



MEDIA CAPTURE

Where independent reporting ends and propaganda takes over

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When government officials contact MTI, the state news agency in Hungary, its editors understand the importance of adhering to strict guidelines. According to an investigation by Budapest-based media outlet Direkt36, MTI editors are prohibited from altering the titles and lead paragraphs of any statements issued by ministries.

MTI is part of a public media group funded by taxpayers. Its primary purpose is to serve the public interest. However, its governing bodies are appointed by the government, and its funding comes from the state budget. As a result, the editorial coverage provided by this outlet tends to be biased towards promoting the interests of the authorities while discrediting its critics.

Nevertheless, this is not the only concern. Since winning the elections in 2010, Fidesz, the political party led by Hungarian Prime Minister Viktor Orban, has solidified its control over the public media and extended its influence over most media outlets in Hungary. This unprecedented level of control has enabled Fidesz to maintain its hold on power, giving rise to a phenomenon known as media capture. Over the past decade, this specter of capture has rapidly spread across numerous countries.

Various forms of government and political control have long existed within Europe's media landscape. So, what sets media capture apart and makes it arguably the most significant threat to media freedom today?

THE ANATOMY OF CAPTURE

Media capture occurs when those in power collaborate with private businesses to extend their control over the media through various means such as funding, regulation, and ownership.

Research by the Media and Journalism Research Center (MJRC) identified four key elements that lead to media capture as part of a matrix designed to study the phenomenon. These elements include **control of media regulation, control of public media, use of state funds as a means of media control, and acquisition of private media outlets by businesses linked to the government.**

When political entities and businesses control these four areas, the majority of the media becomes what scholars refer to as "highly instrumentalized," meaning that they operate primarily to serve the interests of a specific group rather than the public. In practice, these media outlets function as a vast propaganda machine, marginalizing independent journalism.

One of the primary objectives in achieving capture is media regulation. In most European countries, media regulators are expected to act independently, as national legislation mandates. However, this is rarely the case, as the process of appointing and dismissing decision-making members of the media regulatory bodies is highly politicized in many European countries. Once political parties win elections, they exploit their position of power to gain control of media regulators by appointing their own personnel to the helm of these bodies. These institutions make crucial decisions regarding media licensing.

Similarly, upon assuming power, politicians also exert influence over public-service media as they possess the legal privilege to appoint the top leadership at these institutions. They populate these bodies with their supporters, who then wield the authority to alter the editorial stance of these outlets. Furthermore, in numerous European countries, public-service media receive funding through allocations from the state budget, which serves as another potent tool for governments to secure leverage and influence over public media.

In addition to funding for public service media, governments also exploit state finances to manipulate the coverage of private media, which constitutes the third aspect of capture. Governments often use funding in the form of state advertising to expand their control over privately owned media outlets as well. This source of financing often serves as a lifeline for many media organizations, especially in the context of a series of profound economic crises they have faced over the past decade.

The fourth crucial step in the strategy of capture involves the takeover of private media outlets. This is often accomplished through private businesses with close ties to the government or those reliant on government support for their operations.

MEDIA CAPTURE: STEP BY STEP

Hungary serves as a prime example of how media capture can be executed with precision. The groundwork for Orban's tightening grip on the media was laid in the early 2000s with a right-wing alliance against perceived "left-wing liberal bias." Following their election victory in 2010, Orban's government wasted no time in strategically bolstering their control over the media landscape.

The first step involved adopting a new media law, which, in ambiguous and unclear terms, mandated media content to be "balanced" and prohibited the incitement of hatred "against any majority." Severe fines were introduced for non-compliance. Additionally, the law established the Media Council as a new media oversight body, with its members appointed by Parliament, where Fidesz had a two-thirds majority. By gaining control over regulation, the Fidesz government effectively oversaw the broadcast licensing process, thereby preventing new players from establishing themselves in the Hungarian market.

»Media capture occurs when political and business interests control media through funding, regulation, and ownership, turning media into a propaganda tool.«

The same 2010 law also established the legal framework for merging all public-service media in Hungary—including television, radio, and the MTI news agency—into a single holding known as MTVA. Critical journalists at the station were compelled to leave and were replaced by more loyal journalists.

The government then moved on to swiftly redirect its advertising spending, showing a clear preference for Hungarian businessmen who gradually began to acquire or exert influence over an increasing number of media companies. According to data from Mertek, a Hungary-based research organization, the majority of the 20 largest recipients of state advertising between 2006 and 2017 had ties to Fidesz.

Finally, with regulatory authorities and public service media under control and a new system of favor-based state advertising spending in place, Fidesz then focused its complete attention on acquiring ownership of the private media by using the companies operated by oligarchs supportive of Fidesz as investment vehicles. Most of the funding used to carry out these acquisitions originated from the state in various forms.

If you're an authoritarian, anti-liberal, or anti-democratic politician eager to crush media freedom and convert public and private media into your personal propaganda machines, here's your foolproof playbook for controlling the narrative:

HOW TO CAPTURE THE MEDIA

1. Legislative Changes

- Enact laws that instill a chilling effect on journalists such as mandating "balanced" content and restricting certain types of speech.
- Create or reform media regulatory bodies with political appointees.

2. Control of Media Regulation

- Politicize the process of appointing members to media regulatory bodies.
- Use regulatory bodies to grant or revoke media licenses based on political alignment.

3. Control of Public Media

- Appoint loyalists to leadership positions in public media organizations.
- Merge various public media entities to centralize control.
- Use state budget allocations to influence public media operations.

4. Manipulation of State Advertising

- Redirect state advertising funds to media outlets that support the government.
- Ensure financial dependency of private media on state advertising revenues.

5. Acquisition of Private Media

- Facilitate the takeover of private media by businesses with close ties to the government.
- Use state loans and financial support to enable these acquisitions.
- Replace critical journalists with government-friendly ones.

6. Expansion and Consolidation

- Gradually increase control over a broad range of media outlets, including television, radio, newspapers, and online platforms.
- Form media conglomerates that align with government interests.

For example, one of those oligarchs, the late Andy Vajna, took a loan from a state-run bank to purchase TV2, a major broadcaster, in 2016. One year later, Lorinc Meszaros, a childhood friend of Orban, whose businesses have been significant recipients of state cash for large state investment projects, particularly in construction, bought Mediaworks, a prominent newspaper publisher. According to Atlatzo, a Budapest-based investigative journalism organization, by 2018, the media empire controlled by Fidesz-aligned companies and individuals encompassed nearly 500 outlets, including magazines, radio stations, television channels, and newspapers.

Media capture is not limited to Hungary. This model has spread across borders, and forms of media capture are now emerging in various countries worldwide, such as Turkey, Egypt, Nicaragua, and Cambodia. In Europe, independent journalism is threatened in several countries, primarily in Central and Eastern Europe. Poland followed Hungary's example, with the government of the conservative PiS party openly implementing a strategy aimed at the "repolonization" of the media by ousting foreign owners from the country's media and assuming control of those media assets through businesses connected with the state. Ever since PiS lost the 2023 elections, the new government has been working to reverse the effects of the capture. Similar tendencies of capture have been documented in several other countries, including Czechia, Slovakia, and Bulgaria. At the same time, threats to media freedom have also appeared in several Western European countries. In Italy, for example, the public service broadcaster RAI has recently come under critical scrutiny as political interference with the station has intensified. Attacks by right-wing or conservative political parties aimed at destabilizing the public service media, especially through financial pressures such as proposed cuts or changing the broadcasters' funding model, have intensified in countries like Austria and the U.K.

HARD IMPACT

Media capture is an extremely destructive phenomenon that has severe consequences for the health of democracy in Europe. It significantly reduces the space for independent journalism, which in turn limits societies' access to factual information. As a result, people are forced to make decisions based on the propaganda fed to them by government-controlled outlets.

Therefore, it is crucial to understand the true impact of media capture and its effects on the journalistic profession and society as a whole. Journalism is one of the fields that is most heavily affected by media capture, and its effects are manifold and long-term.

In countries where the majority of media outlets are controlled by the government and are part of oligarchic structures, a process of de-professionalization within the sector has been noted. The dominant media segment, which relies on generous public support, is growing, while the independent media bubble, which survives on limited financial resources from donations or citizen support, is shrinking. As a result, norms and standards within journalism are being eroded.

The decline in journalistic standards leads to political polarization, extending to the news environment itself. This division within the media ecosystem is characterized by a stark contrast between outlets that support the government and those that criticize it. Consequently, the power and representativeness of the media field are weakened. In Serbia, for instance, where the government has gained control over a significant portion of media outlets, journalists face numerous challenges, such as job insecurity, editorial pressures, and low pay, which often force them to adopt a pro-government bias or engage in self-censorship.

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THE IMPACT OF MEDIA CAPTURE

...on the journalistic profession:

- De-professionalization: Growth of government-supported media, decline of independent outlets.
- Political polarization: Division between pro-government and critical media.
- Structural instability: Job insecurity, low pay, and self-censorship among journalists.

...on the media sector:

- Erosion of competitiveness: Favoritism in regulations and state funding.
- Distorted advertising market: Private companies avoiding ads in independent media.

...on society:

- Propaganda influence: Limited access to factual information, skewed decision-making.
- Election outcomes as indicators of propaganda effectiveness.

THE IMPACT ON JOURNALISM

However, capture also has implications for the media sector as a whole. Firstly, it erodes competitiveness, as government-controlled media players are granted a significant advantage through favorable regulations and financial support. This creates a distorted market, as set out in the Conclusions of the Joint International Press Freedom Mission to Hungary. For example, in 2018, TV2, a pro-government broadcaster in Hungary, received approximately 67% of all state ad funding allocated to the television sector. In contrast, RTL Klub, a German-owned television broadcaster with no government ties, received only 1% of the funding, according to data from the International Press Institute, a Vienna-based NGO. In Bulgaria, the government chose not to award state resources to government-critical media companies, which resulted in what Boryana Dzhambazova, a Bulgarian media expert, describes as “a pro-government media bubble.”

Media capture also has a significant impact on the dynamics of the advertising market, as private companies in certain countries refrain from placing ads in independent media due to concerns about potential repercussions from the authorities, as seen between 2017 and 2021 in Czechia during the regime of prime minister Andrej Babis, one of the wealthiest oligarchs in the country and owner of the leading newspaper publisher Mafra. Companies used to withdraw their ads from independent media out of fear that the authorities, tightly controlled by Babis at the time, would impose regulations or employ other tools to punish them.

Lastly, media capture also has profound consequences for society, the ultimate consumers of the content produced by the media. Although more research on this matter is needed, elections often indicate captured media's influence on decision-making, as seen with Fidesz's enduring power in Hungary.

COMBATING MEDIA CAPTURE?

Fighting capture is challenging due to governments' stronghold on media. In Europe, two potential avenues to combat capture can be considered: an audience-focused funding model and policy solutions or support from the EU.

Audience-funded models include local media catering to community needs. In this vein, redefining the relationship between media and advertisers becomes crucial to redirect a portion of advertising funds toward independent media. In Romania, for example, a group of media experts and former journalists established the Ethical Media Alliance to encourage private businesses to allocate a small portion of their advertising budgets to support independent media, not for commercial purposes but for their societal role.

In terms of policy solutions, the EU's power to regulate media is limited, a constraint that various European governments have exploited to interfere with the media. However, the EU possesses a range of instruments to counteract governments that curtail media freedom, including legal action and linking EU funding to compliance with the rule of law. The European Media Freedom Act (EMFA), one of the latest legal initiatives at the EU level, specifically aims to address the spread of capture in Europe. Yet, although the EMFA has garnered praise as the EU's boldest move for media free-

dom to date, media experts express growing skepticism about its ability to combat capture effectively. The law fails to address key elements of capture, particularly the corrupt financial flow from the government to the private sector and lacks effective mechanisms for implementing its provisions. There may still be lingering hopes for the triumph of independent journalism. However, it is undeniably difficult to envision the future of media without taking into account the pervasive issue of media capture looming on the horizon.

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HOW TO COMBAT MEDIA CAPTURE

Audience-focused models:

- Community-supported local media
- Ethical media alliances promoting private sector support for independent media

Policy & regulation:

- EU legal measures and funding tied to media freedom
- European Media Freedom Act (EMFA) targeting media capture, despite lingering doubts about its effectiveness
- Monitoring media ownership
- Preventing media concentration in the hands of a few
- Business strategies to guarantee diversity and sustainable funding
- Internet regulations ensuring journalists get a fair share of advertising revenue

HOW TO CHECK MEDIA RELIABILITY

At the start of every UNDERSTANDING MEDIA seminar at Witten/Herdecke University, students often ask, “How can I know if I can trust a media outlet? How can I tell if I live in a free and functioning media ecosystem where journalists report independently?” Our response is clear: It is anything but easy. You need to think and research like a journalist. This is especially crucial if you live in a country where political or other interest groups try to influence the media to secure re-election, advance their agendas, or prioritize their interests over the common good—without you knowing. Controlling the media is a key tactic for these forces. Here are some steps you can take:

EXAMINE OWNERSHIP AND FUNDING SOURCES

- Identify who owns the media outlet and how it is funded.
- Check for any government funding or affiliations with political parties.

EVALUATE EDITORIAL INDEPENDENCE

- Determine if the outlet is free to make editorial decisions without external pressure.
- Look for any policies or guidelines that restrict editorial freedom.

ANALYZE REGULATORY CONTROL

- Research who appoints the media regulators and their relationship with political entities.
- Verify if the regulatory body is independent or politically influenced.

ASSESS TRANSPARENCY OF INFORMATION SOURCES

- Ensure that sources of information are clearly cited and credible.
- Be wary of outlets that frequently use anonymous or unverified sources.

REVIEW COVERAGE AND BIAS

- Check for balanced reporting and the inclusion of multiple perspectives.
- Be cautious of media that consistently supports a single viewpoint or discredits critics without evidence.

INVESTIGATE THE USE OF STATE ADVERTISING

- Determine if the outlet relies heavily on state advertising.
- Assess whether state advertising is used to influence media coverage.

CHECK FOR OWNERSHIP CONSOLIDATION

- Identify if the media outlet is part of a larger conglomerate with business interests tied to the government.
- Consider how ownership concentration might impact editorial independence.

LOOK FOR SIGNS OF SELF-CENSORSHIP

- Be aware of journalists resigning or citing censorship pressures.
- Note any changes in editorial stance that coincide with political events or pressures.

MONITOR FOR PROPAGANDA

- Evaluate if the outlet's content aligns closely with government propaganda.
- Check for frequent use of government press releases without additional analysis or critique.

COMPARE WITH OTHER INDEPENDENT SOURCES

- Cross-check information with other reputable and independent media sources.
- Use fact-checking websites to verify the accuracy of reported information.

RESEARCH THE MEDIUM'S HISTORY

- Look into the media outlet's history of ownership, funding, and editorial changes.
- Understand the context of how the outlet has evolved and its current standing in the media landscape.

EVALUATE THE IMPACT OF MEDIA CAPTURE

- Be aware of the broader context of media capture in the region or country.
- Recognize the potential influence of media capture on the outlet's reporting and editorial decisions.

