

# Broadcast Owners in Klieg Lights

Barbara Swann



**B**arbara Swann is foreign editorial advisor for Tabula. She is an American media lawyer who has worked in Georgia for the past 15 years. She has assisted Members of Parliament and NGOs in Georgia and other countries with commentary and analysis of laws on mass media, freedom of information and conflicts of interest in public office. She has taught U.S. mass media law and regulation; written about European media practices and jurisprudence; worked on litigation matters for multi-national media companies; specialized in legal affairs reporting as a print, wire and radio journalist, and contributed her viewpoint to public television programming.

This month Barbara Swann was back in Georgia on behalf of the International Senior Lawyers Project (ISLP), an international non-profit organization based in New York City. ISLP is working with the USAID-funded IREX G-MEDIA program to improve the media environment in Georgia. These are her views on broadcast ownership and financial transparency.

**P**arliament is focusing the legislative spotlight on broadcasting ownership. The Parliamentary Legal Committee has drafted amendments to the Law of Georgia on Broadcasting. An alternative package of proposed amendments drafted by Georgian media law experts has the backing of the minority faction. The two sides are now searching for common ground to harmonize efforts. Parliament is expected to vote in March on amendments to strengthen broadcast ownership and financial transparency.

Why should any of this matter to anyone outside of government or media? Because nothing is more fundamental in a democratic society than free expressional rights, and our right to freely receive and disseminate information is seriously threat-

ened when airwaves are controlled by hidden ownership interests. Media ownership transparency makes it less likely opaque interests – political, economic and foreign – will manipulate political, economic and civic discourse. Broadcast ownership rules are necessary because broadcasting, especially television, profoundly shapes the way we think and feel about our community and the world beyond our national borders. Even with proliferation of new media platforms, television is still our primary source of information about matters of public importance. We have seen what happens when governments and oligarchies control informational sources. We are not that far in history away from the Soviet era. And we are not that far away in geography – to the north, south and east – from powers that

use broadcast media to control what citizens see and hear about their government power structure.

Public discussion in Georgia has been framed mainly in terms of the lack of transparency of foreign companies registered in so-called “off-shore zones” with secrecy laws that obstruct Georgian broadcast ownership transparency. That is a valid concern, but equal attention needs to be focused on hidden domestic ownership interests. Too little is known about the real powers behind broadcast license holders and their influence on editorial processes and programming content.

Broadcast ownership transparency presents formidable challenges – here in Georgia and elsewhere. Countries around the world have struggled to strike an appropriate balance between the public interest on the one hand and the competing interests of a free-market economy on the other. There are inherent conflicts in any government system regulating media. Greater government regulation may lead to greater scrutiny of broadcast media, yes. But structural media ownership rules are the least invasive of media freedom because they regulate broadcast ownership not broadcast programming. Ownership transparency protects editorial independence from hidden interests swaying media coverage of current affairs and political and economic news.


Unlike some past legislative initiatives that have been donor-driven with European and U.S. experts providing the answers to Georgian questions, the broadcaster transparency initiative has been indigenous with Georgians questioning foreign expert “answers.” Turnabout is warranted. Neither European ownership rules nor U.S. broadcasting regulations answer the question of how to improve the Georgian broadcasting environment. Looking to the west, broadcasting ownership is concentrated in a handful

of powerful multi-national trans-industrial media conglomerates. Corporate Media are invested in the bottom line, not high principles – in corporate profits, not media pluralism. The American experience has shown that the number of independently owned television stations increased more during a period of tighter ownership regulation than it has in the current U.S. anti-regulatory climate. That has been the experience of some European countries as well.

Broadcast ownership transparency breaks down barriers to media diversity and plural-

ity – two essential characteristics of an independent and robust broadcasting environment. Far-sighted and carefully crafted ownership and financial transparency rules create an enabling environment for new and independent broadcasters to present a diversity of viewpoints in the marketplace of ideas. Exposing shadowy interests to “the disinfectant of sunlight” ensures broadcasting reaches wider audiences with a variety of range and depth of content.

The practical challenge in Georgia at this time is compliance with ownership and financial disclosure requirements by broadcast license holders. The reason why Georgian broadcasting ownership is not transparent is partly because loop-

holes exist in the law and largely because the regulatory authority is not doing its job enforcing the law. The Parliamentary leadership and minority faction are considering amendments that could close those loopholes without infringing on editorial independence, individual privacy rights or freedom of trade and industry. New ownership and financial reporting rules will only be as strong as their enforcement, however. Parliament can demonstrate its true commitment to true transparency by ensuring that the regulatory authority does what the Georgian broadcasting law – as amended – requires. 

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