

## Debate of Media Managers: How is Quality Possible in the Crisis?

THE 9TH "SOUTH EAST EUROPE MEDIA FORUM" IN BUCHAREST CONSIDERED THE ECONOMIC FOUNDATIONS AND DIGITAL STRATEGIES OF MEDIA

**Press freedom, ethical standards and new editorial trends depend to a large extent on the economics foundations of the media. The theme of the 9<sup>th</sup> South East Europe Media Forum (SEEMF) in Bucharest on 5<sup>th</sup> and 6<sup>th</sup> November 2015 was how good journalism can be produced in difficult media markets. The largest meeting of the industry in the region was attended by 250 leading journalists, publishers and media experts from 24 countries, from Albania to the United States. The KAS Media Program South East Europe is one of three organizing bodies.**

In the media landscape of South East Europe two types of media outlets are particularly evident: large traditional publishers and broadcasters, often in the hands of owners not connected with the industry, who exercise political and economic influence through their media possessions. Not infrequently, the true owners are not known. On the other side, there is an increasing number of online news sites and investigative start-ups, which fill the gaps in diversity of opinion and critical journalism.

An additional challenge is that in many countries of the region there are more media titles in existence in relation to population size than in Western Europe, and media users' willingness to pay is lower. As hosts, the **KAS**, the South East European Media Organisation (**SEEMO**) and the Central European Initiative (**CEI**) posed the question of how quality media can finance

themselves in these circumstances. "Only if media have a secure financial basis and a professional business model can they be independent, and concentrate on their core activity of helping citizens to form their own opinions on the basis of verified information", said **Christian Spahr**, Director of the KAS Media Program South East Europe, in opening the conference. **Margot Klestil-Löffler**, Alternate Secretary General of the CEI, emphasised the significance of cross-border and investigative research in advancing democracy in countries in transition. The opening session was chaired by SEEMF founder and SEEMO Secretary General **Oliver Vujović**.

**Simina Tanasescu**, an advisor to the Rumanian President **Klaus Iohannis**, speaking on his behalf, also stressed the role of the media as "watchdog of democracy". Particularly in times of digital upheavals it was important to maintain ethical principals in journalism. The public should demand high ethical standards.

Later in the course of the conference **Alexandru Ene** of the Rumanian Foreign Ministry read a welcoming address from the Minister, **Bogdan Aurescu**. At a time of geopolitical changes and campaigns of disinformation, professional and reliable media were of the greatest importance.

**Under pressure of citizen protests: a dark picture of the Rumanian media scene**

The first day of the SEEMF conference traditionally includes a debate on the

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relationship between media and politics in the respective host country – the Forum takes place annually in different locations in South East Europe. “Politics and media in Rumania have exceeded the limits in their relations with each other”, commented **Sven-Joachim Irmer**, the KAS Director in Rumania and Moldavia. In Bucharest this discussion was highly controversial, against the background of public protests following the fire in a disco as a result of which 47 people died and the Government had to resign. The online-journalist **Dan Tapalaga** painted a dark picture of the Rumanian media in dealing with the catastrophe, which had been caused by lax security standards. Most editors had defended the politicians. Many media found themselves under political pressure. Media were also paid from illicit sources for publishing politically acceptable reports. With few exceptions, only online media were independent.

The Rumanian SEEMO Coordinator **Marina Constantinoiu** complained of the influence of the secret services on journalists. In January 2015 it became known that the domestic secret service SRI had planted undercover agents in the media. She warned of a decline of traditional media. Four nationally appearing newspapers had a combined circulation of less than 50,000. In the view of **Ion M. Ioniță**, senior editor of the daily newspaper *Adevărul*, it does not help to look back to a past golden age. Only 34 percent of Rumanians trusted the print media. The media system had to be changed from the inside, and with regard to the “moral revolution” taking place in society as a whole.

According to **Ioana Avadani**, Executive Director of the “Centre for Independent Journalism” (CIJ), due to financial shortages, editorial staff were becoming increasingly unprofessional in their work and the quality was declining. Reporting was being distorted by pressure from customers for advertising. The aim had to be to arouse public awareness for quality journalism and encourage media literacy. This was especially true for younger users and in dealing with online media.

In addition to political conditions which are sometimes difficult, the media of South East Europe are also struggling with the general pressure of change through the Internet. Digital concerns like Google and large publishers like Axel Springer define the debate on the appropriate regulation of the markets – a topic for **Panel I** on the second day of the conference, which was led by Christian Spahr (KAS). “We are not wedded to paper and use all appropriate channels to convey our content”, emphasised **Florian Nehm**, who is responsible for EU matters with Axel Springer. “But aggregators like Google are getting rich with the content provided by publishers, who have to pay the wages of the journalists.” Nehm demanded legal protection at European level for the use of the work of journalists. Determined action must also be taken to contain piracy. Springer already makes 70 percent of its profit with digital products. With an eye to South East Europe, Nehm also recommended investment in the quality and attractiveness of online material. “Then there will be people who read it and pay.”

#### **Who controls the market on the Net? Controversy over European Regulation**

**Marcin Olender**, responsible for government relations in Central and Eastern Europe on behalf of Google, explained that the search engine does not copy or monetise any journalistic content, but only creates links. “Everybody should be allowed to do that.” He emphasised that users were prepared to pay for good content. The market should be regulated only with caution. **Maria Stoyanova**, a member of the Bulgarian regulatory authority SEM, argued for a positive view of media regulation. “In South East Europe we must make clear that this is not about censorship but about the protection of democratic standards.” The enforcement of copyright law and containment of discriminatory language were important. According to **Orlin Spassov**, Executive Director of the Foundation Media Democracy in Sofia, there had not yet been any improvement in the quality of the Bulgarian media landscape in general as a result of the Internet. Journalists in traditional media had a higher

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work load because they now also had to write for the Web. This was often at the expense of quality. The media were still not sufficiently developed in a journalistic or business sense. Spassov referred to a study of his NGO with the KAS, which shows a low level of trust by Bulgarians in the media.

**Andrzej Godlewski**, Manager of the Polish public service channel TVP1, advised TV broadcasters to cooperate with one another in the Internet. These models could also be economically successful.

The direction being taken by the media landscapes in South and East Europe was the theme of **Panel II**, addressed by media managers from five countries (led by **Adelheid Wölfel**, Balkan correspondent, "Der Standard"). Keynote speaker **Andreas Rudas**, high-ranking RTL manager for Central and Eastern Europe, first addressed the "high economic pressure" and the "great political influence" on the media in the region. The situation in radio and television was better than in the print media. It was necessary to set up more channels for different target groups and adjust the output to suit them – for example more local news or more entertainment. Media managers must also keep an eye on the young audience. In the Web, Rudas sees more opportunities than risks: "The new digital era supports not just the big providers, but also the small and clever ones."

#### **What do print media need – more innovation or state subsidies?**

Print media had to renew their identity, explained the Italian journalist **Luca De Biase** (Il Sole 24 Ore / Nova24). They had to become more independent again, invest in quality, and learn to work with new technologies. "We need new business models. Newspapers are not necessarily only paper." In reply, **Radomir Licina**, co-founder of the Serbian paper Dana, called for state support for print media, and recalled a French model for this. Quality was not to be sacrificed on commercial grounds. Grants would help, agreed the Bulgarian publisher **Ivo Prokopiev** (Economedia). However, greater transparency was also necessary for public

money flowing into the media. For many media in South East Europe, the state is the largest customer for advertising – this reduces their independence. Above all, according to Prokopiev, media businesses had to adjust themselves better to digital developments. He sees economic opportunities above all in payment for individual items (Micropayment). In a further contribution, **Gabriel Bujor**, of Media Consulta Romania, described the development of advertising markets.

#### **Understanding the audience better: how does a genuine dialogue succeed?**

The theme of **Panel III** was the difficult relationship between journalists and their readers and viewers: how can a dialogue in the Internet bring something to both sides? Led by **Kristina Baxanova**, News Anchor of bTV (Sofia), experienced editors discussed interaction with citizens. **Christoph Lanz**, media adviser and former Multimedia Director of the Deutsche Welle reminded listeners: "We should not forget, our audience is curious". That user comments in online media are often so poor goes back to the arrogance of the journalists. One should not involve the reader only at the end of the web site. "Let's allow our customers to ask questions, which we answer for them", he offered as a possible approach. The participation of the user had a marketing effect. "We must find ways to engage with the audience in a different way", said **Andrej Matisak**, Deputy Editor in Chief of Pravda from Bratislava. **Bülent Mumay**, Coordinator for digital media with Hürriyet (Istanbul) emphasised: "Readers want to be active, they want to be part of the story". "Dialogue means understanding one another," said **Dumitru Ciorici**, Managing Editor of the Moldavian portal Agora. It was important to analyse the online behaviour of the reader – for example, from where they reach your own site and what devices they are using. Headlines, pictures and social media buttons must be chosen on this basis. **Milorad Ivanović**, Editor in Chief of Newsweek Serbia, emphasised that the topic preferences of the reader could be different in different countries. Participants in the discussion reached the conclusion

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that a better understanding of reader requirements was also a way to restrict Trolls and hate commentaries.

New and concrete approaches in achieving successful journalistic start-ups were discussed in **Panel IV** (led by: **Ann-Dorit Boy**, Frankfurter Allgemeine Zeitung). Keynote speaker **Paul Radu**, of the “Organized Crime and Corruption Reporting Project” (OCCRP), presented an example of how investigative journalism also brings economic benefit to societies in South East and Eastern Europe. As a result of reporting by the independent network, assets to the value of more than 2.5 billion US Dollars had been frozen or confiscated. In addition, tax authorities had found hidden assets to the value of 600 million Dollars. More than 1,300 firms had been closed and more than 80 people indicted or imprisoned. Ten government members in various countries had also been forced to resign their offices. The cost of the network lies in the high six-figure Dollar area per year. To finance researches of this kind, Radu recommended a mixture of donations, subscriptions and micro credits. “People give money if they understand how important investigative journalism can be.”

In reply, **Cristina Marí**, a journalist of the portal Kosovo 2.0, observed that there was still no crowd-funding culture in Kosovo.

The portal, run by an NGO, was being substantially funded by international donors to give young people in Kosovo a voice. Kosovo 2.0 started in 2010 as a Blog and has developed further into a news platform. With the example of the “Times of Israel”, the Israeli media advisor **Grig Davidovitz** presented a special model of a blogger community. Readers could register with the online newspaper as a blogger and receive their own website to comment on current affairs. Without any advertising, 5,000 bloggers had already registered – a new form of reader retention.

In addition, **Peter Magyari** of the portal 444.hu and **Andreas Schümchen** of the German initiative Edlab presented their approaches to financing of media projects.

The award ceremonies for two long-standing contests for journalists also took place during the South East Europe Media Forum. On the first day of the conference the winners of the “**CEI SEEMO Award** for Outstanding Merits in Investigative Journalism” received their prizes.

**Aleksandra Bogdani** from Albania was honoured for courageous research on human trafficking, organised crime and terrorism. **Nadia Burdey** from Ukraine won a prize in the category “Young Journalists” for her reporting on corruption and abuse of power. The Montenegrin journalists **Mirko Bosković** (RTCG), **Vlado Otasević** and **Ana Komatina** (Center for Investigative Journalism Montenegro) received a special mention.

#### **Two well-known journalism competitions under the mantle of the SEEMF**

In addition, Freedom House Romania and the KAS Media Program South East Europe awarded the winners of the Romanian competition “**The Young Journalist of the Year**”. The KAS supported the sections “Justice & Rule of Law” and “Investigations”. The three best placed in these categories were: **Attila Biro**, **Raluca Pantazi** and **Claudio Zamfir**, and **Ionut Stanescu**, **Ovidiu Vanghele** and **Alexandra Nistoriu**, respectively.

In conclusion, media program Director Christian Spahr found that the South East Europe Media Forum had provided a stronger demonstration than ever before of its value for those taking part. Numerous participants praised the further development of the conference and the high quality of the contributions. Belgrade is planned as the venue for 2016.

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