

Buying the News



A report on financial and indirect
censorship in Argentina

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Asociación por los Derechos Civiles

Open Society Justice Initiative



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400 West 59th Street
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For more information contact:
Open Society Justice Initiative
400 West 59th Street
New York, NY 10019 USA
www.justiceinitiative.org

La Asociación por los Derechos Civiles
(Association for Civil Rights)
Pasaje Rivarola 193 1º-4
(C1015AAA) Buenos Aires, Argentina
www.adc.org.ar

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I. Executive Summary and Summary of Recommendations

Executive Summary

This report examines some of the more subtle ways in which government officials interfere with media freedom and editorial independence in Argentina—as opposed to the more obvious and often-documented violations, such as legal harassment or acts of violence and intimidation of journalists. In particular, the report documents abuses of financial and regulatory powers over the media, as well as other content-based interference that amount to what is usually referred to as “indirect censorship.” We have also researched forms of censorship that may be very powerful and direct—such as government requests to fire vocal journalists or turn off independent TV programs—but nevertheless remain unexposed and unpunished.

Our research teams investigated the situation at the national level and in four Argentine provinces—Córdoba, Neuquén, Río Negro and Tierra del Fuego—which present a diverse range of geographical, political, and media-related features. The bulk of the research was carried out between April 2003 and August 2004, and the report was updated as it went to press with important changes and developments.

One of the main issues covered is the abusive allocation of government advertising and related services. We found an entrenched culture of pervasive abuse by provincial government officials who manipulate distribution of advertising for political and personal purposes—

in clear violation of international and regional free expression norms. The effects of such abuses are especially insidious when public sector advertising is critical to the financial survival of media outlets, as is common in many Argentine provinces such as Tierra del Fuego, where on average, print and other media outlets receive approximately 75 percent of their advertising income from government agencies. Provincial governments, in particular, routinely use their control of advertising resources as financial sticks or carrots, whether it is to bankrupt an annoying publication or to inappropriately influence content.

At the national level, fewer media outlets depend on government advertising for their survival. This does not stop the federal government, however, from allocating advertising in ways that can only be described as political favoritism. Also, senior government officials in Buenos Aires engage regularly in unacceptable pressuring and intimidation of media owners, editors and even individual reporters to tone down criticism of President Néstor Kirchner's administration or spin news coverage to its liking. Similar forms of interference abound in the provinces.

Situation in the Four Provinces

Contracting of government advertising in all four provinces is, to a disturbing extent, discriminatory and politically motivated. In Córdoba, Río Negro and Neuquén, local governments—including certain municipalities—use advertising to both retaliate against outlets with a critical editorial line and reward those that are favorable in their coverage. Advertising leverage is used to force owners and editors to fire or sideline critical journalists; to punish or “make an example” of critics; and to cause the financial demise of critical voices. Financial pressures are also employed to press media outlets to carry favorable coverage of the government and its officials, to deny access to government opponents, and to exert direct control over the content of print space or airtime.

The responsibility for contracting advertising services is typically centralized in one office or even one official, who tends to have excessive to complete discretion in deciding where and how much to allocate. Even where—as in the case of Córdoba—some basic regulations are in place, they appear to be systematically ignored or evaded, and do little to curb abusive practices. Internal and external control mechanisms, including executive audit agencies, have been entirely ineffective in preventing manipulation of advertising. Such failures reflect the fact that the abuses are not the work of a few rogue officials, but entrenched practices condoned by the highest levels of the provincial and municipal executives.

The Neuquén provincial government has demonstrated the most concerted and aggressive abuse of advertising for political means. The provincial government is known, for example, to contract private firms to monitor media content and editorial orientation, and then allocate advertising based on the results. Much of Neuquén advertising is distributed through private advertising agencies that are not subject to any transparency or fair allocation requirements.

In Tierra del Fuego, executive agencies are required to make advertising decisions on the basis of media circulation/audience surveys. Even when carried out, however, these surveys are not made public. Taking advantage of the smaller market, provincial and municipal authorities use generous advertising contracts to purchase pervasive influence over the content of most local media. Advertising payments are often not related to the scant ads actually published, but appear aimed at purchasing silence on “negative” issues and events or uncritical coverage of the government’s version. Officials commonly send out press releases or even articles that are published verbatim and never signed, appearing as independent pieces produced by newspaper staff.

Withdrawal of Government Advertising. Our research uncovered several cases of withdrawal of advertising by provincial or municipal governments in retaliation for critical reporting or to press for changes in the editorial line of critical media. For example, in late 2002 and 2003, the province of Neuquén withdrew nearly all advertising from the *Río Negro* following the paper’s coverage of a bribery scandal that implicated the governor of Neuquén. In August 2004, the same administration stopped advertising on the TV program *Periodistas* as punishment for remarks critical of Governor Sobisch made by one of the program’s hosts in a radio show. In mid-February 2004, the government of the city of Villa María canceled all government advertising in *Diario de Villa María (Villa María Daily)* after the paper ran stories critical of local officials. Another means of exerting pressure on outspoken media is withholding payment for already-run advertising.

Discriminatory Allocation of Advertising and Hidden Subsidies. Independent and opposition media in Neuquén, Córdoba, and Río Negro routinely find themselves victims of discriminatory and politically motivated allocation of advertising. When current Peronist governor José Manuel de la Sota was inaugurated in June 1999, the province of Córdoba abruptly discontinued all advertising to *Hoy Día Córdoba (Today in Córdoba)*, a historically independent paper critical of Peronist administrations. In 2003, the province of Neuquén tripled advertising spending on *La Mañana de Neuquén (The Neuquén Morning)*, whose content is generally and consistently uncritical of the provincial administration. This increase coincided with the above mentioned withdrawal of advertising from the paper’s principal competitor, the *Río Negro (Black River)*. Our study of government advertising carried by four newspapers in Córdoba showed that the provincial government allocated more than 65 percent of its advertising to the two papers with the smallest circulation by far, including one providing favorable coverage and a cooperative-run paper that appears to receive advertising as a survival subsidy. Similar cases involved the unjustified allocation of advertising to radio stations in Córdoba and Río Negro.

Conditioning of Content and Firing of Journalists. Government abuse of advertising and other forms of financial leverage over the media is at its most extreme when officials use the power of the public purse to directly interfere with media content. A number of egregious examples are described in the report, including the firing of journalists in response to government pressure at LU5 Radio Neuquén; a campaign of advertising-related pressures against

Cadena Abierta, an independent radio news service in Neuquén; attempts by the provincial government to condition the content of several programs aired by the television and radio stations of the University of Córdoba; and the removal of a program from the air in the middle of a broadcast, the firing of journalists, and cancellation of political programs at Córdoba's Channel 2.

In general, in all four provinces, government officials do not interfere with content by making direct contact with journalists, but rather use economic pressure on media owners and directors, who then communicate these pressures to their reporters. While the *modi operandi* of government officials differ somewhat from one province to the other, in each of the four provinces under study media freedom and independence are seriously hindered by ongoing and systematic government advertising and other financial abuses.

Situation at the National Level

Advertising and Related Abuses. Most national media are financially less dependent on government advertising than their provincial counterparts. Our survey revealed that while government advertising in the daily *Página/12* amounted to 29 percent of total advertising, that figure was only 5 percent for competitors *La Nación* and *Clarín*. That notwithstanding, allocation of public advertising by the federal government clearly and unjustifiably favors certain media—usually friendly to the Kirchner administration—at the expense of others. These distortions are illustrated by the disproportionately high allocations to the daily *Página/12* and the television station América TV, especially when one compares their respective circulation and ratings to those of their competitors. The federal administration seems to be primarily concerned with rewarding and helping friendly media survive, rather than actively punishing critical outlets.

Unlike in some of the provinces, most federal agencies are legally required to allocate advertising through competitive bidding. Responsibility for major advertising decisions—including as to what, when and where to advertise—lies with the office of the media secretary, who reports directly to the president's office. The actual contracting of advertising for most agencies is done by the government's news agency, Télam, which uses no competitive process whatsoever.

A number of provincial and federal officials seek to justify their abundant allocations of advertising to favored media as legitimate subsidies that promote media pluralism. The fact remains, however, that in most cases the outlets that attract the government's generosity tend to be those closest to the government of the day, which are thus granted an unfair advantage over their competitors. "Advertising as subsidy" policies are misguided even when carried out in good faith. The purpose of government advertising is to inform the public of important matters of governance, a function that is not always compatible with the need to support small or struggling media. International standards require that subsidies to the media be clearly earmarked as such, and that they be allocated by independent bodies, according to fair criteria and open procedures.

Other Interference. Our research confirms the recent criticism from various quarters of the Kirchner administration's meddling with media freedom in ways that go far beyond its advertising abuses. Numerous and consistent accounts from reporters, editors, and media observers revealed that senior executive officials regularly and forcefully pressure and intimidate media directors regarding information published or about to be published.

In some serious cases, presidential advisers have gone as far as attempting to suppress critical TV programs or force out individual reporters. For example, in October 2003, high-level officials attempted to cancel a critical story on, and remove a journalist from, the weekly political television program *Día D Clásico*. Such actions may amount to serious abuse of office, and warrant official investigation. In sum, the current government has made control of national media content a priority that it pursues with systematic vigor, subjecting the media to a behind-the-scenes executive siege.

Government officials have also denied access to federal institutions and information as reprisal for critical reporting, as in the case of the magazine *Noticias*. Similarly, decisions about journalists' access to the presidential aircraft, the *Tango 01*, are often politically motivated and discriminatory.

Effects of the Subtle Siege

The financial abuses and other forms of interference with editorial autonomy described in the report have very serious and pervasive "chilling effects" on media freedom and democratic debate in general, both in the provinces and at the federal level. Numerous testimonies gathered by our researchers reveal how government pressuring of media owners and editors triggers waves of self-censorship that "chill" entire newsrooms and are capable of silencing even the most courageous reporters—if necessary by taking them off the air or firing them altogether.

In a chilling account, a national reporter described how senior federal officials call his editors preemptively to "discuss" sensitive topics and events before his paper has even decided how to cover them. In the words of this journalist, many Argentine media find themselves in a place where "it is not necessary [for the government] to censor you."

Access to Information Issues

In the provinces and at the national level, we encountered numerous obstacles when seeking public information on government advertising and the other issues covered in the report. Although Córdoba and Río Negro have access to information laws, with relatively few exceptions, our formal requests for information went unanswered, as did our requests for interviews. (Tierra del Fuego passed a freedom of information law in December 2004, after we had completed most of our research in that province and filed the respective request for information, which was never answered.) The Río Negro government eventually provided information on its advertising spending, but this was unorganized, inaccurate and incomplete.

Tierra del Fuego publishes information on advertising spending in its official journal, but does not detail the goods or services rendered. We found no information in the official journals of the other three provinces. Furthermore, our written requests to the governments of all four provinces and at the national level for information and comment on the various cases described in this report received—with the single exception of a Córdoba agency—no response.

At the national level, an executive decree requires executive agencies to answer requests for public information within ten days. However, out of eight agencies with which we filed formal requests, only two responded in a timely and adequate manner. Overall, the response of the federal agencies was poor and, in the multiple cases of total silence, in flagrant violation of the freedom of information decree. This suggests a lack of sufficient political will to address the transparency deficit within the federal executive, especially on issues of political freedom and financial accountability.

Summary of Recommendations

To the National, Provincial and Municipal Governments in Argentina

1. Make a political commitment to refrain from using advertising and other financial or indirect pressures as a tool for interfering with media freedom and independence. Demonstrate such a commitment by investigating credible past and, in particular, future allegations of such interference.
2. The respective legislative bodies should adopt clear and specific laws that establish fair, competitive, and transparent contracting procedures for all branches of government that ensure unbiased allocation of advertising-related spending (creative, production, space or air time).
3. Decentralize responsibility for allocation of government advertising so it is not concentrated in the hands of political appointees, such as media secretaries, but left to individual agencies or technical bodies.
4. All branches of government, at all levels, should increase the transparency of state advertising by publishing timely information pertaining to advertising-related procurement in print and online versions of the official journal, at all stages of the process.
5. The legislative branches at all levels should increase the transparency of public sector advertising by requiring all government entities that advertise to publish detailed,

periodic reports—at least annually—of their advertising activities and the procedures used to assign advertising contracts.

6. All government agencies should post their annual advertising budgets and spending reports on their websites, and these should include no more than three or four clear and easily discernible line items for advertising spending.
7. Investigative and auditing agencies at the national and local levels should diligently investigate unlawful practices in procurement of government advertising, and in particular any allegations of political or personal bias in making allocation decisions.
8. The appropriate executive and legislative authorities should require audit agencies, such as executive audit agencies at the municipal and provincial levels, and the Sindicatura General de la Nación (SIGEN) and Auditoría General de la Nación (AGN) to conduct and publish an annual audit of government-advertising spending and practices.
9. Government subsidies to the media should be allocated by independent bodies, in accordance with pre-established, fair, and transparent criteria and procedures. Government advertising should not be used as a form of subsidy.
10. The government should cease all practices that seek to improperly interfere with the editorial content and autonomy of the media, including denial of interviews or other forms of access as reprisal for critical coverage, attempts to prevent publication of stories critical of the government, and other forms of harassment and intimidation.

To the National Government and the Government of Neuquén

11. Pass a comprehensive law on access to public information, based on presumptions of openness and maximum disclosure to the public.

To the National Government

12. The executive branch should adopt and enforce fair and transparent procedures for media access to the presidential aircraft.

To National and Provincial Civil Society Organizations

13. Systematically monitor financial and indirect censorship practices and continue to push for accountability in this area, including through litigation, legal assistance to media professionals, and use of access to information laws.

To Media Outlets and Journalists Associations

14. Actively support reform of government advertising laws and practices, and denounce all related abuses and financial pressures.
15. Develop and adhere to a code of ethics that contains commitments to a fair and transparent government advertising regime, and editorial independence.
16. Reach a comprehensive agreement on the formal and lawful employment of journalists and other media professionals that guarantees their basic labor rights.