

VI THE PRIVATIZATION PROCESS

The Draft Law on Public Information and Media that has been presented in the previous report provides for the withdrawal of the state from ownership in media. Under that Draft, the media, whose publishers were, directly or indirectly, established by the Republic, autonomous province or local self-government unit, shall cease operating on December 31, 2014. Until then, all public media (with the exception of public service broadcasters, media providing information to ethnic minorities on minority languages, or media intended for providing information in the Serbian language on the territory of Kosovo and Metohija), must be privatized under one of the two foreseen models. As soon as in 2014, project financing will be the sole manner of financing of the media from public funds. Public discussions on the Draft Law on Public Information and Media, held in Novi Sad, Novi Pazar, Nis and Belgrade, have revealed the chasm between the media that have been financed from public funds until now and organized as public companies and those that have been privately owned for quite some time, or founded as private companies. Particularly vocal were the media financed directly from the budget of local self-governments, which expressed the concern that the privatization would practically mean their demise. On the other hand, privately owned media hailed the intention of the state to stop giving priority to state-controlled media and cease undermining the market with illicit state aid. The opponents of the privatization have continued arguing that the past privatizations had had catastrophic results. What they fail to realize, however, is that it is illicit state aid that destroys the market and that the media fall victim not only to privatization as such, but rather to the absence of a level playing field for private media. If the state refrains from privatization once again and fails to fully implement state aid rules in the media sphere, the media landscape will continue slipping into the abyss of superficial, biased, cowardly, unified and conformist reporting.