of income for the broadcasters, but some also rely on support from grants and "other" sources. Revenue is rumored to be controlled by the administration, and the rumors must have some credibility, as most of the major advertisers (especially the very competitive banking industry) are connected to the government.

near the \$30 million level. Most broadcasters outside of Baku are far from breaking even.

But no matter how successful the operator, independence in editorial policy still remains a distant goal. ANS-TV, long viewed as the most independent broadcaster in the country, was closed for a short period when it became a bit too vocal. Of course, that was not the reason given for the closure; instead, the license was suspended for airing commercials beyond the 15 percent limitation, an infraction that is prevalent among the capital city broadcasters.

As for distribution companies, Gaya Distributing should be an example to all. The ownership is meticulous in its record-keeping, and the efficiency of the operation has been a boon to the newspaper industry. Due to its business practices, Gaya does not require huge print runs and it pays the publishers quickly.

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.

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The major international advertising agencies have resident agents in Baku. But for the most part, they rely upon the Baku stations to advertise their clients' wares and services. AGB/Nielsen, the international ratings service, is working in Azerbaijan with its peplemeters and quarterly diaries. At present, the company restricts its polling to Baku and Ganja, the second largest city of Azerbaijan, but it is in the midst of expanding operations to include four other regions. As far as can be determined, the real strategies come from the resident advertising agencies, not from the broadcasters. They would rather argue that AGB/Nielsen has been bought off by their competition.

Television can be said to reflect the normal ratios of advertising revenue, but print revenue has decreased significantly from the heyday of the late 1990s. Probably only one paper in the country has the 70/30 split that is considered appropriate. "The development of media depends on social and economic freedoms," Hajiyev said. "Unfortunately, we do not have them."

There are no specific subsidies for the media, but given that the advertising market is somewhat controlled, the word "subsidy" could be considered to have a different definition in Azerbaijan.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Azerbaijan Objective Score: 1.84

The indicator regarding trade associations received the absolute lowest grade of the MSI, reflecting their levels of effectiveness and activity.

Few organizations in Azerbaijan are willing to defend journalists in their battles with the courts. The Institute for Reporters' Freedom and Safety is vocal, but powerless in itself. The Media Rights Institute is in the vanguard, appearing before the judiciary in most of the cases. But to date, the institute has had limited success, even when the defense presents irrefutable testimony and logic.

Journalism faculty in the state universities are mired in the theories of the Soviet era, and nothing has been done to modify or improve that situation. Various Western trainers have offered sporadic training, but the mainstream of the

journalists are untouched by progress. Journalists have been taught the basics and the “dos” and the “don’ts,” but their editors and publishers seem to be the obstruction to applying the ethics of journalism.

The State Customs Office controls the flow of newsprint, and the supply seems to become scarce for some of the newspapers, usually during election periods. The state also maintains the primary printing facility, but there is at least one privately-held company that services mostly the opposition press. Unfortunately, that press facility is in dire need of repair or, even better, replacement.

Newspaper kiosks have been known to be confiscated and not returned, as is the case with Gaya Distributing, even though the president of the country ordered their return on July 22, 2005.

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 in private hands, apolitical, and unrestricted.
- > Channels of media distribution (kiosks, transmitters, Internet) are private, apolitical, and unrestricted.

List of Panel Participants

Farid Gahramanov, correspondent, Turan News Agency, Baku

Mahir Orujov, owner and president, Gutb TV, Guba Region

Rashid Hajily, director, Media Rights Institute, Baku

Khadija Ismailova, Azerbaijani service correspondent, Radio Liberty, Baku

Elishad Farzaliyev, democratization assistant, OSCE, Baku

Sanan Rzayev, correspondent, *Echo* Newspaper, Baku

Ilham Safarov, director, Internews, Baku

Gafar Jabiyev, member, National Teleradio Council, Baku

Tahir Mammadov, head of the public affairs department, Public TV, Baku

Rovshan Hajiyev, editor, *Azadliq* Newspaper, Baku

Emin Huseynov, director, Reporters’ Freedom and Protection Institute, Baku

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