

## VI THE PRIVATIZATION PROCESS

Although the deadlines, provided for by the Action Plan accompanying the Media Strategy (concerning issues directly related to the privatization process), are slowly expiring, the authorities have still not issued any reports about the performance of the activities envisioned in the said Plan. We remind that the Plan provides for a review, within 10 months of the adoption of the Strategy, of the possibility to amend the Law on the right to free shares and financial compensation the citizens receive in the privatization process. This is extremely important, since it addresses the problem of public media for which there are no interested buyers. The reason for the lack of potential investors (but also the proof that no issue in the Serbian media scene may be addressed separately and without an insight in the bigger picture) is explained in a text originally posted on the "Juzne vesti" online portal, which was later conveyed by the daily "Danas". The text concerns the funding of the media in Nis from public sources. According to research done by "Juzne vesti", almost 30% of the total cumulative revenue of the largest media in Nis stems solely from contracts concluded with various state institutions. The portal has posted the statement of the President of NUNS Vukasin Obradovic, who said that in the situation of economic transition and depleted market, on one hand, and the excessive number of media on the other, the state, municipality or city have become the main patrons of the media. Owing to the unfinished transition, local authorities control the public media by appointing obedient managers affiliated to political parties, enabling them to directly control editorial policy. "That's not enough for them", Obradovic says, "and so they have set up such a system for allocating money for public information, which aims at indirectly subjugating the few remaining media. By giving away taxpayers' money without open competition, clear criteria and independent commissions, along with offering contracts with public companies, they have clearly indicated that only obedient media – those who have a "constructive" approach to local governments – will receive funding. The pinnacle of cynicism is that the government is aware that the media may not survive without assistance from local government on a depleted market. They are therefore using that situation to completely neutralize disobedient media", Obradovic says. In his opinion, the end result is that in most Serbian towns "only those media who accept the role of local governments' 'notice boards' get to survive". According to the research of Juzne vesti, the model utilized in Nis involves the conclusion of so-called "contracts on increased media coverage". Such a contract has been concluded between many Nis-based media and almost all public companies, institutions and municipalities in the city. Under the contract, the media tacitly commit to providing a positive coverage of their "clients". Nonetheless, the lion's share of the money goes again to the public municipal television – more than half of the overall amount tracked by Juzne vesti. In any case, this research too has shown that privatization *per se* will not suffice to



eliminate the influence of the government on the media; it is merely one of the processes that must be carried out simultaneously and in coordination with other processes, namely in this case with the transition to the model of project-based financing of the public interest in the media sector, as provided for by the Media Strategy.