

Censorship Is the Least of The Problems: The Political and Economic Threats to Freedom of the Press in Hungary



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NOVA

When it comes to the freedom of the press, a casual observer may ask whether there is censorship in Hungary. Some may add that self-censorship can also be a problem – when the media pre-emptively select their stories and censor themselves to avoid legal or political repercussions. Currently, in Hungary, a certain degree of censorship is indeed present, legally or in the form of political or economic pressure. But the cloud of its presence is probably larger than its reality – giving credit to the abovementioned self-censorship concerns. Nevertheless, the relevance of (or rather, the threat of) censorship pales in comparison to that of economic tools that curtail the freedom of the media.

The political, legal, and economic spheres of society are difficult to disentangle even at the best of times. But autocracies make it even harder – with their manually steered economies, state-fed oligarchs, and by shaping the law to better serve political will and the interests of the ruling power.

This article focuses on the economic restraints on the Hungarian media and the tools that help the ruling power to curtail freedom of the press in their own favor. These measures, however, are almost impossible to disentangle from the subtle (and not-so-subtle) political and legal tools that are designed to serve the same purpose.

BEYOND MERE CENSORSHIP: HUNGARY'S RANKING IN PRESS FREEDOM INDEX

Hungary's position in press freedom rankings has been steadily declining since 2010, when the Orbán government came back into power after eight years in opposition. The changes in the country's constitution in 2011 were only the beginning, and they were followed by new institutions and the much-criticized media law that tightened

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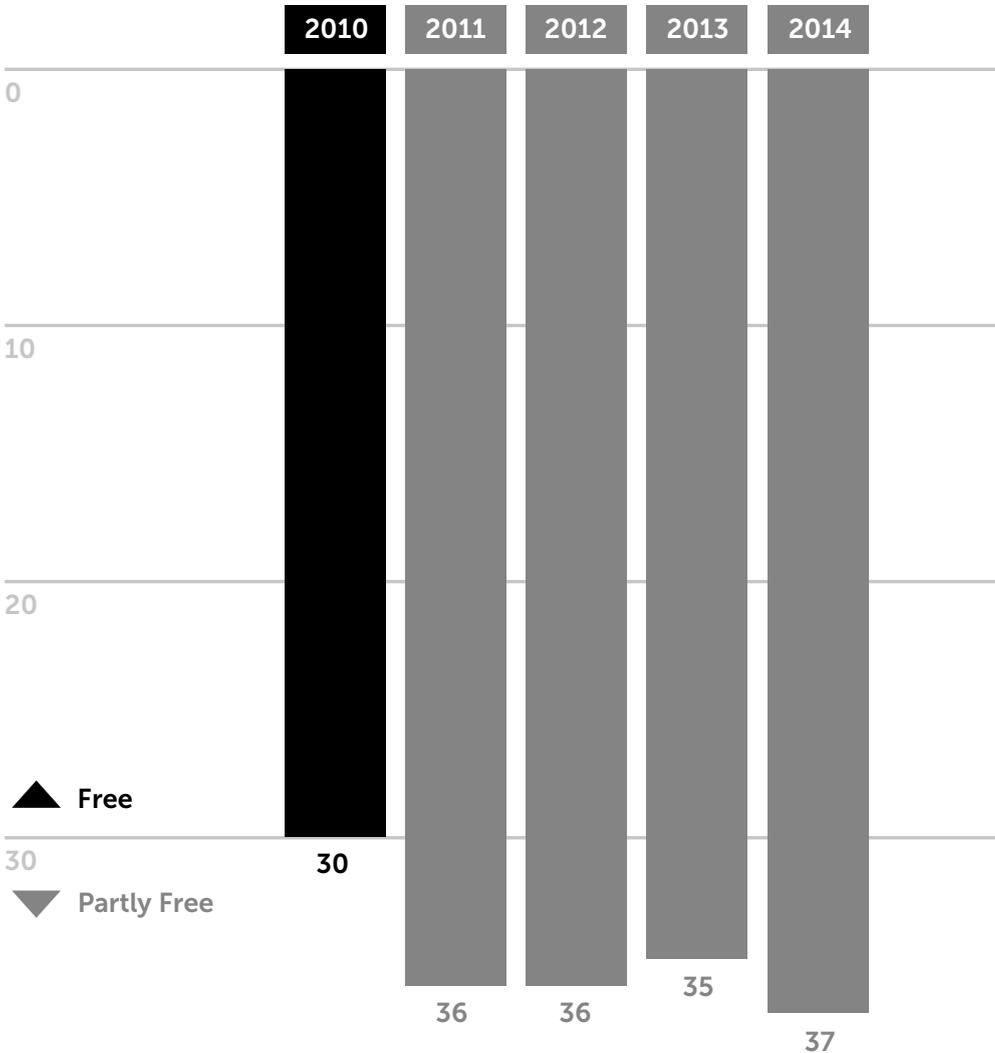
government control of the broadcast sector and extended regulation to print and online media. It consolidated media regulation under the supervision of the National Media and Infocommunications Authority (NMHH), whose leader also chairs the Media Council. But the worst hit on the independent media was an economic one: the consolidation of media outlets in the hands of two powerful oligarchs, which was greenlighted by authorities, whereas non-allies were blocked in their similar efforts. Consequently, the Hungarian press has been only “partially free” since 2011, according to the Freedom House’s *Freedom of the Press 2017*, and the situation has steadily worsened since – most pronounced in the *economic environment of the media* (but also in *legal and political conditions*) (Figure 1)¹.

¹ Freedom House (2017) “Press Freedom’s Dark Ho-

Figure 1: Press in Hungary only partially free since 2011. After the re-election of the current Orbán government in 2014, the situation kept getting worse. In 2015, the press freedom score has declined by another 3 points to 40 (still "partially free"), and by 2016 to 44.

Hungary: 5-Year Decline in Press Freedom

Press freedom deteriorated slightly as the government imposed a new advertising tax and continued to pressure media owners.



Source: Freedom House (2017) *Freedom of the Press 2017*

Figure 2: Freedom of Expression and Information in Hungary



Source: Vásquez, I. and T. Porčnik (2017) *The Human Freedom Index 2017*. Washington, D.C.: Cato Institute, Fraser Institute, and Liberales Institut. Available [online]: <https://www.cato.org/human-freedom-index>

Although the media landscape in Hungary is nominally dominated by private companies, it does not mean that it is independent. While the political leanings of certain media outlets are not a problem, the government exerting direct or indirect control over it by legal, economic, and political means is. The pro-government media scene has expanded since 2010 – thanks to the friendly regulatory environment and limitless financial resources. Public media have also experienced an increase in funding, while loyal oligarchs were allowed to buy up entire economic sectors and regions – both in the media and elsewhere. To further confuse the casual onlooker, a high number of media takeover transactions in 2016 contributed to the confusion about the ownership of many outlets, leading the rest of the independent media guessing what was going on behind the scenes – and investigative journalists had to resort to painstaking legwork to prove what everyone knew: the consolidation of media outlets in the hands of Viktor Orbán's closest allies.

As the *Human Freedom Index 2017*² reports, journalists are not killed or jailed in Hungary (Figure 2). Access to the Internet is not curtailed either. Yet, when it comes to government influencing the media landscape, Hungary is only partially free. The means of control are sneaky, indirect, and all perfectly legal. Economic tools are leading the way, alongside targeted laws and taxation.

"(...)the fundamental elements of democratic operation are absent in Hungary. The media landscape, as it stands today, clearly hinders the formation of a thoroughly informed public opinion. One of key principles of the 1989 political changeover was to dismantle the information monopoly controlled by the regime. A quarter century after the fall of communism, Hungary is once again just a tiny step away from having a new, insulated media monopoly entirely serving the interest and satisfying the expectations of the ruling power."

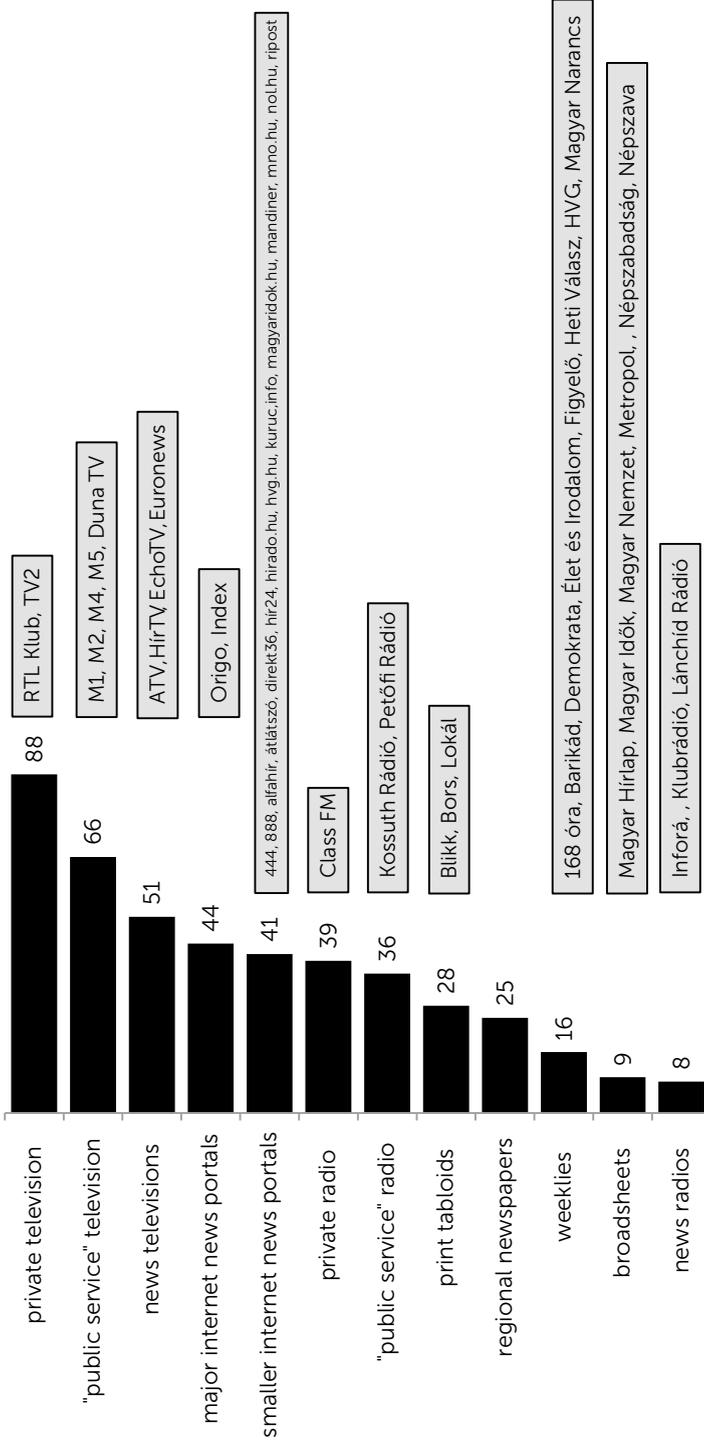
Mária Vásárhelyi (2017)³

rizon," [in:] *Freedom of the Press 2017*. Available [online]: <https://freedomhouse.org/report/freedom-press/freedom-press-2017>

² Vásquez, I., and T. Porčnik (2017). *The Human Freedom Index 2017*. Washington, D.C.: Cato Institute, Fraser Institute, and Liberales Institut. Available [online]: <https://www.cato.org/human-freedom-index>

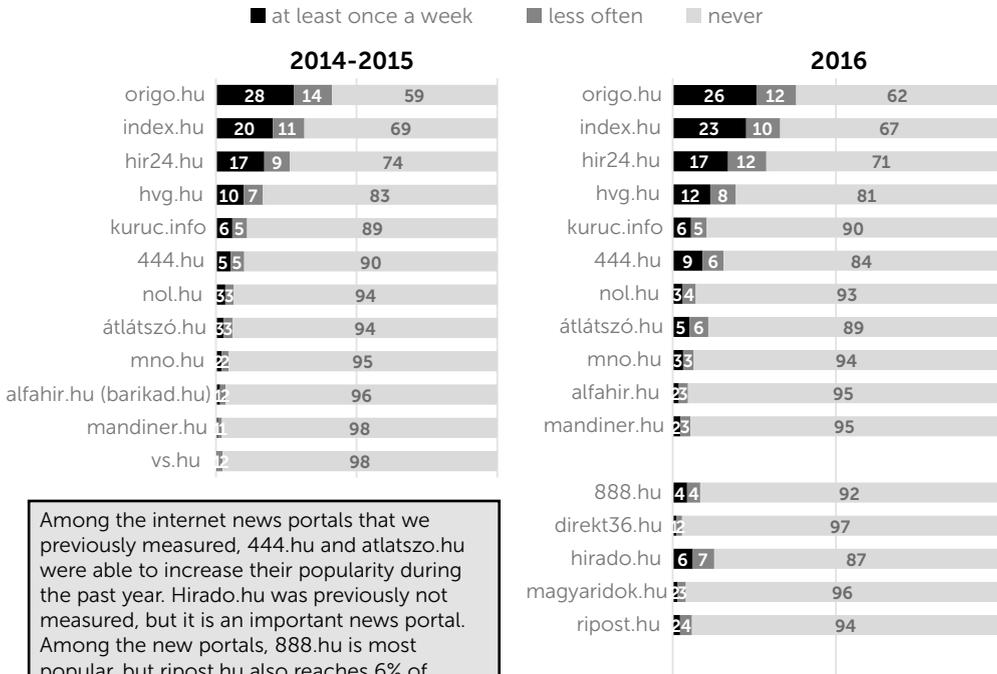
³ Vásárhelyi, M. (2017) "The Workings of the Media:

Figure 3: News consumption by types of media in Hungary



Source: Mérték Media Monitoring (November 2016)

Figure 4: News portals by influence.



Among the internet news portals that we previously measured, 444.hu and atlatso.hu were able to increase their popularity during the past year. Hirado.hu was previously not measured, but it is an important news portal. Among the new portals, 888.hu is most popular, but ripost.hu also reaches 6% of respondents.



Source: Mérték Media Monitoring (November 2016)

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THE MEDIA LANDSCAPE

In Hungary, privately held major newspapers include ten national and twenty-four local dailies (Figure 3). Hungary has five national public radio stations and two main private stations. The two terrestrial commercial television stations (TV2 and RTL Klub) remain the principal source of news for most Hungarians, along with a growing number of cable channels.

TV2 has gone to a government-friendly oligarch in 2016, while RTL is regularly under regulatory or legal attacks. Online media news is dominated by a handful of portals

A Brainwashing and Money-Laundering Mechanism,” [in:] Magyar, B. and J. Vászárhelyi (eds.), *Twenty-Five Sides of a Post-Communist Mafia State*. Budapest and New York: Central European University Press, pp. 491-526.

(Index.hu, origo.hu, hvg.hu, 24.hu, 444.hu) – origo.hu having been taken over by a government ally.⁴ With this step, one of the two most influential online news portals has lost its independence – and started churning out propaganda. [See Figure 4]

The access to alternative media (not controlled by the government) or to foreign news sources is more or less free – but in practice, it became rare. Outside urban areas, where local printed press and terrestrial TV channels still rule the public opinion, the government's control is near 100%. [See Figure 5]

"(...) among the adult population in dictatorship-era 1986 (...) 28% (...) regularly or sometimes tunes in to a foreign, "hostile" radio station (...). Currently, not even half of this ratio get their information from alternative news sources not directly or indirectly controlled by the government." Mária Vásárhelyi about the absorption and influence of Fidesz-controlled media in Hungary (2017)⁵

SELF-CENSORSHIP AND POLITICAL PRESSURE

Every year, Mérték Média conducts a survey among journalists in Hungary to rate press freedom on a scale from 1 to 10 (where 1 is the worst and 10 is free).⁶ In

2012, they gave an average score of 4.8. By 2016, the score declined to 3.8. The numbers show even more pessimism when we look at answers about the strength of political influence on news media.

In 2016, 75% of journalists said that there was 'very strong' political influence, strong enough to curtail press freedom. Another 18% said that the political influence was 'strong.' 56% stated that they personally experienced political interference, and 48% experienced interference from business actors (which may not be entirely separate under politically supported oligarchs).⁷

33% declared that they have decided not to publish certain pieces of information in order to avoid possible disadvantages. 28% admitted to self-censorship during the previous year.⁸

THE INFAMOUS "HUNGARIAN HANDS":

"There are four sectors where national capital must grow above international one. These are the media, the banks, energy, and retail. We are done with the first three, but the fourth had proven to be difficult. Unfortunately retail chains are cleverer than us. (But) a few more years and we'll complete this one too."

– PM Viktor Orbán's address at the Economic Forum in Krynica, Poland (September 2016) (own translation)⁹

⁴ See: Index.hu (2016) *Átrendezi a magyar médiapiacot az állami bulldózer*. Available [online]: https://index.hu/gazdasag/2016/06/14/magyar_mediapiac_2015/;

Pál Dániel, R. (2017) "Orbán és Schmidt Mária benyeltte volna az Indexet, Simicskának lépnie kellett," [in:] 444.hu. Available [online]: <https://tldr.444.hu/2017/04/27/orban-es-schmidt-maria-benyeltte-volna-az-indexet-simicskanak-lepnie-kellett>

⁵ Vásárhelyi, M. (2017) "The Workings of the Media: A Brainwashing and Money-Laundering Mechanism," [in:] Magyar, B. and J. Vásárhelyi (eds.), *Twenty-Five Sides of a Post-Communist Mafia State*. Budapest and New York: Central European University Press, pp. 491-526.

⁶ Mérték Média Műhely (2017) *Az Újságírók Sajtószabadságképe 2016-Ban Magyarországon*. Available [online]:

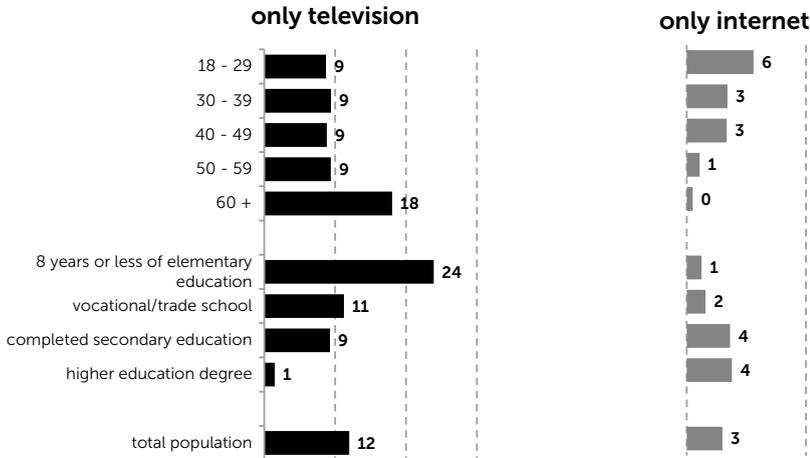
http://mertek.eu/wp-content/uploads/2017/06/ujsgirok-sajtoszabadsag_2016.pdf

⁷ Ibid.

⁸ Ibid.

⁹ Magyar Nemzet (2016) *Orbán: A média, a bankok és az energia kipipálva*. Available [online]: <https://mno.hu/kulfold/orban-nem-letezik-olyan-hogy-europai-nemzet-1360450>

Figure 5: Only from TV or only from Internet. Rural voters from lower educational backgrounds trend towards television, and local papers still dominates.



Those who receive their information exclusively from television tend to be the elderly and those with little education. Overall, few respondents indicated that they only use the internet to obtain their information (3%). Young people with high education attainment were most likely to fall in the latter category, but even among this group this ratio was not very high.



Source: Mérték Media Monitoring (November 2016)

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Banking, media, energy, and retail have been the four sectors in which Prime Minister Orbán declared to aim for a majority stake to go into “Hungarian hands” in 2014.¹⁰ He has been working on his target

for years, by then calling for a so-called “Hungarian capital-owning class” to come into existence and claiming that, in his view, this is in the interest of the country.

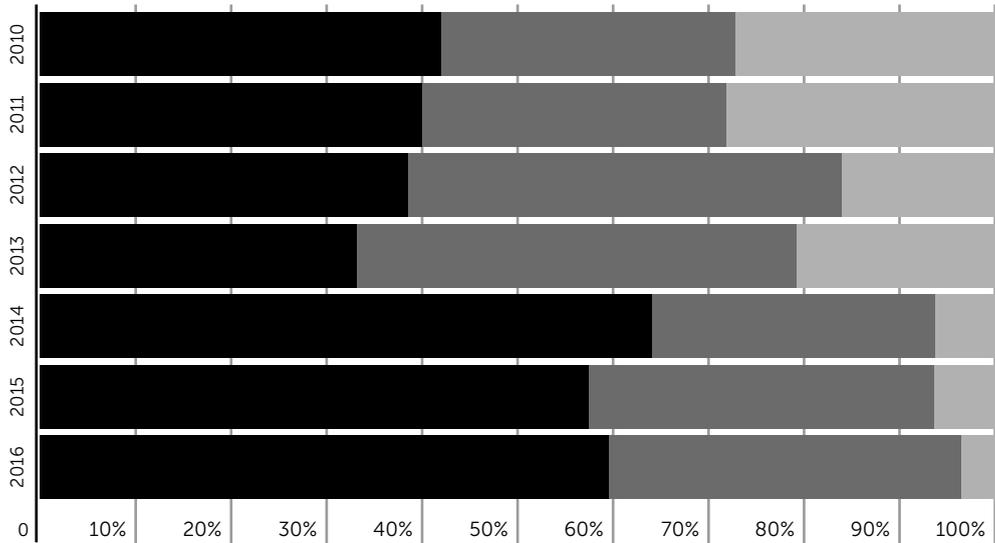
In 2016, PM Orbán declared victory in all but one sector – banking proved to be slow to sell out, despite the punitive extra taxes and hostile political environment. [See Figure 6]

By 2016, 60% of ownership in the media was in “Hungarian hands”. Opimus Press, owned by an Orbán-ally, Lőrinc Mészáros, controlled about half of the newspaper

for entire economic sectors to go into Hungarian hands. In his speech in 2014, he clarified that he does not even mean that these should be the hands of the state (nationalization), but exactly the hands of the Hungarians. See: Magyar Nemzet (2014) Orbán Viktor teljes beszéde. Available [online]: <https://mno.hu/belfold/orban-viktor-teljes-beszede-1239645>

¹⁰ One of many instances when Viktor Orbán has called

Figure 6: Ownership by nationality in Hungarian media (2010-16)
 BLACK: Hungarian, GREY: foreign, LIGHT GREY: mixed



Source: Index.hu

printing capacities in Hungary through its 2016 acquisitions. But it was not enough. In a cozy TV interview with a friendly party member in December 2017, PM Orbán announced his plans to take the rest of the Hungarian media “into Hungarian hands”:

“(...)it is my personal conviction that it is part of a country’s sovereignty that the majority of a media system working in a country must be in national hands.”

“And I don’t want to hide that I want even more than that. I would like it if the media in Hungary would be in Hungarian hands to the same proportion that it is in German hands in Germany, American hands in America. This is the level that must be reached. We are proceeding, but we are not there yet.”

— PM Viktor Orbán (December 2017)
 (own translation)¹¹

POPULISTS INVENTED “MEDIA SOVEREIGNTY”

PM Orbán wants as many of the Hungarian media outlets going into said “Hungarian hands” as the Germans have in the German media, and Americans in the U.S. media. Whatever that might be, because ethnic listing of ownership is not a common practice in Europe – at least not since the end of World War II.

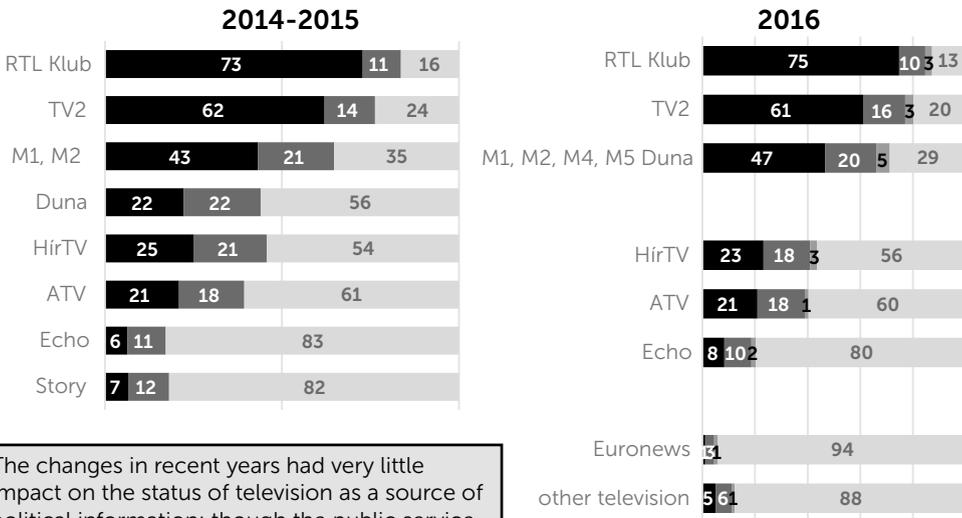
PM Orbán claims that if the United States and Germany can have ‘locally owned media,’ then so can he. But in market economies, ownership structure is more the result of organic development than central planning. And a government may think of its own nationals as more easily *influenceable*, but they certainly would not say that publicly.

a médiában,” [in:] Index.hu. Available [online]: https://index.hu/belfold/2017/12/22/orban_media_kulfoldi_tulajdon/

¹¹ Tamás, F. (2017) “Orbán még nagyobb befolyást akar

Figure 7: Hungarian television channels and their relevance. RTL Klub and TV2 lead the way as news sources

■ at least once a week ■ at least once a month ■ used to watch ■ never



The changes in recent years had very little impact on the status of television as a source of political information: though the public service channels lost 5% of their viewers, they also won roughly the same number. HírTV was the only channel to lose a significant number of viewers: 3% indicated that they had previously watched it, and the share of its viewers is 5% lower than it was in 2014-2015.

Source: Mérték Media Monitoring (November 2016)



According to Hungarian media workers, who talked to Mérték, nationality of ownership has little to do with the independence of journalism – independence does.¹² Yet, it is telling that PM Orbán thinks that a domestic national media is more acquiescent. Foreign owners are indeed harder to manipulate. But they can still be made to sell their media outlet if their businesses are hit by punitive taxes or loss-making regulations. The Freedom House’s *Freedom of the Press 2017* index has noted

that the Hungarian “government’s tax policies toward the media have also generated controversy over the past few years for disproportionately burdening middle-sized, domestically owned outlets.”¹³

Such tactics by the Orbán administration have been practiced in the utilities and banking sectors in Hungary. As top managers and CEOs described the method (under condition of anonymity) for a research:

¹² Mérték Média Műhely (2017) *Az Újságírók Sajtószabadságképe 2016-Ban Magyarországon*. Available [online]: http://mertek.eu/wp-content/uploads/2017/06/ujsgirok_sajtoszabadsag_2016.pdf

¹³ Freedom House (2017) “Press Freedom’s Dark Horizon,” [in:] *Freedom of the Press 2017*. Available [online]: <https://freedomhouse.org/report/freedom-press/freedom-press-2017>



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"They have made life so difficult and so expensive for the foreign-owned utilities companies that they forced them to sell out. Regulating gas and electricity retail prices down to loss making levels, instituting utility tax (...). You did not see a wave of Venezuela style nationalization, but measures were taken to seri-

*ously reduce the value of these companies and then they [could buy them up]. That's what happened in the utilities and banking industries."*¹⁴

*"The government nationalized gas utility companies. (...) So politically, the message is very good: we have chased out profit-hungry foreign multinationals. They [the state] take over these utility services, then technological standards will erode and the government will say we need to improve the technological quality, they will improve it from taxpayers' money...oh no, before they start to improve, they will assign who will be the future buyers... their mates. Then they will sign the contract with them and afterwards the state will improve the technological quality of the companies for several billion HUFs and then these firms will be transferred into private hands close to the government. And then sooner or later they will try to sell them again to foreign multinationals."*¹⁵

But this tool was not limited to the utilities sector, or to foreign owners. As the case of an advertising company shows:

"They buy up a lot of companies...They use mafia tools. They use the power of the state. (...) For example, I know of a media company, which made lamppost posters for parties during elections. They were always very careful to have 50-50 percent of Fidesz and MSZP on their posters. It is a private company. Some people went there and said 'we would like to have 50 percent of your company for free'. As the company did not want to 'sell', after two months the same people went back and said 'we want 80 percent of the company'. Then

¹⁴ Sallai (Egerszegi), D. and G. Schnyder (2018) "The Transformation of Post-Socialist Capitalism – From Developmental State to Clan State?," [in:] *Greenwich Paper in Political Economy*, No. GPERC57, January 12. Available [online]: <https://ssrn.com/abstract=3100775>

¹⁵ Ibid.



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AND THE MEDIA
COUNCIL

– when the owners still did not sell – after two weeks they introduced a law that forbids political posters on city lampposts. As a consequence the market value of the firm went down to 10 percent [of its previous value].¹⁶

Even foreign owners can be penalized and eventually whipped into line by regulatory or tax tools (they are constantly un-

der attack), but it takes time and patience. However, after eight years in power, with ever-decreasing constraints on his will, PM Orbán's patience seems to be wearing thin. Today, he hardly even tolerates symbolic setbacks, let alone attempted legal resistance, and an entire state structure works to execute his will.

Everyone knows that PM Orbán's sore spot is RTL in this case, a countrywide commercial TV channel owned by the German parent company that refuses to make propaganda news, unlike its competitor TV2.¹⁷ RTL is one of the most significant news sources among the Hungarian population, according to a 2016 survey (See Figure 8).¹⁸

RTL's credibility as an information source is the highest among the population (See Figure 8), even among Fidesz voters (See Figure 8).

THE ROLE OF THE MEDIA COUNCIL IN HUNGARY

Since 2010, the government in Hungary has implemented a number of reforms in the media. Restructuring began in 2010 with Fidesz passing a series of laws that consolidated media regulation (print, online, and broadcast) under the supervision of the National Media and Infocommunications Authority (NMHH), and the Media Council.

The result of one of these media laws was not censorship (direct or indirect), rather, allowing oligarchs to attain near-monop-

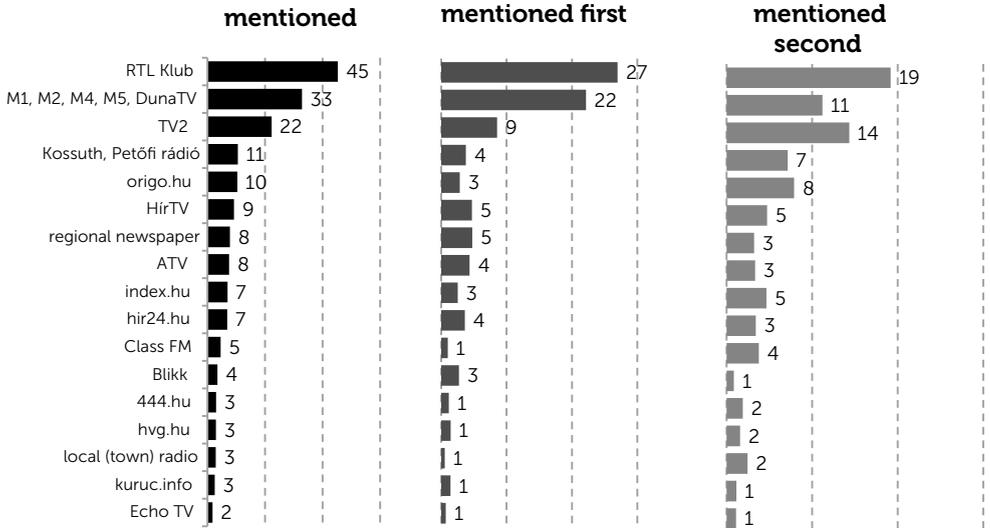
¹⁷ György, F.(2018) "Orbának az RTL Klub és az Index is kell," [in:] 24.hu. Available [online]: <https://24.hu/belfold/2018/02/22/orbannak-az-rtl-klub-es-az-index-is-kell/>

¹⁸ Mérték Media Monitoring (2016) *The Sources of Political Information in Hungary – The State of the Media Structure in the Time Before and After Its Transformation*. Available [online]: http://mertek.eu/wp-content/uploads/2017/01/Mertek_newsconsumption_eng_2016.11.25.pdf

¹⁶ Ibid.

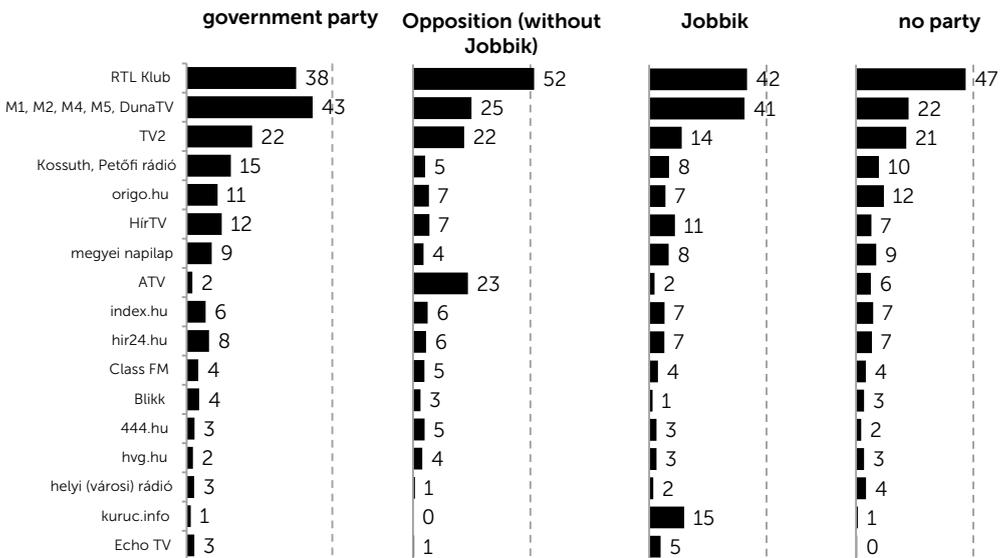
Figure 8: Credibility of information sources among the total population and by party preference. RTL leads in all groups

Credibility of information sources* (major media)



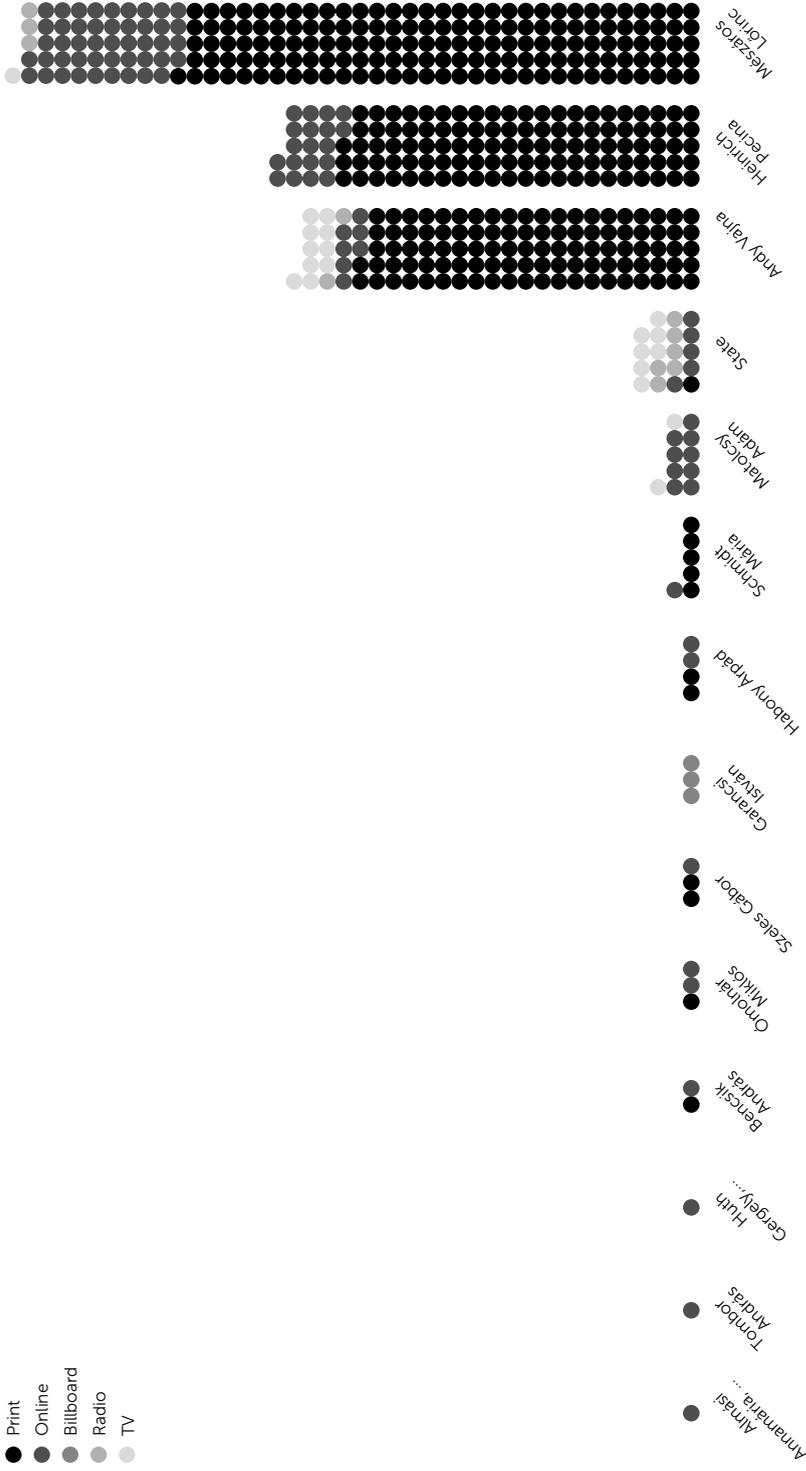
MÉRTÉK  MEDIAN

Credibility of information sources Mentions of major media by party preference



MÉRTÉK  MEDIAN

Figure 9: Hungarian media outlets in the hands of fourteen oligarchs in 2018 Black: print titles, Dark grey: online, Grey: billboards, Light gray: radio, Silver: TV



Source: Átlátszó.hu



WHEN GERMAN-OWNED RTL WANTED TO BUY CENTRAL MEDIA GROUP, NMHH FOUND IT A RISK TO INFORMATION PLURALISM AND BLOCKED IT

olies – while stopping foreign or independent owners from buying stakes or expanding. The Freedom House's *Freedom of the Press 2017* index has also noted the decreasing levels of foreign investment in newspapers and other news outlets: "The current government dominates all elements of the media value chain. It has used political influence to allocate digital, terrestrial, and cable frequencies on the basis of political criteria, and offers financial support to pro-government media through advertising contracts, while squeezing critical media out of the market."¹⁹

Furthermore, the NMHH's major role in creation of the current media landscape was its power to block or facilitate takeovers and acquisitions. When German-owned RTL wanted to buy Central media Group, NMHH found it a risk to information pluralism and blocked it. When the owner of its

competitor – crony-owned and government-controlled TV2 – announced its intention to buy the publisher of a major tabloid newspaper (among other titles), NMHH greenlighted the deal in a record eight days with a simplified procedure, and without providing any explanation for this decision.

Similarly, simplified permission procedures preceded the acquisition of each and every regional publication by Mészáros and the consolidation in his newfound media empire in his company, Mediaworks (including television channels, radio stations, and print publications) – or the takeover radio channels' that went to another Orbán ally and the owner of TV2.²⁰ When pushed, NMHH claimed that every county was treated separately, although it is not clear how this statement was supposed to make the dominance of Mediaworks on the Hungarian media market less pronounced.

CONSOLIDATION IN THE HANDS OF ORBÁN'S ALLIES

The investigative journalists at *Átlátszó* worked themselves through an avalanche of data and created a visualization of how the Hungarian media were taken over by the government and Fidesz-friendly oligarchs (See Figure 9).²¹

In 2015, only 31 media outlets (individual dots) were controlled by the Hungarian government, 21 did not yet exist. By 2018, all 500 are Fidesz-controlled.²² According to the data, by January 2018, the Fidesz media empire was in charge of publishing 500 titles – ranging from

²⁰ Sajó, D. (2017) "Hogy vásárolhatta fel a kormány holdudvara szinte az egész sajtót?," [in:] *Index*, October 19. Available [online]: https://index.hu/belfold/2017/10/19/nmhh_mediataincs_vajna_meszaros/

²¹ *Átlátszó.hu* (2018) *Infographic: Explore the Media Empire Friendly to the Hungarian Government.* Available [online]: <https://english.atlatszo.hu/2018/01/16/infographic-explore-the-media-empire-friendly-to-the-hungarian-government/>

²² *Ibid.*

¹⁹ Freedom House (2017) "Press Freedom's Dark Horizon," [in:] *Freedom of the Press 2017*. Available [online]: <https://freedomhouse.org/report/freedom-press/freedom-press-2017>

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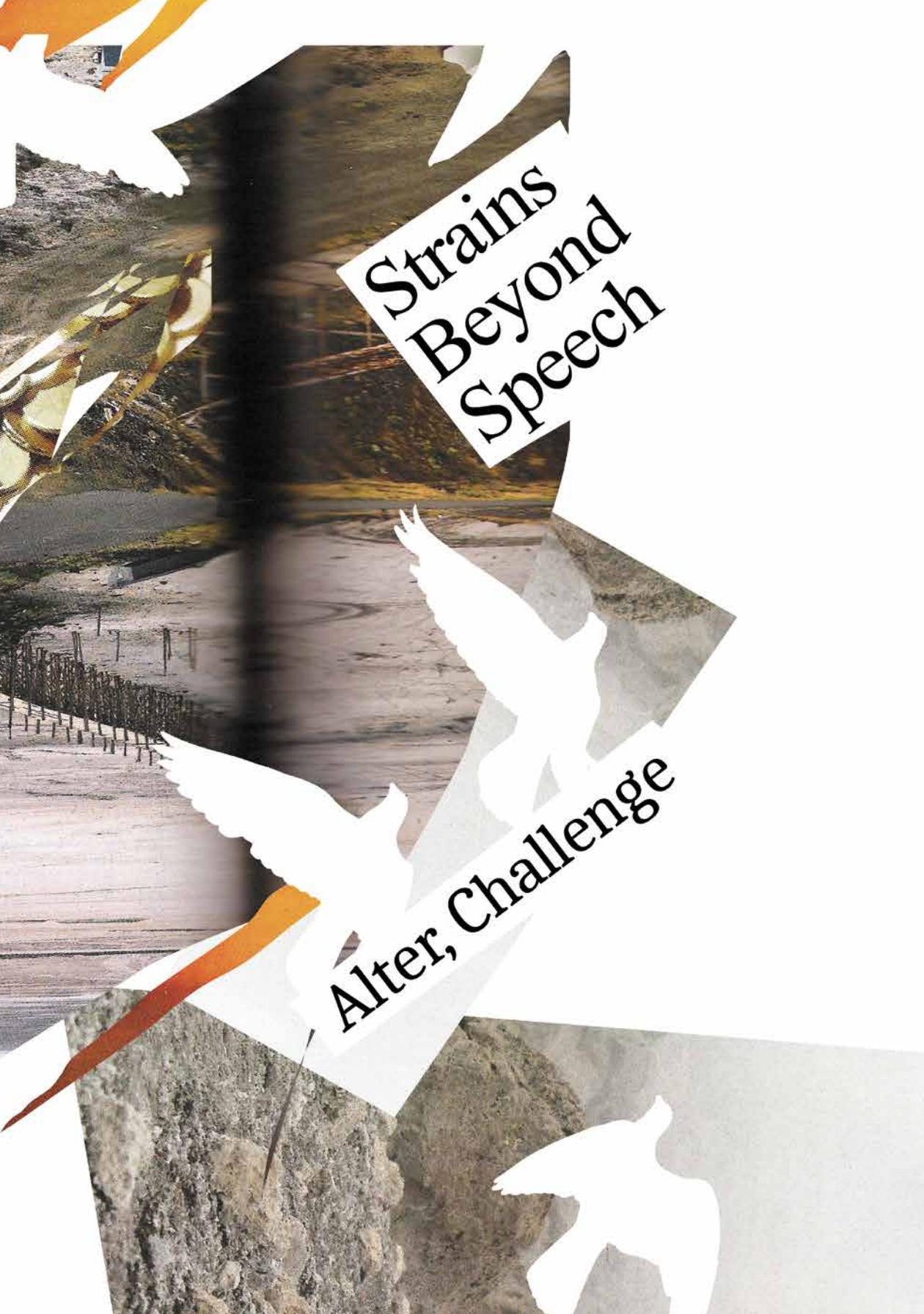
teen magazines to TV channels. Two third were print newspapers, published by twenty-two separate publishers, which are owned by only fourteen individuals (See Figure 9).

Some of the old titles were discontinued, like the country's biggest and oldest daily, *Népszabadság*, which went to a previous-

ly unknown Austrian businessman before landing at Lőrinc Mészáros – a deal they have denied making for a few days. *Népszabadság* was shut down overnight in 2016. Its journalists were not allowed back in the buildings for their belongings. Over a five-decade-long archive disappeared. For those who wanted an explanation, the government prepared one: the newspaper was not profitable. This, however, can be said of almost all types of media in the age of Facebook, especially on such small language markets as the Hungarian one. It still does not explain why the 50+ years of archives had to disappear. What explains it, however, might be the fact that the newspaper kept leaking the antics of the central bank governor and the scandal was getting uncomfortable. The shutdown also sent a signal to journalists at other outlets. If the oldest daily can be discontinued and its journalists scattered, seeking jobs in the ever-shrinking market of non-governmental media, it can also happen to the newspaper you are working for. The chilling effect cannot be neatly quantified.

Other outlets were bought by oligarchs using generous loans provided by state-owned banks. This was the case of TV2, which used to be one of the main sources of news, especially in rural Hungary. After a legal battle over ownership between two oligarchs – one former and one current PM Orbán ally, the TV channel went into the hands of the latter. Ever since the takeover, TV2 became a basket case of subservient incompetence and spineless propaganda. Its journalists left, some emigrated, while others became bus drivers. In the meantime, the professionals were hastily replaced by non-journalists and loyalists. The once strong commercial channel is now a butt of jokes for headlines, such as 'Soros would have killed his own mother,' and ram-



A collage of images including a river, a stone wall, and white bird silhouettes. The river flows through a landscape with a stone wall on the left. The text is overlaid on the collage.

**Strains
Beyond
Speech**

Alter, Challenge

pant migrant-themed fearmongering, as part of the government's two-year campaign against George Soros, Brussels, migrants, and other 'existential threats to the Hungarian way of life.'

Furthermore, another set of left-leaning media outlets were brought under Fidesz control. Their owners made deals and then moved their best political reporters into the night slot or let them go. All of this was completely legal and can be explained away with seemingly reasonable arguments. That is, after all, the nature of new autocracies everywhere.

SAMIZDAT IS BACK AND DEMOCRACY NEEDS SUPPORT

As a reaction to the government-dominated media (and the incessant, single-minded fearmongering propaganda), a few activists decided to start a Samizdat-like paper, photocopied, and hand-delivered by activists into people's mailboxes.²³

The tiny *Nyomtass Te Is* (You Should Print, Too) movement aims at breaking the monopoly of Fidesz-owned media in the Hungarian countryside, where print media still reigns supreme in shaping people's fears.

To give an idea of how much of a problem the one-sided propaganda became in Hungary, the United States Department of State's Bureau of Democracy, Human Rights, and Labor (DRL) announced a funding opportunity for the support of "objective media in Hungary."²⁴ The USD 700,000 fund (app. EUR 570,000) would support rural media outlets in Hungary

to help train and equip journalists in their fight to defend independent media as they are, once again, subject to political pressure and intimidation.

According to the official explanation by the U.S. State Department, the need was especially strong, precisely in rural Hungary, where government-controlled public media and a handful of outlets friendly to the ruling Fidesz party are the only news sources most people are exposed to.

"The program should improve the quality of local traditional and online media and increase the public's access to reliable and unbiased information. Projects should aim to have impact that leads to democratic reforms."²⁵

"The Department of State... seeks a partner for the United States Government who will help educate journalists and aspiring journalists on how to practise their trade," a State Department official told Reuters about the grant.²⁶ "The United States has publicly and privately expressed our concerns about the status of the free press in Hungary on multiple occasions," he added. They can use the funds after May 2018, possibly to evade the accusations that the grant was meant to interfere with the Hungarian general elections in April 2018.²⁷

Normally, the U.S. DRL does not concern itself with European countries, especially not the members of the European Union.

CONCLUSIONS

Hungary's position in press freedom rankings has been steadily declining since 2010. Its press has been only "partially free" since

²³ Samizdat refers to a system in the USSR and countries within its orbit, by which government-suppressed literature was clandestinely printed and distributed (Source: Merriam-Webster Online Dictionary).

²⁴ See: U.S. State Department Bureau of Democracy, Human Rights, and Labor. Available [online]: <https://www.state.gov/j/drl/p/275396.htm>

²⁵ Ibid.

²⁶ Reuters (2017) *U.S. Launches Media Fund for Hungary to Aid Press Freedom*, November 13. Available [online]: <https://www.reuters.com/article/us-hungary-us-media/u-s-launches-media-fund-for-hungary-to-aid-press-freedom-idUSKBN1DD21C>

²⁷ Ibid.

2011, according to the Freedom House's *Freedom of the Press 2017* index. The situation has deteriorated further still, and the pro-government media have expanded. The governmental measures to discipline and control the media have included legal, political, and economic pressure – all of which are tightly entangled.

The ownership structure of the media is still heavily tilted towards privately owned companies – but private does not mean what it once used to. As per the repeated desire of Prime Minister and Fidesz leader Viktor Orbán, by 2016, 60% of the media has gone “into Hungarian hands” – a term implying that Hungarian owners can be kept under stronger control. In reality, however, it means something even more direct.

Under state capture and a quickly enriched oligarchic class, loyal allies of the governing party can hold a considerable share in the media and tilt it towards governmental propaganda. In December 2017, PM Orbán went even further and announced his plans to take the rest of the Hungarian media “into Hungarian hands” and with that, he invented *media sovereignty*, a new tool of authoritarianism. According to him, if the United States and Germany can have ‘locally owned media,’ then so can he. But in real economies, the ownership structure is more of a result of organic development than central planning. As a consequence of these efforts, the number of media outlets controlled by the government went from 31 to 500 between 2015 and 2018. They are amassed in the hands of only fourteen oligarchs, whereas the vast majority of these outlets belong to only two of them.

Political bias of certain media outlets is not where the key problem lies. It is rather in their lack of liberty, with the government exerting direct or indirect control over the

media. On the other hand, public media have observed an increase in funding, while loyal oligarchs were allowed to buy up entire sectors and regions – both in the media and elsewhere. At the same time, their potential competitors were blocked by the same media authority that did not see a problem with their growing monopoly on information sources in (mostly rural) Hungary. The re-allocation of an ever-growing state advertising budget (mostly to promote the government's constant hate campaigns) has also benefited only loyalist media outlets.

Although according to the *Human Freedom Index 2017*, journalists are not killed or jailed in Hungary and access to the Internet is not limited by the government, when it comes to the government influencing the media landscape, Hungary is currently only partially free. The means of control are sneaky, indirect, and are all perfectly legal. Economic tools are leading the way, alongside targeted laws, and taxation.

The chilling effect of direct and self-censorship is reflected in the 2017 survey, according to which 33% of journalist said that they have decided not to publish certain pieces of information to avoid possible negative consequences, while 28% admitted to other kinds of self-censorship. Nevertheless, the real damage of the 2010 media law is not censorship. It is allowing oligarchs to attain near-monopolies, while at the same time denying foreign or independent owners the chance to expand or even buy stakes. ●



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