

TABLOID NEWSPAPERS IN POST-COMMUNIST HUNGARY

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Abstract

An important and particular feature of post-communist transformation in the media in East Central Europe was the rise of a section of the press devoted to sensation and scandals. This development was the result of different processes which occurred with the system change. The most important changes were the end of political control of the press; the liberalisation and marketisation of press markets; the commercialisation of the media and changing media consumption patterns. The development of sensational press was influenced by changing market conditions in post-communist media, particularly the saturation and shrinking of the press market (the expanding but increasingly competitive advertising sector and the limited potential for considerable financial gains in the national dailies market) foreign investment, changes in newspaper demand (such as in reading habits and decreasing buying power of the population), and post-communist cultural changes, with emphasis on internationalisation and promotion of consumer society.

The development of popular papers led to the segmentation of the Hungarian press market, where there were three groups: tabloids, qualities and specialised titles.

Despite the increase in circulation and market share tabloids do not dominate the Hungarian market the way they prevail in the press markets of the Western world. Quality papers retain higher circulation figures overall and they also perform better in the advertising market. This is partly due to the fact that many press titles of the communist era managed to transform and rejuvenate themselves into market-type quality papers benefiting that they were already familiar to readers.

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Introduction

It is usually envisaged that the press system in Hungary — as in other East-Central European countries — has been transformed from a communist to a market-led liberal democratic media system during the post-communist period.¹ This system change, and the economic, political and social transformation in general, greatly affected the structure and ownership of the press, as well as the operation of newspaper publishers and the work of journalists. As market forces took over with a vengeance, new commercial companies appeared and new commercial products were introduced into the media markets. In the daily newspaper market the most successful introduction was that of tabloid titles. By 1997 there were four sensational newspapers in the country. Hungarian readers, who were robbed of the enjoyment of tabloid newspapers during the communist era, approved the new type of press titles and the circulation of the tabloid press increased substantially within a few years of post-communist transformation. The aim of this article is to analyse the factors behind the emergence of the sensational press, their effects on the press market, and the characteristics of post-communist tabloids in Hungary.

Tradition of Popular Press

It would be a mistake to treat the appearance of popular papers in Hungary as a completely new phenomenon and solely the outcome of the post-communist transformation. The popular press has a historical tradition in the country. In the first decade of the 20th century there were already ten so-called boulevard newspapers, although none of them reached a mass circulation audience. The first type of Hungarian boulevard papers copied the German type of popular press (Buzinkay 1997). In 1910 a new title, *The Est*, was launched, which introduced a new style following the Anglo-Saxon type of popular papers of the time and became the first mass circulation newspaper reaching 400,000 circulation on the eve of World War 1. The two wars, the authoritarian political regimes and restricted press freedom took its toll on the Hungarian press system of the first half of the 20th century. Nevertheless, with the exception of extreme political circumstances, such as wars and revolutions, popular titles, were dominant in terms of circulation. During World War II and following the communist take-over, however, all the pre-war popular titles — as well as the political ones — were discontinued.

The introduction of a Soviet-type media system, which prevailed in Hungary throughout the communist era, meant that there was no place for the pre-war type of popular papers. Communist press systems are usually associated with having only highly political and propagandist type of newspapers, which were censored and their operation controlled in every aspect. While these characteristics of the communist press were true, there were some differences between the content and format of the published titles. In Hungary there was a communist version of popular paper, the evening paper *Esti Hirlap*, which included all the important news the communist authorities thought the population should read about. Nevertheless, it could be regarded as more populist than the other titles, because the newspaper as well as the articles were shorter and the paper contained more human interest stories.² Hungarians could also try to “escape” the official press line by reading the daily, *Népszport*, which focused on only sport news and thus did not qualify as a political paper. The

development of these titles was overseen and limited by communist media control mechanisms, which centrally-determined the circulation of newspapers always prioritising the Communist Party's main title, *Népszabadság*.³

Several authors have pointed out that the Hungarian mass media moved away from the strict Soviet-type communist media system as a result of political and economic changes by the 1980s (Sparks 1998; Kováts and Whiting 1995; Downing 1996). Kováts and Whiting (1995) list five factors which moved the Hungarian media away from the classical Soviet media system: the strong tradition of the press from the pre-communist period; the political effect of the 1956 revolution; the economic reforms from 1968; the availability of Western European signals and channels; and underground publishing. These changes in the Hungarian media were significant because the role of the media shifted from primarily being a propaganda tool to assume more entertainment functions in the 1980s. Although the cautious political and economic liberalisation was less apparent in the national dailies' market because of the role and centrality of these papers, evidence of changes could be found. One example was the existence of the above mentioned *Esti Hírlap*, which was launched in 1956 after the Revolution as a sign of the so-called political "consolidation." Another example was the slowly increasing number of national dailies throughout the period. While in the early 1950s there were four national dailies, by the 1970s their number increased to seven. In the eve of the system change of the late 1980s Hungarian national dailies, albeit still with the obvious political limitations, provided a more diverse view, which included the popular end of the communist press as well.

The presence of some kind of popular press regardless of the prevailing media system and the ruling political regime in Hungary during the modern history of the mass medium shows the importance and permanent demand for these type of newspapers. It is also clear that this demand was not satisfied during the communist era. From this perspective the emergence and popularity of tabloid press in the post-communist period does not come as a surprise and one could even argue that it was an inevitable and conventional development with the introduction of market-led press system.

Development of Post-communist Press

The post-communist transformation of the Hungarian press featured different processes, which all contributed to the emerging new media system. Three main processes can be distinguished in this transformation: democratisation, marketisation and commercialisation. Democratisation refers to the move towards freedom of the media and the media undertaking new democratic roles. Marketisation involves the emergence of market forces, liberalisation and private ownership in the press sector. Commercialisation relates to the changes which are associated with the media becoming commercial products and commodities. These processes determined the characteristics of the new press system and the development of the print media markets, thus they created the circumstances and conditions in which tabloid newspapers could emerge and develop.

There were two important set of preconditions in the emergence of tabloids in the post-communist Hungarian press market; the freedom of the press and the establishment of market forces. In terms of democratisation one of the most important precondition was the end of political control. During 1988 and 1989 all the communist

control mechanisms over the press were dismantled including political censorship, authority over the appointments to higher editorial positions and the licensing system. The 1986 communist press law was amended in 1990 by Act No. XI which declared the freedom to publish and removed the remaining constraints on the freedom of the press (Gergely 1996, 33). The other set of preconditions were related to the establishment of market-led system in the press. With the introduction of market forces the press markets were liberalised and private ownership became dominant.

There were also a number of market conditions in the Hungarian press which influenced the development of tabloid titles. An important one was the saturation of the market: a country with 10 million population had 14 national dailies in 1996. The liberalisation and marketisation of print media led to an increase in new publications. The number of national daily newspapers almost doubled by the early 1990s. While the number of new publications increased in every print media, an important difference between the national dailies' market and other segments was that a boom in circulation did not occur.⁴ The circulation of national dailies declined from 1.69 million in 1987 to 1.22 million in 1990, and to 865,000 in 1993 (Juhász 1994). The reasons behind this trend were multifold, one of the most important, however, could be found in the peculiar structure of the communist press. Because of political reasons the national press was prioritised both in paper allocation and subsidies during the communist era, with the demise of this strong support system causing havoc in the market. The declining circulation figures had important implications for the launch of new national newspapers, because it meant that the titles had to compete in a shrinking market, making the risk and the cost of market entry higher. It also meant that new titles had to find a niche to succeed, the most distinct and promising of which was the popular end of the market.

Another market condition which influenced the development of the tabloid papers were the limited potential for considerable financial gains and profits in the national dailies market. With the introduction of market forces, print media companies had to rely on their own revenues from product sales and advertising, which was a profound change from the communist system, where the state controlled all aspects of media finance. To increase revenues from product sales was complicated by the heritage of the communist subsidy system, which had kept newspaper prices well under their real value. With the end of the subsidies the former price levels could not be kept. In every media market prices soared, well exceeding the inflation rate. The average price of daily newspapers increased almost 21-fold between 1990 and 1996 (Agárdi 1997, 85). The price increases contributed to the falling circulation figures and shrinking markets.

The area where media finance expanded the most in the post-communist Hungarian press was advertising. Since 1989 the market value increased by 30-45 percent annually, which exceeded the inflation rate. While in 1991 9.9 billion HUF was spent on advertising, by 1994 the amount increased to 38.1 billion HUF and by 1996 to 71 billion HUF.⁵ The advertising market for national daily newspapers also grew considerably. In 1991 the advertising revenue of all national dailies amounted to 2.3 billion HUF, in 1993 5.1 billion HUF and in 1996 8.2 billion HUF. The growth, however, occurred in increased competition from other forms of media, especially television. As a result the share of national dailies in the advertising market decreased from 23 percent in 1991, to 19.8 percent in 1993 and to 11.5 percent in 1996.⁶

A further market condition of the post-communist Hungarian press, which was important in the emergence of tabloids, was the significance of foreign ownership. Foreign media companies appeared early on during the transformation period and in most segments of the print media they became the dominant players. In the national daily newspaper markets, most dailies were privatised and acquired by foreign investors by the end of 1990.⁷ The percentage of foreign ownership reached as high as 70 percent by 1991. Although the percentage decreased during the first part of the 1990s, as a result of further ownership changes with the withdrawal of some foreign companies and the appearance of new ones, foreign ownership was a dominant feature of the national press market throughout the post-communist period.⁸

The motivations of foreign companies investing in the Hungarian — and in fact in other East Central European — print media markets were complex and altered to a certain extent as the post-communist transformation proceeded. Given the small size of the Hungarian market, the main incentives were not only profit-related. An important factor during 1989 and 1990 was that it was “trendy” among global media moguls to venture into the markets of the new democracies. Foreign companies were also attracted because of low prices, and by the East European “bridge” factor to larger markets (Gálik and Dénes 1992, 8). As the novelty of the former communist markets wore out in the early 1990s, carefully planned market strategies, such as aiming for regional dominance, began to play a more important role in the investment decisions of foreign companies.

Development of Tabloid Press During the Post-communist Period

Although tabloid papers were unknown in Hungary until 1989, they firmly established themselves within a few years. By 1994 there were four tabloid type newspapers. The total circulation of tabloids rose from practically zero at the beginning of 1989 to more than 300,000 by the mid-1990s, which constituted 28.1 percent of the national dailies market in 1996.⁹ Reflecting the nature of the unfolding changes, the first title introduced in the national dailies’ market in the dawn of the post-communist period was a tabloid paper, *Mai Nap*, which was launched in February 1989. The paper quickly gained popularity, although its circulation did not exceed the established titles. The potential of the paper was good enough for Murdoch’s News International Group, which bought the majority share in January 1990. Murdoch, however, was cautious with his first investment in a former communist market conditioning his purchase on the financial performance of the title. Since *Mai Nap* did not prove to be profitable, the co-owner, a state-owned Hungarian bank had to buy back the shares of the paper. Following Murdoch’s departure the title was acquired by the Swiss JMG Ost Press group controlled by Jurg Marquard.¹⁰

Murdoch was not the only foreign investor interested in the popular end of the Hungarian press early in the transition period. Maxwell’s Mirror Group acquired a majority share of the communist popular paper, *Esti Hirlap* in early 1990. The newspaper, however, was not successful financially or in keeping its communist readership. It was neither a quality title nor a tabloid, and in the small Hungarian market there was no place for a middle-market paper. After the Mirror group withdrew in 1992 following Maxwell’s death, there were further ownership changes, but eventually the paper folded in 1996 when its circulation plummeted to only 10,000.

The second new tabloid paper to be established was *Kurir*,² which was launched by the Austrian Denton AG in early 1990. The paper reached middle range circulation figures, however, it did not achieve financial success. After ownership changes the title became a part of the growing media “empire” of the Hungarian bank, *Postabank*.¹¹ *Postabank* also acquired another tabloid paper, *Pesti Riport*, which was launched in the early 1990s. *Pesti Riport*, however, was the least successful tabloid of the post-communist period with very low circulation figures and continuous losses to its owner.

The fourth — which emerged to be the most successful one in terms of circulation — was launched by the Swiss Ringier Group in March 1994. The paper, *Blick*, was a part of the international strategy of the Swiss company.¹² Ringier specialised in launching new titles in foreign markets by copying its existing titles in the Swiss market. One publication Ringier decided to export to the East Central European markets was its Swiss title, *Blick*, which is Switzerland’s largest tabloid-type daily with more than 330,000 circulation. Ringier launched two tabloids in East Central Europe, one in the Czech Republic, the other in Hungary, using *Blick* as a carbon copy.¹³ The format and the profile of both tabloids were adopted from *Blick*: even the names of the titles mean the same thing in the different languages. *Blesk* and *Blick* achieved the second highest circulation figures in their respective markets within months of their launch.¹⁴

Many post-communist tabloids copied and adapted the format and structure of similar titles in Western Europe. Copying types of popular papers — or as a matter of fact other types of print media products — from more developed markets is not a new phenomenon in Hungary. For example, as pointed out in the first part of the article, the boulevard press of the first part of the century copied the style and format of Western popular newspapers. What is unprecedented about the development of the popular press during the post-communist period is the direct involvement of foreign media companies and the importance of this involvement, which was allowed by the internationalisation of the media world-wide. Therefore internationalisation and globalisation of the media — a process which accelerated in the 1980s and 1990s — had a direct effect on the development of the post-communist press. Arguably, foreign investors, who dominated the market throughout the post-communist period, played an important role in the development of tabloids in Hungary. In this respect the introduction of Western type of sensationalist papers by foreign companies was of particular importance. However, it has to be pointed out that domestic investors equally played a part in the development of the popular end of the press market. Tabloid papers would have developed without foreign investment, although foreign interests accelerated the process.

Foreign investors controlled 66.9 percent of the Hungarian tabloid market in 1996, shared among Ringier and Gannett (44.6 percent), *Postabank* (32.2 percent), and JMG Ost Presse (22.3 percent). The foreign market share can be compared with the 54.5 percent foreign ownership in the national dailies market as a whole, and the 58.1 percent foreign ownership in the quality segment of the market. The fact that the foreign ownership share is the highest in the tabloid segment of the market, and also the fact that foreign investors only launched tabloids,¹⁵ would suggest that they were particularly interested in this end of the market. It would also support the assumption that foreign investors in the East Central European media markets were primarily concerned with commercial aims and were somewhat less enthusiastic to invest in quality papers, many of which showed clear bias towards one end of the political spectrum.

The expansion strategy of foreign investors and a certain degree of reservedness towards the political press were not the only factors in the development of the tabloid press in post-communist Hungary. At the beginning of the period one of the main economic reasons for companies to get involved in this segment was the clear gap in the market. Since there had been no tabloids and the popular end of the press market was underdeveloped but was characterised by high consumer demand, the tabloid press seemed a relatively safe investment. The introduction of sensationalist titles was also helped by marketing and promotion campaigns. Tabloids were the first ones to include winning schemes and games in newspapers.

An interesting feature of the development of tabloid press in Hungary was that none of the tabloids have made any profit to their publishers so far.¹⁶ This was partly due to the overall performance and the limited potential for profits of the Hungarian press market during the post-communist years. With the exception of the largest quality daily, *Népszabadság* all the titles were loss-making for most of the period. This raises questions about the motives of the publishers. In the case of quality papers it is widely argued in the research community that, besides financial aims, other considerations such as prestige and social or political ambitions are also significant motivations for newspaper publishers. These latter factors certainly prevailed in post-communist quality newspaper publishing, especially among local publishers.

In the case of tabloid papers, however, financial considerations can be viewed as the main incentives to publish, because of the nature of the product. The presence of tabloid newspapers despite their financial failure in the post-communist Hungarian press market — and coincidentally in other East Central European press markets — is evidence of a long-term “sit it out” policy adopted by their publishers. Many of these publishers regard the poor financial performance of the press market and the economic hardship of the newspaper-reading population as temporary features of the post-communist transition, at the end of which circulation and profitability figures will improve. As a part of the strategy and as an answer to the increased competition and saturated market, publishers of popular papers also attempted to buy up their competition. The most active in this respect was the Swiss Ringier group, which tried to acquire two other tabloids, *Kurir* and *Pest Riport*, in 1996.¹⁷ The negotiations failed, but it can be predicted that the relatively high number of tabloid papers in the small Hungarian daily newspaper market will decrease.

Post-communism and Change in Media Consumption

The rise of tabloid newspapers was not only the result of the market strategies of the respective media companies but equally important were the changes in media consumption patterns. By 1995, 12 percent of the Hungarian population read tabloids regularly. Although the readership for quality papers was still higher, and this 12 percent was relatively low in international comparison, considering the speed of the increase it would suggest a considerable change in reading habits.¹⁸ Media consumption changed as a result of different processes related to the post-communist transformation, the most important of these were cultural and social changes and the effects of economic hardship. Economic problems associated with post-communist transformation generally affected newspaper reading habits. Decreasing living standards and declining disposable income contributed to the falling circulation figures of quality papers and the shrinking of the press market.

It is usually envisaged that people living through the gloomy post-communist transformation with its arduous economic and political problems would opt for escapism in their media consumption. In the context of newspaper readership it can be argued that — while there were other important factors as well — this escapism contributed to the decline in readership of political newspapers and the rise of tabloid titles. Another area where the shift towards “escapist” media consumption can be found is in the increased popularity of television at the expense of other media. In 1995 Hungarians spent 3.5 hours a day watching television, which was a considerable increase from circa two hours ten years earlier (Vitányi 1997, 25). Television became more popular as a result of a substantial increase in choice, the spread of new channels and the commercialisation of television content.

Other aspects of post-communist cultural changes were also important in the development of media consumption, especially because the mass media have been important agents in bringing about these very changes. National cultures in East Central Europe became more open to the world following the demise of communism. The impact of Western culture with its values and symbols was particularly important, as a result of which the cultures of the region underwent an internationalisation process. Many times this process is associated with the “Americanisation” of East-Central European popular culture and the promotion of consumer culture. Farkas gives some appropriate examples in his aptly titled article “Goulash or Hamburger?” to illustrate the cultural changes. These include the immense popularity of American fast food chains; American media productions, such as soap operas, talk shows and Hollywood films; or the adaptation of certain parts of lifestyle, such as dieting, aerobics and fitness (Farkas 1994). Although it would be a mistake to overemphasise the role of international and American elements as the only factors determining post-communist cultures, their importance in providing these national cultures with new legitimacy is undeniable.

In the context of newspaper readership these cultural changes were important because they influenced what people wanted to read about. Tabloid titles offered a new type of newspaper content with international and domestic “gossip,” celebrity news, fashion news, and human interest stories from both Hungary and from different parts of the world.¹⁹ Another aspect of cultural change, especially at the beginning of the transformation, was a fixation with the “new” in many aspect of life from consumption to lifestyle. In the press market, which was dominated by old titles, novelty was an important factor in the introduction of tabloids. However, as a reflection of the fast-changing post-communist world, none of the tabloids or any other new daily press titles managed to exceed the circulation figures at their launch.

Segmentation of the Press Market

Although cultural and economic changes did affect newspaper readership, many readers remained loyal to the “old” papers. Despite their successful entry into the market and increase in circulation figures, tabloid newspapers do not dominate the Hungarian — or other East Central European — press market similar to the way they prevail in the Western world. Quality papers retain higher circulation figures overall and they also perform better in the advertising market. This situation is partly due to the fact that many press titles of the communist era managed to transform and rejuvenate themselves into market-type quality papers. The situation is also partly due to the characteristics of newspaper consumption, where familiarity is an important

factor. The former title of the Communist Party, *Népszabadság* is the best example for transforming itself into a respected quality paper.²⁰ Despite its past and plummeting circulation figures,²¹ *Népszabadság* remains the most popular title with a circulation of 280,000 in 1996: well outstripping the second largest daily, the tabloid *Blikk* with a circulation of 140,000.

Nevertheless, the appearance of tabloid papers, profoundly altered the structure of the Hungarian press resulting in the segmentation of the market. Three groups of newspapers can be identified in the market, that of tabloids (with a 28.1-percent market share), qualities (55 percent) and specialised titles (17 percent).²² In terms of circulation the largest group is that of the qualities, which gained 55 percent of the market in 1996.²³ The total circulation of the four tabloids was slightly more than half of that of the qualities. There is also a substantial difference between qualities and tabloids in their subscription rates. Tabloids perform much worse in subscription than qualities.²⁴

The segmentation of press markets in the Western world usually involves differences in finances between tabloids and qualities. Tabloids tend to rely more on sales, while qualities derive a large part of their revenue from advertising. This differentiation does not exist in the Hungarian market as yet. Qualities dominate both in terms of circulation and advertising. In 1994 *Népszabadság* embraced 35 percent of the advertising market of national papers. The largest daily relies on its advertising revenue at an increasing rate. By 1994 63 percent of *Népszabadság's* total revenue came from advertising (Surányi 1995, 39). For tabloid papers advertising accounts for a lower share of their revenue, which corresponds with the characteristics of tabloids in other countries. For the second largest tabloid, *Mai Nap*, advertising contributed 30 percent to its total revenue in 1995.

Another difference between post-communist and Western European press markets is that in the former there is no price difference between quality and tabloid papers. The lower price of tabloids in Western markets is usually used to attract large circulation numbers. The lack of price differentiation between tabloids and qualities in the Hungarian — and in other post-communist — press market is mainly due to the depressed market price structure inherited from the communist era and the limited potentials to increase revenues substantially. Newspaper prices are still considerably lower than in Western Europe, but publishing costs are approaching similar levels.²⁵ These market conditions provide almost no opportunities for newspaper publishers to strategically price their titles or target audiences with low cover prices.

Characteristics of Post-communist Tabloids

Although post-communist tabloids bear a lot of similarities with their Western counterparts, they also have some special characteristics. Newspaper readership of quality and tabloid papers in Hungary is more mixed in terms of social class and income than in Western Europe.²⁶ An interesting feature of tabloids in Hungary is that people with average or higher incomes and in better financial situations provide a large share of tabloid readership. In the case of *Blikk*, for example, 51 percent of the readers were from the better-off strata of society (Szonda Ipsos 1995). This is mainly due to the fact that tabloids are read as a second newspaper by this group of society, which can afford to buy two newspapers a day. For example, 70-80 percent of tabloid readers buy a political paper as well (Richárd 1994). This fact would suggest that tabloid papers are usually not read as a primary news source, rather they have a secondary role to provide

human interest stories. A further characteristic of tabloid readership in Hungary is that it is younger than that of quality papers. The average age for tabloid readers is 39.2, while for quality papers it is 44.2 (Richárd 1994). Tabloids are especially popular among the younger generation in the 18-29 age group. In the case of *Blikk*, for example, 38 percent of readers were of that age group in 1994.

Hungarian sensational titles bear the usual characteristics of tabloids when compared to quality newspapers. They focus on “light” news, human interests stories and the articles are shorter. The proportions of various subjects also vary in range and detail in qualities and tabloids. However, there are some differences between tabloids in post-communist Hungary and in Western Europe. Compared to British tabloids, for example, they differ somewhat in format, structure and to certain degree in content as well. There are more news on the front pages of Hungarian tabloids, the headlines are smaller and there are less advertisements in the papers. These differences are mainly due to the different market conditions, different press culture and history.

Conclusion

Commercialisation is a general feature of post-communist transformation in the media of East Central Europe. The emergence of tabloid papers was a part of the commercialisation process. Although the tabloid press in Hungary developed substantially in terms of circulation and market share, and led to the segmentation of the press market, they do not dominate to the same extent as tabloids do in Western European media markets. Considering market conditions and characteristics of newspaper readership, this feature of the Hungarian press market will not change in the near future.

The rise of tabloid newspapers has a special angle in a post-communist context. Because of its power and centrality in society, the mass media assume an important role in democratic transformation. It is essential that the press express the different views in society, that it becomes critical of the state and, in general, undertakes libertarian functions usually associated with its role as the “watchdog of the state.” It is also important that the media become a “public arena” and thus contributes to the enhancement of civil society. The Hungarian press have moved towards such a democratic press system, although the establishment of a responsible democratic media takes longer than a mere decade of post-communism. In the context of the democratisation process the emergence of tabloid press — and in general that of commercial products in the media — has had mixed effects. On one hand, it can be seen as a positive development, because it contributed to the easing of the highly politicised nature of the press and to a decrease in political influence and control inherited from the communist era. On the other hand, however, because of the characteristics of the tabloid press and the dominance of commercial interests it hampered the development of a democratic-participatory role for the media.

Notes:

1. The transformation of the press, and the print media in general, showed substantial differences from that of broadcasting, which appears to be a general characteristic of the transformation of the mass media in East Central Europe. As several authors noted, the print media experienced substantial changes in a relatively short time assuming a system where market forces dominate, while national broadcasting remained exposed to political forces and significant changes in terms of democratisation and marketisation occurred much slower. See for example, Splichal 1994; Sparks 1998.

2. An example for the more populist approach of *Esti Hirlap* can be the headline “Horse ate Trabant” from the 1970s. The article reported a case of a Trabant boot packed with carrots was devoured by a horse ‘parking’ behind the Trabant in the car park of a busy market. The “news” although did not make it to the front page for obvious censorship reasons – and so the quality and safety issues of the East German car were not discussed either – it still offers an illustration of the somewhat more relaxed content of the paper.

3. *Népszabadság* had the highest circulation figures throughout the period, while *Esti Hirlap* and *Népsport* were middle-range papers in terms of circulation. In 1987, for example, *Népszabadság* had 695,000 daily circulation, *Esti Hirlap* 200,000 and *Népsport* 282,000.

4. In most print media markets the first years of post-communist transformation saw an increase in the numbers of publications and soaring circulation figures. The number of new press titles licensed or registered rose from 157 in 1988, to 608 in 1989 and then 575 in 1990 (Gálik and Dénes 1992, 4). With the introduction of many new titles in the magazine and periodicals market circulation numbers increased substantially. In book publishing there was also an upsurge in the number of published books, which soared from 99 million in 1988 to 108 million in 1989 and to 125 million in 1990.

5. Source: Médiadiagnózis.

6. Source: Médiadiagnózis.

7. The first foreign investor in the Hungarian national daily press market was Robert Maxwell, who at the end of 1989 bought 40 percent of the quality newspaper, *Magyar Hirlap*. Maxwell was followed quickly by the News International Group, which bought a majority share in the tabloid, *Mai Nap* in January 1990. Among the first foreign investors were also the multinational Bertelsmann group, which acquired a controlling share in the largest national daily, *Népszabadság* in July 1990.

8. In 1961, the largest foreign investment group was Bertelsmann with a 29-percent share in the national daily newspaper market, followed by Mirror Group (Maxwell) and News International (Murdoch), 15 percent each, and Socpresse (Hersant) with 11 percent, while 30 percent rested with Hungarian investors. In 1996, Hungarian investors led with 45.5 percent, followed by Bertelsmann (24.5), JMG Os Presse (Marquard, 11.7), Ringier AG & Gannett (11.9), and Hebdo (6.4). Foreign investment played an important part of the transformation of other print media markets, and later in broadcasting media as well. In the regional daily newspaper market, for example, foreign investors accounted for 81.8 percent of the market in 1994. Another example can be the women’s weekly magazines market segment where the share of foreign ownership reached 65.8 percent in 1996.

9. *Blikk* has the widest circulation according to 1996 data with 140,000 copies, followed by *Kurir* (74,000), *Mai Nap* (70,000), and *Pesti Riport* (30,000)

10. The Swiss JMG Ost Press group has other interests in the Hungarian as well as in other East Central European press markets. In Hungary it also acquired the quality paper, *Magyar Hirlap*, and owns several magazines too.

11. Postabank has built one of the largest “media empire” by a Hungarian investor owning several dailies, magazines and periodicals. The phenomenon of state-owned banks investing in media markets was widespread in East Central Europe during the post-communist period, and raised questions about the possible indirect state interventions in these investment decisions.

12. The Swiss based multinational media company launched a major expansion in the first part of the 1990s not only in East Central Europe but in Asia as well as part of an internationalisation strategy. Between 1991 and 1995 the company entered the Czech Republic, Slovakia, Romania, Bulgaria, Poland, Hungary, Vietnam and China. The Czech market became the company’s main foreign market with 14 publications including three dailies.

13. In both markets Ringier joined with another foreign investor in the publication of the papers, although it kept the majority of the shares. In the Czech Republic, Ringier joined with Axel Springer, although only in 1996, in Hungary the Swiss company co-operated with the American Gannett Co, publisher of *USA Today*.

14. Ringier’s other product which it used in its international expansion strategy, was its Swiss weekly popular business magazine, *Cash* with 1995 circulation 68,000. The company copied the format and profile of the magazine for launching 8 very similar titles in 8 countries, including Hungary.

15. In the quality market segment foreign investors only acquired titles and did not launch new ones.
16. It is estimated, for example, that *Blikk*, the most popular tabloid owned by the Swiss Ringier group, made a 1.2 billion HUF (£3.8 million) loss during its first three years of existence.
17. Ringier was successful with this type of tactic in the Czech market, where it bought up *Blesk's* main rival, thus establishing dominance in the market segment.
18. Newspaper readership in Hungary is still relatively high in international comparison. In the mid 1990s 77 percent of the population read newspapers 16 percent of them read more than one newspaper regularly.
19. Book publishing provides another example of the effects of cultural changes. In the post-communist Hungarian book market, the number of fiction titles rose by 25 percent between 1990 and 1995, which largely meant an increase in the number of romantic and crime stories, easy reading books and the like. International bestsellers became dominant in the book market while national authors lost popularity. Although the number of fiction titles by Hungarian authors increased from 753 to 903 between 1990 and 1996, the average copies sold from those titles decreased dramatically from 7,500 to just 3,500 during the same period (Zentai 1997, 144). This can be compared with the average copy sale of 24,000 fiction titles by American authors. This process is usually seen as sign of the decline of national culture by the intelligentsia.
20. *Népszabadság* went through several changes not just in terms of content, but appearance as well. In October 1989 the subtitle of the paper was changed from "the newspaper of the Hungarian Socialist Workers' Party" to "socialist newspaper," which was changed again in May 1994 to "national newspaper."
21. Circulation figures for *Népszabadság* decreased from more than 700,000 in the mid 1980s to around 300,000 in the mid 1990s.
22. There are two specialised titles in the Hungarian press market. One of them is a sports daily, which is the continuation of a similar title of the communist era. The other is an advertising paper, which is a new post-communist title.
23. For comparison, in Britain, which has one of the most segmented press market, qualities provided 21.2 percent of the total market circulation in 1997. The substantial difference between the Hungarian and British press in this respect is mainly due to the heritage of communist press system, the post-communist changes and different press cultures.
24. The largest daily, *Népszabadság* had 220,000 subscribers from a total circulation of 293,000 in 1994. In the same year the largest tabloid, *Blikk* had only 11,000 subscribers out of a circulation of 160,000.
25. For comparison, the average newspaper price in Hungary was approximately 15 pence in 1997/1998, while in Britain the cover price for tabloids was 25-30 pence and for qualities 40-45 pence (disregarding the price war in that market).
26. The largest daily, *Népszabadság*, has a much more mixed readership than quality papers in Western Europe. In terms of education, for example, the dominance of higher educated readers is not that apparent, 41 percent of the paper's readers have primary education only. This is a result of the readership structure inherited from the communist system, where *Népszabadság* was supposed to be read by every strata of society

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