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ARMENIA

The main political events developed around the 2012 parliamentary elections and the presidential elections of February 18, 2013. In the parliamentary poll, President Serzh Sarkisian's Republican Party won the majority of seats, with a comfortable lead over Prosperous Armenia and other parties. Sarkisian won the presidential election after his two most serious rivals withdrew prior to the poll, claiming fraud. A long-shot candidate registered a surprising 37 percent of the vote and placed second.

International observers from the Organization for Security and Cooperation in Europe (OSCE) described the parliamentary elections as "a vibrant and largely peaceful campaign, with overall balanced media coverage," and noted that the media "fulfilled their obligations to provide balanced coverage, and all candidates took advantage of free airtime" during the presidential election. OSCE observers were more skeptical about the fairness of the polls, citing pressure on voters, flawed complaints processes, and misuse of state resources by the ruling party and its allies—all of which undermined confidence in both elections.

Panelist Edgar Vardanyan of the Armenian Center for National and International Studies noted that television stations have become a bit more open politically. Compared with the coverage of previous elections, the television reporting on the parliamentary poll was more balanced. He underscored that the improvement is a result of a government policy that allows some venting of discontent, so as not to permit anger to accumulate and spark public unrest—as occurred during the previous presidential elections. The result has been positive, with the once-closed rostrum now partially open. "I wouldn't dare say that these changes are irreversible, but restrictions at the previous levels are not likely to recur. The setback cannot be of that scale," Vardanyan said.

Armenia improved on every objective for the 2013 MSI, though improvements were slight in most cases. Important gains were made in freedom of speech rights and enforcement, though the decriminalization of libel from 2010 has shown more harm than good in the short term. Numerous civil libel lawsuits erupted following the decriminalization, forcing some media outlets to face the possibility of extinction due to enormous fines. However, the situation has calmed, with the number of such lawsuits down by one-third from 2011. Public media independence, private media ownership transparency, and meaningful trade associations remain key constraints to further improvements in media sustainability.

Ethics and bias concerns somewhat countered improvements in broader news coverage. All panelists agreed that the dramatic expansion of online media has damaged the field overall, flooding it with a new generation of unprofessional editors and journalists. They lamented the proliferation of poor-quality, unverified reporting.

"A great number of websites have emerged that work under the government," said Edik Baghdasaryan, editor-in-chief of online periodical Hetq.am and president of the Armenian Association of Investigative Journalists. "The government has thus gained a larger audience, and greater leverage mechanisms. They are doing so many projects on the Internet that sometimes you just want to give up."

ARMENIA at a glance

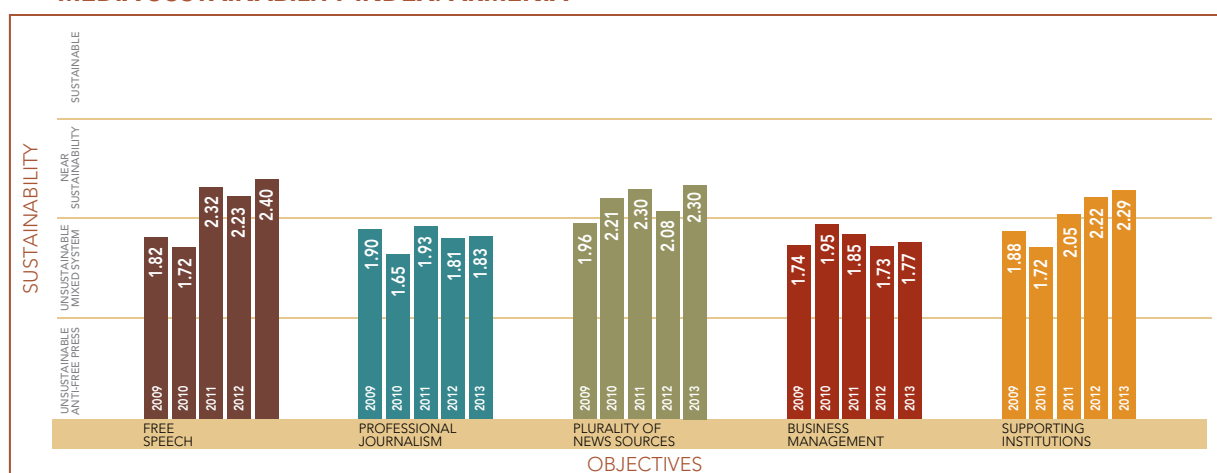
GENERAL

- > Population: 2,970,495 (July 2012 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 (% of population): Armenian 97.7%, Yezidi 1%, Russian 0.9%, other 0.4% (2001 census, *CIA World Factbook*)
- > GNI (2011-Atlas): \$10.409 billion (World Bank Development Indicators, 2012)
- > GNI per capita (2011-PPP): \$6,140 (World Bank Development Indicators, 2012)
- > Literacy rate: 99.6% (male 99.7%, female 99.4%) (2010 est., *CIA World Factbook*)
- > President or top authority: President Serzh Sarkisian (since April 9, 2008)

MEDIA-SPECIFIC

- > Number of active print outlets, radio stations, television stations, Internet news portals: Print: over 36; Radio stations: 21; Television Stations: 14 stations in Yerevan, 3 Russian relay channels; 26 television stations in regions; Internet news portals: over 219
- > Newspaper circulation statistics: Average reported circulation is between 1,000–3,000
- > Broadcast ratings: Top three most popular television stations are H1 (public), Shant TV (private), Armenia TV (private) (AGB Nielsen)
- > News agencies: ARKA, Armenpress, Arminfo, MediaMax, Photolur
- > Annual advertising revenue in media sector: \$70-80 million, estimated by panelists
- > Internet Users: 208,200 (2009 est. *CIA World Factbook*)

MEDIA SUSTAINABILITY INDEX: ARMENIA



MEDIA SUSTAINABILITY INDEX 2013: OVERALL AVERAGE SCORES



CHANGE SINCE 2012

▲ (increase greater than .10) □ (little or no change) ▼ (decrease greater than .10)

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.

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

OBJECTIVE 1: FREEDOM OF SPEECH

Armenia Objective Score 2.40

As in past years, the panelists agreed that Armenia's constitution and laws guarantee the freedom of speech, but the tradition of poor enforcement continues. According to Vardanyan, journalists become more vulnerable when they come up with expository reports on oligarchs and state officials or when they cover elections.

The judiciary does not act impartially in cases involving free speech. According to Gayane Abrahamyan, a reporter for armenianow.com and eurasianet.org, "This is because the judiciary is not independent in general, and not just when dealing with media." Journalist and political analyst Artyom Yerkanyan added, "On the contrary—the courts are now even more careful when dealing with media issues, because they know they are under public scrutiny."

Baghdasaryan recounted an experience in which officials sought to violate his rights under media law. "The law provides for the confidentiality of sources, but around three months ago, I got a letter from the special investigative service asking where I had gotten information about a US court verdict against a former minister [and current MP]," even though the article stated that the information was taken from the court's website. "I called them and

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.

Journalist and political analyst Artyom Yerkanyan added, "On the contrary—the courts are now even more careful when dealing with media issues, because they know they are under public scrutiny."

wondered whether they didn't have anyone in the department to check the website for themselves. At times, law enforcement don't know the laws, and practice shows they don't know the Law on Mass Media," he said.

However, courts are not used uniformly against the press. Edik Baghdasaryan added an example of a court case in which defendants successfully prevented the disclosure of a reporter's identity, who used a pseudonym to write an article. "A lot of outlets today use the expression 'our sources' and they are not subpoenaed, and these sources live their calm lives. So, it's not a big deal here," said Samvel Martirosyan, a blogger.

Licenses in Armenia are required only for radio and television, and there were no licensing competitions in 2012. The panelists agreed that as a rule, the licensing process is free from politics. However, they noted the example of A1+, the TV station that was de facto shut down after not receiving a broadcasting license renewal for suspect reasons in 2002. The station was offered, and accepted, 20 minutes of nightly airtime on Armnews TV.

Market entry and tax structures for media are comparable to other industries, as has been the case for years. With print media, taxation is even more concessionary than other industries, as print materials are exempt from VAT for distribution.

During 2012, Armenia saw a few crimes against media professionals, mostly in connection to the parliamentary elections in May and the by-elections in December. Elina Chilingaryan, a correspondent with RFE/RL's Armenian Service, was assaulted while filming at a polling station, where some young men had gathered. One of those men approached her suddenly and hit on her hand twice in an attempt to seize the camera, which fell on the ground. Although a complaint was filed with the police and they conducted an investigation, the case was later closed for lack of substantive evidence, according to a police statement. The statement said that the reporter had neither accreditation badges nor any evidence on the camera, and concluded that the assailant did not know that Chilingaryan was a reporter performing her professional duties. The statement went on

“He told me ‘move your camera away, or I’ll break it, mind your own business, better not to mess with this,’ to which I replied that this is my business,” said Amiryan.

to say that the person being filmed simply did not want to be recorded, so he tried to push the camera away without any intention of injuring the reporter, which arguably would have been within his rights.

A similar instance took place during the by-elections on December 2 with Irina Hovhannisyanyan, a journalist from the same radio station. She was trying to videorecord voters being transported to polling stations in minibuses—frequently a sign of illegal multiple voting. The camera was grabbed from her and returned shortly after.

Another example was given by Margarita Minasyan, director and co-owner of Tsayg TV in Gyumri. Her station’s crew was attacked and verbally abused when they were setting up at a polling station during local government elections in September. Although a complaint was filed with police, according to Minasyan, there have been no arrests.

Arevhat Amiryan, editor-in-chief of the *Vorotan* newspaper in Sisian, mentioned her own experience, in which assailants threatened to break her camera while she was shooting an illegal tree cutting. “He told me ‘move your camera away, or I’ll break it, mind your own business, better not to mess with this,’ to which I replied that this is my business,” said Amiryan.

Vardanyan had a tempered view of the dangers for journalists. “Overall, criticism—even the most fierce—does not provoke reaction from the government or pro-government circles if it is of general, impersonal nature. And I believe any journalist doesn’t have anything to worry about in such cases. But if the content deals with a specific state official or oligarch, then the reporter subjects himself to a certain degree of hazard, which often leads to self-censorship,” he said.

According to Melik Baghdasaryan, owner of the Photolur photo news agency, photographers and videographers can generally feel secure, because their footage does not carry serious consequences most of the time. As an example, he cited a case in which an MP was filmed playing a game during a parliamentary session. “It should have had huge

outcry and consequences. We had the outcry, but there were no consequences,” he said.

Armenia has two public newspapers, two public television stations, and one public radio station. On the one hand, the country’s Law on TV and Radio protects the editorial independence of public media, and provides for their adherence to the principles of objectivity, democracy, impartiality, and diversity. On the other hand, since the president chooses all five members of public media’s governing body, the Council on Public Television and Radio, the possibility for independence is virtually eliminated. “These are political appointments, and there is evident bias” in the selection of members, said Vardanyan. The council thus remains a potential tool in the hands of the president, and can influence media coverage in spite of formal laws and regulations.

Since 2010, libel has been a civil law issue in Armenia. This enactment was followed in 2011 by an eruption of civil lawsuits, which endangered the existence of some media outlets. As a result of public outcry and international pressure on the government, in 2011 a constitutional court ruling stressed that financial compensation should not be the primary and main punishment; instead, an apology or refutation should suffice. The ruling also said that any financial compensation applied should be commensurate with the outlet’s financial resources.

In 2012, the libel situation normalized, registering a dramatic drop in the number of cases. The court proceedings of one case that was described in last year’s MSI came to an end this year with the defeat of the plaintiff, who was demanding 18 million Armenian drams (around \$46,000 at the time). The case involved a lawyer that had sued Hraparak.am for publishing an article interviewing a group of people that had complaints about the lawyer’s practice. The lawyer specifically protested the comments section of the article and an anonymous remark in it that used insulting language. In remarking on the grounds of the case, Abrahamyan said, “This is, of course, very controversial, because a media outlet normally need not moderate the comments it receives on its articles. In this way, such cases engage some impetus towards censorship.”

The Armenian access to information law is very liberal on paper but not in practice. “I think the biggest and number one problem of Armenian journalism is the access to information,” said Edik Baghdasaryan. “At least it is for us.” He said that in his opinion, the most reluctant official is the Minister of Justice. “The prisons have been closed to us for three years now. Previously, at least we got some kind of explanations or excuses. Now we don’t get even that—we don’t get any responses.” he said.

Other panelists commented on information access. "At least today [state officials] have their press secretaries, so you have a 'go-to' person. If previously they were just hanging up the phone, now there is at least a person you can talk to," Abrahamyan said. Baghdasaryan disputed the positive effect of this, arguing that the change has made things worse, with the press secretaries serving as buffers for officials. "I think there has been some stratification on information sharing [among government officials]. There are questions that are answered promptly and without any obstruction. But then you do the next step, and instead of getting an official written response, you get an unofficial friendly call, asking you to meet [off the record]," said Tigran Paskevitchyan, a freelance journalist.

"Now the [Gyumri] city council is very prompt with answers, because they provide information about the previous mayor," Minasyan joked.

The media are not restricted from accessing or using any local or international news or news sources, as has been the case for several iterations of the MSI study.

Entry into the journalism profession is free, and the government does not impose any licensing or restrictions for journalists. On January 31, 2012, the RA Central Electoral Commission (CEC) approved journalist accreditation procedures. The procedures called for restricting accreditation rights for journalists that disseminate false information on the activities of electoral commissions or state officials (as proven in court) or journalists that have been convicted of premeditated crime and whose convictions have not expired or expunged. Thanks to opposition from media advocacy groups, CEC removed the restrictive provisions from the accreditation procedures.

OBJECTIVE 2: PROFESSIONAL JOURNALISM

Armenia Objective Score 1.83

Armenian journalism only partially meets professional standards of quality. Some outlets adhere to such standards, but most do not. According to Edik Baghdasaryan, a large number of people practicing journalism are only capable of attending press conferences and transcribing the recordings.

As stated by Abrahamyan, the media field is highly polarized politically, and if in the past the online media served to balance this polarization, now that domain is also "confiscated" and serves as a mouthpiece for different factions, such as the ruling Republican party and opposition Prosperous Armenia and Armenian National Congress parties.

"Overall, journalism in Armenia is not journalist-generated but rather is copy-pasted," said Paskevitchyan.

To beat their competitors to scoops, newspapers publish content instantaneously without verifying or checking in any way. The panelists recounted many instances of ridiculous content emerging as a result, and Martirosyan posed a particularly grotesque example of the problem. She said that to test the field, "every now and then, together with friends, we disseminate some fictitious press conferences, and they always get published by almost everyone."

Martirosyan mentioned another telling occurrence, in which a media outlet dismissed a translator that was capable of translating only about two articles an hour in favor of another who could "translate" 15-20 articles per hour using Google Translate. "Overall, journalism in Armenia is not journalist-generated but rather is copy-pasted," said Paskevitchyan. Press conferences in particular are copied without any additional work, be it research, verification, or elaboration. Abrahamyan noted one instance in which his outlet made a technical mistake in a published article, and by the time they corrected the error, a great number of online outlets had copied the article with the mistake, without noticing or correcting it.

The quality of interviews leaves much to be desired, according to the panelists. "They insert a title, which is a conclusion based on my analysis [from the interview]

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).

“Since most of the media serve as a tool for this or that political force or group, [ethical] violations are intentional rather than accidental, because they harm the adversary,” said Vardanyan.

and put my name after it, which makes it look as if I said it,” said Vardanyan. “I wonder how it happens, when 90 percent of press conference coverage is of not just poor, but outrageous quality.” Martirosyan explained the phenomenon by the fact that most reporters attend several press conferences a day on different topics, have no knowledge of many topics, and usually do not even know the topic before arriving.

Ethical standards continue to be an “internal matter” for each individual media outlet, the panel agreed, rather than being recognized or adhered to widely. Thus, journalistic standards are often violated. “Since most of the media serve as a tool for this or that political force or group, [ethical] violations are intentional rather than accidental, because they harm the adversary,” said Vardanyan. “They are driven by the principle where if you can discredit, discredit. If you can call names, call names. And the more the better, because he is your enemy—he needs to be destroyed,” he asserted.

Media professionals accept payments and/or gifts in exchange for certain types of coverage, but such deals are possible mostly with higher-level staff, such as editors or owners, and with individual reporters. In general, the media do not make clear distinctions between editorial and paid content.

Plagiarism is flourishing. Many online outlets copy and paste entire articles and present them as their original content, often even with their own bylines. Edik Baghdasaryan noted one example: “An online periodical [1in.am] published our article without any author’s name. Then, after a warning, they put a name on it. We demanded they add a link [to our original article], otherwise that would be plagiarism. They didn’t, so we prepared a suit, but backed off at the last moment because we thought the outlet wanted us to sue them to garner advertising.”

Generally, journalists and editors self-censor. Self-censorship can be driven by important advertisers as well as by political partisanship. Paskevitchyan said that journalists and editors practice self-censorship when a matter refers to a benefactor, but not often otherwise. The panelists said that an observer won’t notice any criticism or exposé content of

certain political groups in print or broadcast outlets that are owned by or associated with that group.

Journalists cover key events and issues in the country. “They are forced to cover them, since there is competition,” said Martirosyan. Abrahamyan described the collusion that has taken place previously among rival broadcasters. “When dealing with opposition events, an [informal] decision would be made for the broadcasters to cover them either in a bad light or not at all. But now, it seems that this problem is no longer,” he said.

The panelists agreed that in general, the parliamentary elections are covered fairly—even by public television, which in the past had been notoriously biased.

Vardanyan pointed out that pro-government outlets still do not cover particular issues at times, or cover them from a different, often misleading perspective. “There are certain topics where the editors demonstrate their ‘fear of the unknown,’” and forego covering issues if they are unsure of the government’s reaction or position.

Among online outlets, certainly no key issues go covered. The online media’s impact today can be compared to that of the broadcast sector, according to many panelists. Martirosyan mentioned that because Internet outlets provide deeper, more consistent coverage of more issues and from more diverse viewpoints, many consumers have shifted from conventional television news to online media. “The TV audiences have shrunk and online users have grown, bringing both audiences to commensurate levels, and it’s hard to distinguish either’s importance or impact,” Martirosyan said. She supplied some statistics from the national rating service Circle.am that show an average of 500,000 daily visitors to Armenian domain news portals. This count even excluded foreign-hosted services such as PanArmenian, Arminfo, MediaMax, and RFE/RL’s Armenian Service, which did not participate in the ratings survey for a variety of reasons.

Some panelists contested the theory of audience shifting, arguing that it is not the case in the regions, and that even if Internet users have grown in number in the regions as well, they are mainly consumers of the Russian-language social network Odnoklassniki.ru. Minasyan argued that in the regions, Odnoklassniki.ru can have even more impact than Facebook. She recalled one instance in which she shared the same content on both networks, and found Odnoklassniki.ru generating far more views and responses.

The pay levels for journalists and other media professionals differ greatly; according to Abrahamyan, “salaries range from 15,000 (\$37) to 300,000 darms (\$740).” In general, pay rates are not sufficient to retain qualified personnel. Income

shortfalls are the main reason why most journalists have to contribute to several outlets or engage in work completely outside the field. In discussing this trend, Anna Satyan, deputy editor-in-chief of *Novoye Vremya*, said that "...this is a major downside, because if the person's background is writing for a news agency, the person has a hard time converting to writing for a newspaper, and vice-versa."

As in previous MSI reports, Paskevitchyan cited a familiar indicator: the preponderance of women in the profession that are not required to support their family on their salary. This trend has not changed over years, and starts from the university level. Martirosyan and Satyan, both professors, mentioned that they have only two male students in their class, one of whom is performing poorly because he is also holding a job. "I tell my students that to become a journalist, you need to really love it, because journalism doesn't pay that much," Satyan said. According to Minasyan, the highest paid are those who are considered "the voice or face of the channel," while other, anonymous journalists are paid far less.

The panelists did not register any evidence of widespread blackmail, extortion, or corruption in reporting. However, the strong political forces behind each individual outlet and its editorial policy precludes the necessity for individual bribery, to some extent.

Entertainment programming eclipses news and information programming, according to the panelists. "I've observed a tendency to make the TV as apolitical as possible," said Vardanyan. "At least, [information programming] has slid out of primetime," said Martirosyan. Yerkanyan described the changes at his outlet. "Two socio-political talk shows have been shut down at our channel, and the newscast has shrunk from around 45 to 50 minutes to 25 to 30," he said. "This is the result of the ratings battle. News programs cannot compete [in ratings] with soap operas or other entertainment programming."

Other panelists spoke of similar programming shifts. "Yesterday I checked six Armenian channels from 6 p.m. until midnight, and I couldn't find a single sociopolitical program, except for on the Yerkir Media station," said Paskevitchyan. Minasyan lamented that "After 9 p.m. our channels die with the soap operas. The ratings of my 10 p.m. evening news have dropped to such a level that I'm thinking of taking it off the air."

Facilities and equipment for gathering, producing, and distributing news are fairly modern and efficient, and nearly all panelists agreed technical facilities do not pose a significant barrier for their outlets today.

"The media have become more accessible to the people. The opposition has an open microphone, but when the microphones appeared, speakers dwindled," Minasyan said.

Niche reporting is under-developed, because the average outlet does not have the luxury of keeping a journalist focused on only one sphere, and must be fairly universal to meet the outlet's content demand. "If an outlet has only five reporters, it cannot afford to keep them for only writing on one specific topic," said Abrahamyan. Investigative journalism's high demands on human and financial resources are beyond the reach of most Armenian outlets.

OBJECTIVE 3: PLURALITY OF NEWS

Armenia Objective Score 2.30

Armenia has a great number of news sources, and like other countries in the region, it has experienced an unprecedented quantitative increase in the number of websites in recent years. However, the growth has been accompanied by a major qualitative decline. Most of their content is derivative and plagiaristic, rather than original.

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.

“Selling news has become obsolete, because it is freely openly available,” said Martirosyan.

But given the plethora of sources, different viewpoints can be found. “The review of the scene will give us a general picture about events,” said Vardanyan. “If TV doesn’t talk about something, then the online outlet will. If a pro-government media doesn’t talk about it, then an opposition one will. If neither does, a third one will,” he said.

The panelists said that bloggers and online sources have proven that no restrictions should be imposed and no one should be silenced, because if someone wants to voice an opinion, that person will eventually find a platform and an audience. But as Minasyan put it, “This, however, is the only first seed that we’ve planted. For it to become a sprout, we have to water it.”

Despite the increased freedom to speak, citizens have not fully engaged in this right, and the same voices and political forces maintain their dominance over political discourse. “The media have become more accessible to the people. The opposition has an open microphone, but when the microphones appeared, speakers dwindled,” Minasyan said.

According to Abrahamyan, civil activists have brought about quite a bit of change with their increasing use of social networking tools. Recently, two road police officers were fired after a video, posted on YouTube and disseminated through Facebook, showed their inappropriate and offensive behavior towards a driver. Another example from 2012 was the Mashtots Park movement, which stopped the construction of glass clothing stores in a small downtown park. Their calls to halt construction led to a general public outcry, thanks primarily to their resonance on social networks. Such networks also were well leveraged by the victors of the parliamentary elections.

Panelists agreed that most of the media, whether online, broadcast, or print, serve as propaganda tools for their respective real owners. They represent different political circles, clans, or state officials, rather than honestly purvey information.

“One can say there are no independent channels,” Vardanyan said. “There are certain channels, Yerkir Media or Kentron for example, which service the interests of their sponsoring political forces, and their editorial policies are overtly partisan. Although now and then these channels

really become platforms for free speech, it is obvious that this freedom is applied selectively.”

Citizen access to domestic and international media is not restricted by law, and this has been the case over the years. Satellite, cable, Internet, and terrestrial broadcasts are at citizens’ disposal without any restrictions. Although cost is a limiting factor, the panelists agreed that generally access to news and information is affordable for citizens. The most accessible outlets are naturally the freely broadcast television and radio stations. The Internet has become slightly cheaper and its quality has improved thanks to fiber optic cable to the capital, though such high speeds are not available elsewhere. Quality, high-speed Internet that allows reading and video streaming is still priced high enough to preclude mass use or impact. Some panelists noted that even in the regions it is possible to use the Internet as a primary resource for information, but in general, the capital has better access to alternative sources of Internet and cable news. In small towns and villages, the main sources may include a few national television channels, possibly a local television channel, national radio station, or local radio station; and satellite television, where affordable.

On the subject of state media serving the public interest, Abrahamyan stated that these outlets, sustained by the taxpayers, do not serve the public and have only one purpose: to promote the interests of the current ruling authorities. However, the panelists agreed that an improvement has been registered since last year’s MSI. The media gave parliamentary elections their due coverage, which the panelists deemed mostly balanced and neutral. Opposition activists, rallies, and events are covered neutrally on public television. Although this type of coverage simply did not exist before, this change is not to suggest that the public media are independent, or that the state or ruling party are following a public service model, panelists cautioned. It would be I to suggest that editors and journalists at public media see their role as serving the public interest. They do not seem to perceive that they are funded by the citizenry and are in their service, not the service of the ruling forces, panelists said.

Public media outlets do not fill the gap left by commercial broadcasters. According to Vardanyan, the private commercial station Yerkir Media TV appears more devoted to the public interest than public broadcasters, as it provides more comprehensive and balanced news and information. Whatever educational, cultural, or socio-political program the public television broadcaster has is run at off-peak hours.

Armenia has several news agencies, including ARKA, Armenpress, Arminfo, MediaMax, and Photolur, but according to Edik Baghdasaryan, Armenian outlets no longer use the agencies. "That's history now. I don't remember when the last time we made use of a news agency was," he said. Some panelists wondered if the model is profitable enough to be self-sustaining. "Selling news has become obsolete, because it is freely openly available," said Martirosyan.

According to Paskevitchyan, news agency content is mostly published in diaspora print media, when these outlets need sources on the ground in Armenia. News agencies also survive by selling specialized news, especially banking and finance, to interested parties. Photo agencies are different in that they can still sell photos, but according to Melik Baghdasaryan, many outlets use their own consumer cameras to fill their pages, turning to professional photographers less frequently. The plight of news agencies is exacerbated by the rapid decline in print media circulation. Broadcasters mostly prefer to use international news agencies for original video content.

Many private media outlets produce their own news and information programming, but others merely re-circulate content, either as an affiliate of a national broadcaster, as an online aggregator, or as a blatant plagiarizer. "There are a lot of parasites, but there are also those who produce their own content," said Martirosyan. For the most part, television stations are generally producing their own programming.

Consumers do not judge the objectivity of news through any knowledge the outlet's ownership. Quite the opposite—consumers figure out the ownership of an outlet based on its content bias and nature. "You can figure out whose outlet it is by looking at who it doesn't criticize," said Martirosyan.

Judging from the content, the prevailing majority of media are controlled by major political elites and their parties. The perception is that Kentron TV is associated with Prosperous Armenia, Yekir Media with Dashnaksutyun, and all other broadcasters are believed to be owned or controlled by pro-government, Republican Party forces. The Armenian National Congress has its own online and print outlets. Probably the fewest media outlets today are affiliated with the Armenian Revolutionary Federation, including one comparatively minor television channel.

Many online media sources do not provide any names of editors, journalists, etc.

Social topics such as health, women's issues, and education are covered without official hindrance. Minority language media exist and have always been legal. Newspapers in

Russian, Ukrainian, and Kurdish are printed, and the state radio airs programs in Russian, Kurdish, Georgian, and other languages. The panelists agreed that there are no problems connected with minority representation, but interest in these types of programs is usually low. "I used to do a program in Russian, but we had to shut it down, since there was no specific demand for it," said Yerkanyan. Nagorno-Karabakh (the breakaway autonomous region of Azerbaijan that is allied with, but not recognized by, Armenia) has been covered extensively.

Citizens are able to get news and information about their hometown, other regions of the country, national issues, and international developments. The situation with national media reporting on significant news from the outer regions has improved considerably. Many regional outlets cooperate with national broadcasters, which supply them with coverage of local significant news or reports of national interest. In addition, many national TV stations have their own correspondents in the regions, and some even maintain them overseas. Minasyan mentioned that her Gyumri-based television channel supplies content to about four others. Armenian media outlets do provide coverage of international issues, but sophisticated citizens turn to international sources to get fresher, deeper, and more accurate coverage on demand.

OBJECTIVE 4: BUSINESS MANAGEMENT

Armenia Objective Score 1.77

Print, online, and broadcast media outlets demonstrate varying levels of financial viability and efficiency. The print media are on the verge of extinction; most print outlets have cut their print runs, and some have stopped printing altogether. Edik Baghdasaryan's *Hetq* is one newspaper that discontinued its print version and went fully online. More closures are likely after the presidential elections, along with an expected drop in sales and ad buys.

With an increasing user base, online media outlets are slowly but steadily developing their business potential. With the advent of an Armenian advertising agency for online media outlets, further growth is expected. However, so far, the market is incapable of fully supporting online media, as it cannot rely solely on advertising revenue.

Broadcasting, despite losing a significant audience percentage to online media, continues to be perhaps the "wealthiest" media format. Television garners the lion's share of advertisement spending, followed by radio.

Minasyan also noted the pitfalls of donor-funded operations. “When you get a grant, you are financially safe. You don’t have to worry about expenditures, so you don’t work towards making more money through advertising.”

Standout media outlets prepare and follow business plans that help them secure financing and guide decisions on expenditures and personnel. These outlets hire professionals to manage accounting and keep practices in line with local tax authorities. But very few outlets hire trained marketing, human resources, or legal professionals.

Speaking of sustainability, Minasyan joked, “If I have managed to survive for 25 years, it means I am self-sustainable.”

Minasyan also noted the pitfalls of donor-funded operations. “When you get a grant, you are financially safe. You don’t have to worry about expenditures, so you don’t work towards making more money through advertising. So getting grants is a blessing on one hand and a curse on the other.”

Yerkanyan painted the financial picture for Armenian media outlets. “There are two different cases. The first is when an oligarch with political interests invests in a TV outlet, He doesn’t care about [return on investment], thus, he doesn’t care about its sustainability, and he doesn’t intend it to be

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.

profitable. The other is when a person establishes [an outlet] to make money. The latter saves every penny and goes out of his way to make as much income as possible, which is a more sound approach, but rarely observed.”

Media in general have few sources of revenue. Most broadcast outlets without sponsors rely on advertising, but a great number rely largely on a single benefactor, who has the potential for limitless editorial influence. There are exceptions to that phenomenon, however, as posited by Abrahamyan. “Our funder [the Armenian General Benevolent Union] never even made an attempt to influence our editorial independence during the ten years of our existence,” she said. “They never even told us to cover any given [party] activity. But indeed, this is a very rare situation.” The Armenian General Benevolent Union is a US-based non-profit organization dedicated to the social and cultural heritage of Armenians.

Newspapers also rely on retail sales, less on advertising, and very little on subscriptions. As for the online media, “If you make a donor cry [i.e., impress] with your [online] project, you can get grants easily to support the outlet,” according to Martirosyan.

Given the small Armenian media market, a few large advertisers can also have real influence on an outlet’s content related to the advertisers’ products, or those of its rivals, according to the panel.

Public media have a guaranteed source of revenue from state budget, but they act like commercial outlets and pursue large amounts of advertising from the commercial market, taking a lead in the ratings race. The current health of public television, however, has no bearing on the outlet’s immunity from political interference.

Many companies are advertising in the media, particularly on television and radio. The biggest advertisers are telecommunications providers, banks, insurance companies, consumer electronics stores, beverages, and consumer goods manufacturers and importers. It is common for ads to be placed based on market principles, but political influence or business ties also drive much of the placement decisions. Aside from business advertising, regional outlets have crawling lines, commercial announcements, etc.

Advertising agencies work with mainly Yerevan television and radio stations. Local buys are not frequent, as the majority of advertisers prefer to buy from national channels. “In our region, the advertising price is ad hoc,” Minasyan said. “Outlets set a price list, which is almost never observed, and they sell advertising space for a pittance, just to keep the advertiser from going to the competitors.”

The regional ad market will not develop until there are solid television ratings for the regions, according to the panelists. Private ratings companies do not produce regional ratings, because of the perceived tiny market share of regional media. Media outlets in general cooperate with ad agencies, but rely on their own sales forces. The technical quality of ads has improved over the years, with the advent of digital equipment that is affordable to the larger television outlets and production companies. However, the panelists said that they still view the content of many ads as revoltingly vulgar.

An advertising company dealing with online banner advertising has emerged, therefore raising expectations for growth in online ad placement. The growth will depend on how the market reacts to this option. Attempts by local Armenian firms to market contextual ads ended in failure, perhaps due to their inability to compete with Google Adwords.

Even if advertising is not the only substantial source of revenue, media managers are devoting increasingly more space and airtime to ads. At those outlets expected to turn a profit, the trend is more extreme. "We sell the airtime as much as possible," said Minasyan. "For example, if a film is on, we put crawling lines at the bottom of the screen, company logos, and slide-in advertising, [plus] we interrupt the film to show commercials. That is awful," he admitted.

Public media outlets are allowed to sell advertising. The length of advertising breaks on state television often exceeds that of the commercial channels, which the panelists found preposterous. During prime time, breaks between programs can reach up to 30 minutes in length, with 17 minutes of pure ads and 13 minutes of program teasers. According to the 2011 amendment to the law on advertising, broadcasters may only air 14 minutes of advertising per hour. The hours are measured by clock, not as ongoing 60-minute periods, so a station may still legally show up to 28 minutes of continued advertising if the break crosses the hour. Because of the lengthy commercial breaks, the first and last segments of the breaks have surplus price of 30 to 50% of the regular price.

The government has provided subsidies for non-government print media since 1998. Around 48 million drams (\$118,000) are divided among the approximately 80 print publications, including ethnic minority, regional, and children's publications; literary journals; newspapers; and even reference books. The average outlet receives around 300,000-600,000 drams (\$750-1,500) per year. According to Amiryan, subsidies do not come with strings attached. "There are no attempts to influence editorial or management policies in any way," he said. Edik

Baghdasaryan agreed that distribution is non-discriminatory. "When you look at the [long] list of the outlets, you ask yourself, 'are there so many newspapers in Armenia?'" he commented.

Rare are the media outlets that perform market research to formulate strategic plans, enhance advertising revenue, or tailor their products to the needs of audiences. Minasyan said that his outlet is currently conducting market research to determine its audience's interests. Fewer outlets hire third-party companies to conduct this research. When an outlet does hire such a company, the purpose is to manipulate or invent data that favor the outlet, and to use the data as negotiating leverage with local advertisers. Real market research, corresponding to international standards of quality and integrity and carried out by professional, experienced companies, is very expensive and therefore seldom used by media outlets.

"Outlets produce easily digestible products and make people get addicted to it," said Vardanyan. "They say, 'this is what people want to watch, read, listen to,' which, to my mind, is manipulative, because if you do comprehensive research, you will see that demands are different," Paskevitchyan used this analogy: "Drug dealers never conduct market research to find out whether people want it or not. They just use every channel to deliver [the drug] to the consumer, and widely spread it." For example, he said, "Today, the competition among the TV channels is the competition between their soap operas."

No credible circulation data for newspapers exists—an obstacle that has only worsened with the financial situation for print outlets. Many of them claim exaggerated print runs to keep advertisers from fleeing. Armenia has two companies (AGB Nielsen and JFK) that produce television ratings data, but just for the capital city and the nation as a whole—they provide no ratings for individual regional towns. The data is accessible commercially, but the panelists agreed that media members hold little trust in the data. Internet statistics show an unprecedented boom in the number of online media visits; however, it should be noted dishonest outlets can manipulate these numbers easily. The average advertiser is not yet sophisticated enough to grasp these subtle nuances.

OBJECTIVE 5: SUPPORTING INSTITUTIONS

Armenia Objective Score 2.29

Over the years, Armenia has had no trade associations to represent the interests of media owners or managers or to provide member services. "We don't have trade unions,"

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.

Edik Baghdasaryan said. "It would be a good thing to have one."

Some professional associations in Armenia work for the benefit of journalists. They include the Association of Investigative Journalists, Yerevan Press Club, and Asparez Journalists Club in Gyumri.

The panelists spoke highly of the Asparez Journalists Club. "They do a tremendous job. Just the fact of their existence sets an example," Martirosyan said. Minasyan agreed, saying, "Asparez is the driving force of civil society [in Shirak region]." One of the club's recent projects involves monitoring public television. It has produced and published reports covering various ad-time violations and budget expenditures.¹

The panelists also mentioned the press clubs in Vanadzor and Goris. The clubs actively engage in civil society in their regions and promote journalism to the public in a positive way. These associations are not able to support themselves through dues, and their main sources of revenue are grants. The government does not impose any legal restrictions to prevent the registration or functioning of these associations.

Several NGOs are present in Armenia that support free speech and independent media. As in the previous year, among the most active ones at the moment are Internews Media Support NGO and Eurasia Partnership Foundation-Armenia, which are implementing a joint four-year Alternative Resources in Media project funded by USAID. Launched in 2010, the project is designed to increase

¹ More information at: <http://www.asparez.am/project/h1-monitoring/>

alternative sources of diverse news and information through a program that generates civic demand for alternative content, and fosters its production and dissemination.

NGOs are involved in reviewing legislative changes in the media. One such example is the joint statement that a group of media outlets and NGOs disseminated that protested the Central Electoral Commission's restrictions on the accreditation procedure for journalists. The Commission later reversed these restrictions.

Legal support to journalists and media outlets is in high demand. "There are no organizations that would have on-staff lawyers to assist journalists and media professionals. That is something we really need," Edik Baghdasaryan said. The panelists agreed that the government places no restrictions on the registration or operations of such organizations. However, Minasyan was not satisfied with the NGO registration process, saying that it is too particular. "This is wrong, that is missing—they are picking on all sorts of things," she said. The panelists, however, noted that severe bureaucratic impediments were more the exception than the rule.

Journalism degree programs exist in many universities and colleges, private and public alike, but the quality has been falling steadily. Institutions lack teaching professionals with real, practical experience in the field. In addition, the journalism curricula are often very old and have little to do with modern journalism, as they are basically philology courses with some reporting elements, with theory unsupported by practice.

Baghdasaryan describing the unwillingness of school deans to work on professional growth, for fear that it might expose them as behind the times. "I have offered to take students into real editorial conditions starting from the first year, and train them from the very beginning up to graduation. [The deans] are not ready for any changes; they think it might be risky for them."

Low admission standards are another issue. "The journalism department at the state university is among the easiest places to get admitted to, and whoever does not qualify to enter other departments goes to the journalism department. Hence, the quality [of the graduate]," Abrahamyan observed.

Edik Baghdasaryan said that his school turns out only a handful of quality journalists, and that they contend with low-quality facilities. "I have been teaching for 10 years, and I would say, every year we have at least five good graduates. The technical equipment is very poor. Most of the computers do not work, and it is impossible to do any filming or editing."

Short-term training opportunities and in-service training institutions and programs allow journalists to upgrade their skills or acquire new ones. The programs are set up mainly by local NGOs that are members/affiliates of larger international networks. The courses teach modern techniques, such as the use of the Internet and multimedia applications. "In practical sense, the best results of NGOs are trainings that raise the educational level, and familiarize participants with technological advancements in practice. These are quite effective," Abrahamyan said. Edik Baghdasaryan agreed, saying, "Internews seminars are very good ones in that sense, especially for the young generation."

There are also short-term training opportunities abroad. Deutsche Welle, for one, conducts practical training programs in journalistic formats; research methods; and presenting techniques, including modules on working with texts, audio, photos, and webpage design.

Training in video production and videography are in high demand. "We need trainings for camera operators, but these are non-existent at the moment," Minasyan said. Vardanyan agreed, saying, "Judging from the great number of young journalists with poor quality output, we can conclude that these trainings are not sufficient in quantity."

Edik Baghdasaryan disagreed and said that bad quality journalism is the fault of editors. Even a professionally trained journalist, when under a poor editor, cannot stay professional, he argued. "I had a reporter who now works for another online outlet. When I read that reporter's articles now, I get terrified," he said.

Print outlets have to pay 80,000 drams (\$197) upfront annually for the delivery of their newspapers to the kiosks of the largest press distribution agency, a privatized firm built on the remains of the Soviet Haymamul (ArmPress) distributor. In addition, they have to pay the traditional 30% commission on sales. This can be quite a hardship for a regional outlet. Amiryan explained his distribution process: "I'm printing my newspaper in Yerevan, so if I have to commute to Yerevan anyway, I can take the print run home with me [to Sisian]. Why would I need to also pay the distribution agency for that?" Edik Baghdasaryan noted that these kiosks have shifted to general goods, selling candies and beverages rather than only newspapers.

The fourth ISP in Yerevan is growing rapidly, providing fiber optic Internet and indicating strong development of the ICT infrastructure in the capital. The Internet in regions has also shown improvement. It is still of moderate quality, but is expected to improve considerably with the advent of fiber optic ISPs beyond urban areas as well.

List of Panel Participants

Tigran Paskevitchyan, freelance journalist, Yerevan

Artyom Yerkanyan, journalist, political analyst, Shant TV, Yerevan

Samvel Martirosyan, blogger, kornelij.livejournal.com; IT security expert, Yerevan

Arevhat Amiryan, editor-in-chief, *Vorotan*, Sisian

Ashot Gomtsyan, freelance journalist, Gyumri

Gayane Abrahamyan, reporter, armenianow.com and eurasianet.org, Yerevan

Anna Satyan, deputy editor-in-chief, *Novoye Vremya*, Yerevan

Edik Baghdasaryan, president, Armenian Association of Investigative Journalists; editor-in-chief, hetq.am, Yerevan

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

Margarita Minasyan, director, Tsayg TV, Gyumri

Melik Baghdasaryan, owner, Photolur photo news agency, Yerevan

Moderator and Author

Artashes Parsadanyan, independent media consultant, Yerevan

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