

not responding to the NGO's inquiry, which focused on the amount of money spent reconstructing ministry buildings. The Supreme Court upheld both inquiries.

What is the Way Out?

Ads of major companies are mostly seen in official and some of the so-called neutral papers, but they rarely appear in opposition papers like *Azadliq*, *Musavat*, *Bizim yol*, or *Demokrat*. Only some oil companies like BP, and major mobile providers advertise in these newspapers, the volume of the ads amounting to a few hundred dollars a month.

This ad blockade against opposition papers is seen as the major obstacle to economic development and consequently to the independence of the local media. The press is not economically independent because of this situation. The volume of the advertising market in countries like Estonia or Latvia is some 50 million dollars in comparison to 2–3 million dollars in Azerbaijan, even though the latter is an oil and gas producing country.

According to many media experts, offering credits to newspapers is not the way to solve their prob-

lems. Mehman Aliyev, director of the Turan Information agency, says the independence of the press depends on that of the whole economy. "Publishing a paper is not a business in Azerbaijan, it's a tool to realize one's political will. Nothing has changed during the recent five years because the basics of the economics have not changed. The monopoly has strengthened in all spheres, there is no competitiveness. Azerbaijan's economy remains closed," he said.

The situation with the media reflects the broader problems facing Azerbaijan. The country's ranking on Transparency International's Corruption Perception Index remains very poor in recent years. Currently, it ranks 134 amongst 178 countries. The ratings for freedom of expression and other basic rights remain grave as well. Azerbaijan falls into the Not Free category according to Freedom House's 2010 report. Another major international human rights advocate, Human Rights Watch, in its 2010 report noted that the situation for basic human rights is getting worse (see also the Documentation Section in this issue of the Caucasus Analytical Digest).

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Georgia: Immature Media

By Nino Robakidze, Tbilisi

Abstract

Georgia's media faces numerous problems, including a difficult post-Soviet legacy, frequent interventions from the state, poor legislation, unclear ownership, and difficult access to public information and broadcast licenses. Most independent media cannot operate as businesses because they have problems attracting companies willing to risk government pressure to advertise on their stations. The result is that Georgia has only a semi-free media environment.

A Difficult Legacy

Why has the Georgian media been unable to play the role expected of it? This is a question repeatedly asked throughout Georgian society during the last twenty years. Since the Rose Revolution, the subject has not lost its significance even for a while.

As late as 2003, when I was a student at the Tbilisi State University Faculty of Journalism, future journalists who sought to improve their professional skills and writing abilities were diligently browsing the recommended manual entitled *Theory and Practice of Soviet Journal-*

ism. This book was older than all of us and recalled a time when *The Young Communist* and *Komsomolstaya Pravda* published Lenin's speeches, protocols of Communist Party Congresses, and annual reports for the five-year plans of Soviet collective farms.

Even though our faculty owned a professional video camera and students knew about it, none of them had seen it personally; the camera was carefully stored out of reach because the professors feared it would be broken by untrained hands. For many years, our department was managed by a Communist Party bureaucrat

who was the former head of the Georgian TV and Radio broadcasting company, which served as the main source of Soviet party propaganda. That was still a time when Communist party activists played a prominent role. In 2003, for the second time after 1989, Georgians again sought to leave behind the Communist legacy and the stagnation in public life that it created.

Short-Lived Changes and Then Another Crackdown

Since 2003 at first sight it seems that everything has changed—even the Journalism Faculty of Tbilisi State University has appointed a young and energetic journalist as dean. The media sphere and more specifically Rustavi 2 became key actors in promoting incremental changes. Unfortunately, the “Rose Revolution” provided only a short time for future journalists to return to the ideals of their profession. Everybody believed, but only for a while, that journalism should be serving truth and provide objective information to citizens. During that time, it seemed that “Soviet Theory and Practice” had been consigned to history once and for all.

Indeed, after the revolution, changes in the Georgian media sphere developed in a speedy manner. Already in February 2004, one month after the inauguration of President Mikheil Saakashvili, popular TV programs were shut one after another—“Night Courier” by Eka Kheria, “Night View” by Inga Grigolia, and the program starring Natia Zambakhidze. During 2004–2005, TV channels, such as “9th Channel,” “Iberia,” “202,” and “Ajara TV” also stopped broadcasting. In the next year, two more popular programs were cancelled: the political talk-show “On the Eve of Election” by Irakli Imnaishvili, and “Free Topic” by Eka Kheria, who left the program during a live broadcast. Later, both journalists explained their choices, claiming that they came under pressure from high government officials who were meddling in their activities.

Likewise, Georgian print media could not avoid similar problems. In parallel with the popular TV channels and programs, several high circulation newspapers and magazines have disappeared, including Morning Newspaper, The Main Newspaper, The New Epoch and Omega. Representatives of the press encountered serious problems emanating from court decisions, press offices of various ministries and the security police. For instance, the Ministry of Defense forbade a popular military expert and journalist, Koba Liklikadze, from attending briefings at the Ministry. Other representatives of the media encountered problems while attending the briefings of Minister of Internal Affairs Vano Merabishvili.

During this period, the pressure on the media was particularly visible in the regions of Georgia, where representatives of local governments physically assaulted and personally threatened independent journalists.

A January 2005 report prepared by the Parliamentary Assembly of the Council of Europe noted that “Facts of intimidation and physical assaults increased, in some cases with the participation of high-ranking government officials.”

“Journalists are threatened—because of their newspaper articles or TV programs, they are physically threatened, bombs are exploding in their houses,” according to the letter Georgian journalists and non-governmental organizations sent to the President’s administration on February 3, 2006.

Two years after the Rose Revolution, the Georgian media continued to exist within tight constraints: some journalists were prohibited from attending the president’s briefings and public events, and meetings organized by governors, ministers and other public figures. But at the same time, other media outlets always had access to exclusive information from inside governmental circles. Members of the ruling party never rejected the invitations of these media organizations to participate in their programs. At the same time, they consistently refused to participate in the political debates organized by other media sources.

“If prior to the Revolution I was well aware of the important issues that would interest the audience, afterwards it appeared that I did not know anything,” remembers the Journalist Nestan Tsetskhladze, who served as a special correspondent of the Rustavi 2 TV Company to the Adjara Autonomous Region while it was controlled by Aslan Abashidze’s authoritarian regime. “It is natural that the renovation of the boulevard in Batumi was interesting for the media, but for me problematic issues had a priority. Until this day I hear accusations that the media is covering only bad news. Yes, I am a journalist who considers that reacting to problems is the main responsibility of the media. I did not have a chance to work on these issues and felt that I was transformed into a journalist who is just holding a microphone.” Today, Tsetskhladze is the main editor of Netgazeti, one of the most popular internet publications in Georgia. She, like many of her colleagues who refused to simply transmit official statements, chose to work in the independent media. But unlike in the previous times, her current work is known to a much smaller audience.

Unclear Ownership

Georgia’s media legislation seems surprisingly liberal. However, media company owners agree that it creates possibilities for the government to implement indi-

rect, but obvious pressure on journalists and media organizations.

For many years, journalists and media organizations have discussed the necessity of media ownership transparency. If in countries with a free media it is the traditional obligation of media organizations to publicly announce their owners, Georgian reality is completely different. Georgian citizens do not know who delivers news to them via television, who publishes the newspaper they read each morning, or, in general, who owns Georgian media.

It is particularly difficult to understand who owns the two largest national broadcasting companies and several other TV channels in Georgia. After the Rose Revolution, Rustavi 2 was sold numerous times, with the most recent transaction taking place in June. Today 70 percent of its shares belong to the offshore company Degson Limited, which is registered on the British Virgin Islands. It is almost impossible for an ordinary citizen to have access to even this kind of information since none of the media outlets post it on their websites. Media ownership is in almost all cases secret.

Notwithstanding the fact that the media have been reporting on the sale of Imedi TV, today nobody has much information about the person who stands behind the 90 percent share holder of the organization—Rakeen Georgian Holding. Confusion deepened when the official representative of the Arab investment fund Rakia rejected the assertion that either Rakia or its affiliated companies owned shares of Imedi.

The goals of the owner of Sakartvelo (Georgia) TV company is similarly vague. Officially the company is owned by the Denal Union, which is also registered in an offshore zone. According to the Georgian law on state purchases, Sakartvelo officially cooperates with the Ministry of Defense and most broadcast time is filled with military programs prepared by the Ministry.

Even though Georgian legislation prevents an individual or legal entity from owning more than one license for a television or radio station, it does not oblige the media companies to publicize the actual identity of share holders or partners. This flaw in the legislation makes it physically possible that a real owner of the firm registered in an offshore zone has numerous licenses at his/her disposal.

Georgian legislation also does not regulate what share of the media holding company might be controlled by one individual or legal entity. For example, according to research by Transparency International—Georgia, the “Industrial Group of Georgia” owns 30 percent of Rustavi-2 shares, 45 percent of Mze and 65 percent of Pirveli Stereo. Its affiliated company Georgian Media Incorporated, on the other hand, owns Imedi

shares. Hence, at the end of the day, “the Industrial Group” controls two thirds of the entire market.

These developments in the media sphere after the Rose Revolution naturally created a situation in which the national broadcasters Rustavi 2 and Imedi, by different means, became weapons for governmental propaganda. Though, for the sake of justice, one also has to note that none of the existing alternative media sources managed to offer balanced and objective information to society.

The growing concern among media and non-governmental organizations about the suspicious secrecy surrounding the ownership of the national broadcasting company culminated when legislators introduced two bills concerning media ownership to Georgia’s parliament—one was authored by the head of the parliament’s Legal Committee Pavle Kublashvili, a member of the majority party. The second was the initiative of a group of journalists and lawyers, who worked out the draft with financial support from the “Open Society—Georgia Foundation”.

On the basis of these texts, the Legal Committee, with Speaker Davit Bakradze’s support, developed a draft law that sought to amend Georgia’s existing Broadcast Law. “The aim of adopting the draft law is to increase transparency in the media sphere by imposing some restrictions on license ownership,” according to the explanatory letter accompanying the bill. In the future, those additional restrictions will prohibit individuals and entities registered in offshore zones from owning media outlets and shares in them. At the same time, the law will oblige them to ensure transparency and permanently update the publicly available information about their beneficiary owners and key managers.

Public Information and Broadcast Licenses

As Giorgi Chkheidze, an independent expert explains, transparency of media ownership in the Georgian media sphere is the principal and most important issue, although it is not the only problem with the existing legislation. For that reason the problem needs to be addressed in a comprehensive manner: beyond clarifying ownership it is necessary to 1. Simplify the public’s ability to access information 2. and resolve a number of issues surrounding broadcast licensing.

According to the results of a study conducted by the Caucasian Research Resource Center and financed by the European Union, Georgian media frequently encounter problems when trying to access public information. Unfortunately, without access to official sources, journalism often has difficulty rising above simple “fortune-telling.” The fact that problems related to accessing public information are serious is also proved by the

recently created Georgian web pages such as givemeinfo.ge and opendata.ge.

The non-governmental organization Institute for Development of Freedom of Information is implementing the project opendata.ge in order to ensure more information transparency. As the organization's report points out, only 10 percent of the questions sent to state institutions—ministries, the presidential administration and City Hall—received more or less relevant answers. The organization has filed several cases against the public institutions for their failure to implement the law. Such active participation by the non-governmental sector definitely increases information accessibility. But the problem is that for journalists, the information domain remains restricted. According to research by Transparency International, the Georgian state only satisfies 10 percent of public information requests, while the courts respond appropriately to only 2 percent.

Media experts explain that making public information secret is one of the indirect mechanisms for exerting pressure on independent journalists—without official data it is difficult to prepare investigative or feature articles. For this reason, journalists are often unable to successfully fulfill their obligations to write objective analyses for reasons beyond their control.

President Saakashvili has addressed this issue in public, but it is not clear what kind of action he has taken to remedy the problem. In response to a question posed by a journalist, he said “I agree with you concerning the transparency of public information—this is a problem. Actually, Zurab Adeishvili and I were the authors of this code. I think that you should have this right and this is your leverage, which you should use, I will try by all means to correct the situation. Actually, in recent days I gave an order concerning this.” Saakashvili made this statement on 25 January through *Kavkasiuri* television. However, despite journalists' interest in having the president's help, it is still not known whether he actually issued an order and to whom. Public information access still remains the most important problems for journalists.

On the same day, during the live program the president was again asked about simplifying the licensing process for broadcasts, but he left the question unanswered. For media freedom, experts explain that the issue is no less important than ownership or information accessibility.

According to the 2009 IREX Media Sustainability Index, the broadcast licensing issue is obviously politicized. A prominent example of this problem was the two-year long dispute surrounding the TV Company Maestro's efforts to obtain a licence. As a specialized license holder, Maestro had no right to broadcast

news. However, Alania, even with the same license, was allowed to broadcast such reports. Unlike Maestro Alania was openly loyal to the government and, together with Rustavi 2 and Imedi, actively involved in spreading pro-government propaganda.

Media law experts and NGO representatives frequently criticize the fact that the broadcast regulatory commission uses the mechanisms and leverage available to it for political purposes. As such observers make clear, imposing license restrictions on cable TV stations is absurd because these channels do not use the limited broadcast frequencies controlled by the state.

Along with its tendency to exceed its rights, the regulatory commission's constitution and staff are also frequently criticized. The previous chairman was Giorgi Arveladze, who was a member of the president's inner circle, minister in various periods, head of the presidential apparatus, and the current director of Imedi TV. The current head of the commission is Irakli Chikovani—the former director of Rustavi 2. Even though Chikovani officially claims to have sold his share of Rustavi 2 several weeks before being appointed as head of the commission, no one has been able to confirm the actual transaction.

Notwithstanding the fact that Georgian law gives the parliamentary opposition the right to its own representative on the regulatory commission, this member still reflects the interests of the governing majority. This outcome is mainly determined by the electoral rules according to which the president maintains the decisive voice in the process.

Even though the authority of the regulatory commission only covers the broadcast media, there are problems concerning the licensing, ownership and financial transparency with print and online media as well.

Together with the problem of public information accessibility, the independent press and online media outlets are facing a serious financial crisis. Media organizations trying to provide the public with balanced news are often less attractive for advertisers, who generally steer clear of advertising in the kind of online or print publications that publish investigative articles or offer readers critical analysis of governmental reforms. The journal *Liberali*, with its print and web edition, is an example of such a publication, as is the online *Netgazeti*. The main sources of income for both media outlets are the grants provided by international non-governmental organizations for the development of professional and independent media. Unfortunately, the income provided by such grants is so meager that it is not worth highlighting.

Media as a Business

Avoiding political influence and maintaining financial independence remains one of the key challenges for the

Georgian media. Notwithstanding the fact that several media outlets consistently publish their financial information, the audience for independent media sources is small. Objective reasons account in part for this phenomenon, including the concentration of TV broadcasts in the capital city as well as the small number of Georgians who use the internet to obtain political information. However, the main problem lies most probably in the fact that the free media market is still underdeveloped in the country. The fact that independent media should not be taking money from the government, but instead, like all kinds of businesses, should focus on production quality, increasing audience size and generating profits, is widely accepted, but in Georgia, the media does not develop as a business.

In addition to the unsophisticated legislative environment, which prevents media outlets from acting freely on the market, media experts argue that the poor advertising climate makes the situation even worse. Advertising, as one of the financial sources of a free media should ensure the financial stability of the media. However, representatives of independent media outlets openly declare that businesses avoid advertising with them. Regardless of their ratings, advertisers prefer media outlets that do not create problems for the government. Often businesses take this decision without any kind of pressure as they are convinced that if they did otherwise, they would come under governmental pressure.

According to the data of non-governmental organizations, in recent years the leading national broadcasts have been spending more money than they have been earning from advertising. Theoretically this money could be a subsidy from the owner, but since nobody knows precisely who the owners are, we cannot exclude the possibility that budgetary sources are being used to finance private TV companies.

It is also interesting that advertising incomes are higher for the large national broadcasters which most probably also enjoy governmental subsidies. Such direct financial links between the most popular nation-wide broadcast media and the political elite makes the existence of elementary editorial independence impossible within these media.

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It is also remarkable that Georgia Public Broadcasting, which is formally under society's control, is openly financed from the state budget. Despite these abundant resources, Georgia Public Broadcasting has not succeeded in producing a competitive news division, which would gain society's trust.

Russian-Language Broadcasting

On January 25, at 6:00 p.m. the Georgian government launched its first Russian-language broadcaster, First Caucasus News—PIC TV, claiming that it would provide balanced and impartial information. The new television company, aimed at an audience across the North and South Caucasus, operates on the basis of Georgia Public Broadcasting and devoted its first three hours to President Mikheil Saakashvili.

Whatever its original intentions, the show about the president on the new broadcaster highlighted the tough situation in the Georgian media sphere. Technical support for PIC TV came entirely from the Rustavi 2 group—studio, management, cameramen. Rustavi 2 also broadcast the presidential program on its own channel as well. Rustavi 2, Imedi, and Georgian Public Broadcasting journalists provided live reporting from different regions across Georgia because PIC TV did not have its own Georgian-speaking journalists.

During the three hour broadcast, the presidential show was accompanied by a running feed on which the audience could transmit its opinions via sms text messages. Throughout the show, no critical messages were displayed. By contrast, such messages can often be seen on other TV talk shows, which according to president are “broadcasting from the planet Mars.”

The three nation-wide broadcasters Rustavi 2, Imedi and Georgian Public Broadcasting implemented the presidential project without any specific problems; the three most popular TV channels do not have competitive attitudes toward each other. However, this project once again made clear why Georgia, ranks close to the bottom in the list of partly free media countries compiled by Freedom House.