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ARMENIA

Armenia's decriminalization of libel in 2010 drew praise from the media and international communities, and appeared to point to progress in the treatment of Armenia's journalists. However, 2011 exposed real concerns over the implementation of the new law, as civil lawsuits against media outlets mounted.

The MSI panelists agree that the law represents an important first step. However, the next step should be educating judges in better assessing real damages, as well as determining guilt in better accordance with the spirit of the law and international standards. In time, if this effort succeeds, the courts will be able to better balance protection of individuals and companies from attacks, while at the same time allowing for free flow of truthful newsworthy information.

Still, Samvel Martirosyan, a blogger, noted that the decriminalization of defamation improved the situation in terms of crimes against journalists, which have almost faded out. On the other hand, since the courts unprepared for such changes, and some cases were vastly politicized, the previously physical oppressions of individual reporters and editors transformed into financial oppressions of media outlets.

"In reality, I consider it a good law, they just need to bring down the penalty threshold," said Edik Baghdasaryan, the editor-in-chief of online periodical Hetq.am and the president of the Armenian Association of Investigative Journalists. A November 15 ruling of the constitutional court might bring about positive changes. The court ruling emphasized that financial compensation should not be the primary and main measure, and instead, issuance of an apology or refutation should suffice—and any financial compensation should be commensurate with the outlet's financial resources.

The panelists highlighted the ever-increasing number of online media as a very positive development contributing to the pluralism and diversity of news sources. Online media also tend to cover more important events than traditional media, as well. However, it also brings some ethical concerns due to flourishing plagiarism. Ever-developing citizen journalism, social networks and blogs are further expanding the plurality of viewpoints in Armenia.

ARMENIA AT A GLANCE

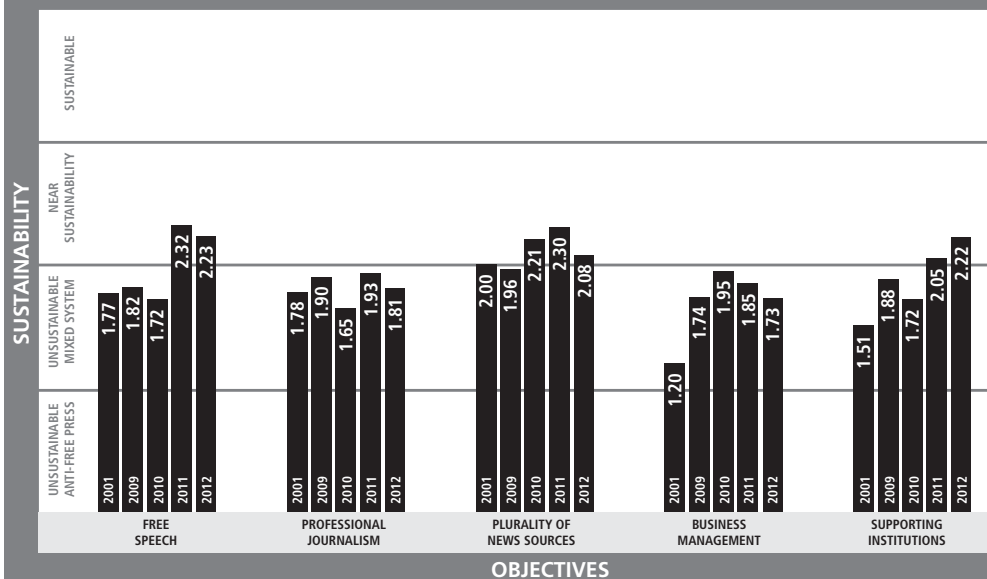
GENERAL

- > **Population:** 2,970,495 (July 2011 est. *CIA World Factbook*)
- > **Capital city:** Yerevan
- > **Ethnic groups (% of population):** Armenian 97.9%, Yezidi (Kurd) 1.3%, Russian 0.5%, other 0.3% (2001 census, *CIA World Factbook*)
- > **Religions (% of population):** Armenian Apostolic 94.7%, other Christian 4%, Yezidi 1.3% (*CIA World Factbook*)
- > **Languages:** Armenian (official) 97.7%, Yezidi 1%, Russian 0.9%, other 0.4% (*CIA World Factbook*)
- > **GNI (2010-Atlas):** \$9.556 billion (World Bank Development Indicators, 2011)
- > **GNI per capita (2010-PPP):** \$5,450 (World Bank Development Indicators, 2011)
- > **Literacy rate:** 99.4% (male 99.7%, female 99.2%) (*CIA World Factbook*)
- > **President or top authority:** President Serzh Sargsyan (since April 9, 2008)

MEDIA-SPECIFIC

- > **Number of active print outlets, radio stations, television stations:** Print media: 36 publications; Radio Stations: 21; Television Stations: 14 local stations in Yerevan (4 of which broadcast nationwide), 3 Russian relay channels and 1 relaying CNN; 23 television stations in regions
- > **Newspaper circulation statistics:** Average reported circulation is between 5,000-6,000
- > **Broadcast ratings:** The three most popular television stations are H1 (public), Shant TV (private), and Armenia TV (private) (AGB Nielsen)
- > **News agencies:** ARKA, Armenpress, Arminfo, MediaMax, Photolure News
- > **Annual advertising revenue in media sector:** \$80 million, estimated by panelists
- > **Internet usage:** 208,200 (2009, *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: ARMENIA



Scores for all years may be found online at http://www.irex.org/system/files/EE_mscores.xls

Unsustainable, Anti-Free Press (0-1):

Country does not meet or only minimally meets objectives. Government and laws actively hinder free media development, professionalism is low, and media-industry activity is minimal.

Unsustainable Mixed System (1-2):

Country minimally meets objectives, with segments of the legal system and government opposed to a free media system. Evident progress in free-press advocacy, increased professionalism, and new media businesses may be too recent to judge sustainability.

Near Sustainability (2-3):

Country has progressed in meeting multiple objectives, with legal norms, professionalism, and the business environment supportive of independent media. Advances have survived changes in government and have been codified in law and practice. However, more time may be needed to ensure that change is enduring and that increased professionalism and the media business environment are sustainable.

Sustainable (3-4):

Country has media that are considered generally professional, free, and sustainable, or to be approaching these objectives. Systems supporting independent media have survived multiple governments, economic fluctuations, and changes in public opinion or social conventions.

OBJECTIVE 1: FREEDOM OF SPEECH

Armenia Objective Score: 2.23

Overall, the score for Objective 1 remained more or less the same compared with last year. Scores for most indicators likewise remained unchanged. Indicator 4 (crimes against journalists), improved significantly offset by a loss of score for indicator 5 (legal guarantees of independence for public media). Indicator 5 and indicator 2 (media licensing) both lagged behind the objective score, by half a point and a full point, respectively. Indicators 8 (restrictions on media use of news sources) and 9 (free entry into the journalism profession) both scored more than half a point higher.

The Armenian constitution guarantees the freedom of expression. The Law on TV and Radio prohibits censorship and government interference, under articles 4 and 17. In reality, though, neither of those articles is enforced. Edik Baghdasaryan put it this way: “We don’t have any problems with the laws, but since the judiciary is not independent in Armenia, it renders it impossible to restore justice through courts.”

“We are protected by the law, but I don’t really observe any social protections; we don’t protect ourselves as a public society,” said Artyom Yerkanyan, journalist and political

analyst at Shant TV. “The activity of public advocacy groups that should be on top of this has little impact on our protection,” he said.

The law respects the confidentiality of sources, and the panelists could not name any cases of journalists facing prison time for not revealing sources recently.

Licensing is limited to private broadcast and cable media, but it is not transparent, and it is considered a far from apolitical process. The public television and all other media do not need a license to operate. Broadcasting licenses are issued by the National Commission on Television and Radio (NCTR), which, according to article 35 of the Law on TV and Radio, is an independent regulatory body aimed at ensuring broadcasting outlets’ freedom, independence, and diversity. The commission’s state governing principles include legitimacy, democracy, equality, impartiality and publicity. The commission has eight members. Half are elected by the National Assembly, and the other half are appointed by the Armenian president. All serve for a period of six years. The members elect the head of the commission and his or her deputy.

According to Edgar Vardanyan, an analyst with the Armenian Center for National and International Studies (ACNIS), there is an obvious tendency to grant licenses to those broadcasters that toe the government line.

“I have devoted a lot of time to exploring the proposals, as I served on the reviewing committee. In reality, no tenders are conducted for broadcasting licenses in Armenia per se; they are only a formality. Before the competition, the committee already knows which companies are going to win and which are going to lose; therefore it is not important how professional or unprofessional the proposals are. In fact, they are all very poor; applicants do not bother preparing for the competition, as they know that they are going to win,” said Edik Baghdasaryan. However, he and Martirosyan both noted that licensing is no longer an efficient tool for stifling an [unwanted] media outlet, with the growth of Internet media. As proof, they cited the example of A1+, with its live streaming, and a few other online media with on-demand webcasts (azatutyun.am, slaq.am, 1in.am, etc.).

Aside from the restrictions imposed by licensing, the market entry and tax structure for media have been comparable to other industries for many years. “Entry today is easier than if you wanted to enter the market as a doughnut baking LLC,” Yerkanyan said. Also, print media enjoy VAT exemption on distribution expenses.

All panelists agreed that the year has been quiet in terms of crimes against media professionals. However, Melik Baghdasaryan, owner of the Photolur photo news agency, said “We don’t feel secure during either pro-government

LEGAL AND SOCIAL NORMS PROTECT AND PROMOTE FREE SPEECH AND ACCESS TO PUBLIC INFORMATION.

FREE-SPEECH INDICATORS:

- > Legal and social protections of free speech exist and are enforced.
- > Licensing or registration of media protects a public interest and is fair, competitive, and apolitical.
- > Market entry and tax structure for media are fair and comparable to other industries.
- > Crimes against media professionals, citizen reporters, and media outlets are prosecuted vigorously, but occurrences of such crimes are rare.
- > The law protects the editorial independence of state of public media.
- > Libel is a civil law issue; public officials are held to higher standards, and offended parties must prove falsity and malice.
- > Public information is easily available; right of access to information is equally enforced for all media, journalists, and citizens.
- > Media outlets’ access to and use of local and international news and news sources is not restricted by law.
- > Entry into the journalism profession is free and government imposes no licensing, restrictions, or special rights for journalists.

Margarita Minasyan, director and co-owner of Tsayg TV remarked, "I think no state appointment, even a janitor in a state enterprise, is by any means apolitical, let alone such important appointments as those of state/public media managers."

or opposition events; we feel the tension that something might happen from either side. But, I believe that's the way it should be. We're doing our job, and no one's going to stop what they're doing and invite you to complete your shots."

There was one case, involving Nikol Pashinian, who was beaten and moved into solitary confinement in late 2010 after publishing editorials from prison criticizing prison conditions. According to Pashinyan's statement, in late 2010 unidentified masked people beat him in prison. The warden refused to bring a criminal action on the complaint. Hraparak daily, Hetq.am, A1plus, Gala TV, Committee to Protect Freedom of Expression NGO and others gathered in downtown Yerevan demanding secure conditions for Pashinyan's confinement. In early January, Pashinyan was transferred to Artik prison, to a solitary cell (for security reasons, according to official data). Later in March of 2011, the prosecutor-general overruled the decision of the warden and filed a criminal case on Pashinyan's beating. In May 27 he was released.

On paper, the law protects the editorial independence of state/public media. Specifically, article 26 of the Law on TV and Radio states clearly in the 4th clause, "...the public television and radio company is governed by the principles of objectivity, democracy, impartiality, diversity, pluralism," and it also ensures the freedom of speech, conscience and creativity. Every year, however, MSI panelists criticize the government sharply over this indicator. According to them, public media are not apolitical; they are just fully controlled tools in the hands of the government and the adjoining circles.

The Council on Public Television and Radio regulates the public broadcast media. The council is steered by five members (including at least one female) appointed by the state president for a period of six years. The members elect the head and the deputy. Margarita Minasyan, director and co-owner of Tsayg TV remarked, "I think no state appointment, even a janitor in a state enterprise, is by any means apolitical, let alone such important appointments as those of state/public media managers."

As noted above, libel was decriminalized last year, drawing positive response from the panelists as well as the international community. It also resulted in a better ranking in the annual Press Freedom Index 2010, published by Reporters without Borders, gaining 10 points over last year's rank.¹ The OSCE Representative on Freedom of the Media, Dunja Mijatović, welcomed decriminalization of defamation in Armenia as a significant step toward ensuring a media-friendly environment.²

However, an eruption of civil lawsuit against media outlets critical of the government eroded the goodwill from the once long-awaited decriminalization. In a November 10, 2011 letter to Armenia's foreign minister, Edward Nalbandyan, Mijatović noted that regretfully, since the decriminalization of the defamation and libel law, almost 30 civil defamation lawsuits have been brought against newspapers, including 11 this year. Mijatović said, "In most cases, the compensation sought is out of proportion to the damage allegedly inflicted."³ In all, 34 lawsuits had been filed as of December 2011.

One of the recent lawsuits was filed by a lawyer against "hraparak.am," which published an article about a group of people complaining about the lawyer's practice. The comments section contained an anonymous comment using insulting language. The lawyer is demanding AMD 18 (\$46,280) in damages.

It should be noted though, that the first high profile libel lawsuit with a penalty of AMD 3.62 million (around \$10,000 at the time), was in 2009, even before the new law (the criminal code allowed for either a penalty or imprisonment for libel and defamation through the corresponding articles of 135 and 136). The court of appeals later brought this down to AMD 3 million (\$7,700).

A November 15 ruling of the constitutional court stressed that financial compensation should not be the primary and main punishment; instead, an apology or refutation should suffice. Furthermore, if applied, financial compensation should be commensurate with the outlet's financial resources. Some of the panelists were nonetheless concerned that the ruling might just remain as a recommendation, and bear little influence on actual cases. The panelists noted that the Constitutional Court disseminated a press release on

¹ "Press Freedom Index 2010: Europe Falls from its Pedestal; No Respite in the Dictators." Reporters without Borders: March 24, 2011. Available at: <http://en.rsf.org/press-freedom-index-2010,1034.html> (accessed March 15, 2012).

² "OSCE media freedom representative expresses concern over growing number of libel lawsuits in Armenia." OSCE press release: November 10, 2011. Available at: <http://www.osce.org/fom/84878> (accessed March 15, 2012.)

³ Ibid, Reporters without Borders.

December 1, 2011, in particular dispelling fears that it might fail to affect the cases already in courts.

Edik Baghdasaryan noted that Armenia's access to information law is one of the best in the world, but it is sometimes impossible to apply in practice. Whenever the requests for information deal with abuse, corruption, or conflicts of interest, or when they expose unflattering information, journalists face a difficult struggle in trying to get their answers.

Edik Baghdasaryan brought the example of "Asparez" Journalists' Club, which filed a Freedom of Information claim requesting information from the State Revenue Committee, regarding officers who were rewarded with expensive watches on New Year's Eve—allegedly bought from the store of the Committee head's son. The Journalists' Club could not get the information, not even through the court. According to Edik Baghdasaryan, this example alone is enough to understand how useless the law can be.

Most of the panelists ranked the last two indicators, indicator 8 (media outlets' access to local and international news) and indicator 9 (entry into the journalism profession), positively. They agreed that over the years, there have not been serious problems with these two indicators, which meet many of the MSI's criteria for sustainability.

Unfortunately, however, there are no consistent, clearly defined and widely accepted standards for fair use that protect intellectual property. The ethical and professional outlets and/or bloggers properly attribute sources, for the most part, but others just copy the content, sometimes even rewriting it slightly to make it unique for search engines (and foster indexing), however this rewrite sometimes distorts the facts and on some occasions also generates false facts.

Last year's MSI noted that online media requesting accreditation to cover parliament must prove they receive 800 visitors each day through an official rating service. The new order for accreditation (as required by the 6th article of the Law on Mass media, issued by the ex-National Assembly Speaker Hovik Abrahamyan on Aug 21, 2009) does not specifically define the acceptable methods for proving the claimed visits, nor the type of the visits themselves (i.e. total pageviews vs. unique visitors or hosts; it just stipulates 800 daily visits), and does not specify a certain rating service to use. In fact, this can hardly be a serious impediment at the moment, since all of the active online media either actually meet the required 800 visits a day on average, or can "force" this result easily using different methods (ranging from legitimate to unethical; some of these are described in detail in Objective 4).

In terms of accreditation, the Armenian immigration authorities did refuse to issue visas to international reporters from the Finnish public broadcaster YLE and the Lithuanian television station Komanda, which sought entry for a documentary about Nagorno-Karabakh. Some Armenian outlets wrote that the documentary's producer, Andrius Brokas, was a spy working for Azerbaijan, and a senior Armenian foreign ministry official told the media that it was obvious that their aim was to damage Armenia's reputation. In response to a query from Reporters Without Borders, foreign ministry adviser Tigran Mkrchyan said in a March letter that the crew was turned back "for security reasons."

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Armenia Objective Score: 1.81

Objective 2 experienced a slight drop in score resulting from a lower rating of indicator 6 (balance of entertainment and news) by panelists. All indicators scored within half a point of the objective score, with the exception of indicator 7 (facilities and equipment), which scored about two-thirds of a point higher.

The panelists agreed that of course there are certain outlets and media professionals that adhere to professional standards, but they are too few and do not change the overall sad picture of the media field. In general, reporters seldom verify and fact-check the information they present. They are often overtly subjective, even in news reporting. They seldom conduct background research to a story or prepare adequately before interviews or press conferences,

JOURNALISM MEETS PROFESSIONAL STANDARDS OF QUALITY.

PROFESSIONAL JOURNALISM INDICATORS:

- > Reporting is fair, objective, and well-sourced.
- > Journalists follow recognized and accepted ethical standards.
- > Journalists and editors do not practice self-censorship.
- > Journalists cover key events and issues.
- > Pay levels for journalists and other media professionals are sufficiently high to discourage corruption and retain qualified personnel within the media profession.
- > Entertainment programming does not eclipse news and information programming.
- > Technical facilities and equipment for gathering, producing, and distributing news are modern and efficient.
- > Quality niche reporting and programming exist (investigative, economics/business, local, political).

Conventions on plagiarism are seldom respected. Edik Baghdasaryan said that such cases are widespread; stories are copy-pasted or sometimes even rewritten without any reference to the source—a problem his outlet, hetq.am, faces often.

and quite often they do not even know who is giving the press conference.

Yerkanyan underscored the importance of differentiating between unintentional failures to verify information—oversights on the part of reporters—and deliberate efforts to stifle or fail to verify information. “If it is an oppositional media, with an agenda to discredit the government, or a pro-government media set on discrediting the opposition, then there is little inclination to verify [the information]: to the contrary, there is an agenda to find discrediting information and disseminate it,” he said.

In the few instances when both sides of a conflict are presented, they generally reveal a bias to one side, either through selective questions, editing and similar manipulative techniques that only a few sophisticated readers pick up on.

Additionally, the media spread high volumes of unprocessed information, originating from an unreasonably high volume of press releases and press conferences. In many cases, the sources of press releases are not even verified, which results in disinformation penetrating into the media field. For example, Martirosyan mentioned a press release from a concocted Armenian Masonic Lodge that was widely distributed throughout the media.

According to Martirosyan, the overall low quality of journalism can be traced to deficiencies in educational institutions, where journalism teaching standards lag behind modern standards.

Fierce competition, aside from generating huge volumes of unverified information, fosters the press’s descent into yellow journalism. The outlets that position themselves as news and/or sociopolitical outlets have started to disseminate overtly entertainment programming and scandalous content. The involvement of social networks in promoting and advertising the traditional press further contributed to the development of this phenomenon. This is seen in both traditional and online print media; the situation is somewhat better in broadcast media than online and print media.

Different media organizations and individual media outlets have developed ethical standards, but as all panelists have agreed over years, these standards are not always used in-house, let alone used to encourage media-wide policies. Media do not make clear distinctions between news reporting and advertorial content, and only sophisticated readers/viewers are able to identify likely cases of paid reporting.

There have been many attempts throughout the years to establish a monitoring body to hear ethics complaints, but they emerged as a donor-funded initiative and did not survive past the grant period. The panelists pointed to the Yerevan Press Club’s efforts in conjunction with the “Promoting Freedom, Professionalism and Pluralism of the Media in the South Caucasus and Moldova” program, co-funded by the European Union and the Council of Europe. Essentially, the program involves a television show on Yerkir Media TV that discusses ethically of professionally controversial complaints, inviting both sides of the conflict, later making recommendations to both parties.

Conventions on plagiarism are seldom respected. Edik Baghdasaryan said that such cases are widespread; stories are copy-pasted or sometimes even rewritten without any reference to the source—a problem his outlet, hetq.am, faces often. Once, a popular online periodical went so far as to reprint a hetq.am story, backdating the date stamp of the article on their webpage. Hetq.am reporters often receive offers of payments or gifts in exchange for certain types of coverage, and Edik Baghdasaryan speculates that while they refuse those requests at his outlet, it does not necessarily mean that many others, offered the same, resist the temptation.

Self-censorship is more evident in broadcast and pro-government print media. It is multilayered, starting from the reporters, who run the information through the first filter all the way up to the owners of the outlets. Sometimes the degree of self-censorship by reporters goes further than the intentions of the editor or the owner. Self-censorship is less evident with online media. With the oppositional media, it is sometimes even non-existent in content dealing with the government and the adjoining circles—although any negative content concerning the opposition is suppressed.

“I don’t self-censor myself at all, I just try to adhere to ethical standards,” said Vardanyan. “If they are oligarchs, should I not write ‘oligarchs’? If they falsify, should I not write ‘falsify’? I just won’t write insults, I don’t want to devalue my copy and bring it down to the level of yellow journalism,” he said. “I don’t know whether I would write the same articles if I were in North Korea, I think I wouldn’t. But to my mind, in Armenia a political analyst has considerable freedom to

write fearlessly the analysis that he truly believes in," added Vardanyan.

Online media, at least, cover all key events. It is somewhat different in broadcast, although more and more topics eventually seep into broadcast as well.

"The prevailing majority of television programs present a picture, which, in my opinion, has nothing to do with reality," said Vardanyan. "You watch the channels [and gain the impression] that Armenia is a paradise; you surf the Internet, and it is hell," he said. Tigran Paskevitchyan, a freelance journalist, agreed, adding, "I was in Beirut for a week and four Armenian channels were accessible in the hotel. You see a completely different picture when you're not in the country. Then, you enter the Internet and everything comes back to reality."

Traditional media are expanding their coverage, too, although they have not caught up to online media. Key events are covered better in national than regional media, and often poorly in minority media. Even if traditional media neglect a topic at first, these events do penetrate into conventional media eventually, including broadcast and even the public television. The approach, however, differs naturally from Internet to broadcast; while coverage is not censored in terms of space or content online, they do get trimmed and tidied up more in broadcast.

Pay levels for journalists are not high enough to discourage corruption and retain qualified personnel within the media profession. The situation is a little better in broadcast and in a select number of print outlets.

Yerkanyan commented, "No matter how low a salary, it would have been absolutely impossible to do a "left" story and get paid for that at the broadcast or print outlets that I have worked at, even if the reporters really wanted to."

Entry-level journalists' salaries are considerably below those of their senior colleagues. In fact, they are often just symbolic, sometimes taking the form of prolonged unpaid internships. However, these entry-level journalists are not more vulnerable to corruption, because they do not have much latitude in choosing their stories and/or making decisions.

Entertainment programming eclipses not only news but also sociopolitical, cultural and educational programming. Most major stations have three to four top-of-the-hour newscasts. Almost all of the primetime content is rife with low quality soap operas. Panelists agreed that the inclusion of more news-related programs would push audiences to switch to other formats, and the current situation with primetime directly reflects that belief.

"I don't self-censor myself at all, I just try to adhere to ethical standards," said Vardanyan. "If they are oligarchs, should I not write 'oligarchs'? If they falsify, should I not write 'falsify'? I just won't write insults, I don't want to devalue my copy and bring it down to the level of yellow journalism," he said.

"As a [profitable] business, television kills the news outlet in itself," said Yerkanyan, meaning that to chase higher profits, television minimizes news and analytical programs, and maximizes entertainment programs—soap operas in particular. Vardanyan, however, noted that during pre-election periods new information and sociopolitical programs emerge.

Speaking of the facilities and equipment for gathering, producing and distributing news, Paskevitchyan said: "One thing can be said [for sure]: it is not the [poor] facilities that are hindering the media from improving their quality ... today, you can shoot HD videos with a mobile phone."

There are journalists that specialize in investigative reporting, mostly among print media. Edik Baghdasaryan, speaking as an investigative journalist, said, "We are often denied permission to conduct interviews in certain places. For example, prison is closed for us. We receive letters from prisoners asking for interviews, but we are denied access on the pretense that the prisons are busy with improvement projects for months—then sometimes we learn that other reporters managed to visit during that period." He continued, "We have tried to do joint investigations with one of the television stations, but these are very costly, and the process comes to a deadlock whenever we approach the funding agreement," he added.

There was no truly groundbreaking investigative reporting in business, health and education in the past year, but there were some groundbreaking efforts in environmental reporting. For example, the government planned to construct a hydropower plant at the point of the tallest (25.5 meters), most abundant waterfall in the country. A myriad of articles about saving the Trchkan waterfall appeared in many outlets of almost all types of media, and there were many protests. The awareness fueled by the media attention eventually resulted in the country executive's decision to grant Trchkan special status, rendering it immune to all sorts of industrial exploitation.

OBJECTIVE 3: PLURALITY OF NEWS

Armenia Objective Score: 2.08

The score for this objective suffered a modest setback as panelists returned lower scores for four of the indicators: indicator 4 (news agencies), indicator 5 (private media produce their own news), indicator 6 (media ownership is transparent and not monopolized), and indicator 7 (representation of minority affairs in the media). Indicator 3 (public media are non-partisan) remained unchanged, and lagged behind the objective score by more than three-quarters of a point. Likewise, indicator 6 trailed by about two-thirds of a point. Indicators 1 (plurality of news sources) and 2 (citizen access to media) led the pack, each scoring more than two-thirds of a point higher than the objective.

Online media appear sustainable, having survived a couple of years already, and some even show progress on this front. This, however, is only because they have a sponsor of some sort (pro-government, opposition sources, international grants, etc.), and not because they excel in

The prevailing majority of traditional and now online print media are either pro-government or pro-oppositional. To have a more-or-less complete, objective picture, one must read content from both poles. The broadcast media, as has long been the case, remains under government control.

MULTIPLE NEWS SOURCES PROVIDE CITIZENS WITH RELIABLE, OBJECTIVE NEWS.

PLURALITY OF NEWS SOURCES INDICATORS:

- > Plurality of public and private news sources (e.g., print, broadcast, Internet, mobile) exist and offer multiple viewpoints.
- > Citizens' access to domestic or international media is not restricted by law, economics, or other means.
- > State or public media reflect the views of the political spectrum, are nonpartisan, and serve the public interest.
- > Independent news agencies gather and distribute news for media outlets.
- > Private media produce their own news.
- > Transparency of media ownership allows consumers to judge the objectivity of news; media ownership is not concentrated in a few conglomerates.
- > A broad spectrum of social interests are reflected and represented in the media, including minority-language information sources
- > The media provide news coverage and information about local, national, and international issues.

The numbers of news sources continues to grow by the month due to online media. The growth in Internet users and their expanding interest in the Armenian websites have made a considerable contribution. According to the national rating service, circle.am, there are now more than two hundred news portals. The question remains, however, as to who owns or funds them.

Overall, the diverse political opinions coming from the portals allow for diverse viewpoints, a breadth that is non-existent in broadcast media. Of course, broadcast media offer an "alternative" diversity, the so-called controlled dissent.

Aside from the online outlets, ever-developing citizen journalism, social networks and blogs contribute to the plurality and diversity of news sources and dissenting viewpoints.

"I know many people that say they don't visit news sites, but use their Facebook accounts to get the information they want," said Vardanyan.

Martirosyan said, though, "Here we have to clarify that they think they get it from Facebook, but in reality they follow to the news portals through the numerous links that are posted by the users." Martirosyan continued, "Many people say that they are elite and that they do not watch the local channels, but in reality they watch those same channels on YouTube from links in Facebook," he said. For now, Twitter is underutilized in Armenia; only the most sophisticated journalists, bloggers, and citizen journalists have Twitter accounts and/or actually tweet regularly.

All panelists agreed that citizens' access to domestic or international media is not restricted by law or in fact. Foreign media are freely available through satellite and cable television, CNN, and the Internet. Three Russian channels are also available through free terrestrial broadcast. The only impediment is the relatively high price of cable/satellite and the Internet, which despite improvements is still expensive for most and quality and speed are an issue, especially in the more distant regions.

At present, there are no signs that the government wants to control the Internet legislatively. The only way to control it would be to shut down the servers/domains/offices under threat of "emergency," or denial-of-service attacks on such sites as happened March of 2008.

Panelists consistently score the question of the state or public media's reflection of the views of the political spectrum low. In this light, when the public television invited the opposition ANC (Armenian National Congress) coordinator for

an interview, it was thought to be unprecedented. Yet still, Vardanyan noted that the public media, and public television in particular, serve the interests of the government and business elite at the expense of public interest.

“Quite often these media attempt to discredit individuals, organizations, initiatives who raise various issues of public importance. As a rule, they are partisan, and especially during pre-election periods they become a public platform for the ruling parties,” said Vardanyan.

Panelists agreed that the public media, and public television in particular, do not sufficiently fill the gap in coverage left by commercial broadcasters. The rare occasion of educational and cultural programming exists to check off the compliance box. Such programming ends up in off-off primetime, often late at night, while the primetime is swamped with folksy soap operas.

Panelists agreed that the classic news agencies are becoming extinct. ARKA and MediaMax still operate, but publish mostly free-of-charge through the web, or survive through sales of exclusive interviews, stories, etc. As for Armenpress, it is a state agency, exempting it from funding woes. The Internet provides numerous sources of free information, often, by these same agencies. The exceptions are exclusive interviews, photo content from local outlets and video content from international agencies (Reuters, DW, etc.)

Private media produce their own news, but most panelists agreed, it differs little from those produced by public media or the private broadcast outlets themselves. “You sit in front of television with the remote control, flip the channels, and you have the impression that you’re watching the very same channel, [and by the way] quite a bad one,” said Paskevitchyan.

As for the online media, their content differs state/public media, but the bulk is copy-and-pasted from other online media—often without giving credit, let alone cross links to the original source.

Media ownership is far from transparent. Even if you dig up information on the official owners/directors, most are mere figureheads, and not the true owners. There are anecdotal references to members of the National Assembly, political figures or state officials, but they ensure that on paper there is distance between them and the media outlet.

When an outlet is an offshore company, it is virtually impossible to track or prove ownership. It is not obvious who

Martirosyan continued, “Many people say that they are elite and that they do not watch the local channels, but in reality they watch those same channels on YouTube from links in Facebook,” he said.

exactly controls blogs or other online media either, with the exception that the overall political orientation of the outlet is clear from the content.

Minority language media exist legally. Russian, Ukrainian and Kurdish minorities have their newspapers, and Public Radio has programming in minority languages, including but not limited to Georgian, Russian and Kurdish. “I don’t think there’s a problem of underrepresenting minorities, including sexual minorities. They have their own platforms and they write what they want,” said Edik Baghdasaryan.

The citizens, overall, are able to get news and information about their hometown, other regions, national issues and international developments. Media with a nationwide reach generally report significant news from regions beyond the capital, though panelists agreed that the volume of news from regions is lacking and the capital remains the primary focus of news outlets.

Broadcast outlets usually buy or exchange news with regional outlets rather than maintain correspondents in the regions or dispatch reporters when regional news occurs. Emerging online media that specialize in regional news could fill this gap. Martirosyan provided one example: <http://www.armregions.am>. Generally, local media produce local news.

While media in Armenia cover key international issues, citizens who seek fresher, more up-to-date and more accurate first hand news must turn to international sources. The language barrier results in coverage of international issues in Russian.

Martirosyan noted, “Not until it was published in *Russkiy Reporter* (Russian Reporter, rusrep.ru) did the Wikileaks “leak” into Armenian media on a mass scale. This showed clearly that our journalists do not know English well enough.”

Vardanyan disagreed, “If lack of English was the only reason for this, then we would also see reflections from Ekho Moskvy (Echo of Moscow, a Russian language radio station based in Moscow described as ‘the last bastion of free media in Russia’), but we don’t.”

OBJECTIVE 4: BUSINESS MANAGEMENT

Armenia Objective Score: 1.73

The overall objective score dropped just slightly this year. All indicators scored close to the objective score.

As for the business side of the media outlets, panelists agreed that there should be a differentiation between broadcast media and print (both online and traditional), as well as between regional media vs. media in the capital. Major broadcast outlets in the capital are self-sustaining profitable businesses, while the regional media struggle, though there are examples of regional outlets that operate at a profit.

Minasyan, a television director, commented that she views her media as a business: "Whenever I am asked, 'What is a media outlet for you?' I've always answered 'a business.' I invested money with an expectation of profit in time and to leave the business to my children. I'm a businessperson," she said.

Paskevitchyan noted, "Aside from television, all other media outlets are money-losing entities. Television is a business—but it is not as a journalistic outlet."

Broadcast outlets are required to have business plans as a prerequisite of applying for a broadcast license. Nevertheless, few outlets prepare business plans with any intention of adhering to them in their subsequent operations and management once the license is granted. Few outlets employ marketing professionals, and fewer still have human resources

professionals, although most have a practical accountant on board.

Many broadcast outlets have multiple advertisers, but fees from cable are either non-existent or insignificant. The owners set the editorial policy the outlet.

In contrast, the vast majority of online and print media lack diverse revenue strategies. Rather, most have a single source, a donor really, who accordingly stipulates the content and the editorial approach. Bloggers in Armenia cannot make enough money yet to support their work and are forced to maintain their blogs while holding down other jobs.

Public/state media enjoy an adequate and guaranteed source of revenue. In addition to public funds, these revenue streams include guaranteed advertising, which claims a big share of the overall revenue pie from commercial outlets. According to Vardanyan, this however in no way supports its political independence, as it has a tendency of "brainwashing" and serving narrow clan interests.

Furthermore, the public media, Vardanyan said, do not use taxpayer funds responsibly. "A considerable volume of the content they produce has nothing to do with issues of public interest, doesn't improve the individual audience member, doesn't assist social life, and follows superficial desires of certain strata of society," he said.

The biggest advertisers across media sectors are telecommunication providers, banks, insurance companies, and the dairy industry, etc. Radio stations enjoy advertising from casinos, a sector that migrated to radios from television.

"As far as I know, after complaints that public television aired a lot of casino ads, the entire television sector came to a gentlemen's agreement to not broadcast it at all, but I don't know whether it was 'voluntary'-compulsory or truly voluntary," said Ashot Harutyunyan, the deputy director of Yerevan FM.

Today, many advertisers place ads based on market strategies and research, however, cases exist of advertising influenced by political obligations. One of the bank directors told Edik Baghdasaryan he had found out upon starting his job at the bank that the bank had a multi-year contract with one of the newspapers for an annual advertising commitment of around \$25,000.

Public/state media advertising is not restricted, in order to protect the commercial media. On the contrary, in addition to substantial state funding the public media also compete with commercial outlets, taking large shares of advertising revenue.

MEDIA ARE WELL-MANAGED ENTERPRISES, ALLOWING EDITORIAL INDEPENDENCE.

BUSINESS MANAGEMENT INDICATORS:

- > Media outlets operate as efficient and self-sustaining enterprises.
- > Media receive revenue from a multitude of sources.
- > Advertising agencies and related industries support an advertising market.
- > Advertising revenue as a percentage of total revenue is in line with accepted standards.
- > Government subsidies and advertising are distributed fairly, governed by law, and neither subvert editorial independence nor distort the market.
- > Market research is used to formulate strategic plans, enhance advertising revenue, and tailor the product to the needs and interests of the audience.
- > Broadcast ratings, circulation figures, and Internet statistics are reliably and independently produced.

Aside from commercial advertising, channels used to sell text crawls and infomercials until a June 2011 amendment to the advertising law essentially swept that type of advertising from the channels. Crawls and infomercials had not been considered commercial advertising until the amendment and the introduction of a 14-minute-per-hour restriction on ads. According to Minasyan, theoretically this can result in having 14 minutes at the tail of one hour, and 14 minutes at the head of the next, for a total of 28 minutes of advertising.

The new amendment also banned the insertion of local advertising into a relay channel's programming, a major concern for commercial outlets that invest considerable financial resources in producing ads, while meanwhile, these relay stations dropped their ad prices because they paid nothing to produce the ads.

Government subsidies support private print media, but these subsidies are insignificant and do not distort the market. "Fortunately the government doesn't use its subsidy to exert pressure and our editorial or management policies are not influenced in any way," said Arevhat Amiryman, editor-in-chief of the Vototan newspaper, *Sisian*.

Market research is rare, but, when it exists, is performed by the outlets themselves than through third-party research companies due to the prohibitive costs.

Armenian commercial research companies conduct market research that upholds internationally accepted standards, more or less. These companies have emerged only in the last several years. International research companies virtually ignore Armenia's small market. AGB Nielsen, for instance, only does television ratings.

There are no solid circulation figures for print. The panelists feel that Internet statistics are not sophisticated enough and cannot provide the depth necessary to make the numbers transparent.

"The technology today makes it difficult to identify fake traffic," said Martirosyan. "Technology allows for generating enormous quantities of fake visits and most advertisers aren't sophisticated, so they just buy whatever tops the ratings," he said.

Broadcast ratings are limited to television in the capital only. AGB Nielsen and JFK measure the television audience, but only for Yerevan and nationally, not for separate cities/towns individually. The data are available only to paying subscribers.

At launch of these services, the outlets, and the advertisers especially, trusted the date, but the trust eroded gradually. "People starting saying that those who had People Meters in

their homes are paid to watch this or that channel. After that, trust in the ratings suffered," said Karakhanyan.

"It's been said that there are households with two People Meters, each from a different company," said Minasyan.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Armenia Objective Score: 2.22

Objective 5 showed modest improvement overall, mostly due to improvements in scores for indicator 3 (supporting NGOs) and indicator 7 (free access to means of distribution). Indicator 1 (trade associations) remained the lowest scoring indicator this year, trailing the objective by more than a point. Indicator 6 (unrestricted access to media equipment and supplies) outscored the objective by more than two-thirds of a point. All other indicators scored close to the objective.

Once again, panelists noted that there are no trade associations representing the interests of media owners and managers in Armenia.

There are professional associations that work to protect journalists' rights and promote quality journalism. For example, they spoke in support of Nikol Pashinyan, senior leader of the political opposition, and condemned his confinement, demanding his release. But as Martirosyan

SUPPORTING INSTITUTIONS FUNCTION IN THE PROFESSIONAL INTERESTS OF INDEPENDENT MEDIA.

SUPPORTING INSTITUTIONS INDICATORS:

- > Trade associations represent the interests of media owners and managers and provide member services.
- > Professional associations work to protect journalists' rights and promote quality journalism.
- > NGOs support free speech and independent media.
- > Quality journalism degree programs exist providing substantial practical experience.
- > Short-term training and in-service training institutions and programs allow journalists to upgrade skills or acquire new skills.
- > Sources of media equipment, newsprint, and printing facilities are apolitical, not monopolized, and not restricted.
- > Channels of media distribution (kiosks, transmitters, cable, Internet, mobile) are apolitical, not monopolized, and not restricted.
- > Information and communication technology infrastructure sufficiently meets the needs of media and citizens.

Panelists agree that educational programs at private and public institutions are not of high quality, and there has been little progress lately. These programs, while numerous, do not include sufficient practice-oriented training and are based on dated theory.

noted, "They provide training, legal advice and sometimes lobbying. But that's a different question than whether they are successful or not."

These organizations cannot support themselves through dues, and are mainly dependent on grants from international donors. For example, there is the Investigative Journalists NGO, Yerevan Press Club, and Gyumri Aspires Journalists' Club. The government does not impose restrictions on their work, or attempt to prevent the registration or functioning of these professional associations.

NGOs work in cooperation with the media to support freedom of speech and media independence, mostly based on international donor funding/grants. They try to serve as watchdogs and react to violations of media freedoms, but Paskevitchyan said, "They are more of an episodic than systematic nature." The most active media-related NGOs at the moment are Internews Media Support NGO and Eurasia Partnership Foundation-Armenia, which are implemented jointly by the Alternative Resources in Media (ARMedia) project funded by USAID.

Edik Baghdasaryan added that there are also NGOs reviewing legislative changes on media. "And, as a result, the legislative picture grows worse and worse," said Paskevitchyan.

Panelists agree that educational programs at private and public institutions are not of high quality, and there has been little progress lately. These programs, while numerous, do not include sufficient practice-oriented training and are based on dated theory. Among the most popular are the journalism schools at Yerevan State University, Yerevan State Linguistic University and Russian-Armenian (Slavonic) University.

Student-run media exist, but they are not well established enough to provide valuable practical experience. The content is controlled by the school administration, and the media outlets cannot absorb journalism graduates because graduates simply are not ready for the industry.

Short-term training and programs allow journalists to upgrade and acquire new skills. These are mostly set up

by international organizations. The hot topic these days is of course new media. Funded by the USAID (United States Agency for International Development) Alternative Resources in Media (ARMedia), the Eurasia Partnership Foundation-Armenia, Internews Network (USA), Internews Media Support NGO and Yerevan Press Club have been implementing the project since 2010, providing a variety of short-term training opportunities.

Study abroad options are limited because very few students can afford the programs. Of the few that can, very few (if any) would choose journalism as their field. Thus, the only options are fellowships and scholarships, which can either be obtained through regular programs (not journalism-specific) administered by foreign governments and NGOs, such as the U.S. State Department's Global Undergraduate Exchange Program in Eurasia and Central Asia and Edmund Muskie Graduate Fellowship Program, the Open Society Institute (Central European University at Budapest) or they have to independently seek scholarships/financial aid from universities in the US, UK, Sweden, Germany, etc. And the truth is, very few of these students return to practice the skills obtained abroad (with the exception of US government-funded programs that require two-year residency in the native country following the program).

Another obstacle to short-term training programs is that media outlets are often reluctant to release their staff for training, especially leading reporters, because training lasts anywhere from three days to two weeks. "If the reporter is covering events on an ongoing basis, he/she is unlikely to be able to attend such trainings," said Martirosyan. "There are other cases, too, in times of high turnover the editor/owner cannot afford to build the reporter's capacity or contribute to his professional development," he added.

Sources of media equipment, newsprint, and printing facilities are not monopolized, nor restricted. There are many printing houses and they are free of pressure from the government.

Channels of media distribution are not restricted, but there are some adjoining issues with press distribution and retail sales. According to Edik Baghdasaryan, the distributing agencies are delinquent in conveying paid circulation and do not organize distribution effectively.

Also, news kiosks are like mini-stores selling tobacco, alcohol, chewing gum, calling cards, etc. "One of my relatives used to work in one of those kiosks, and he was receiving AMD 30,000 (\$77) in salary and commissions. The only product that he did not get commissions from were newspapers," said Paskevitchyan.

The existing ICT infrastructure lags the needs of today's media industry. The new media are technically ready to supply

higher volumes of audio/video content, but the continued poor quality and high cost of the Internet are obstacles to a dramatic increase in the number of Internet users.

There are three major ISPs in Armenia, but they provide mediocre quality and speed compared to world trends. The situation has changed somewhat with the advent of a new player that provides the so-called triple play (Internet, IP television and telephony) to consumers via fiber optic cable, but it is only available in select (though expanding) zones of the capital and remains expensive to the average user. The Internet is available through mobile phones, but limited to social networks mostly.

Computer prices, whether laptop or desktop, include expensive transportation and customs markups that are an impediment for the mass user. Although most stores now offer computers on credit, it is a partial solution, and Internet growth remains slow in Armenia.

List of Panel Participants

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Edgar Vardanyan, expert, Armenian Center for National and International Studies, Yerevan

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Margarita Minasyan, director, Tsayg TV, Gyumri

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