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MEDIA BULLETIN

Editorial

VICKEN CHETERIAN, PROJECT DIRECTOR, GENEVA

In Western Europe there are a number of viewpoints concerning the role between the state and means of mass information. For some, the state should intervene as little as possible, leaving the field free for private initiative, considered the only guarantee of objectivity. Others argue that information diversity should be free from the whims of publicity. Therefore, they argue, the state should create material conditions for the survival of information services that are not attractive to advertisement.

In the Transcaucasus, there is no such debate. Journalists participating in the Kutaisi Conference (11-12 May), the papers of which are published in this issue, agreed on one point: in order to have an independent, non-manipulated information flow, there should be an alternative to the state to finance the mass media. Nearly everyone agreed that this source should be the free-market in the form of advertisement. If such a market is in embryonic shape today, most of the journalists expressed hope that the actual privatization reforms will eventually lead to the creation of an economic basis for independent press.

Yet, the progress of market reforms in the Transcaucasus and elsewhere in the former Soviet republics does not provide much to hope. In most cases, privatization did not lead to the creation of «free markets» but to the domination of monopolies. Often, the former party leaders appropriate the lion share of what is being privatized. The interrelation between the elite in power and the new rich is direct. In fact, it is difficult to distinguish between the political and economic elites; it is one and

the same. Without being the protégé of the supreme leader, it is difficult to be a prospering businessman for more than a short period of time.

Another problem is the real identity of the «independent» media in the Transcaucasus. Under this title one can come across two types of media outlets. The first are party organs, either pro-governmental or belonging to opposition parties. Those loyal to the opposition, although more vivid, and critical towards such social ills as corruption, nevertheless remain limited in their scope. They are instruments of party propaganda and not of objective information. In some cases they even play a dangerous role, being more radical than their actual governments regarding the national question and conflict resolution. The second type is free of political loyalties, or at least seem so. Regarding the fragile material conditions of the Transcaucasian media, these independent media have often no other choice but to find a rich patron - itself related to the center of decision making.

Then, the question is: what sector remains to finance the independence of the mass media? Foreign companies and advertisements of imported products? Difficult to believe. Equally difficult to imagine a free media in societies which lack democratic behavior in every other sphere. Although the free media needs material conditions on which to grow, it is difficult to imagine such an eventuality separately from the emergence of a broader civil society. •

PRINTING HOUSES AND PRESS DISTRIBUTION AGENCIES IN ARMENIA

ARA TADEVOSYAN

From the very beginning of its activity the new independent press of Armenia faced a great deal of serious problems. Most of them remain unresolved or are only partially resolved. Imperfections of publishing and distribution services are the main problems hindering the development of the free press. Owing to the monopolies of the printing and distribution services, the situation of the independent press has become increasingly worse. Today, the vast majority of our press is printed in the publishing house «Periodica» (former printing house of the Communist Party of Armenia) which is subordinated to the government.

For a while, the printing house «Mikael Vardanyan», which belonged to the opposition party «Dashnaktsytsjun», was an alternative to the printing house «Periodica». «Mikael Vardanyan» was reputed for its high quality of printing and its access to an alternative power supply, which was highly relevant during the severe energy crisis. In December 1994 when the authorities suspended the activities of the «Dashnaktsytsjun» party the printing house «Mikael Vardanyan» and all MM supported by «Dashnaktsytsjun» were closed and looted. Thus, the main and serious competitor of «Periodica» was ruled out and the publishing house controlled by the government became the monopoly in this field. It is worth to mention here that at that time publishing papers was sort of a heroism. Newspapers were forced to purchase paper and printing molds beforehand at very high prices, even though this did not guarantee the regular issue of a newspaper. Frequent power failures threatened the printing of papers.

Purchased in advance, paper and printing molds were being resold etc. I have to add

that later the situation improved and the chaos ruling this sphere gradually disappeared. However, shortly afterwards new problems appeared. I would like to dwell upon some of them in close connection with printing and distribution services.

In recent years the situation with non-payments has often put MM in an awkward situation. This year, the situation has become desperate.

In April, «Periodica» stopped publishing several papers owing to their debts to the printing house. The independent paper «Molorak» («Planet»); «Haik», the official paper of the ruling party; «Respublika Armenia» - the official paper of the National Assembly (Russian version), all shared the same destiny.

The only consoling aspect in this situation was the fact that the management of the printing house tried to keep parity and did not make any concessions to pro-governmental MM. In the past official papers had been published regardless to their huge debts to the printing house. Vrezh Markosyan the manager of the printing house «Periodica» had to clarify this situation.

He mentioned that prior to imposing this sanctions he met editors of papers and by all means delayed the payments of debts.

However, I would like to quote Mr. Markosyan: «Charitable policy like this cannot last forever because eventually it leads to the financial collapse of the printing house». In all fairness I have to mention here that even though the printing house applied sanctions regardless to the political orientation of a paper, official papers have much greater oppor-

tunities to overcome financial crisis and the publication of «Respublica Armenia» was suspended just for one day since it is financed by the state budget and thus able to solve its problems quickly.

Other papers found themselves in a difficult situation because sometimes the only resource for paying to printing house were the revenues generated from the sale by the the state distribution agency «Haymamul» (Armpress) and owed to papers.

Editors of other papers were notified about possible sanctions unless they would pay the debts.

The Association of Armenian MM held an extraordinary session where possible ways out of this gridlock situation were discussed. The editor of «Azg» and co-chairman of this association Hakob Avetikian stated, that if «Armpress» had paid all its debts to his paper, he would have completely paid off his own debts.

The «Armpress» agency is obliged to pay the revenues of the previous month from the sale of the paper on the 15th day of each month. However, the agency does not abide by this principle. During this meeting the deputy director of «Armpress», Hamlet Hakopyan, assured editors that in case the publication of a paper is suspended because of «Armpress», then this agency is ready to conduct negotiations with editors and find mutually acceptable solutions.

The deputy director of «Armpress» also said that the total debt of 140 million drams owed by his agency, is reduced to 40 million drams and it is expected that the remaining part will be paid off in a few months. According to Hamlet Hakopyan, the liquidation of all debts will make it possible to reduce the tax of 23 per cent which «Armpress» levies for the sale of papers. He urged participants of the meet-

ing not to blame «Armpress» for all the troubles of the Armenian press.

The Association of Armenian press also adopted an appeal to Prime Minister Robert Kocharyan, proposing to stop the practice of suspension of publication by the printing house and try to find mutually beneficial solutions. The Prime Minister was suggested to convene a session with participants of all interested parties.

What does «Armpress» represent today? After studying the press market in Armenia, I have come to the conclusion that today no distribution company can seriously compete with «Armpress» which already holds a monopoly in this field. About 200 newsstands in Yerevan belong to this agency. In other regions the sale is carried out by 38 representative agencies. «Armpress» also deals with the delivery of Armenian press to Mountainous Karabakh and Samktckhe-Djavakhk region in Georgia. Thus, about 90 per cent of Armenian press is distributed by «Armpress» and unsold papers usually return to editorial offices. The problem of returning unsold papers is a heavy burden on the Armenian press.

According to Norajr Kechyan, the head of the marketing department of «Armpress», this is usually a fault of editors exceeding the circulation of papers. The return rate varies from 7 to 57 per cent - that is, there are some publications whose return rate is more than 50 per cent. This is a serious factor contributing to the extinction of recent newspapers.

Today, a system of subscription in Armenia has been set up again. People can subscribe to local, as well as Russian and CIS printed media. Along with «Armpress», the distribution agency «Ogostos» functions in the city. However, it cannot compete with «Armpress» since it deploys only 15 newsstands in subway stations. There are also a few small, private companies dealing with foreign press.

As you can see, today the Armenian press is in the grips of two monopolists: The «Periodica» publishing house and the «Armpress» distribution agency.

The ministry of information, which was created to solve these problems, was dissolved last year. Shortly before our seminar, a liquidatory commission of the government decided to transform the ministry into the 'board of information and book publishing'. The former minister of information, Hrachya Tamrazyan, stated: «The most painful problems are structural reforms and technical upgrading of «Periodica», «Armpress» and TV. These structures suffer financial difficulties. During the short time of existence of the ministry of information we tried to settle some problems e.g. debts of «Armpress» began to decrease. New regional structures were established and the sale tax was cut.».

It is clear that whatever governing body substitutes the ministry of information, a great deal depends on journalists and papers. Last year 22 organizations established «Association of Armenian MM». The appointment of Armen Sarkissyan as a Prime Minister was a favorable factor for the stimulation of the role of press in our society. Unfortunately, few months ago he had to leave his post because of health problems.

From the very first days in the office, he made clear that he intended to carry out radical reforms within the system of MM affected by rudimentary elements of the Soviet period. A public council on press affairs consisting of 15 members was elected. This council consisted of editors of papers, directors of information agencies, heads of press departments of the President's office, the National Assembly and the Government. Despite the unexpected resignation of Armen Sarkissyan it seems that authorities have decided to create more or less acceptable working conditions for MM.

In April President Levon Ter-Petrosyan approved the government's decision to grant VAT exemption to MM for six months. In a recent interview the president stated that this law would be prolonged. The program of privatization of «Press house» is also being considered now. According to Gagik Shahbazyan, the chief of staff of the government, the media will be given a possibility to privatize their present locations for a symbolic price. If this trend towards MM continues, I think that journalists have to submit their proposals for the demonopolization of the publishing house «Periodica» and the distribution agency «Armpress», making papers more independent of the whims and negligence of these structures. •

PRINTING HOUSES AND DISTRIBUTION CHANNELS OF MM IN GEORGIA

JOSEPH SIMONISHVILI

EDITOR-IN-CHIEF OF PAPER «CAPITAL», TBILISI

Any kind of MM can be considered worthwhile if it is distributed successfully. Until 1993, printed media in Georgia had been distributed exclusively by means of the former distribution system «Soyuzpechat» («Unionpress»). This distribution system had successfully functioned until November 1991 and in December of that year it collapsed due to civil war and galloping inflation.

In this period both parts of this system, national and metropolitan, ordered large circulation of papers but after a few months distributors reported that 60-70 per cent of circulation was not sold and demanded 8 per cent of the cost of unsold papers for their «zealous but futile» job. It became clear that the distribution of these papers by means of «Unionpress» was the shortest way toward bankruptcy.

Several groups of private distributors were established under the aegis of some papers. For our further development we chose another path. In the beginning of 1993 the paper «Drioni» signed an agreement with the metropolitan distribution agency «Matsne» with the condition that the editor of «Drioni» would pay 12 instead of 35 per cent of the paper's price. In the meantime the editorial office assumed important functions such as the transportation of papers, the writing off of unsold papers and the collection of payments. This maneuver as well as the unification of uncoordinated groups into a common papers' exchange which still functions now, have contributed to our survival in the severe years of 1994-1995 when hyperinflation, the energy crisis and paper shortages were common phenomena on our market. Under the conditions of a top -level -rapacious -clan -

capitalism which was formed at that time, our survival was determined by our ability to earn and use money efficiently.

We confirmed our viability. Both parts of «Soyuzpechat» have also confirmed viability and half-state owned structures successfully distribute Georgian, Russian and foreign publications. In addition to «Soyuzpechat» in 1994 several private distributing agencies were established. However, they display a poor performance. The distribution agencies «Planet» and «Tsiko» are the largest of them though the lion's share in distribution accounts for individual distributors and Tbilisi papers' exchange.

Currently, the circulation of Georgian papers is not high. The circulation of the largest weekly paper «Asaval-Dasavali» varies from 10 to 25 thousand copies. The paper «Ali» with a circulation of 6 to 18 thousand copies ranks second (5 issues per week). Based on total circulation, the daily paper «Rezonansi» (7 issues per week) ranks first.

The circulation of the so called national papers «Akhali Tuaba»; «Drioni»; «7 Dghe»; «Shansi» and «Dilis Gazeti» vary from 2 to 5 thousand copies. In some post-Soviet republics Press Houses were established on the basis of former Communist Party's publishing houses. This idea has been successfully implemented in Riga (Latvia).

In 1995 I expressed the idea to found a Press House in Tbilisi. However, this idea did not find any support among my colleagues. What is the essence of this idea? MM and printing houses will start as a non-profit organization called «Free press.» It will then appeal to the

government with a request to transfer a building of the printing house «Samshoblo» to «Free Press» - as a gesture of good will and confirmation of devotion to the principles of democracy and freedom of press. This building located on the Kostava street could have become the Press House, managed by a non-profit union of MM and printing houses.

The aim of this project would be to facilitate the survival of media during the transition period, offering low office rent and printing services, etc. It could be possible to arrange press clubs, conference halls, cafes, etc. This building could become a «sweet home» for journalists. Unfortunately the implementation of this project has failed so far.

By the way, the publishing house «Samshoblo» in its initial stages was the only printing enterprise specialized in paper printing. Today many printing houses print newspapers although their equipment is not adapted to this purpose.

To conclude, we can say that MM of Georgia faces severe shortage of money. The population is not able to purchase or subscribe to papers on a large scale. Business people cannot afford to conduct intense advertising campaigns. As a result, MM remains without money and is doomed to a miserable existence.

The implementation of the non-profit «Press House» project would have diminished the expenses and self-cost of the papers and would have increased the circulation. It seems to me that this project has not lost its relevance. •

THIRD CMSP CONFERENCE

The third «Caucasus Media Support Project» conference took place in Gudauri, northern Georgia, on 26-28 July. Journalists from Armenia, Azerbaijan, Georgia and Switzerland took part in the discussions. The topics discussed were: «Mass Media and internal politics», «Mass Media and Social Issues», «Human Rights and Media Coverage», and «Journalist Ethics». A fourth conference within the project will be held in the Transcaucasus in October. •

THE REPORTER OF «AZADLYGH» WAS DETAINED AND PENALIZED

«Turan» Information Agency, May 7, Baku and paper «Zerkalo», May 9, Baku.

On May 5, correspondent of paper «Azadlygh» Elchin Seldjuk was detained in Nakhichevan's airport as a «suspicious person». Journalist has been detained upon his return from the village Keleki of Nakhichevan Autonomous Republic to Baku. Being interrogated for one day, the journalist was accused of «rough treatment of police». Later, the case was given to court. The judge did not assume responsibility for 15 day detention and decided to penalize the journalist for an amount of 22 thousand manat. Meanwhile, the Nakhichevan policemen escorted the journalist of the most read paper in Azerbaijan to the airport and sent him back to Baku. Note: In village Keleki lives ex-president Abulfaz Elchibey, the leader of the opposition party «National Front of Azerbaijan» and founder of the paper «Azadlygh». •

PRINTING HOUSES AND PRESS DISTRIBUTORS IN AZERBAIJAN

IRENA SEIDOVA, «CONSULTING AND BUSINESS» MAGAZINE, BAKU

Distributors of Press

Press distribution companies play a crucial role in the formation and development of independent MM. In «the Soviet period», the distribution of press was concentrated in the hands of the state owned enterprise «Soyuzpechat» (Unionpress). Recent political upheavals have had their effect on the press and its distribution.

The state owned enterprise «Unionpress» has split up into two independent companies: «Gasid» - distributes papers in Baku, and «Azer Metbuyatyamu» - distributes papers in other regions of our country. However, the state still holds a monopoly in the distribution of the opposition papers, especially in remote regions. For the further development of the freedom of press and the freedom of speech it was necessary to establish an alternative distribution system. Created in 1992, «Gaya» company was a first step in this direction. At that time it was the second private distribution company in the former USSR (the first one was founded in Lithuania). From the very beginning of its activities, «Gaya» faced a hard pressure from the authorities. For the papers cooperating with «Gaya» all kinds of obstacles were being created in printing houses and in state-owned distribution agencies.

Several facts of direct pressure on «Gaya» were registered at that time. For instance, the manager of «Gaya» Khanguseyn Aliev was detained and jailed for 3 days for distributing the boisterous paper «Cheshmya». Many papers supported «Gaya» in its difficult times. «Gaya» was offering more favorable conditions for paper distribution, it was usually paying to papers in a short time and in cash.

Among manifestations of the pressure on «Gaya» were numerous attempts to remove company's newsstands. In one case it was carried out under the name of the campaign against illegal construction; in another case the authorities decided to remove all newsstands located near bridges (after the assassination attempt on president Aliev, when explosives were installed under a bridge). In all these cases, owing to journalists' support, these attempts did not succeed.

The achievements of the company «Gaya» set the stage for the emergence of other distribution companies. At present the companies «Biko», «Avista» and «Layman» operate successfully in our market. These companies mainly deal with the selling of Russian press. The main partners of these agencies in Moscow are the Russian companies «Oda», «Today Press» and «ARIA A&F». The companies «Gasid» and «Gaya» charge 25-30 percent from sale revenues. Here the distributors are exempted from VAT and pay 32 percent profit tax.

«Gaya» pays much attention to the development of a subscriber network. Owing to a flexible subscription system, discounts and an intense advertising campaign, the company has attracted a great number of subscribers, including political organizations, diplomatic corps, international organizations, state and private enterprises, business people, etc. «Gaya» levies 10 percent tax for service from subscribers (state agencies levy 30%). But this 10 percent service tax is subject to a 20 percent VAT. A new trend has emerged recently. Papers attract individual distributors by offering their product for 60 percent of its retail price.

Certainly, this system is more risky but usually money returns in 2-3 days. This trend is in its initial stage and time will reveal its efficiency.

Printing house and press houses

The vast majority of our papers are printed now in the publishing house «Azerbaijan» - the former printing house of the Communist Party of Azerbaijan. After independence this publishing house was handed over to the ministry of Information and Press. In 1994 by a decree of the President of Azerbaijan this publishing house was subordinated to the President's Administration. At present the governmental and opposition papers are printed in this printing house. Its equipment purchased many years ago does not meet modern requirements and can print only black & white papers. The lack of equipment for pre-printing preparation is causing many problems with the print quality.

The printing house «Azerbaijan» sets rather high prices for printing and many papers already have debts to it. The government allocates subsidies for the official papers to pay off their debts, but independent and opposition papers have to take care of themselves. Papers owned by joint Azerbaijani-Turkish companies or by Turkish citizens turn to Turkish printing houses. For instance the daily papers «Avrasia», «Zaman» and the weekly supplement of «Avrasia» «Her gun» are printed on the facility of Turkish company «Zaman». The independent paper «7Gjun» has solved these problems by purchasing a printing house of its own. In addition to the «Azerbaijan» printing house, there are some printing houses in Baku which were not designed for newspapers printing, but were later converted to print-

ing of papers. In particular, the cartographic factory #4 which in Soviet times was publishing geographic maps, publishes the color papers «Arka» and «Fellows from Baku».

After the collapse of the Soviet Union some Turkish companies showed an interest in our press market and helped to create two printing houses in Baku : «Goyturk» and «Gjunesh». After functioning for two years the printing house «Gjunesh» ceased to exist due to financial problems. «Goyturk» continues to function and publishes many books, brochures for humanitarian aid organizations, governmental pamphlets etc.

Virtually all our magazines are printed in Turkey or the United Arab Emirates. It is quite cheap to print magazines in the UAE. However, the printing of illustrated magazines runs into religious and moral problems. That is why the editors of the magazines «Shams» and «Jeila» which cover high society and top-models give preference to Turkey.

There have been several attempts to purchase a printing house to print national passports and currency, but taking into consideration the cost of a printing house like this (about 7-8 million USD) and the financial situation in Azerbaijan, the functioning of a printing house like this would have been unprofitable. That is why national passports and currency were printed in European countries.

We can only hope that in the near future there will be facilities in Azerbaijan, performing high-quality color printing, and that all the papers and magazines will be printed in our home country. •

THE AUDIENCE OF MASS MEDIA IN AZERBAIJAN

GYLMAYA GASANOVA, NEWSPAPER «PANORAMA»

Television and Radio

As far as the availability and audience size are concerned, the indisputable leadership among MM of Azerbaijan belongs to the TV. It should be noted that there is a great difference between the metropolitan and the regional TV audience. Whereas in the capital, along with the state TV, two independent TV companies function and various magazines and papers are published, the regional residents rely on the first channel of the state TV as their main source of information.

Therefore, the state TV and Radio are the only MM, whose main audience lives not in the capital but in the regions. The state television of Azerbaijan (AzTV) broadcasts its programs on two meter bands:

- the first channel covers all the country, the second one only the capital Baku and suburban areas. The content of these programs differs a little.

In Baku, AzTV is not popular and it seems it does everything to justify a joke, expressed by an American thinker, about the role of TV in the educational process: «TV promotes education. Whenever someone turns on the TV, I go to the next room and read a book».

The residents of Baku have a wide range of TV programs available. In meter band they can tune in either into the Russian Public Television (ORT) the Russian TV-Radio (RTR) or the Turkish channels TRT-1 and TGRT. There is also an extra choice in decimeter band-the independent TV companies «ANS-TV», «Sara» and the Turkish channel «Samanolu».

All TV and Radio companies of Azerbaijan have to get a state license and determine broadcasting frequency. The state does not control

the content of the programs of the independent TV companies unless they trespass the permitted boundary. There are no fees or taxes imposed for owning TV sets or radio receivers. Everyone is free to tune in to any available program.

A poll carried out among the residents of Baku reveals that ORT (Russian Public TV) holds the leadership among the TV programs in Azerbaijan. It is watched by 37 per cent of respondents. 22 per cent give preference to RTR (Russian TV-Radio); 19 percent to «ANS»; 9 per cent to «Sara»; 7 percent to «AzTV-1» and only 5 percent to «AzTV-2».

Among the radio stations the most popular are the short-waves: 33 per cent of respondents give preference to «Sara»; 12 per cent to radio «ANS-ChM»; 10 per cent to the state radio company and only 4 per cent to the Russian radio «Mayak» (Beacon).

Among the TV news programs the most popular is «Habarchi»-ANS TV-37 percent; «Vesty»-Russian RTR-26 per cent; «News»-ORT- 11per cent; «Habarlar» (AzTV1)-9 per cent; «Haberler»-Turkish, TRT1-7 per cent.

The private TV-Radio companies «ANS» and «Sara» compete with each other and have quite different audiences. «Sara» is trying to please a larger audience and develop some eastern trend. It often transmits Turkish and Iranian music, its announcers speak intentionally with a Turkish accent. Whereas «ANS» aspires to meet western standards and is the only company among MM which observes copyright laws.

«Sara» has not got a news program, while the «ANS» news program «Khabarchi» holds a leadership among all TV news programs.

Printed Media

Although the number of readers of printed media is low compared with the TV audience, papers and magazines play a crucial role in the public life of our country. Even though a few hundred papers and magazines are registered in Azerbaijan, only about 50 papers are printed regularly.

«Avrasia» and «Azadlygh» hold a leadership in circulation and the number of sold copies. The first one has been established by a Turkish citizen, the reporter of the paper «Hurriyet» Irphan Sapmaz. This paper carried out a lottery campaign which eventually increased its popularity. It is worth mentioning that Turkish businessmen recently had a kind of unwritten agreement to place ads only in pro-Turkish papers like «Avrasia» and «Zaman». But today's competitive environment has forced Turkish businesses to place ads also in other papers. Articles published in «Avrasia» have a slightly sensational and scandalous hue and this paper is aimed at a large audience ranging from housewives to entrepreneurs.

«Azadlygh» was founded as a body of the «National Front of Azerbaijan» and for a long time it was an opposition tribune. However, journalist-members of the editorial board, appear now as co-founders of this paper along with the «National Front of Azerbaijan». This paper possesses a sound information network, it publishes articles on politics and analyses the economic and social situation of our country. The intelligentsia, students, people interested in politics and economics make up the audience of Azadlygh. Three daily official papers-«Azerbaijan» (Body of Parliament); «Khalgh» (Body of President's Administration) and «Worker of Baku» (Printed in Russian), are much smaller in circulation and selling range compared to the above mentioned papers.

Officials always slightly overstate sale figures since many state organizations have no other

choice but to buy or subscribe to these official papers. A joke, expressed by an editor-in-chief of an independent paper, is popular among journalists: «I think that the newspaper «Azerbaijan» has only one reader. In the evening he appears on TV and the next morning he checks whether all words of his speech are printed in the paper».

Among the daily papers it is worth mentioning the paper «Panorama:». It is the only daily paper published in both Azerbaijani and Russian. The Center of Strategic Studies headed by an assistant of our President is the founder of «Panorama». This paper supports the policy of both the President and the Government but in contrast to other official papers «Panorama» has a rather large audience. This is first of all the result of journalists' professionalism and secondly of lottery campaigns carried out by this paper.

Among the weekly publications the paper «Ayna» and «Zerkalo» hold a leadership in sales, audience size, number of ads and number of supplements. Besides the papers «Ayna» and «Zerkalo», the members of the editorial board also publish the weekly papers «Stock Exchange», «Alver», «Week-end» (bilingual) and the magazine «Monitor».

There are also papers which are published 2 or 3 times a week. «7 Gjun» and «Hurriyet» have the largest audience among them. The Paper «Gyunay» is the only paper published in three languages (once a week in English).

The political parties have a printed media of their own. The audience of the political papers embraces party members, sympathizers, opponents and those who are interested in politics. These papers do not aim for a nationwide status. For the time being, high quality youth and womans' papers are not published in Azerbaijan although in the Soviet period papers of this kind were published.

In recent years the publication of magazines has become a fast growing business. At

present, more than ten magazines are published in my country. The magazine «Shams» (published by independent TV-Radio company ANS) and the analytical magazine «Monitor» are the most popular ones. The magazines «Trend» and «Capital» are targeted at economists and entrepreneurs.

The magazine «Consulting and business» was primarily planned as a catalog of goods and services. Today it is called a «magazine for elite» and consists of three sections:

First - «Consulting» (law, insurance, finance, brand-names)

Second - «About The Best in Details.» (goods and services)

Third - «For The Whole Family» (interviews, history of high society life, cooking).

Information Agencies

The state information agency «Azer Tadj» is the oldest information agency in Azerbaijan. It provides information on the state TV and the official papers. A distinctive feature of most information agencies is that they provide information in Russian and English (Except the information agency «Olaylar» which issues an information bulletin in the state language-Azerbaijani). This is connected to the fact that these bulletins are distributed on the external market. There are also a few technical problems in the transmission and decoding of Azerbaijanian texts, via e-mail.

The bulletins of the information agencies are not subject to censorship. That is why those who are interested in latest, uncensored information, do not rely on newspapers but prefer to have information in its original state since later the censors can remove information from papers. The information agencies «Turan and «ANS-Press» hold a leadership in their field. These agencies successfully cooperate with leading information agencies in the world. They have also established contacts with their Armenian colleagues from the information agencies «Noyan Tapan» and «SNARK». •

EUROPEAN COUNCIL STUDIES FREEDOM OF PRESS IN AZERBAIJAN

«Yeni Musavat», May 9, 1997, Baku.

On May 5, a group of lawyers of European Council visited Baku, for studying situation on the matters of human rights and democracy in Azerbaijan. Robert Berndart (Germany) - deputy on human rights matters of the chairman of European court, headed this delegation. A meeting between representatives of European Council and representatives of leading MM took place in the ministry of press and information. Delegation of European Council was interested by the facts of economic and administrative pressures on press and legal basis of censorship activity. During this meeting member of parliament and chairman of «Foundation of press»- I.Ismailov, tried to justify authorities policy towards press, in particular he reported that his foundation renders assistance to journalists and families of perished journalists. However, participants of this meeting could not confirm any mentioned fact of assistance. •

JOURNALISTS SPEAK IN SUPPORT OF A COLLEAGUE

Information agency «Turan», April 29, Baku
Paper «Mirror», May 30.

Leaders of journalist unions and MM of Azerbaijan have appealed to the President of Azerbaijan, the General Prosecutor and the Minister of the National Security to take all possible measures for the release of Rasim Aghaev, a journalist who was arrested on November 26, 1996 and accused of treason. He is currently detained in the isolated cell of the Ministry of the National Security. The attorneys of the journalist claim that charges are not well-reasoned and the journalist has been arrested illegally. The authors of this appeal assert that the investigation does not have essential proofs justifying the arrest of Rasim Aghaev. •

THE AUDIENCE OF VARIOUS MM

GIGA KHVINGIA

EDITOR-IN-CHIEF OF NEWSPAPER «IMERETIS MOAMBE» («IMERETI'S TIME»)

Questions of size and composition of an audience are vital for journalists. Over the last six years I have worked for the TV company «Ibervision-Kutaisi» in the offices of the Mayor of Kutaisi and the representative of the President of Georgia in Imereti as a press secretary and as a director of the Independent information agency «AUA.» At present I work as the editor-in-chief of the paper «Imeretis Moambe» - the official paper of the regional administration. That is why I am going to discuss this topic with the example of our region.

One fifth of the population of Georgia resides in Imereti but the number of independent publications in our region is not large. Existing publications are of a small circulation and are not issued regularly. Probably the main factors contributing to this situation are the low purchasing power of people, non-professionalism of journalists, poor quality of printing as well as the fact that many journalists prefer to work for the official press because it offers quite acceptable working conditions.

About TV

There are four registered TV companies in Kutaisi (one of them does not function because of financial problems). Three stations have leased three powerful TV transmitters. The audience of these stations is about one hundred thousand people. Some districts of our region have their own TV companies but their audience is not large.

There are two radio stations operating in our region but there is a big desire to start more channels by lots of different people. This fact indicates that radio is a popular medium in our region.

Several polls have been conducted in Imereti to reveal the popularity of media. According to the survey conducted by the paper «Imeretis Moambe» the popularity of media is distributed as follows:

1. ORT (Russian Public TV)
2. First Channel of Georgian State TV
3. Second Channel of Georgian State TV
4. TV company «Kutaisi»
5. TV company «Iveretioni»
6. TV company «Rioni»

To represent our TV audience I would like to draw your attention to some little-known TV companies. Ranked first among the local TV companies, «Kutaisi», is the youngest of them. It is a member of «Internews» TV network and has unlimited broadcasting time on the metre band. This TV company is mainly focused on entertainment programs and broadcasts a weekly information program prepared by «Internews». The audience of this company consists only of young people.

The TV company «Iverioni» begins its programs after midnight. Low rating of this company is probably determined by this factor. Daily news, press digests, carefully selected movies and music programs constitute the programs of this station. The programs of the TV company «Rioni» are aimed at an average audience. For some reason this TV company cannot fully use its own potential.

It is worth mentioning that a poll carried out by the independent agency «AIA» regarding the press of our region, revealed that 62 per cent of respondents are paper-readers.

The newspaper «Qviris palitra» is ranked first in this poll. It is distinguished from the oth-

ers by publishing the best articles of national as well as foreign press. Judging from respondents' answers its popularity is determined by low purchasing power of population. Having no possibility to purchase different papers 72 per cent of respondents do not have any idea about open civic society. People watching live broadcastings of the sessions in the City Hall belong to a special group of TV audience.

The audience of this program consist of pensioners and officials interested in this sort of information. The average age of this group is about forty years. The audience under the age of 20 mostly prefer entertainment programs. That is why TV channels which usually broadcast feature films and music programs are very popular. The audience up to 40 years of age usually prefer serious programs, movies and serious publications. The older generation is more interested in politics. The realm of interests of this group is focused on politics and local self-government and it is not surprising in a country where many claim a deep knowledge in politics and probably everyone has his/her own plan of bringing our country out of crisis.

Recently publications such as «Finansebi», «Literaturuli Sakartvelo» and «Sarbiel» have significantly strengthened their positions in the press market. Although they are in high demand their audience is quite a particular one. They are professionals busy in relevant spheres. Officials do willingly refer to and quote these papers considering materials published in these papers objective.

Readers wishing to read critical articles about city and regional authorities form a separate group. We do not lack audience from both of these groups, that is why our paper is usually sold out very fast.

The audience can also be divided on the basis of gender.

The audiences mentioned so far consist mostly of men. Women are usually less interested in politics and specialized press. Papers and magazines covering literary issues are popular among women. Representatives of the better part of humanity are usually in need of serenity, kindness and warmth. They mostly read last pages of papers and watch entertainment programs

I would like to say few words about senior school children. They are no longer interested in fairy tales and childish programs and prone to watch dodgy programs. We have to foster this audience already from an early age, but first we have to admit that we fail to provide proper and high quality information. Nevertheless this audience is disposed toward programs and publications carrying an intellectual message. We can hardly call the population of Georgia undereducated or with a low intellect, but it is necessary to foster the audience. Each of us is trying to find his own audience, taking into consideration the interests of a society regardless of age, level of education or gender. •

THE AUDIENCE OF MASS MEDIA IN ARMENIA

TIGRAN NAGDALYAN. DIRECTOR OF «FACT» AGENCY

From the very beginning I would like to note that the audience of the Armenian press is quite limited. This phenomenon has different explanations. First of all it is caused by the low purchasing power of the people. The average price of a paper today is 25 cents with an average salary of 20 USD, thus the prices of papers keep them out of reach of most of the population. This explains the fact that the total daily average circulation of so called central papers in Armenia is no more than 55 thousand copies.

The situation can be highlighted on the example of Tavush, a North-Eastern region of Armenia. I deliberately do not consider Yerevan where the situation is quite favorable compared to the regions. We received this information from our correspondent just on the eve of our departure to Kutaisi.

In April, Noyemberyan sub region received newspapers of total value of 190 thousand drams (about 400USD). In spite of the fact that local newsstands work seven days a week, 40 thousand drams worth of papers were returned recently. Papers «Vozny» and «O2» were sold most successfully. The first one is humorous and the second is the official organ of the Ministry of Internal Affairs and State Security and mainly publishes criminal newsreel. The matters stand quite well with «Azg» and «Molorak» and worst of all with «Haik», the official organ of the ruling party.

The official «Hayastani Hanrapetutyun» as witnessed by our correspondent, people usually buy because it publishes new laws and is comparatively cheaper than other papers (receives state subsidy). However, according to the latest poll, more than 86 per cent of population of Armenia considers TV as the main source of information and only 36 percent considers papers as the main source of information. It is necessary to mention that the monopoly of the «Armpechat» (Armprinting) agency on distribution of the printed MM, has a negative impact on this situation.

Often due to unpaid debts by this agency some papers were forced to suspend their publication. In their turn, papers were not able to pay to publishing monopoly «Periodica», the former printing house of the Central Committee of the Communist party of Armenia.

Today the privatization of these enterprises will contribute to the enlargement of the audience. There are serious worries that the printing houses can be privatized by people for whom printing cognac or other labels will be more profitable than printing newspapers. The recently established association of Mass Media of Armenia which unites almost all leading state and non-state papers and press agencies, submitted a suggestion to the Government, according to which newspapers should be given a right to become shareholders of privatized printing houses. At the same time negotiations with several American funds are on their way to obtain preferential loans for purchasing modern printing equipment. These facilities will be used to print papers under the control and guaranties of this association. According to preliminary calculations using these facilities will reduce the cost price of the papers and contribute to the enlargement of the audience and the circulation of the papers.

The association considers the opportunity of participation of its members in the process of incorporation of «Armpechat». In this process it is crucial to obtain a control over newsstands because after privatization they might refuse to sell papers, giving preference, say, to cigarettes. There are also other not important factors shaping the audience, but taking into consideration the fact that every 2.5 days a new paper is registered in Armenia, and that in the nearest future the daily paper «Aravot» will resume its publication on 16 pages, we can say that the press in Armenia looks to the future with optimism. •

BULLETIN ABOUT THE STATE OF PRESS IN AZERBAIJAN

«Turan», May 7, 1997; «Zerkalo», May 9, Baku. May 3 is celebrated in the world as the Day of Independent press. For this day the independent union of journalists «Yeni Nesil» published a special bulletin which illustrates to what extent press in our country does remain dependent. The pressure of authorities was stated among the factors limiting the activities of independent MM.

Adopted in 1992 the law «On Mass Media» has become obsolete today and needs a serious revision aimed at the broadening of the rights of journalists. Legislative bills «About the Freedom of Information» and «About the State Support for MM in Transitional Period» prepared by «Yeni Nesil» in 1996, were not considered by our parliament. In contrast to these bills Milli Mejlis (Parliament) adopted a law «About alterations and editions to the law of the Republic of Azerbaijan About Mass Media». According to this law, from now on it is strictly prohibited to deal with any kind of information related activity without a state license. The adopted law «About State Secrets» defines a state secret criteria of economic and financial information.

According to the «Yeni Nesil» bulletin, press is deprived of the rights granted by former laws. As an example, we can bring the fact of repudiation to register «Association of the Press of Azerbaijan» and «Union of Journalists Covering Economic Topics».

Last year activities of several independent TV companies in Devichi, Shemaha and Kusary were suspended. The Ministry of Communications refused to give out a frequency band for the transmissions of independent TV companies; publication of the paper «Avrasia» has been suspended for one month.

«Yeni Nesil» union claims that authorities hide information regarding «disloyal» MM. Some opposition journalists were not invited to important events or were deprived of accreditation. The fact that journalists of «Azadlygh» paper Azer Guseinbala was deprived of accreditation by the speaker of the parliament Aleskerov was publicized recently. According to the facts presented by «Yeni Nesil», censorship still remains a serious obstacle for the development of Azerbaijani free press. 428 cases of censorship were registered in 1996. During that time five issues of papers were suspended, of which «Azadlygh» from January 3, July 3 and August 8; «Istighlal» from January 25 and «Muhalifat» from July 17. Dozen of facts of removing articles completely or partially are registered by now. All censored materials can be classified by topics:

1. Human rights violations
2. Critique of authorities, internal and external policies
3. Interviews and speeches of opposition leaders
4. Desperate social conditions of population and the letters of readers

The confiscation of issues of several opposition papers has taken place recently.

Five cases were registered in 1996: paper «Avrasia» in Massalah; papers «Yeni Mussavat» and «Femida» in Gandja; paper «Muhalifat» in Beilagan and «Yeni Musavat» in Sumgait. Arrests, detention and beating have become «popular» methods for struggling against «the casted of all restrains», the journalists. As «Yeni Nesil» informs, in 1996 15 journalists, including one from Turkey, were detained and arrested while on duty. At present, the situation regarding the freedom of speech in Azerbaijan has deteriorated and resembles that of two years ago. As stated the head of «Yeni Nesil» Arif Aliev, the laws «About the State Secrets» and «On Mass Media» greatly contributed to this situation. •

THE ROLE AND INFLUENCE OF THE ADVERTISING MARKET ON PRINTED MEDIA

JANNA KRIKOROVA

INFORMATION-ANALYTIC CENTER «NOYAN TAPAN»; YEREVAN

The use of advertising as a way of attracting financial resources has become a typical phenomenon of the Armenian Mass Media. The formation of advertising businesses in printed media started together with the beginning of sweeping economic reforms in Armenia in 1992-1993.

The nature and level of performance of advertising in our printed media depend on some subjective as well as objective factors.

Among the subjective factors are the sources of financing, e.g. budget financing, sponsor financing, or ability of self-financing. These factors determine the feasibility of expansion of an advertising business.

Among the objective factors are the general economic situation in my country, the social trend of publications, the priority of TV advertising and the interest of the advertiser. An analysis of the use of advertisements by the Armenian newspapers, reveals the fact that publications subsidized by state, a party or by sponsors are the least interested in the attraction of advertisements. These papers do not carry out marketing studies or only very irregular ones. They usually have a small advertising department and staff dealing with receiving and registering announcements. Papers of this sort usually do not hire sales agents.

It is worth mentioning that more than 70 per cent of the Armenian papers are financed by the state, a party, or subsidies of generous sponsors. Newspapers such as «Respublika Armenia» (Russian edition) and «Hayastani Hanrapetutyun» are official publications; independent newspapers like «Golos Armeni», «Novoe Vremya» («New Times») and

«Molorak» are supported by donors; newspapers like «Aijm», «Azg», «Irvunk» are supported by political parties.

Thus, even with the apparent complete absence of profits of newspapers, a tendency to increase profit by using intense advertising is not noticeable. Commercial newspapers like «Gind», «Eis Express» and «Komersant Armenii» are excluded from this category, as for these papers the advertising is a professional orientation and not a way of creating additional revenues.

Newspapers covering the economic situation in our country, the real estate market, the stock exchange, services or buying & selling, make advertising the top priority of their activity; they recruit specialists on advertising and marketing to increase the efficiency of their activity.

A different approach towards the use of advertising is reflected in prices for advertisements in commercial and non-commercial papers. The non-commercial papers charge about 25-30 cents per sq. cm and about 50 USD for a full page, while commercial papers charge about 270 USD for a full page. Prices on advertising space depend on the circulation of the paper. «02» with a circulation of 20-25 thousand copies (5-8 thousands on average in Armenia), sets the price at 10 USD for 1/32-th part of a full page.

Advertisers willingly retain services of these papers due to their high demand on the market. This is probably the main objective factor causing a low advertising activity of non-commercial papers.

Another objective aspect which hinders the formation of advertising as an economic basis for the Armenian mass media is the lack of the market of advertisers.

1. The main advertisers are large enterprises, companies or international organizations. They usually place advertisements for the purpose of supporting their image and advertising expenses are allocated by their budgets.
2. The monopolization of main industries has suspended competition which could have stimulated advertising of goods and services.
3. After the collapse of financial institutions and investment schemes local banks do not tend to advertise their activities.
4. Many advertisers avoid advertising openly since they evade taxes.
5. Advertising can be expanded only with the development of industry. Thus it has become quite evident that the incentives for the expansion of the advertising market are the self-financing (self-support) of newspapers and the improvement of the general economic situation.

However, today there are precedents of some printed media with advertising as their main activity. Three years ago the «Noyan Tapan» agency was almost forced to get engaged in advertising.

Some papers which were subscribers of the agency were not able to pay for the provided information and offered instead to advertise «Noyan Tapan» in their papers. The agency decided to use the given space and started to look for an advertiser willing to buy that space.

The agency founded an advertising department and hired a computer design specialist and sales agents. At present the advertising department of «Noyan Tapan» functions as an advertising agency: it deals with the production and placement of printed and TV advertising.

«Noyan Tapan» advertises in the pages of its English language paper «The Noyan Tapan Highlights». It has obtained exclusive rights for the production and placement of advertisements of «Midland -Armenia Bank» and «Armenian Air Lines»- and regularly publishes advertising booklets.

Sometimes the profits generated by advertising and articles of indirect advertising cover the salary expenses of «Noyan Tapan». This practice is also adopted by official newspapers. For instance «Respublika Armenia» sets equal prices for «direct» and indirect advertising while practice shows indirect advertising to be highly efficient.

The system of discounts for advertising in various publications is rather flexible. Among the factors influencing the price are the duration of the contract, separate agreements and the type of advertiser, as discounts are usually given to educational and cultural institutions. The average discount rate varies from 10 to 50 per cent.

It is necessary to mention that regional papers are reluctant to place advertisements due to the low interest of local business people to advertise goods and services which are usually well known anyway in sparsely populated regions. The regional papers come out irregularly and have a small circulation. Thus the local television is more commonly used for advertising.

Because of the above mentioned problems the national press in Armenia today is not yet able to get financial independence (and consequently more freedom) by means of intensive advertising. •

THE INFLUENCE OF ADVERTISING MARKET ON PRESS

NATIK ZARBALIEV, "YENI NESIL", BAKU

The Mass Media cannot be considered as merely a group of freedom-loving journalists which regularly informs the population about the affairs in the world, but rather a complicated machine acting within the system of relationships with the founders, readers, advertisers and the state.

Probably money is one of the main connecting units of this system, the «fuel» which keeps this machine going. Starting in 1989, the first stage of the formation of the independent press in Azerbaijan can be considered completed today. In many respects the last year was considered to be noteworthy for much of the Azerbaijanian MM. The most important aspect is that MM has got chances for supporting itself, hence to be independent in practice. It is a well known fact that the independence is quite an expensive pleasure. However, the tendencies which appeared on the advertising market clearly indicate that money vital for the MM survival can in abundance be found in the hands of advertisers.

They willingly pay for the vast spaces in newspapers and for the seconds of air time.

The newspapers are the main means for advertisement in the world.

Let me introduce some facts.

In the US, newspapers' share on the advertising market is about 35.1 billion USD. In Japan 11.6 billion USD, in Germany 8.8 billion USD, in England 5.67 billion USD, in South Korea 2.28 billion USD. The situation with the newspaper advertising in our country will become clear if you try to compare these figures with the GDP of Azerbaijan, which makes about 3.5 billion. USD. These figures are quite impressive.

However, the intense growth of our advertising market is a reality. According to the investigation of «P&M» group (Advertising and

Marketing) of «Yeni Nesil» union of journalists of Azerbaijan, one million USD were spent in our country for advertisements in press in 1996. According to the poll carried out among the leading advertisers, last year the expenses on advertising between the electronic and printed MM were distributed as follows:

The press-70 percent;

The radio and TV-30 percent.

We can conclude that MM of Azerbaijan earned an estimated 1.5 million USD on advertising.

The main advantage of press advertising is the low price. The cost of one square centimeter of advertising space in different papers usually depends on the page and varies from 0.5 to 1.0 USD. (the highest prices for ads are in the weekly paper «Mirror»). In magazines prices vary from 500 to 1.500 USD for a full page. The lowest prices are in «Consulting and Business» magazine, and the highest prices are in «Trend».

As I have already mentioned the advertising business in our country develops quite fast, at least faster than in other Transcaucasian countries. In his report for the participants of the training courses on the advertisement in MM, the vice-president of the Union of Advertisers of Azerbaijan Nadir Badalov stated that the yearly turnover of the advertising market in our country is about 8 million USD. This figure includes the advertising in MM, the external advertising, the advertising on transport, all kinds of exhibitions and public relations, etc.

Only 12.5 percent of this amount accounts for advertising in the press. Unfortunately the level of our current advertising does not correspond to international standards and it

can be hardly called a civilized one. The only way to meet international standards is to increase the professionalism of the staff involved in advertising. It would be quite naive to assume that for this purpose it is sufficient to purchase comprehensive and expensive facilities. As in any kind of art, and I consider advertising as a kind of art, value of work does not proportionally depend on the money invested. First of all an idea is needed.

Few years ago a French paper published an announcement stating: «A young and handsome millionaire is looking for a fiancée, similar to the character of the Dupon's last novel «For Life». The next day all copies of this book were sold out. Ralph Amirati, the guru of advertising, once stated: «Look for a good idea. That is make advertisement worth of invested money».

With the support of «Eurasia Foundation» «Yeni Nesil» currently implements a project «Education in The Field of Advertising in MM». Within the frameworks of this project, investigations of advertising market and survey of public opinion are carried out regularly. The results of both the research and the survey are presented in the bulletin «Advertising and Marketing», which is distributed free of charge among MM, advertising agencies and advertisers.

At present, a book «Advertising in Press» is ready for publication. This book highlights international experience of advertising in printed media and reveals the specific nature of advertisement in Azerbaijanian press. It also comprises information on all the publications issued in our country, glossary of advertising terms, list of books about advertising and other useful information.

This is the first book ever written by local authors on Azerbaijanian language. It is expected that this book will be printed in May of the current year. According to this project during the first two months of the course «Yeni Nesil» conducted a training course called «Advertising in MM». Besides local lecturers, spe-

cialists in this field from UK and Holland were invited to deliver lectures. On the last session of this course, business games will be conducted to develop communication skills of sales persons and advertisers.

In July of current year an international seminar on consumers' rights and advertising will be held in Baku. It is expected that on this seminar the «Code of Advertising Ethics» will be adopted.

Recently we conducted a poll among leading advertisers of our country. The poll reveals that 156 companies conduct intense advertising campaigns in all MM. A group of 120 respondents, including managers of companies and heads of advertising divisions, was chosen for polling. Only hundred of them answered to the questionnaire. Our correspondents had many occasions to visit and interview the top management. The questionnaires included the following questions:

What papers, magazines, TV & Radio channels do advertisers prefer?

What are the main determining factors for choosing and placing an advertisement in this or that media?

How do advertisers evaluate efficiency of ads in different MM?

What is the ratio of the budget for advertising in MM and total advertising budget?

Whom do companies turn to carry out advertising campaign?

This survey shed light on this and other questions concerning advertising market. The experience of developed countries has proved a necessity for these surveys. However, our entrepreneurs and business people are reluctant to get into contact with our correspondents.

It is quite understandable. Our local business people are constrained with a number of circumstances such as poor taxation policy, weak legislative basis, etc. There were few cases when respondents refused to answer to our questions. But attitude of businessmen to this survey reveals some interesting facts. The answers to the question: «By what factors are you

guided in choosing publication for placing an advertisement?», were ranked as follows:

- * Audience- 42 per cent
- * Circulation-21 per cent
- * Performance quality (of papers)-17 per cent
- * Low prices-15 per cent
- * Personal relationships- 5 per cent

It is obvious that circulation does not play a decisive role in choosing the publications. The main factor for advertisers is the size of the audience, to whom their message is addressed. A good paper is usually passed from hand to hand, thus increasing the targeted audience. There were also several particular opinions. Among the reasons, motivating advertisers to cooperate with this or that publication the following criteria were mentioned:

- * discount on advertising
- * content of papers
- * the multi lingual character of publications
- * high rate of sale
- * regularity of issuing,
- * image and political affiliations

The last one - political affiliation probably is the specifics of our national advertising. Several cases were reported when businessmen had been warned to cease placing ads in opposition papers, promising serious problems in their activities in case the businessmen do not abide.

Sometimes managers of companies are forced to place advertisements in governmental and pro-governmental papers. The survey also revealed that business community is mostly interested in economic information, and has a quite low interest in the political one. Cross-words and jokes are popular among businessman. Only 14 percent of respondents mentioned the horoscopes, which means that most of them believe in their abilities rather than in the position of stars. This is an important hint for editors of expensive business magazines, and instead of horoscopes they could have printed couple of anecdotes. As for the rest of the population, there is no other choice and horoscopes remain the only thing they can believe in.

The survey revealed 30 papers where advertisers prefer to place ads. The top ten of these papers were ranked as follows:

- (a point for each mentioning of the paper)
1. «Mirror» - 60
 2. «Stock exchange» - 31
 3. «Supermarket» - 23
 4. «Azadlygh» - 16
 5. «Panorama» - 15
 - 6-7. «Avrasia» - 11
 - 6-7. «Screen and Air» - 11 (TV and radio broadcasting program)
 8. «Khalgh Gazette» - 10 (People's paper)
 9. «Daily News» - 9
 10. «Azerbaijan» - 7

The absolute leader of newspapers' advertising is the paper «Mirror». Owing to neat management, this publication has become a corporation and now it includes papers such as «Stock Exchange» (second rate), «Alver», «Image» and «Aina Media Group», a studio where video ad spots are produced. The same situation we can trace with independent TV and radio companies. The «ANS» company is not only a radio and TV company, but also includes an information agency «ANS - Press», advertising company «ANS - Commerce», «ANS Records» and «Shams» magazine.

The company «Sara» has established advertising agency «Sara Reclam» and began to publish paper «Sara Express». During the above mentioned survey ten magazines with whom advertisers are willing to cooperate were noted. It is worth to mention, that having felt a «smell» of advertising money, many people who previously were far from journalism have began to establish various magazines today. The magazines are usually composed and page-proofed in Baku, and printed in Turkey and United Arab Emirates.

Lets hope that in the future quantity of magazines will evolve into quality. Today the leading magazines on advertising market are: «Trend» (analytical magazine), «Consulting and Business» (business magazine). •

WHO IS NOT PLEASED WITH CENSORSHIP?*Paper «7 Gjun», May 15, Baku.*

During the meeting with the minister of foreign affairs of Azerbaijan-Gasan Gasanov, Robert Bernard-vice president of European Court of Human Rights matters-complained that: «MM of Azerbaijan does not have free access to information about situation in police and in jails, and censorship is issued in press». Gasanov replayed that: «Only opposition is discontent with censorship»

NEWSPAPER «AZADLYGH» WILL BE PUBLISHED IN RUSSIAN LANGUAGE*Papers «Azadlygh», «Mirror», May 17, Baku.*

Founded by opposition party «National Front», popular daily paper «Azadlygh» will be published in Russian once a week, after May 25. This issue will comprise best materials of «Azadlygh» and Saturday's news. Being a body of «National Front» in 1992, Russian version of the paper «Azadlygh», was published as «Svoboda»(Freedom). Khikmet Gadzhizade-leader of democratic wing of the «National Front» has been a chief editor of this paper. However, due to economic difficulties publishing of «Freedom» has been suspended. •

THE AZERBAIJANIAN PRESS IN GEORGIA*«Azadlygh», June 6, Baku.*

The only paper in Azerbaijanian language printed in Georgia is "Gjurdjistan", with a circulation of about 2.5 thousand copies. Before 1990 this paper was published under the title «Soviet Gjurdjistan» and had a circulation of up to 45-50 thousand copies. Editor-in-chief of this paper Suleiman Suleimanov explained this drastic drop of circulation by complicated political and economic situation. According to Mr. Suleimanov paper suffered severe damages during the wave of nationalism in the ruling period of Zviad Gamsakhurdia. At that time circulation of paper fell up to 500 copies and the paper was on the verge of shutting down. Currently state subsidies publication of this paper. Perhaps for this reason official information is predominant in paper and as a result it is not popular

among Azerbaijanis living in Tbilisi. In addition to paper «Gjurdjistan» in Marneuli and Gardabani regions two regional bilingual papers are published. These are monthly newspaper «Inam» and paper «Geirat» body of the cultural association of Azerbaijanis living in Georgia published twice a month. Georgian state radio has a weekly 30-minutes long program in Azerbaijanian language. Usually this program broadcasts mainly national music.

THE SECURITY FORCE OF THE PARLIAMENT HAS BEATEN UP JOURNALISTS IN THE PARLIAMENT BUILDING*«Zerkalo», June 7, Baku.*

During the discussion of the legislative bill «About Courts and Judges» on June 6, at 17.30, the security guard in the press box of the Parliament, named Adil, considered that correspondents of paper «Mirror» were talking too loudly and suggested them to stop talking. One of the correspondents K. Ali promised to do so. However, the security guard hit the journalist on the head. Shortly after K. Ali was dragged out to the lobby and threatened using swearwords. The recording of the incident by the correspondent of «Turan» agency Tapytygh Farkhadoghly comes to prove this fact. Security guard began to insult gathered parliamentary journalists. A security officer presented himself as the head of the parliament security offered an apology for an incident and promised that the security guard would offer an apology as well. However, the security guard refused to apologize. A bodyguard of the Speaker of the Parliament Murtuz Aleskerov, who came later, stated: «My colleague was right. All of the journalists must be chased out from here». Journalist K. Ali managed to organize a spontaneous press conference. All journalists refused to return to the session hall. Members of Parliament Nazim Imanov and Shamil Jusefov («Yeni Azerbaijan») expressed their support for the journalists. The discussion went on in the office of the chief of security. After intense discussions and hassles chief of the security and his guard Adil offered apologies. Journalists were promised that officer Adil will be fired from Parliament's security service. •

THE ROLE AND INFLUENCE OF THE ADVERTISING MARKET ON PRINTED MEDIA

NANA DEVDARIANI

EDITOR-IN-CHIEF OF INDEPENDENT NEWSPAPER «SAMSHOBLO FORTE» TBILISI

All countries of the former Soviet Union are facing similar problems. A shattered economy is typical for all the post-Soviet countries. Renunciation of the planned economy does not mean an immediate transition to a free-market economy. This transition in our country has a rather spontaneous and sporadic character. Former party bosses turned into successful businessmen and sensed that the former «public property» can generate enormous profits for a certain limited group of people. While in some countries privatization has not been implemented at all, in other countries privatization has been called «prikhvatizacija», a Russian word meaning «grasping everything».

All former Soviet countries face all sorts of crises be that an energy crisis or an economic or financial one. At the same time we witness a fast growth of trade and services. These conditions have created a situation in which the most important financial source of independent media, a big scale advertiser, does not appear on our market.

Trade and services are not able to provide sufficient money for advertising and sometimes they are not interested in advertising at all. Some remarks on the privileges of independent MM that we obtained in our Parliament in 1995. According to the amendment of the acting «Law on Press», submitted by our colleagues, all MM are exempted from VAT in any kind of its activity including advertising. The result of this amendment was a 20 per cent decrease in the prices of printed MM. Unfortunately, eight months later our Parliament abolished these privileges, leaving them only for the distribution of printed media. We would rather pay VAT on distribution as in

this case you pay only from the amount of papers sold. Instead we pay taxes for paper, printing, advertising, etc. As a result of this, the self costs of printed media increased and journalists' wages had to be reduced.

Today in Georgia, the average cost of a newspaper is about 40-50 tetri (35-40 cents) with an average wage of 20- 25 USD. In a situation with the majority of the population being either unemployed or earning only the minimum wage, depriving the press of tax privileges is intolerable.

Although general conditions for the development of the free press in Georgia are rather favorable, key economic factors deprive the vast majority of the population of its access to the free press. Today in Georgia the possession of TV sets is not taxable. Two TV channels are financed and controlled by the state. For the population television costs nothing, remaining thus the most powerful means of propaganda and the most successful advertiser. Recently television has become an organizer of lottery campaigns. While not paying for its own air time, TV extensively advertises its own lottery campaigns, thus depriving the printed media of the opportunity to get revenues from the advertising of the lottery businesses.

Because of monopolies in several other spheres and the absence of competitors, the consumer is forced to purchase goods and use services of the monopolistic company, making advertising useless. Foreign companies operating in Georgia are very rarely interested in expanding their market. Recently most of the advertisers turned to ORT (Russian Public Television), which covers all CIS

countries with about 250 million people. Usually an advertiser would sign a contract for advertising with ORT, and profits from advertising would remain in Moscow, with ORT reaching a huge audience free of charge.

Few months ago the company CTR (Communication Television Radio) was established. This company signed a contract with ORT for the placement of commercials in ORT programs broadcast on the territory of Georgia, Azerbaijan and Armenia. But so far CTR is far behind ORT in the volume of advertising. As for the printed media its market is limited to only several million people in any given Transcaucasian republic and, in spite of low prices for printed advertising, they remain unattractive to foreign companies. Single cases do not affect this general situation. We cannot count on serious improvement in this field until our industry has overcome stagnation and favorable conditions have not been created for foreign investors.

It is worth mentioning a draft law «On advertising» which is discussed in the Georgian Parliament. This draft law prepared by the Anti Monopolistic Committee of Georgia drastically restricts the production and distribution of advertising, not mentioning TV as a monopoly. According to this draft law, advertising tobacco and alcohol is prohibited on TV and on the first and last pages of papers. Total space of advertising should not exceed 25 per cent of the paper's space. These restrictions are not applicable for advertising publications.

However, we consider these restrictions, even if they sound as if prompted by a concern for public health, as another step in the deprivation of MM of vital financial resources. With a total indifference of our government to public health, when most basic medical services are inaccessible to the majority of the population due to high prices, these restrictions on advertising of tobacco and alcohol come to

have a rather demagogic character, especially as our suggestion that advertisers of such products are obliged to simultaneously finance healthy life style ads (was accepted by advertisers) was refused by the same committee.

In this situation the prospects of the development of the advertising market as well as of an independent media are vague.

Besides the above mentioned processes, we trace a tendency towards the ousting of advertisers by political groups and clans interested in forming a certain public opinion. The difficult financial situation forced independent media to strike a bargain with these clans and political groups, jeopardizing the development of freedom of speech. It seems that by establishing favorable political and economic conditions we will be able to solve all these problems. In the meantime we should not underestimate the role of common information and the advertising market of the Transcaucasian countries which will provide additional guarantees for the development of freedom of speech and advertising in our region.

It seems also that the fourth power in our countries should seriously cooperate with their Parliaments for securing a legislative back up and use the accumulated experience of our neighbor countries as well as all other means available to independent media for the solution of these problems.

Georgia. The Event:

During the May 26 celebration of the Georgian Independence day on the Rustaveli Avenue in Tbilissi, police attacked the not sanctioned demonstration of supporters of the ex-president Gamsakhurdia. Reporters trying to cover the dramatic developments of the event after the interference of the police, were beaten up during the attack. At a meeting with the protesting reporters later that day, the Police Chief of Tbilisi Soso Alavidze stated that the reporters did not have accreditation (N.B. the meeting was not sanctioned).

During his press conference on May 27, the President of Georgia, Edward Shevardnadze, stated that no one has the right to criticize the police during any activities directed at the preservation of public order, but neither can the police create obstacles for the implementation of journalistic duties. He promised an internal investigation to clear the matter up.

The official statement of the Ministry of the Internal Affairs of Georgia read: «The investigation concluded that the policemen were acting within the law.»

The Reaction:

The dissatisfied reporters and members of NGO's organized a meeting and a march of protest against the actions of the police. The police was watching and did not interfere. «We do not accept the ideas of zviadists (ex-presidential supporters) , but we are outraged by the methods the government uses towards its citizens». According to reporters, most frightening is the fact of complete ignorance of this accident by the society.

The Legislature:

The Media Subcommittee of the Parliament has started the discussion on the «Law on the Mass Media». Six projects are brought up for discussion. The weekly sessions take place in a nervous atmosphere as the authors of projects are fiercely protecting their creations and do not compromise. We can expect the discussion to take several months before it will be presented at the Parliament session. •

JOURNALISTS TRADE UNION FOUNDED IN ARMENIA

Asbarez-on-line, 21 July.

A trade union of journalists was established Friday at an assembly by the former deputy chief of the government press-service, Lavrenty Azroyan, and member of Armenias trade union Levon Mnatsakanian. The assembly highlighted the importance of establishing a trade union to resolve socio-economic problems journalists face, and to elected the trade unions chairman. The only candidate for that post was Azroyan, who had been working at Armenpress for many years. The regulations and program are expected to be approved in a month. According to Azroyan, the newly established trade union consists of 22 members. •

PARLIAMENTARY SESSIONS MAY NO LONGER BE BROADCAST LIVE

«Kavkasioni» No. 146, August 26, reported by Press-Digest CIPDD, 26 August, Tbilisi.

The Georgian parliament held its out-of-capital sitting in Poti on August 25. Among the discussed issues, the parliamentary majority proposed a ban on live TV broadcasts of the sessions, claiming them to be too boring a show. Besides, they say, the parliament may lose its prestige as the broadcasts make public its 'inner problems'. The issue is subject to further debates. •

THE FIRE IN THE «SVOBODNAYA GRUZIA» SMELLS OF POLITICS

«Kavkasioni» June 24, reported by Press-Digest CIPDD, 24 June, Tbilisi.

The computer center of the «Svobodnaya Gruzia» newspaper was set on fire early in the morning on June 20. Investigation revealed that before the fire someone had stolen the computer data base from the center. That may be just a 'dress rehearsal' portending a series of «big fires» aimed against the independent press, the newspaper suspects. •

THE ROLE AND INFLUENCE OF ADVERTISING MARKET ON ELECTRONIC MASS MEDIA

MOVSUM MAMEDZADE, ANS-PRESS, BAKU

Having appeared at the beginning of the fifties TV displayed its large capabilities in advertising. Owing to this feature many advertisers have become consumed with the idea of putting into work this unique means of persuasion of a large audience, and promptly transferred huge amounts of money to television..

TV has greater chances for shaping incomparable images for promotion of any idea or famous brand name. It can pursue and show a viewer how he/she will be overwhelmed with the feelings after having bought this or that product. TV creates an atmosphere of success, fiesta and fashion.

It is important that even if the advertiser is interested only in the metropolitan Baku audience, his ad will be seen by a bigger audience anyway, as TV encompasses the territory not selectively but completely. It is quite clear that in this case unproductive expenses may be very high. However, the emergence of private TV-Radio companies whose activities I am going to consider, substantially simplifies this problem.

In Baku, the independent «Azerbaijan News Service» and private «Sara» TV Radio companies operate side by side with the State TV Radio company. The analysis of vast data carried out by my colleagues from the «Yeni Nesil» («New Generation») journalist union, reveals the fact that the most expensive time for advertising on state TV is the time just before the evening news program. It goes without saying, that in the period between 20.00 and 20.30, TV attracts the biggest number of viewers. Besides, the advertising agency «Mirage-Media» which offers services for the state

TV, has copied advertisements of fashion companies (running line on screen) from the Turkish TV. The reporters and narrators of this news program are usually dressed in the clothes of these fashion companies. It is worth mentioning that advertisers have chosen five minute spots just after the news program for advertising goods like «Tic Tac» candies, «Rafaello» chocolate and «Orbit» chewing gum. This is done despite the fact that advertising any product in a block results in the loss of efficiency. Azerbaijanian advertisers neglect this specific nature of TV programs.

In the meantime one can often come across a «hidden» advertising when a TV star unobtrusively recommends this or that product. At the same time «ANS» offers other services born with the market economy which has been recently introduced in Transcaucasian countries. It can be an information about new products or services, an appeal to the clients, a reminder about a product in the news program, expert's opinion, an interview, announcements, etc.

The prices for ads on this channel depend on the time and vary from 62 to 163 USD per minute. The prices on ads in the private and independent TV companies are much lower compared with those in the state TV. According to «Yeni Nesil», this phenomenon is explained by a smaller TV audience of this companies. «ANS» and «Sara» can broadcast their programs only for Baku and the Absheron peninsula. As for the production of video ads in Azerbaijan, one can hardly find any independent advertising agency equipped properly to deal with the production of video ads. The «Mirage-Media» company possesses exclusive rights for the placement of ads on the state TV. For the production of video ads, the ad-

vertising agencies of «ANS» and «Sara» use the facilities of TV companies which are going to broadcast that ads. The creativity of private TV companies in the production of video ads is superior to that of the state TV.

The radio advertising in the post-Soviet era has gone through radical changes. Two FM stations have appeared in Baku recently, the same «ANS» and «Sara». The cost of production of audio ads on these stations varies from 50 to 200 USD. Besides the traditional ads you can come across with the announcements of competitions among listeners, with the winners being offered awards prepared by this or that company.

Let 's consider the advantages of the radio advertising vs. the TV one. First of all the radio advertising is much cheaper. Radio programs are usually considered to be a background for listeners and do not require an intent attention. This makes them more «digestible» for ordinary listeners. The radio is a more effective means for advertising because you can hear your ad in air the same day you order it. What is more compelling, is that radio ads unlike TV commercials are never put in the middle of the song during the broadcast. During the TV commercials viewers often go away from the TV and the large ads in newspapers are usually ignored by readers. The advantages of radio advertising are the brevity, the repetition and the predictability of listeners reaction.

As the experience shows and in the opinion of «Yeni Nesil», radio is effective in reminding and informing listeners about goods and services.

But we have to always remember that a listener or a viewer tired of obtrusive TV or radio commercials can resort to the device invented forty years ago. That is the remote control. •

NTV JOURNALISTS RELEASED IN CHECHNYA

RFE/RL Newsline, Prague, 19 August.

Three NTV journalists abducted in Chechnya in mid-May were freed on 18 August, Russian media reported. Their release came one day after two employees of the Russian television production company VID were allowed to return home (see «RFE/RL Newsline,» 18 August 1997). Speaking at a news conference in Moscow, VID's senior manager Aleksandr Lyubimov, who is also executive director of Russian Public Television (ORT), proposed that all Russian television companies agree not to send their reporters to Chechnya in future. Lyubimov praised the role of Security Council Deputy Secretaries Boris Berezovskii and Boris Agapov in securing the journalists' release. Lyubimov also expressed his admiration for Maskhadov's «honesty and sincerity» but said he fears the Chechen authorities do not have complete control over the situation in the republic. He estimated that «professional kidnappers» in Chechnya total 300, saying that they have the tacit backing of middle-level authorities, including some police officials. •

THE PROBLEMS OF ARMENIAN CONTEMPORARY TV ADVERTISING

ARMEN ARZUMANYAN

Hardly anyone in Armenia today has doubts about the necessity of radical reforms on State TV and that these reforms should be carried out in the shortest time possible.

During the 40 years of its existence the Armenian State TV was known for its good taste, choice of interesting programs and the professionalism of its journalists. After the collapse of the Soviet Union, Armenia inherited a TV reputed to have been one of the best in the Soviet Union, but with aging technical facilities and a tendency towards further decline. Along with economic problems the State TV was facing the necessity of organizational reforms. Economic reforms on the TV were connected with and dependent on the economic reforms to be carried out in Armenia as a whole and could not have had only a local character. Hence, the preference was given to organizational reforms.

However, after some radical organizational reforms were carried out and some new creative associations were established within the State TV, the situation did not improve due to lack of financing. As a result of new economic and social reforms, the newly emerging companies began to show an interest in advertising companies, image-making, and the formation of public opinion.

Advertisement on Armenian TV had already existed during the Soviet period. Advertising spots of the state advertising agency «ARA» first appeared on the Armenian TV at the end of the seventies. But the disintegration of the Soviet Union followed by monopolization and denationalization resulted in a crisis and eventually led to a serious decrease in TV ads.

State enterprises were mainly export oriented and did not need local advertising (in heavy economic crisis themselves), and the private companies were in the process of accumulating capital. These years had negatively influenced the succession of Armenian advertising traditions, and the achievements in that sphere which had been there before are almost completely lost today.

Ready to carry out the reforms new staff entered the advertising industry. Today the lion's share of advertising time on state TV belongs to the advertising agency «Paradise» which controls the prices on advertising. «Paradise» deals not only with distribution but also with the production of commercials, market research and other marketing activities.

According to the agreement between the State TV and «Paradise», the latter pays the air time not only directly but through the leasing of licensed films for showing on the State TV. The first and second channel of the Armenian TV allocate 35 minutes for ads daily, with 20 (5.6% of total broadcasting time) and 15 minutes (7.1%) respectively.

On the first channel of the Armenian State TV the prices for spots are ranging between 100 and 200 USD per minute. On the second channel the prices are quite low - 60-100 USD per minute.

Prices on ads have a tendency towards growth, but today's proceedings from advertising do not meet the requirements of the State TV. On the other hand, according to market laws higher prices reduce the volume of TV ads.

Armenian ads are quite peculiar for they mostly advertise services rather than products. Recently image-making and «reminding» ads have been used quite actively. But as all post-Soviet audiences, the Armenian audience does not trust those ads. A notorious approach is that of «..They wouldn't advertise if the product was really good». This approach leads to a situation in which the companies, one after the other, begin to adopt the principle of «We do not need advertising.»

We do not know of a more or less serious research on the influence of advertising and the size of its audience in Armenia. The efficiency of ads is probably not high. Curiously, the Armenian TV audience considers Russian and European ads more credible. In any case, advertised goods which reach the Armenian market are rapidly distributed and sold. This fact proves once more that a poor quality advertisement is rather an anti-advertisement.

By the way, the emergence on ORT (Russian Public TV channel) of the advertising company «CTR» (Communication TV and Radio) has generated great interest among Armenian advertisers. The prices proposed by CTR were not higher and in some cases even lower than ours. Unfortunately «CTR» was not able to establish firm contacts with serious partners in Armenia and probably has lost this market.

Intentionally I do not discuss advertisements on private TV channels because today they cannot compete with the state TV and «Paradise» agency. Today private TV channels are

on the initial stages of formation of their own advertising agencies with lots of plans but very limited possibilities.

We may state that the situation with advertising on Armenian State TV is far from being perfect, but neither can we state that there is an insoluble crisis.

Without any doubt, in few years 3 or 4 advertising agencies will appear and be able not only to compete with «Paradise» and Armenian TV but also to carry out advertising campaigns on the European level. The few «expensive» ad spots which appeared recently on our TV come to prove this reality.

In conclusion I would like to touch upon some problems hindering the further development of advertising:

1. Private TV companies have a small range of broadcasting and cannot compete with the state TV.
2. State TV is hardly «thinking» of improving the quality of ads, as it still holds a monopoly.
3. Poor technical equipment of private TV companies and the use of outdated technologies hinder the production of high-quality ads.
4. Incredibly low wages have become the reason for the drain of qualified staff. The situation will be improved after denationalization of Armenian state TV and with the establishment of joint-stock companies. This will increase interest in production of high-quality advertisement, will create equal conditions for all TV companies and will spur on competition in this field. •

THE INFLUENCE OF THE ADVERTISING MARKET ON ELECTRONIC MASS MEDIA

ZVIAD CORIDZE

HEAD OF INFORMATION PROGRAM OF TV COMPANY «RUSTAVI-2»; TBILISI

A scandal burst out in Georgia at the end of last year. The State TV Radio company was going to sign a contract with a private company on the sale of all of advertising time which makes up to 15 per cent of all air time. The price of contract was some 4.8 mil. lari (about 4 mil. USD). According to this contract «State TV Radio» was to get all this money and the private agency «Audience» was to control all advertising time.

The leaders of «State TV Radio» explained this situation by the fact that the profit from advertising by «State TV Radio» last year was only 1.3 mil. lari. But a mini-survey carried out shortly afterwards revealed that only in one single part of a soap opera called «Cassandra» (popular Mexican show rated a prime time), advertising lasted exactly 10 minutes (that is an average index). At current rates this makes 4800 lari and with 20% VAT it comes up to 5760 lari.

Considering that this show as well as others are usually broadcast every day except Sundays the profits generated by advertising would have been higher if they had been registered and taxes would have been paid to budget regularly. In fact advertising is placed mainly on the «State TV Radio» because it controls almost all the broadcasting market. As for newspapers, the average advertising profit is about 10-12 per cent. Actually, «State TV Radio» has become a monopolist on the advertising market. If we also add that «State TV Radio» is financed by the budget (in 1996

it got 11 mln lari, in 1997- 15 mln lari) we can claim that this company has turned from a monopolist to a monster.

The law «On Advertising» was ratified by our Parliament on first reading at the end of the spring session. During the reading the issue of advertising limitation became a stumbling block. Parliamentarians decided to offer for advertising 25 percent of air time and 15 per cent of paper's (printing) space. The authors of this legislative bill substantiated this decision on the principles of the protection of consumers' rights.

In the meantime no kind of restriction is provided for outdoor advertising. According to this law, advertising tobacco and alcohol is prohibited on TV, radio as well as on the first and the last pages of newspapers. The only alcohol beverages allowed to be advertised are the local vintage cognacs. This is a striking example of protectionism as the main producer of Georgian cognacs, the joint-stock company «Eniseli», is functioning under the patronage of the State Minister of Georgia.

According to this law it is strictly prohibited to broadcast an advertisement of the same product more than three times per hour on the same frequency band. In accordance with this law, the anti-monopoly committee is obliged to control the fulfillment of the main principle of advertising. This committee is endowed with the power to bring a lawsuit against any advertiser whose ads can be con-

sidered «unethical», and it can also deprive TV companies of an advertising license without bringing a law suit.

As far as the judicial system of Georgia is not well-protected and independent, there is a danger of concentration of excessive power in the hands of the anti-monopoly committee.

Georgia is a small country with a large import volume, a shattered economy and a low level

of foreign investments. The implementation of this law will result in a decline in the advertising of imported goods, thus cause slump in the import of consumer goods.

Advertising is a product of a free economy, it promotes the establishment of a free society. •

AMERICA DEMANDING FREEDOM OF SPEECH

«Shvidi Dge», August 18-19, reported by Press-Digest of CIPDD, 18 August, Tbilisi.

The delegation of US senators has completed its visit to Georgia. When asked about the next years' \$100-mln US aid to Georgia at their last press-conference, they said Congress would undoubtedly approve it provided Georgia adhered freedom of speech and democratic reforms. •

NATIONAL PRESS CLUB IS ESTABLISHED

«Azg», 21 May, Yerevan.

Constituent Assembly of the National Press Club took place in the Press-Salon of Armenpress, on May 20. During Constituent Assembly Chart of the Press Club has

been approved and steering committees have been elected. Narineh Mkrtchyan has been elected a Chairperson. Representatives of any media as well as those interested in successful functioning of MM are eligible to become a member of this organization. The main objectives of the organization have been accepted on the meeting of National Press Club. These are following:

- * development of national and democratic values.
- * protection of professional interests
- * contribution to the formation of freedom of speech and press
- * strengthening of business ties with Diaspora's MM
- * formation of journalists new generation
- * increasing of professional level. •

NOYAN TAPAN AGENCY PROTESTS

Paper «Golos Armenii»(Voice of Armenia), June 21, Yerevan.

«Under the clause # 25 of acting in Armenia «Law on Press and other MM», press and other media are not obliged to reveal source of information, unless it is necessary for legal proceedings». With this message a group of journalists of information agency « Noyan Tapan» began a press-conference in Sakharov's Fund, on June 20. Journalists reported that on June 17,1997 some Armenian media published information provided by «Noyan Tapan» agency, concerning proposals of OSCE- Minsk group, on settlement a dispute over Kharabakh conflict. On the next day authors of this information -journalist of agency Zhanna Krikorova as well as director of this agency Tigran Haroutiunian and editor-in - chief Gayaneh Arakelyan were invited to the Ministry of Interior and National Security for «conversation». Director of agency Tigran Haroutiunian has been invited to the high-rank officer of the Ministry , while « conversation» with Gayaneh Arakelian did not take place. Zhanna Krikorova come back to the agency after being in the Ministry for seven hours, in a depressed condition. She refused flatly to answer to the colleagues questions. This circumstance as well as other behavioral nuances gave reasons to think that she has been exposed to the heavy psychological pressure to reveal source of information. Contributors of the agency expressed indignation regarding these facts.

Proceeding from the journalists ethic code, any journalist is obliged to keep in secret a source of information , provided that this source insists on it. On June 19, «Noyan Tapan» staff hold a strike and declared that as good as their words-»proceeding from the law, agency «Noyan Tapan» evaluates Ministry actions as an attempt to reveal source of information by using rude psychological pressure» and agency states that here after it will not refuse to keep confidentiality of the information source, even if it would be in Azerbaijan. «Noyan Tapan» agency protests against any sort of pressure- e.g. psychological- on journalists who do not breaches the laws , while carrying out professional duties. We are calling for attention of the President of Armenia- guarantor of Constitutional rights of citizens, to protect journalists from the pressure of the state structures and provide with possibility to carry out professional duties unhampered. We appeal to our colleagues from MM of Armenia and other countries as well as other Human Rights organizations to display solidarity with Armenia journalists, to prevent further violations of journalists rights.

Nevertheless, the «authors « of sensational news were absent from the press-conference. As noted colleagues of Zhanna Krikorova, she is still suffer heavy psychological depression. By the decision of the staff meeting, director and editor-in-chief of the agency did not come to the press-conference. •