

WHERE ARE THE BORDERS OF MEDIA CAPITALISM IN SLOVENIA?

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Abstract

The development in the Slovenian media market suggests that media legislation that is dominated by a free market ideology does not prevent the concentration of media capital. The process of media privatisation takes different courses in print media and in broadcasting. The main problems relate to (1) the non-transparency of privatisation processes, (2) media as family business, (3) cross-media ownership, (4) the impairment of public capital, (5) hostile take-overs. The authors analyse five forms of media ownership concentration in Slovenia:

- (1) chains — the same company owns more than the “normal” number of media of the same kind in the state;
- (2) networks — a holding company produces programs and distributes them with the help of local stations that are members of its network, but have their own legal independence;
- (3) cross-media ownership — media companies include different kinds of media in their portfolio;
- (4) conglomerates — corporations whose main activity pertains to a different branch of the economy acquire a media company;
- (5) vertical integration – mergers in programming production, distribution, publishing activities, etc. Experiences with the “deregulation” demonstrate that just an increase of the number of available channels or the expansion of new print media does not automatically increase the diversity of contents and sources.

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In 1990 it became obvious, that changes among the media were overtaking changes in other areas of society. One of the major debates at that time in Slovenia considered the existing or nonexisting need for new media legislation. Based on the theses of a blueprint for a Mass Media Law that was being prepared at the Government Public Relations and Media Office, a draft of this law entered the assembly procedures in November 1991. Some of the participants in the debates understood some of the legislative proposals as attempts to reintroduce strong state control and raised questions regarding the meaning of differences between the Mass Media Law and the Broadcasting Act and the need for any kind of law regarding the mass media.

If it is the state that needs such a law, it is sufficient the way it is. The state needs it to control the media and, through the media, its citizens. Communication organisations (institutes or companies) do not need a special law; if anybody really needs this law, it is the citizen and civil society to protect themselves from the violent power of the state and the market, or capital. It is essential to define the rights and liberties of citizens clearly, to sanction them legally, and to provide "the minimal standards" of democratic communication (Splichal 1992, 24).

In the case of Slovenia it has become obvious that it is mainly the state which needs the law; many rights and liberties (the right of reply and the right to correction, public influence on media politics, etc.) have disappeared from the "glorious vision" of media freedom. The legislature has "protected" mostly ownership (economic) or political interests of the state from the seemingly threatening invasion of foreign media capital. All articles of the Mass Media Law in section three, under the title Protection of the Plurality and Diversity of Public Magazines, concern exclusively structural regulations regarding financing, ownership shares, and restrictions of intense concentration.

The very structure of the regulation has been proven ineffective and subject to numerous violations. Media pluralism as understood by Slovenian media legislation means "external relations" for a much more generic notion of freedom of the press. To defend and understand the freedom of a certain sphere, "we must seize its essential nature and not its external relations" (Marx 1985, 93). If Marx's thesis from his debates of press freedom — "the first freedom of the press lies in the fact that it is not a trade" (1985, 94) — is applied to present circumstances, we can infer that the market does not, a priori, dictate media autonomy. Pluralism should be about a kind of ownership diversity offered by private ownership, and freedom of the press should be about media independence. Freedom of speech and expression are liberties of individuals, while the liberty of owners, from a historical perspective, derives from economic freedom. "But economic freedom destroyed freedom of opinion ... and thereby in the end destroyed itself ... Freedom has been replaced by domination of the industry — a domination which can tolerate the expression of dissenting opinions only as long as they have no effect" (Hoffmann 1983, 27).

In the case of Slovenia, however, the state which should have provided for a public communication sphere — and thus actual media freedom — asserts communication power for its own political interests and those of the new media owners. The result of an existing media voluntarism is that the legislature had a "glorious vision" but is mistaken in details. If we "take rights for what they are, in their essential nature" — or "seriously," to use Dworkin's (1996) words — we can see that it is precisely the detail that makes media freedom possible.

The period of transition exposes another important question regarding the regulation of media sphere: the question of control or, to be precise, who is to control the controllers? The control of media operations and the transparency of privatisation pertain to the basic questions of a plural approach to the media. The development of events in the Slovenian media market suggest that media legislation — at least regarding media ownership — is insufficiently regulated. Restrictions imposed by legislation do not prevent the concentration of media capital. In some cases it is quite simple to avoid ownership restrictions, and in other cases the problem of supervision is simply neglected. At this point we are not talking about control in the sense of restricting media autonomy, but in the sense of addressing and implementing legislation.

The frequent argument that no country has managed to solve these questions successfully is of no true value. Plato discusses in his *State* — among other issues — whether it is better for citizens (not the state) to have the best laws or the best statesmen, capable of implementing the laws in real political life. Without offering a final answer, he notes that it is not important whether the state exists in the future or not, but that we, as citizens, live and work as if this state really existed (1983, 294). In other words: “the de-politicisation of social life goes hand in hand with a kind of silent, but all the more forceful, *Denkverbot*, with the prohibition to even imagine an alternative to the predominant liberal-democratic global capitalist order” (Žižek 1998a, 13).

This contribution focuses on two issues that — in our opinion — essentially restrict media freedom in Slovenia. They concern media privatisation and the larger media concentration and monopolisation. Both are, at first glance, economic questions, but they have primarily political consequences.

How Did Media Acquire Owners?

The story of privatisation processes in Slovenia — which we call “wild privatisation” — is multilayered. Most media employees were either not informed about the course of privatisation, or they did not have enough data about the consequences of some of the management decisions. The state or its official representative agencies left the ownership process proceed unsupervised within the frame of media privatisation. By the law of privatisation, part of a company’s capital (shares) was to be transferred to three funds. Each company that underwent privatisation by law had to designate 20 per cent of its shares to the Development Fund of Slovenia, which then offered them to investment funds at auctions or in lots. Ten percent of each company’s shares were given to Capital and Compensation Funds. These two funds sold most of the acquired shares and devoted the profit to meet the needs of pension funds and disability insurance or to the repayment of denationalisation compensation claims. Most typical buyers of shares were authorised investment funds. In cases of actual sales of shares, including public auctions, however, control agencies did not inquire about who bought shares, e.g., the actual owners of companies that purchased the shares.

Another problem of media privatisation is the concentration of media shares in portfolios of a small number of investment funds. The KBM Infond (with financial capital interests) manages the shares of 15 companies that deal with media, publishing and printing activities, and distribution of the press. The Krekova družba¹ (backed by the interests of a government party, SLS, and Catholic Church) gave priority to regional radio stations and acquired at least one fifth of the shares in four of them. The leading

daily newspapers' publishers are controlled by three investment funds: 25 per cent share in Delo d.d., the publisher of the main daily *Delo* and a number of other newspapers and magazines, went to the Krekova družba, a somewhat smaller share of Dnevnik went to Kmečka družba, one third of Večer went to KBM Infond. The funds tend to use media power that they managed to concentrate in their funds. "It is no secret that they are mostly in the hands of banking and insurance capital, divided in accordance with the interests among the largest political parties" (Šetinc 1995, 43).

The case of Kmečka družba is particularly important because it violated the anti-monopoly clause (Article 40) of the Mass Media Law. Despite a warning by the Broadcasting Council and its own proposal to maintain full ownership in only one of the media and sell its shares above the allowable 10 per cent in the rest of the media, the company has so far not been willing to curb its appetites for media properties. It refers to the law of investment funds and trust companies, which obligates companies to harmonise their investments over a period of ten years (!). In the meantime, it continues to buy out the shares of internal owners and increases its disputable investments in four local, non-commercial radio stations and the daily *Dnevnik*.

Table 1: Trust Companies' Shares in Media Companies

KBM Infond:	Triglav:
Večer, 30,01%	Radio Tržič, 10%
Delo d.d., 1,86%	The Večer, 2,46%
Delo Prodaja, 30,11%	
Delo Revije, 2,53%	LB Maksima:
Delo Tiskarna, 19,93%	small shares in:
Dnevnik, 1,35%	Savinjski občan,
Emona Tiskarna, 2,47%	Radio Trbovlje,
Gorenjski Tisk, 0,61%	Delo
Gospodarski Vestnik, 45,94%	
Primorske novice, 24,19%	
Radio-Tednik Ptuj, 30,01%	National funds:
Tehniška založba Slovenije, 33,54%	
Tiskarna Jože Moškrič Ljubljana, 30%	Odškodninski sklad (Compensation fund):
Kočevski tisk Kočevje, 34,83%	Večer, 10%
Tiskarna Velenje, 42,63%	Delo d.d., 10%
	Delo Revije, 10%
Kmečka družba:	Dnevnik, 8,01%
Radio Sora, 29,01%	Primorske novice, 8,06%
Kmečki glas, 32,9%	NT&RC, 10%
Koroški radio, 30%	Gospodarski vestnik, 10%
Radio Kranj, 30%	Radio Tržič, 4,95%
Radio Brežice, 30%	
Dnevnik, 19,9%	Kapitalski sklad (Capital fund):
Delo Revije, 2,6%	Delo d.d., 10%
	Dnevnik, 8,01%
Krekova družba:	NT&RC, 10%
Delo d.d., 25%	Radio Tržič, 10%
TV 3, 23,5%	
Nacionalna finančna družba:	
Gorenjski glas, 20%	
Atena:	
NT&RC Celje, 20%	
Gorenjski tisk Kranj, 9,50%	

In terms of the privatisation law, media are equal to other companies. The key argument is to end media privatisation with the take-over of the most important Slovenian media by the State while taking into account the real stakes of the State (Šetinc 1995, 42). Therefore, the decision by those preparing the privatisation law was — at least regarding mass media — more political than legal. It is believed that the media have better chances of avoiding direct political appetites of political parties and the State if they remain in the hands of their employees. The question regarding the regulation of the public service broadcasting company — which is not to be privatised — remains open as does the one regarding the State's interest in continuing to impose and maximise its influence. By accepting a ban on chain privatisation and by restricting the share of foreign capital, the legislators wanted to prevent the purchase of the first private television station by the largest American newspaper publisher. This acquisition was actually prevented, but in return Slovenia acquired another U.S. investor who managed in five years to create a high concentration in television broadcasting.

One of the significant features of the Slovenian media market is its small size. Consequently, it is possible to implement monopolistic controls over such a limited media market with relatively insignificant financial resources, especially if compared to take-overs and acquisitions in other European countries and the USA. Before the start of the media privatisation process, the state expected an invasion of European and American media magnates, characteristic for some other countries in transition. In addition, Slovenia's liberally oriented legislation is rooted in the presumption that there wouldn't be much domestic demand for privatised media during the process of privatisation. This proved to be wrong soon, at least in the field of broadcasting, because there was much interest in the acquisition of frequencies.

Because of the lack of frequencies — at the beginning distributed by the State just like "some sweets," as the process is described by the owner of one of the most popular commercial radio stations — the new media owners tried to compensate by trading with already allotted licenses. Ten years after the abolition of the state monopoly over media, a small number of domestic owners, with the help of a network of companies, managed to outwit the existing legislation and took control of the major share of the media market. The only exception is television, where one American and one Scandinavian corporation seized the two largest commercial TV stations. After these companies merged, the leading Slovenian private television stations (POP TV, Kanal A, and Gajba TV) have the same owner. Concentration and chain privatisation continue ever since, and it is obvious that neither the State nor its institutional control have, or want to have, regulatory mechanisms to restore order in this area.

The process of media privatisation takes different courses in print media and in broadcasting. The privatisation of the press began at a time of rapidly decreasing numbers of subscribers. This process destabilised the Slovenian press market, which was traditionally highly dependent on subscription revenues. At the same time, the State completely deregulated the press market, cancelled all state subsidies to the press (with the exception of a newly established paper, supported by the then prime minister), and indirectly influenced the future course of privatisation and concentration of print media. With the rise of a so-called period of "commercial Darwinism," newspapers are entirely left to market regulations. This merciless commercialisation during the period of a legal void was connected to the non-existence of media legislation or attempts to adopt such laws that would seriously threaten the existence of independent newspapers.

The main problems of media privatisation in Slovenia are:

1. *The non-transparency of privatisation processes.* The data about these processes and their consequences are dispersed throughout many sources usually not open to the public. Therefore, it is quite impossible to define the actual ownership structure of the media. The data of the court registry are inaccurate and incomplete — missing are the ownership changes after state investment funds sold their media shares. The state is obviously not interested in examining media ownership. That is evident in the case of the most influential commercial television program in Slovenia, POP TV. Although frequency licenses are not transferable, according to Slovenian legislation, the foreign owned company transmits its program through a net of domestic television channels. In this case, there are almost no secrets about the financial and ownership activities of the American owner — since the data are accessible to the public — however, it is impossible to obtain similar information about the domestic co-owners of the company.

2. *Media as family business.* One of unsolved questions related to media privatisation is the definition of “connected persons,” in the sense of determining acceptable or non-acceptable family ties and relationships, and managerial and capital connections in media ownership structures. To avoid basic ownership restrictions, set by the law, many Slovenian media companies are organised in the form of family businesses (see Figure 1).

This form of media ownership was characteristic for European media at the beginning of the century, and in the age of press barons. Under Slovenia’s imprecise legislation, even a father and his siblings are not treated like connected persons, and the same holds true for capital connected companies. Consequently, such privatisation may spawn effective media pluralism, i.e. many owners with small ownership shares. But in fact, there is a large concentration of power, since only a small number of media owners actually control the largest part of Slovenia’s media market. Regarding effect and accountability, the activities of connected persons should be equal to those of single persons. According to the media law, all media must publish their basic data concerning ownership and management annually in the Official Gazette. However, they usually disregard their obligations, since there are no sanctions imposed for failing to reveal the information. Small shareholders of media property usually do not know the real owners and controllers of media companies.

3. *The impairment of public capital.* During the privatisation of public companies there were several cases of impairment of public capital. The most common forms of reducing public capital were:

- Small groups of employees (management) increased their ownership shares in the company’s capital with the help of a bank loan without valorisation, or on the basis of the company’s deposit.
- The establishment of by-pass companies which slowly took over the business activities of the basic company. The largest Slovenian daily *Delo* established another daily as a by-pass company. At the beginning of the privatisation process these two dailies were registered as separate firms and — after the huge success of the second daily — as competitors.

4. *Hostile take-overs.* In some cases employees instead of defending their interests invited an attacker to take over their company. Sometimes they even gave the aggressor a guarantee for a bank loan, and the new owners bought the company with fictitious capital.

A basic restriction of the approach — according to which the nature of the market is the main precondition for a democratic system and should, together with private property, ensure complete independence of the media from the state — is to see the state as the sole potential actor threatening media independence. Processes of media privatisation in Slovenia have shown the existence of specific mergers of political (party) and economic powers. The state has replaced political with economic control and has been avoiding direct supervision of the media, which has already led to an extremely liberal attitude towards the sphere of the media. The process of “wild privatisation,” when only the toughest survive, is the outcome of such regulation.

The paradox of deregulation in the area of communication in post-socialist countries is disrespect for the existence of two levels of regulation: political and economic. The complete deregulation of the media in Slovenia has already caused numerous irregularities of privatisation, disrespect for badly defined legislation, and the first cases of (illegal) concentration.

In East and Middle Europe expectations of democratisation are mostly connected with private property and market instruments to be set up by the state. The West regards them also as obstacles to democratisation, a narrowing of the public space, an increasing influence of private capital, and increasing difficulties in public access to the media (Raboy 1987, 7-8). In other words, what are believed to be essential controversies and obstacles for democratisation in the West, are regarded as its basic condition in the East. As a part of international comparative analysis of the status of journalists by Slavko Splichal and Colin Sparks (1994), a majority of journalists indicated that the reigning form of property and control in their respective countries (i.e., private ownership of the media in capitalist “commercial systems” and state ownership of the media in some of the ex-socialist “paternalistic systems”) is the biggest obstacle to freedom of the press. As we have established above, a post-communist Copernican revolution in the sphere of media presumes above all a change of ownership or conditions of media freedom through the economic freedom of owners.

In Slovenia there are 40 private radio-television organisations with licenses for the transmission of television programs. Most of them are of local nature and significance — either regarding program orientation or area of coverage. Only two private channels, Kanal A and TV 3, cover a major part of the territory of Slovenia (together with two national public service television programs). Seven private television stations have contracts for the transmission of two programs of more or less national range and produced by the same organisation, Pro Plus. The American joke that owning a television station is like printing money has become real. According to publicly available data, Slovenia’s national commercial television stations should be trading at a loss. The owners decided on selling their ownership shares for large amounts of money (from one to five million U.S. dollars). So, what is it that distinguishes the audio-visual media from other media companies? The answer is simple: a limited number of frequencies distributed to individuals by the state under certain conditions and for a defined period of time.

According to Ben Bagdikian (1992), media changes pertain to many ironies of the 1980s. Post-socialist countries started to support the centripetal regulation of media systems by which media should be removed as far away as possible from centres of power and centralised control. At approximately the same time media in Western developed countries came more and more under the influence of centrifugal forces

directing them towards the centres of political decision making. However, the state has been replaced at the centre of media control by economically stronger and politically more ruthless global corporations. For instance, Rupert Murdoch's decision to buy Berlusconi's Mediaset is, above all, a political issue for Italians. He becomes the synonym for bold and hostile take-overs in Italian media, accused of wanting to completely destroy the national media structure and ruthlessly interfere in the work of editors and populist journalism, despite the fact, that Berlusconi's own media empire is based on the Italian version of the same process.

Media Market and the Logic of Capital: When Is It Possible to Speak about Concentration?

Karl Marx and Friedrich Engels provide a very accurate and almost dramaturgical account of modern bourgeois society in their *Manifesto* 150 years ago. The first part, entitled "Bourgeoisie and Proletariat," presents a string of images of different phenomena: the appearance of the world market as expanding, absorbing, and destroying local and regional markets; the changes of production and consumption into more international and cosmopolitan practices; the development of world-wide communication; the concentration of capital in the hands of a small number of owners; the migration of the impoverished masses into towns which are expanding cataclysmically and magically; the legal, financial, and administrative centralisation; the rise of national states embracing great political power which is being destroyed from its very beginning by the transnational reach of capital. "Constant turnovers in production, constant commotion of all spheres of social circumstances, constant insecurity and movement are the things that distinguish the bourgeois epoch from all the previous ones" (Marx, Engels 1971, 592).²

In his analysis of capitalism, Marx stresses the fact that atomised competitiveness itself produces the forces of its own (structural) destruction. Competitiveness decreases the number of companies in a particular field, and the companies that survive acquire oligopolistic — and in the extreme case — also monopolistic positions. Concentration of capital and monopolisation of fields were speeded up by a competitive struggle within the field and occurring obstacles at the point of admitting new competitors to the field.

Changes among media may provide the best picture of future societies. "Friction-free capitalism," according to Bill Gates, is the capitalism of cyber space, where the national state has lost its initially important role, and where "traditional" relations of supremacy and submission have lost their initial importance. The fact is that capitalism has always, according to Deleuze and Guattari (1990), internalised its external limits. "The final moment ... of colonisation in which there are only colonies, no colonising countries [arrives when] the colonising power is no longer a Nation-State but directly the global company. In the long term, we shall all not only wear Banana Republic shirts, but also live in banana republics" (Žižek 1997, 114).

One of the factors that influence concentration is the size of the market. In 1997 the Committee of Experts of the Council of Europe established that the rate of media concentration — measured by the share of the five largest national newspapers in the total daily circulation — is higher in the smaller markets of Europe. The European average for media concentration is 59.5 per cent; the highest level of concentration is found in Malta, Slovenia³, Portugal, Cyprus, and Latvia. The data gathered from 24

European countries prove a positive correlation between the size of a country's population, the number of newspaper titles, and the total circulation of daily newspapers (Council of Europe 1998, 8).

To determine the concentration of media ownership in Slovenia we use the definition of the Council of Europe in its regulation for supervising concentrations (21 December 1989): "Concentration occurs when two or more previously independent companies merge, or when one or more individuals that are already supervising at least one or more companies, gain . . . direct or indirect control of the whole or only parts of one or more companies." A special committee of the Council of Europe⁴ indicates that media concentration is also a business strategy to pass from competitive environments to those where monopoly, oligopoly, or monopolistic competitiveness reign. The committee discovered that large media institutions are better suited for maintaining independence from state authority and for safeguarding their autonomy, while individuals, interest or political groups that take control of such media, can easily turn media power into their own profit (Council of Europe, Report on Media Concentration 1998, 4). Simply put, media concentration has two faces: concentration of media ownership within the media space of a single country or nation, and the transition of media to corporate ownership of multinationals.

In our case we are about to analyse the following forms of media ownership concentration (classification from Biagi 1992, 9-11).

1. chains: the same company owns more than the normal number of media of the same kind in the state;
2. networks: a holding company produces programs and distributes them with the help of local stations that are members of its network, but have their own legal independence;
3. cross-media ownership: media companies include different kinds of media in their portfolio;
4. conglomerates: corporations whose main activity pertains to a different branch of the economy acquire a media company;
5. vertical integration: represents the most evident trend in contemporary media industries (it involves merging production programs, distribution, publishing activities, etc.). This form of anti-competitive integration is less obvious than direct integration of competitive companies and a reason why legislators avoid it. Even less regulated is conglomerate integration. Antitrust legislation is usually directed at preventing monopolisation of single branches and activities. That is why conglomerates avoid its restrictions. Conglomerate types of corporations have become popular since capital within the national frame has restricted investment possibilities. Investments in the same field would increase competitiveness and reduce the rate of profit while spreading investments across different fields of endeavour minimise the risk.

In Slovenia specific mixtures of different forms of media concentration have been developing. If we spoke about the process of "wild privatisation" before, now we can speak about a process of "wild concentration." The primary intention of the legislature is to prevent chain and multimedia ownership because of the experience with state concentration under the previous system. As a result, there was a lack of interest on part of the state in maximising economic profits but maximising political power, instead. While the loss of economic profit could be replaced by intervention in the state budget, the loss of political power demanded persistence on monopoly at any cost. Thus, new

legislation is engaged only in the regulation of relations between the state (and its institutions) and the media, while the question of controlling economic power remains open. The consequences of ignoring appropriate legislation are the rise of a long newspaper chain, a television network in which a foreign corporation sells and resells rather than produces programs and, in return, collects all advertising profits, and conglomerates, whose largest ownership shares belong to various financial power centres, which received their shares through the acquisition of shares owned by the state fund.

If compared with some other Central and East European countries with much more restrictive and non-democratic media policies, Slovenia with its legal protection of media pluralism has a surprisingly high level of concentration. The situation in Croatia may provide a useful comparison here. For instance, Europapress Holding (EPH) media combine is the largest publisher in East and Central Europe. On the Croatian market it is comprised of 750 newspapers and periodicals, including the second largest daily newspaper (*Jutarnji List*), a political weekly with the largest circulation (*Globus*), a family magazine with the largest circulation (*Arena*), and two women magazines with the highest circulation (*Gloria and Mila*). Within the holding are also licensed editions of *Playboy* and *Cosmopolitan*. The second example is Miroslav Kutle's "media empire" created with substantial help from the dominant political party. His conduct of business follows a specific form of capital accumulation that prevailed at the end of the last century. Kutle buys a company and uses its financial resources to purchase another company until the first one is financially destroyed. The consequences of uncontrolled chain privatisation are the destruction of the daily, *Slobodna Dalmacija* and the largest distribution company, Tisak. Kutle bought the latter from the state pension fund. The state temporarily bought social peace, while Kutle merged Tisak with the Printing House of Croatia, the largest newspaper printing company. Due to the monopoly over distribution, control over the circulation of capital and unpaid sold issues, Kutle almost destroyed the complete newspaper market in Croatia.

Russia deals with a high degree of media concentration, too. "The bulk of Russian media are owned by five industrial or financial groups ... Rem Vyakhirev of Gazprom (a natural gas monopoly), Vagit Alekperov of Lukoil (a private oil concern, in which the state is the largest shareholder), Boris Berezovskii of Mentap (industrial holdings), and Vladimir Gusinskii of Media-Most (a media holding companies sustained by the Most Bank); these men and a few others determine what most Russians read in their newspapers and watch on their television screens" (Nivat 1998, 42).

Press concentration in the Czech Republic has a significant international character. Foreign capital is present in the majority of Czech dailies, and the trend towards concentration is still growing. The most active companies are Ringier, Passauer Neue Presse (which is interested in regional dailies) and Rheinisch-Bergische Druckerei. In radio broadcasting there is a tendency towards networking and cross-ownership, linking radio programs and the periodical press, for instance. The leading role in television broadcasting goes to the foreign-owned Nova TV (the parallel to Slovenia's POP TV).

The share of foreign ownership in the Hungarian press is very high. According to Gálik (1996, 142-144) "in 1996, among national dailies, 60 percent of the total daily newspaper market belongs to companies with a foreign majority interest: 35 percent to Bertelsmann, 15 percent to Ost Presse and 12 percent to Halvidar (Ringier&Gannett)."

Different forms of media capital concentration in Slovenia include the so-called horizontal integration of the same type of media, vertical integration of suppliers and

buyer, cross-ownership integration and transition of Slovenian media into the hands of multinational corporations. What are the reasons for media concentration in Slovenia and specifically what are other factors linked to the transition to a market economy and, therefore, important for Slovenia (and partly also for the rest of the countries in East and Middle Europe)? One of the influential transition factors is the flawed creation of media legislation that overlooked some possibilities for the concentration of media ownership and, above all, neglected to guarantee efficient controls for respecting legal restrictions.

The common factors that influence media concentration are:

1. Profit: "media owners can make more money either by increasing their audiences or by acquiring additional publications or stations" (Janda et al. 1989; 199).

2. Influence: dominant advertising corporations help media houses with creating suitable business conditions in exchange for media support. The influence of large media corporations reaches a global level and to a certain extent restricts the political and economic power of national states. For instance, Time Warner and Walt Disney corporations' annual revenue exceeds Slovenia's GNP⁵

3. Advertising: an important incentive for media concentration. In their choices advertisers give priority to media with a high reach of their target audiences and are, therefore, willing to pay a higher price. Thus their means are withdrawn from smaller media houses which, as a consequence, sooner or later either fail or join larger media houses (Bagdikian 1992, 120-123). Advertising and media industry influence each other reciprocally. Advertising revenue covers the largest part of the costs of media companies. Biagi states that in 1990, for instance, advertisers in the USA, on average, covered all radio and television expenses, 79 per cent of newspaper, and 55 per cent of magazine costs (Biagi 1992, 17). In the largest print editions in Slovenia, advertising revenues amount to from 20 to 50 per cent of the total income (Bratina 1998).

4. Media deregulation: countries are aware of media influence and that is why they subject them to regulation, ranging from giving technical licenses for electronic media operation and allocating frequencies to defining the structure of media ownership and, somewhere, to supervising media content. Legislators in post-socialist countries are more yielding when it comes to the demands of media industries and work less in the public interest.

5. In the future, new technologies will probably shape a new conglomerate integration of media and other industries, especially in the field of computer technology.

We can observe the consequences of media integration on systemic and structural levels. System consequences are concentration, cross ownership, and conglomerates. The European "Medialand" experiences an ever-smaller number of media owners. Structural consequences include weakened competitiveness, rate increases for advertising space, influence on media topics, populist journalism, and restrictions of media freedom. Due to media integration, there is a reduction of competitiveness among them. This is reflected in three ways: integration leads to oligopoly, which leads to decreasing competitiveness, and integration fills market niches where integrating companies would otherwise compete. In addition, integration also weakens the position of outsiders who want to sell their programs, to fill the program time of their channels, or to enter distribution paths (Herman 1996, 5).

Increasing advertising rates result in higher prices paid for the same information by media users. In Slovenia, the strategists of Pro Plus have declared an advertising

war on national television. Upon their arrival on the market they started offering large advertising agencies discounts for advertising on POP TV programs. Competition with advertising provisions is one of the main causes for the financial losses of RTV Slovenia, which failed to reach its goal by six million DM in 1997. It is worth mentioning, however, that public television is leading the discount war. Its advertisement rates could be much lower than those of the competition, because of its ability to compensate for losses with subscription fees and state grants could.

Commercial media add a new meaning to the concepts of politics and the political. A new form of "politeinment" moves politics from the public to the private sphere. As Larry Flint said in Forman's film, "I transformed the whole world in a tabloid." Media that have started acting on behalf of "common sense" have been creating a political space, overcrowded with affairs whose "unknown" sources of information are usually the political parties themselves. For example, a political weekly, *The Imperial*, in Croatia is in direct service of the state's secret service agencies or is used for publicly discrediting political opponents. At the same time, there occurs the replacement of the public with consumers and consumer society. As completely protected consumers we are left without our rights as citizens. The consumer society is becoming a special form of media(o)cracy and *la servitude volontaire* (La Boetie) of the society where political censorship acts in the name of consumer freedom.

At the end of this list we should add different forms of restricting media freedom. A particular problem of such restriction — or in the case of Croatia, a form of organised political action aimed at destructing the independent media — are lawsuits against media. They are among attempts to financially destroy media companies, since plaintiffs (usually state officials) normally claim extremely high damages. For instance, according to Vesna Alaburić, a Zagreb lawyer, Croatian media and journalists faced 300 damage suits against the media and 600 lawsuits against individual journalist during the last two years. The majority of these cases are aimed at four newspapers. The state also uses much more sophisticated methods of media control, such as dictating bank loan policies, since banks are mostly under the direct supervision of the dominant party. Thus, approval of bank loans is not based on the creditworthiness of media companies but on their political integrity.

According to Dragoš Ivanović, the Serbian government disciplines media with the help of five forms of monopoly: monopoly of frequency grants, monopoly of supply and definition of the price of paper, monopoly of distribution networks, monopoly of the largest advertisers and printing houses (Ivanović, 1998: 61). It is, however, important to analyse the new centres of financial power born during the period of transition: behind them looms no longer so much the power of money but the power of politics hiding behind the idea of market freedom. In October 1998, the dominant party adopted a new Information Law, whose basic goal was to destroy all independent media (The Law for Universities was adopted at the same time, and completely voided university autonomy). In Belgrade alone are ten daily newspapers and in the whole of Serbia are about 150 radio and television stations. Most of the public magazines are joint-stock companies with the state or companies supported by the holding the largest share. Extremely voluntaristic privatisation together with the new law made it possible for the state to implement unlimited repression. Dragoš Ivanović mentions the Politika TV station, whose old management had insisted on an independent program policy and was replaced by force over night (1998, 64).⁶

What is Legal or Legitimate?

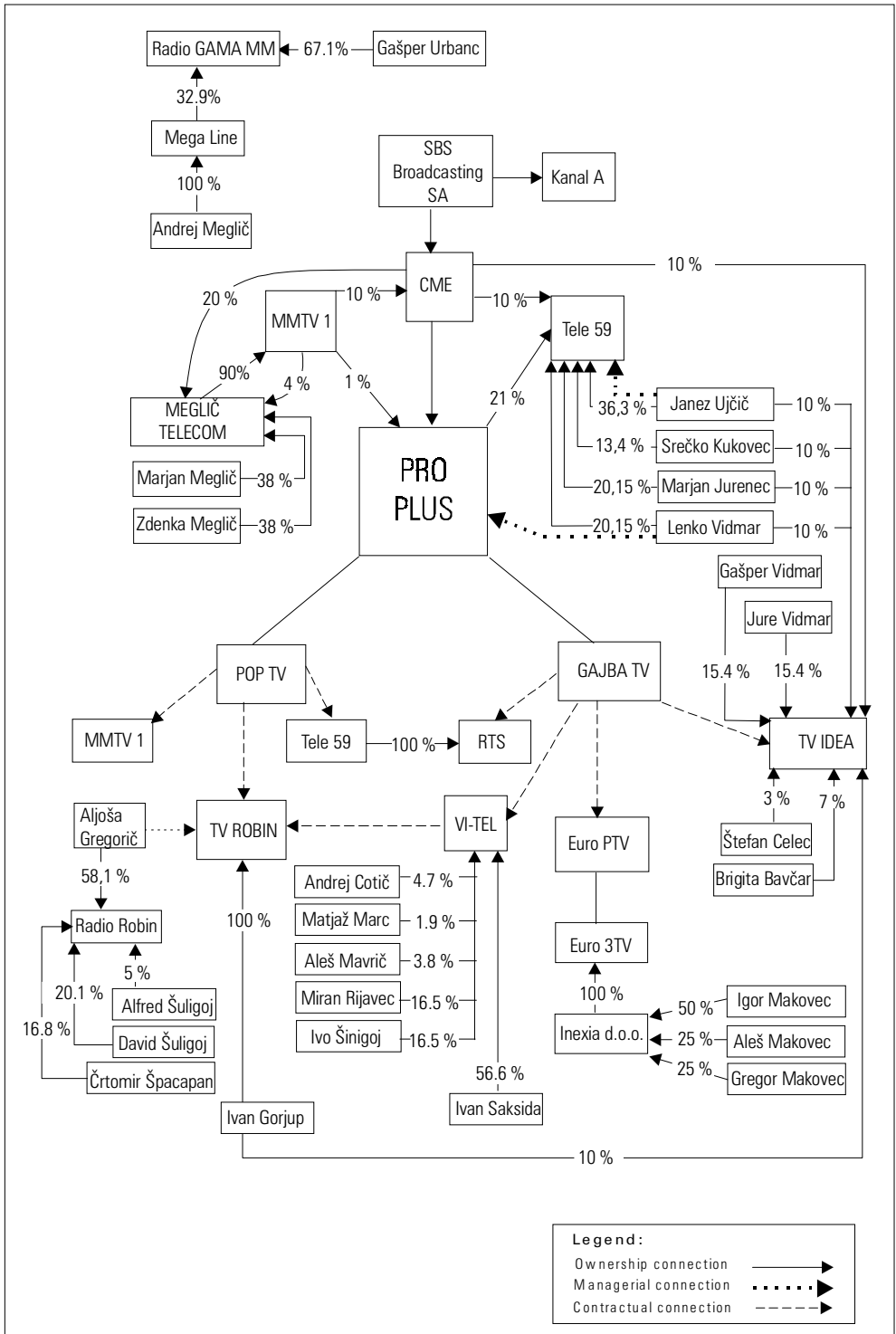
Following are some examples of how it is possible to create new radio and television programs by ignoring legislation and consequently creating conditions for the concentration and monopolisation of the media sphere.

POP TV. Produkcija Plus d.o.o. (Pro Plus Ltd.) is a service company owned by the American corporation CME (78%), Tele 59 television (21%) and by an RTV organisation, MMTV 1 (1%). CME has a 10% ownership share in both Slovenian partners and has 33 per cent profit sharing, and, therefore, its real economic interest in Pro Plus amounts to 85,3 per cent. A majority of the more important decisions that should be left for shareholders meetings can be made by CME alone in spite of eventual disagreements with other partners.

On the basis of roughly interpreted articles of Slovenian legislation, the American company managed to acquire a market share that has no parallel in any other West European country. It is the result of a strategy that worked in most countries in which CME tried to set up its television or radio stations. Or as Vladimir Železny, chief executive of Nova TV (owned by CME) says, Unfortunately, we are in situation when we — the media — sometimes have to use methods which, well, they are legal, but perhaps they are not quite correct.⁷ In Slovenia, CME managed to get around media legislation which limits foreign ownership to 33 per cent (Article 39) by establishing a production house registered not as an RTV organisation and without license for production of TV program, but as a company entitled to produce television programs, which are then sold to and broadcast by other televisions. POP TV is a trademark for the television program, Pro Plus, broadcast by three television stations with majority ownership of Slovenian capital. In the report to the U.S. Securities and Exchange Commission (Commission file no. 0-24796)⁸ CME clearly states that “POP TV does not have broadcast license, but has an agreement whereby affiliated entities obtain all programming exclusively through POP TV.” The company contract of Pro Plus defines that “the company shall not have the status of an RTV organisation as defined in Slovenian Mass Media Law.” In this case, it is not about selling or an illegal transfer of an allotted frequency to another person (which is forbidden by the Telecommunications Law and the Mass Media Law), but about the contestable use of a frequency, which does the law not mention.

What is even more disputable is the fact that both regional television stations, MMTV 1 and Tele 59, signed a contract with Pro Plus, wherein they agree to “order during the whole period of the validity of their present and future licenses the production of television programs exclusively at the Company (Pro Plus) and to broadcast only the programs produced by the Company” or that RTV stations licensed to broadcast television programs “shall stipulate a contract for the production of programs exclusively and irrevocably with the Company for the entire time of the validity of their license.” There is a clause in the contract that orders the license owners to authorise the Pro Plus company to exclusively sell “the entire time intended for commercial advertising and sponsorships. Stations shall not start any kind of production nor stipulate arrangements with no other subject than the Company. Exclusive right to the selling of advertising time shall be given in return for program production, which means that the company is entitled to all the income made by advertising and sponsorship time sales” (Pro plus 1995, 21).

Figure 1: Ownership Connections of Produkcija Plus (PRO PLUS)



The law for the protection of competitiveness expressly forbids arrangements, resolutions, or acting "by which one or more participants are explicitly forbidden to purchase goods or services from all or some of the third parties or to sell goods of services to all or some of the parties." This article should above all forbid any indirect and vertical forms of restricting competitiveness. In this case it is possible, however, to talk about a vertical arrangement, since there is a restriction of one side that forbids ordering products from any other than the approved supplier, as well as a restriction or imposition regarding advertising. Despite the mentioned violations of Slovenian legislation, Pro plus has never faced legal action.

The media that form the Pro Plus network by means of contracts or ownership include seven television companies and one cable operator. In a wider network made up of media connected by ownership and those from the first group, there are also some radios stations. Media ownership concentration is present in many forms: as horizontal integration of the same kind of media, vertical integration of supplier and buyer, cross-ownership integration and transition of Slovenian media in the hands of a multinational corporation.

In this special case there will be an opportunity to study the consequences of concentration on the international level as well. At the end of March, 1999, CME entered into a definite merger agreement with SBS Broadcasting SA, which already controls one national commercial TV program in Slovenia, Kanal A. The merger creates Europe's largest broadcaster, comprised of 18 TV stations and 12 radio stations in 13 countries and serving a population of over 150 million.

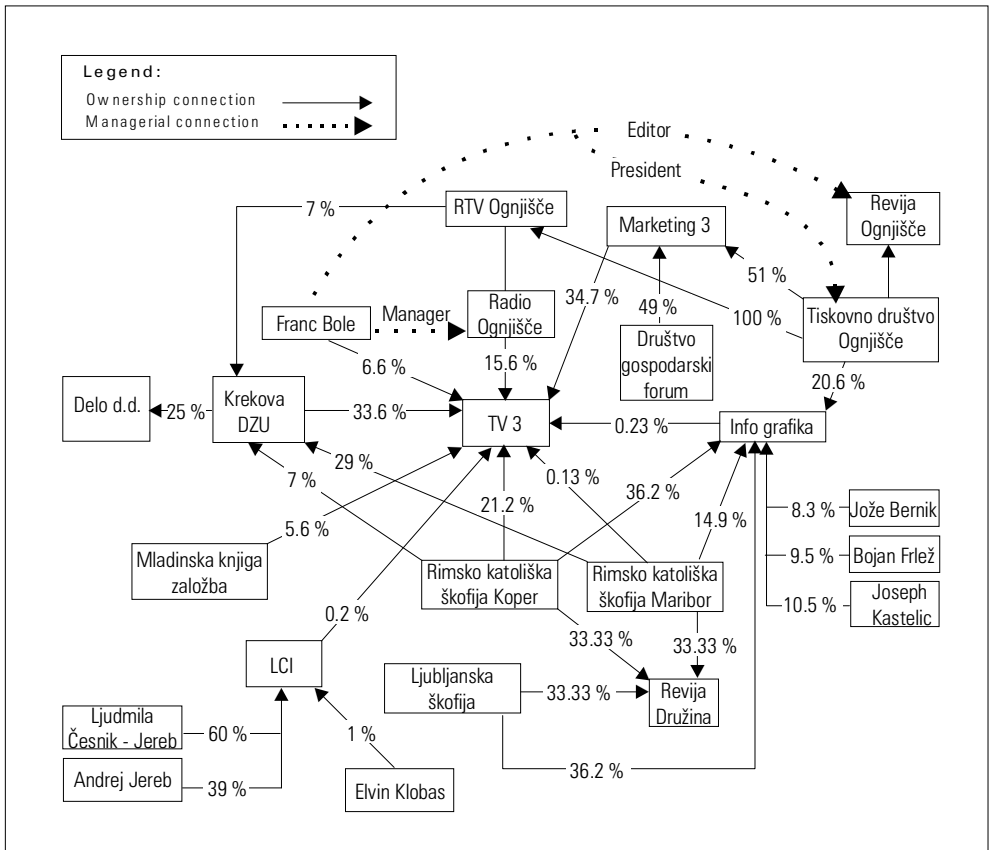
Kanal A. The first commercial television in Slovenia (and also the first non-state television in the East-Central Europe), Kanal A was established in 1990. Four years later Kanal A improved the quality of its transmitter network and expanded its signals nearly all over Slovenia due to a loan from the London-based, Barring Communication Equity Ltd. The latter managed to transform its claim into an ownership share. During the five years of its operation, Kanal A suffered a loss nearly equal to its entire initial capital investment. Barring sold its claims to the Scandinavian Broadcasting System Company (SBS) with headquarters in Luxembourg.⁹

SBS signed an agreement for acquisition of the shares of the largest owner of Kanal A, and the supervisory board of television approved this sale. A few days later, the same shareholder of Kanal A signed a similar agreement with CME. As its representatives reported to the U.S. Securities and Exchange Commission, they wanted to buy, together with Tele 59 and MMTV, the entire share of the capital (66%) from the largest shareholder (CME 1998, 63). SBS instituted proceedings for establishing the validity of this acquisition at the Court of London. In the meantime, CME instituted similar legal proceedings in Slovenia. For the time being, SBS managers have controlled Kanal A.

After Kanal A restored its fortune with the help of SBS loans, it broadcast its program at the end of 1996 according to a new and strongly commercial program scheme and reaffirmed its position among the leading television stations in Slovenia. In the field of ratings and market share it overtook the second program of national television. Program analyses of Kanal A reveal its violations of the Mass Media Law regarding the compulsory share of one's own production. According to Article 49 of the Law, the share of one's own production in commercial television programs must be at least 10 per cent of daytime programming. The own production of Kanal A is barely 8 per cent, the rest of the daytime production is filled with American productions.

TV 3. TV 3 Televizijska Dejavnost (television activity) company was established by five founders in 1995. Despite its negligible influence of TV 3 on the Slovenian public (a 1.3 per cent audience share in 1998)¹⁰, this company is a mentionable case of legal ignorance and media concentration. The Mass Media Law (Article 4) forbids political parties and religious communities to establish radio-television organisations, yet this was precisely what happened in the case of TV 3: a radio-television organisation was founded by religious communities (the dioceses of Maribor, Koper and Ljubljana), indirectly through a Catholic organisation registered for printing activities (Tiskovno društvo Ognjišče).

Figure 2: Ownership and Managerial Connections of TV 3



One radio station, two magazines and a book publisher belong to the network of companies that are directly or indirectly linked to TV 3. Together they have potentially significant media power. The largest shares are held by the dioceses of Koper and Maribor. They are ecclesiastic-legal entities that cannot function independently of higher church authority, either on the level of the Church of Slovenia or the Pope as the highest authority in the hierarchy of the Roman Catholic church. Therefore, they could be treated as connected entities with a total ownership share of more than half of the TV3 property.

Tiskovno društvo Ognjišče (The Printing Society Ognjišče), connected to the diocese of Koper, is in many ways involved in the ownership structure of TV 3. The society operates from the premises of the diocesan ordinary's office in Koper after having been set up by a group of priests. According to its chairman, Franc Bole, the main objective of the society is to promote religious printed material. This is achieved by publishing books and a magazine, *Ognjišče*, which averaged a circulation of 85,000 copies in 1997. Besides this, the society is sole owner of Radio Ognjišče, which violates the Mass Media Law by owning more than 15 percent of the capital of TV 3.¹¹ Together with the Društvo Gospodarski Forum (Economic Forum Society) which is connected to SKD (Christian Democrats of Slovenia), The Society, *Ognjišče* is also the owner of Marketing 3, a company with a 35 per cent ownership share in TV 3. A small **ownership** share of TV 3 belongs to *Ognjišče* through a more than twenty per cent ownership share in the Info Grafika company, established by *Ognjišče* together with three individuals with permanent residences abroad (one of them being Jože Bernik, a joint candidate of SKD and SDS (Christian Democrats and Social Democratic Party) for the 1997 presidential elections in Slovenia), and the dioceses of Maribor, Koper, and Ljubljana.

Another unlawful ownership relation is the connection between Krekova družba, TV 3, and Delo. With a 25 per cent ownership share in the leading newspaper publisher, Delo, and one third in one of the largest commercial television programs. Krekova družba violates the law, which mandates that the publisher of a daily newspaper is not allowed to set up his/her own radio-television organisation or own more than a 10 per cent share or hold more than 10 per cent of the rights of management in another daily press publication or radio-television organisation.

TV 3 has not been operating well since its beginning. When facing bankruptcy, its managers discussed the possibility of an eventual connection of TV 3 and Pro Plus with the Pro Plus company, which would use the TV 3 frequency for broadcast of its other network, Gajba TV. After a successful capital fund-raising campaign, this possibility was abandoned.

Newspaper Market: Let the Strongest Survive?

The present situation in the newspaper market reflects the consequences of non-defined media legislation. Eight years of transition history have proven that no newly established daily newspaper can survive on Slovenia's media market with the sole exception of one tabloid newspaper that occupies the first place among the daily newspapers, according to the number of readers. The first attempt of establishing a new and serious daily newspaper was *Slovenec* in 1991, a Christian newspaper that was given substantial financial help by the then prime minister, a Christian democrat, Lojze Peterle. The next attempt was the Europe-oriented *Republika* (a Slovenian version of *The European*), which should have covered areas of Italy and Austria populated by Slovenian minorities. Quite a few celebrities among newspaper and television journalists were attracted by the promise of extremely high salaries during the first year of its operation, but the story ended with a loss of almost one million DEM. Also, the third attempt, *Jutranjik*, published for 21 days by the owner of the largest political weekly, was a failure. These new projects were primarily political and not market projects. "If somebody is capable of starting a new daily it is the Publishing house Delo," said a marketing director of *Delo*. "But with a new daily there is always a danger

of cannibalism. ... It is wrong to build up a politically driven newspaper" (quoted in Novkovič 1999, 7).

As will be shown, the Slovenian media market has suffered a very high concentration and the monopoly of a single company. The initial intention of the legislature was to prevent the newspapers from selling out to foreigners. Except in the case of *Republika* (accusations of laundering casino money have never been proven or rejected), there has never been any foreign interest in Slovenian papers.

The law of protecting competitiveness in its article 10 forbids the abuse of a company's dominant position in the market. By law a "company has a dominant position in the market when its share of selling or buying of goods or services in the Republic of Slovenia is larger than 40 per cent." The definitions of dominant position, abuse, or related sanctions raise the more difficult questions of the Competitive Law, since competition is limited also by some actions that seem acceptable at first glance. The Slovenian Law on protecting competitiveness directs — among all forms of media order — most attention to the restriction of competitiveness in opposition to legislation of some other countries, and does not directly deal with monopolies. The law basically does not intervene in the market structure, but regulates, above all, market actions. It forbids cartel agreements with restriction of competition as their goal or consequence, but does not demand the dissolution of companies that already have and use their monopolies.

Some directions of the Law on competition protection should also help prevent media ownership concentration, as emphasised in Article 43 of the Mass Media Law. Companies that are about to merge should declare their intention at the Competitiveness protection office if they are to control more than half of the market for a certain product or service following their merger. The office bans mergers if it finds out that such a merger would significantly limit competitiveness and if there is a danger of abuse of the dominant position in the market.

The Office can, on its own or upon request of an injured company, establish the existence of cartel agreements and similar arrangements. The legislature did, however, oblige the media to publish in the official gazette at the beginning of every year the names of the largest media owners, managers, and supervisory boards (Article 46 of the Mass Media Law). But since there are no sanctions anticipated for violators of this regulation, most media ignore it. A bill introducing changes in the Mass Media Law has been entered into parliamentary procedures (on request of the oppositional Social Democratic Party) which states that media which do not comply in time with publishing or broadcasting currently and fully the data as defined by law, must accept liability.

Another example of media mergers in Slovenia involves two dailies with the highest circulation, *Delo* and *Slovenske novice*. The total market share of the two dailies is over 50 per cent, which is a clear violation of the anti-monopoly clause of the Mass Media Law. The market share of printed editions of *Delo* and *Slovenske novice* was 55.5 per cent in 1997 and 60.7 per cent in 1998. The daily *Slovenske novice* was established by *Delo* in 1991 and later transferred to its by-pass joint stock company *Slovenske novice* established by 149 journalists and editors of *Delo*. Later on, *Delo* d.d. acquired 48.7 per cent of shares in *Slovenske novice* d.d. The director of both companies is the same person. *Delo* d.d. is a part of a larger media conglomerate through *Krekova družba* that owns one fifth of *Delo* d.d. and also holds shares in the largest Slovenian book publisher *Mladinska knjiga* and a minor commercial television station (TV 3). On the publishing side, *Delo* d.d. is connected with *Delo Revije* company, which issues seventeen magazines.

Table 2: Market Shares of Slovenian Dailies* (1995 – 1997), in per cent

<i>Daily</i>	1995	1996	1997
<i>Delo</i>	24.9	29.4	29.5
<i>Slovenske novice</i>	21.0	25.4	26.0
<i>Dnevnik</i>	19.3	22.4	22.1
<i>Večer</i>	18.5	22.8	22.4
<i>Slovenec</i>	9.5	abolished	—
<i>Republika</i>	6.8	abolished	—

*Market share is expressed in the percentage of printed edition out of the total daily printed edition of all Slovenian dailies.

Source: *Mediana in: The Delo - Pamphlet for stock exchange quotation, 1999.*

Table 3: Advertisement Realisation (1995 - 1997)

<i>Daily</i>	1995	1996	1997
<i>Delo</i>	48.3	51.4	49.9
<i>Slovenske novice</i>	22.2	25.0	26.0
<i>Dnevnik</i>	14.0	16.1	16.4
<i>Večer</i>	7.2	7.5	7.6
<i>Slovenec</i>	6.5	abolished	—
<i>Republika</i>	1.9	abolished	—

Source: *Delo - Pamphlet for stock exchange quotation, 1999.*

Delo d.d. controls the Slovenian newspaper market either in terms of printed copies or advertisement income. It is the largest newspaper publisher and, from an economic point of view, the most successful media company in Slovenia. It publishes *Delo* with a daily circulation between 85,000 and 110,000 copies (depending on day of the week), *Razgledi* (subsidised by the Ministry of Culture), *Marketing Magazine*, *Slovenski delničar* (600,000 copies: one per household), *Grafičar*, *Delo Koš*, *Vikend magazin* (supplement to *Slovenske novice*), *Delo & dom*, *Izložbena okna in Delo*, and *Slovenski almanah*. The five largest shareholders with voting rights in Delo d.d. are: (1) PID (commercial investment society) Skala (Krekova DZU) 20 per cent, (2) Kapitalski sklad (Capital Fund) 10 per cent, (3) Slovenski odškodninski sklad (Slovenian Compensation Fund) 10 per cent, (4) LB Maksima Ltd. 2.89 per cent and (5) Delo Prodaja joint stock company 2.65 per cent. The shares of internal owners before the stock exchange quotation on January 13, 1999 was about 47 per cent, including the about 5 per cent share of securities owned by management. Delo d.d. estimates that the share of internal owners would be reduced by one tenth in a few months. By deciding on a public sale of their shares, management wanted to prevent dealing with shares of various investment companies, backed by political parties and political interests. In a few weeks the price of shares increased nine times suggesting that capital control has already started.

Conclusion

One of the main problems of the contemporary media is related to their sensitivity to political and economic pressures, which often go hand in hand. Complete deregulation of the media in favour of commercialisation usually does not lead to a greater autonomy of the media. In a communication system — in which everything depends on the state's voluntarism, markets and new owners, and with no legal and financial instruments for restoring media pluralism — it is hard to talk about media freedom. Although there are many broadcasters in Slovenia, most of them do not enjoy significant power, and since they do not have adequate financial and technological resources at their disposal, they operate on the lowest creative level.

The direction of Slovene media development favoured by the state does not seem appropriate. Slovene media legislation pays much attention to the structural aspects of regulation concerning financing and ownership shares and neglects issues of media contents. Legal restrictions regarding the foreign capital share (in Slovenia 33 per cent) or a ban on concentration and monopoly, are beginning to show side effects. Corporations have been trying to circumvent the law by hidden and apparent integration, which has, in turn, caused even less transparent operations. The legislature overlooked another important fact: privatisation of the state media had nothing to do with the ethics of media operations, and even less with an accountability to the public.

As we have shown, the regulation of the media sphere in Slovenia is dominated by a free market ideology. And where does this "*freetrader vulgaris*," as Marx would call him, gather his principles? Under a new kind of politics beyond the traditional choices of left/right, liberal/conservative, market/state? In post-communist Europe it resulted in a kind of negative, dystopian realisation of a European political dream — in short, the worst from both worlds, deregulated market fused with "ideological fundamentalism" (anti-communism, nationalism, etc). In recent media debates this means that the ideal of the late 1980s of independent public and autonomous media in the service of the public was replaced by the idea of commercial media protecting the publicity of commercial speech. Instead of questions about media freedom and media autonomy, the agenda is dominated by questions of freedom of choice and consumer rights. "What remains as 'capitalism' (or: what do we mean by this term?) when there is no 'socialism' any more?" asks Luhmann in an interview (Sciulli 1994, 67). How we can exceed this special kind of *Denkverbot*, that kind of political thinking that the only alternative to a global capitalist order is some kind of totalitarian regime. Is there anything outside "commercialland?" Is there anything beyond the borders of media capitalism? Recent experiences with our non-regulated commercial media demonstrate that just an increase of available channels or the expansion of new print media does not automatically mean an increase of content or variety of sources.

Notes:

1. This company recently performed the role of a saviour of commercial television when TV 3 faced bankruptcy. Due to a substantial financial contribution by *Krekova družba*, creditors agreed with debt enforcement procedures. Television management had acquired the rights to the broadcast frequencies on the basis of promised family and Christian oriented programming, but actually transmitted television sales, video spots, and re-runs of old shows until recently when it has been trying to revive its original programming.
2. This quotation is the motto of an analysis of modern society and also the title of Marshall

Berman's book, *All that is Solid Melts into Air*. Berman (1983), Habermas (1984) and Jameson (1992) address the same text by Marx and nearly the same part as the one just quoted. Habermas deals with it all through his analysis of how the philosophical discourse of modernity was shaped. In his analysis of postmodernity, Fredric Jameson emphasises the importance of *The Manifesto*. "In a very well known fragment Marx pushes us with impetus into doing something impossible, that is, believing this evolution (historical development of capital) at the same time positive and negative; to achieve a certain kind of thought capable of perceiving clearly fatal features of capitalism together with its unusual and relieving dynamism, all within one thought going on at the same time, without weakening any of the opinions or judgements"(Jameson 1992, 49).

3. It was nearly 100 per cent, even though the commission had at its disposal data from a period when Slovenia had seven dailies; there are only five today, including one exclusively devoted to sports.
4. The Committee of Experts of the Council of Europe on concentration and pluralism was established in 1991. In the years 1995 and 1996 the committee set up a network of national correspondence offices.
5. Walt Disney, Annual report on Internet, <http://www3.disney.com/investors/annual97>; Time Warner Turner, Third Quarter 1997 on Internet, <http://www.pathfinder.com/money/hooovers/corpdirectory/t/tvx>
6. Similar tendencies can be found elsewhere. In Russia, for example, Aleksei Simonov, head of the civil liberties organisation, Fund for the Defense of Glasnost, describes the new Russian style of censorship: "administrative (company policy), economic (not discussing certain specified economic interests), criminal (threats from criminals) and the self-censorship of journalistic anticipating the whims of their patrons"(quoted in Nivat 1998, 43).
7. Jan Culik, Truth, Freedom and the Pursuit of Profits, <http://www.silicon.hu/zebra/book ID45.html>
8. <http://www.sec.gov>
9. SBS is a multinational company with commercial television and radio stations in Europe. Its largest stockholder (25 per cent) is Disney/ABC Capital Cities, and one tenth are owned by Viacom and the founder and executive manager, Harry Evans Sloan, respectively (<http://www.hoovers.com/capsules/48003.html>).
10. Based on the data provided by Media Research Institute Mediana, Ljubljana.
11. According to the Mass Media Law (Article 40), a radio-television organisation as well as its owners may not hold more than 10 per cent of the shares and not more than 10 per cent of the management rights in another radio-television organisation.

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