



Asociace
pro mezinárodní
otázky
Association
for International
Affairs

Conference Report 1/2015

Economic Journalism and Internal Market

—

March 2015

Economic Journalism and Internal Market

—

Kryštof Kruliš, Václav Lídí

March 2015

•
• Visegrad Fund
•
•
www.visegradfund.org



International Expert Conference “Economic Journalism and Internal Market” was held in Prague on 6 February 2015. The conference was supported by the International Visegrad Fund and CERGE-EI Foundation.

© 2015 Association for International Affairs. All rights reserved. Views expressed in the paper are not necessarily the official attitude of publisher.



The media in Visegrad countries and their impact on functioning of Internal Market

The EU's Internal Market has been one of the key instruments in the successful economic transformation of the Visegrad Group (V4) countries. It provided opportunities for export-oriented growth, facilitated much-needed transfers of technology and managerial methods, and made the region attractive to foreign direct investments. Poland and to lesser extent Slovakia have been also significantly influenced by the free movement of people on the Internal Market and in particular by the outflow of its young workforce.

Media plays a key role in influencing how general public understand the Internal Market. Media also dominate the process of formation of national interests on the Internal Market. In regards to its everyday functioning, media also serve as an indispensable part of the alarm mechanism which warns consumers in cases of quality failures of traded goods and services. This watchdog function can however easily slide into exaggerations. The media, for its part, should be aware that campaigns that are disproportionate to the scope and severity of a given quality failure can have a long-lasting impression on consumers, influencing their general habits even long after the failure has been fixed.

Freedom of press is an essential factor determining how media in a specific country are able to fulfil its goals and offer trustworthy and balanced reporting and comments on relevant issues of public life, including dissemination of information on Internal Market issues. The V4 region in the last years witnessed a selling of media titles by the German media houses and significant increase in ownership of media by local capital. Several takeovers such as *MF DNES* and *Lidové noviny* in the Czech Republic or *SME* in the Slovakia have not been welcomed by part of their editorial office and lead to establishment of new alternative media titles. Despite this both the Czech Republic and Slovakia remain at the very top of the charts that follow level of press freedom, including the most recent data reflecting year 2014 by *Reporters Without Borders*¹. More alarming is the shift of media sector in Hungary which for years remains in press freedom somewhat remote from the rest of the region. This position can be put in relation to reported steps of the Hungarian government and use of taxation and other administrative measures in a way that may influence media independence in the whole country.

¹ The Czech Republic and Slovakia occupies place number 13 and 14 in the worldwide (out in 180 followed countries) chart of countries according to freedom of press. Poland occupies also very praiseworthy position as number 18 worldwide; see Reporters Without Borders (2015). *2015 World Press Freedom Index*. Available at: <http://index.rsf.org>. The most recent data was released a week after our conference.

The most recent data put Hungary at position 65 worldwide just next to Serbia or Bosnia and Herzegovina, but still slightly ahead of Italy at position 73 worldwide; see Reporters Without Borders (2015). *2015 World Press Freedom Index*. Available at: <http://index.rsf.org>.



Conference Report 1/2015

Economic Journalism and Internal Market

–
March 2015

The international expert conference “Economic Journalism and Internal Market” organized by the Association for International Affairs (AMO) with kind support of the International Visegrad Fund (IVF) and CERGE-EI Foundation and in media partnership with the EurActiv.cz tried to open discussion on the role of media in V4 region in regards to functioning of the Internal Market among V4 countries.

Main conclusions and recommendations

- Presenting products and services quality failures under national labels is inscribed into to the way how media function. When the brand of wrongdoer is not famous media naturally use national labels “Czech alcohol” or “Polish butter” without respect to the fact that only one brand from a foreign country may be connected with a quality failure. It is still not seen as politically incorrect despite it may influence consumer habits for a long time and fragment the Internal Market.
- The educative role of media depends on the interest of media readership. For media, it is important to follow a clash (even “scandal”) so the coverage can draw attention. Only on the background of such clashes an educational role can be fulfilled and reports on the essence of the Internal Market can be provided. As the EU institutions in Brussels are mostly afraid to be open about frictions between EU member states, most of the potential that may attract such media attention is lost. It could be seen at the issue of “*Grexit*” how an opened line of conflict works as a magnet to media from the whole EU.
- Good journalism about Internal Market needs to use human stories to translate complex and problematic concepts into form accessible to general public.
- The V4 region generally had positive experience with foreign, mostly German, ownership of media and presence of foreign traditional media houses. This helped to cultivate the media scene. The foreign owned media in EU mostly stay focused on taste and preferences of its domestic readership and its informational coverage on Internal Market is not significantly influenced by the factor of foreign ownership.



Position of national media on the EU and its Internal Market

The panel discussion revealed that there are several differences in treating of the EU and its Internal Market by media in V4 countries. According to **Jan Cieński**, Editor at *Central European Financial Observer*, Warsaw, the coverage of EU related issues in Poland is dominantly positive. This does not mean that Polish media report on issues of the Internal Market from the perspective of the EU wide demos. They still interpret the news in nationalistic way. He, however, claimed that Poland is probably the most pro-EU country from the whole Union. It is partly due to Polish security fears from Russia in which the EU plays a role of a safety guarantor. **Lenka Zlámalová**, Analyst at *Echo24.cz*, Prague, contrasted this position with the Czech approach. For Czechs, NATO is seen as a fully sufficient security umbrella and EU is thus seen as a free market rather than a place for common security policy.

Eva Mošpanová, Slovakian independent journalist, stressed that Slovak media do not use the term Internal Market much. For **Sárvári Balázs**, Editor at *Figyelő*, Budapest, the Internal Market tend to be used in Hungary mostly as a tool how to solve national political problems in the broader EU format.

Mrs. **Zlámalová** also expressed that Czech press is generally more optimistic towards the EU than general public. However, there is no wide debate on Czech interests in the frame of the EU. The debate in Czech media about the Internal Market is largely practical in business terms and it is very open as the whole Czech economy. When Hungarian MOL Group makes acquisitions of Czech petrol stations and refineries there is no talk about nationalism. The foreign affiliation of the investment is not considered as a problem. On the other hand, when ecological requirements of the EU or regulation of the tax competition comes into play it is time when euroscepticism may surface in the Czech media. From the perspective of Mr. **Cieński** Czechs are more eurosceptic than Polish. In Poland the Czech euroscepticism is sometimes considered as almost comparable to the approach of the United Kingdom.

Lastly, the differences exist also in regards to adoption of the single currency. Mrs. **Mošpanová** explained that the EU membership played a great role in development of Slovak identity. It is not surprising that Slovaks were thus the first V4 country to adopt euro. Mrs. **Zlámalová** confirmed this. According to her, euro represents for Slovakia modernity. There are not feelings like this in the Czech Republic. Czechs have not gone through period of high inflation as was witnessed in Poland or Hungary. Similarly, there were no problems with loans denominated in euro or in Swiss Franc in the Czech Republic. Czechs and Czech media are thus generally more comfortable with the national currency. Mr. **Balázs** confirmed that Hungary works with timeframe 2020 for adoption of euro. Also Mr. **Cieński** acknowledged that views of Polish media on euro changed dramatically after the financial



crisis but neither media nor the government spent much energy to sell the idea of single currency to the public.

Role of journalists in food quality scandals: guardians of the internal market or stereotype builders?

Why do media aim their focus in cases of quality failures of goods and services, on the brand of the producer or on its country of origin (as for instance in the cases of Polish butter or Polish gritting salt)? According to **Jan Cieński** there is still no EU-wide demos. There is no single journalism that would objectively cover stories on the single market of the EU. Media interpret the news through nationalistic lenses. Saying that a special food or other product with quality failures comes from a specific country is what sells the papers. Brand of the produces (if not famous) is usually not so interesting for readership as that the products comes from a neighbouring country. For Cieński this is not only a case of the mentioned Czech way of reporting on Polish foodstuff. During the methanol scandal of the 2012 in Czech Republic, no one in Poland differentiated between individual brands but referred purely to “Czech alcohol”. Food quality scandals tend to become immediately national.

Eva Mošpanová expressed that reporting on food is always a special thing. There is a kind of mystery connected to food. It goes through our body and so it is taken more emotionally. Stereotypes about food come naturally with this. The location where people spend their vacation have significant influence in formation of opinions on food quality. People from Slovakia traditionally like to spend holidays in Hungary and link Hungary and its cuisine with moments of pleasure. As a result they tend to consider Hungarian food products as more delicious. On contrast to this, only a few Slovaks spend holidays in Poland, which is situated at the north from their country. They go there for a quick shopping not to spend vacation. Polish food products are thus generally considered of lower quality than those from Hungary. There is little media can do about it.

Lenka Zlámalová added that the Czech agricultural sector has the smallest weight in economy from all V4 countries. This may be a reason why Czechs are sometimes defensive, including media coverage of stories of food quality failures. Zlámalová claimed that this is also connected with the fact that the Czech largest agricultural enterprises is owned by the current Czech minister of finance who at the same time owns certain media titles in Czech Republic.



Possibilities of cooperation between media from various V4 countries

The countries of the V4 have significant level of trade among themselves and there are also certain important investments spread across the whole region. Media thus may often need to follow their stories across the national border and seek information and investigate in other countries. As **Jan Cieński** confirmed, for most V4 based media it is generally too expensive to have correspondents in other V4 countries. The exceptions are usually public TVs and radios. **Lenka Zlámalová** however confirmed that in the time of the conference she followed a story for which it was necessary to investigate in all V4 countries and she found public administrations from all V4 countries very cooperative and responsive to her needs.

Polish plumber stereotype

The situation with the “Polish plumber” stereotype has not changed much since the EU enlargement in 2004. In former EU15 states it is still connected with fears from skilled and cheap labour force and service providers from the Eastern Europe. **Constantijn Sadeé**, Correspondent for *NRC Handelsblad* and *NOS-radio*, Brussels, in the first panel of the conference demonstrated this on his experience from a Dutch town at borders with Belgium, where a large minority of Polish live. They have own community, church and no problems with other people from the region. The micro-region is economically dependent on their labour in agricultural sector. Despite active work of journalists in the region informing about how the region benefits from the free movement of people, the last elections ended with a landslide for radically eurosceptic political parties opposing free movement of people in the EU. **Tim Gosling**, Central Europe Bureau Chief at *Business New Europe*, confirmed existence of media stereotypes against migrants in some British media saying that there is generally no coverage on petit crime in media in UK, but when it is committed by someone from the Baltic States next day it fills most of the local press.

Differences occur also in a way of treating free movement of workers in media within V4 countries. For Mr. **Cieński** the free movement of persons in the EU is becoming understood in Poland as causing significant demographic troubles. In the view of Mrs. **Mošpanová** Slovak media treat labour migration from Slovakia only as a last option for unskilled labour and not a threat.



Asociace
pro mezinárodní
otázky
Association
for International
Affairs

Conference Report 1/2015

Economic Journalism and Internal Market

–
March 2015

Conference program:

Panel #1: The Single Market: Does it need a Single Journalism?

Moderated by: **Kryštof Kruliš**, Research Fellow with the Association for International Affairs (AMO); Prague

Jan Cieński, Poland Correspondent for *The Economist*; Editor at *Central European Financial Observer*; former Correspondent for *Financial Times*; Warsaw

Tim Gosling, Central Europe Bureau Chief at *Business New Europe*; Prague

Constantijn Sadeé, Correspondent for *NRC Handelsblad* and *NOS-radio*; Brussels

Detailed conference report on the first panel available in Czech [here](#).

Panel #2: The media in Visegrad countries and their impact on functioning of Internal Market

Moderated by: **Kryštof Kruliš**, Research Fellow with the Association for International Affairs (AMO), Prague

Sárvári Balázs, Editor at *Figyelő*; Budapest

Jan Cieński, Poland Correspondent for *The Economist*; Editor at *Central European Financial Observer*; former Correspondent for *Financial Times*; Warsaw

Eva Mošpanová, Slovakian independent journalist, former editress of the weekly *Respekt*; Prague

Lenka Zlámalová, Analyst at *Echo24.cz*; Prague

During the conference, AMO presented the research paper [Internal Market among V4 Countries: Energizing stakeholders' activity to press for its smoother functioning](#) which was written as a background material for a further analysis to be conducted during the course of the project. PPT presentation is available [here](#).



Asociace
pro mezinárodní
otázky
Association
for International
Affairs

Conference Report 1/2015

Economic Journalism and Internal Market

–
March 2015

The international conference was a part of the [Smooth Functioning of the Internal Market between V4 Countries](#) project supported by the International Visegrad Fund. The project is a platform for meetings of experts, representatives of media, consumer organizations, chambers of commerce and public administrations from Visegrad countries in order to discuss possibilities of enhanced functioning of internal market in the Central European region.

www.amo.cz/internalmarket

Partners in the project are:

[Slovak Foreign Policy Association \(SFPA\)](#) | www.facebook.com/SFPA.sk | @SFPA_SK

[Antall József Knowledge Centre](#) | www.facebook.com/aj.tudaskozpont | @AJKConferences

[The Sobieski Institute](#) | www.facebook.com/InstytutSobieskiego



Antall József
KNOWLEDGE CENTRE



Media partner of the project is [EurActiv.cz](#) | www.facebook.com/EurActivCZE | @EurActiv_CZ



Media outputs from the conference (in Czech):

- [Jak na hladké fungování vnitřního trhu mezi zeměmi V4?](#)
- [Bránit se polským potravinám na českém trhu nemá smysl](#)
- [Některé české firmy se bez ruského trhu zkrátka neobejdou](#)



Asociace
pro mezinárodní
otázky
Association
for International
Affairs

Conference Report 1/2015

Economic Journalism and Internal Market

–
March 2015

ASSOCIATION FOR INTERNATIONAL AFFAIRS (AMO)

The Association for International Affairs – AMO is a preeminent independent think-tank in the Czech Republic in the field of foreign policy. Since 1997, the mission of AMO has been to contribute to a deeper understanding of international affairs through a broad range of educational and research activities. Today, AMO represents a unique and transparent platform in which academics, business people, policy makers, diplomats, the media and NGOs can interact in an open and impartial environment.

In order to achieve its goals AMO strives to:

- formulate and publish briefings, research and policy papers;
- arrange international conferences, expert seminars, roundtables, public debates;
- organize educational projects;
- present critical assessment and comments on current events for local and international press;
- create vital conditions for growth of a new expert generation;
- support the interest in international relations among broad public;
- cooperate with like-minded local and international institutions.

RESEARCH CENTER

Founded in October 2003, the AMO's Research Center has been dedicated to pursuing research and raising public awareness of international affairs, security and foreign policy. The Research Center strives to identify and analyze issues crucial to Czech foreign policy and the country's position in the world. To this end, the Research Center produces independent analyses; encourages expert and public debate on international affairs; and suggests solutions to tackle problems in today's world. The Center's activities can be divided into two main areas: first, it undertakes [research and analysis](#) of foreign policy issues and comments on [AMO blog](#); and second, it fosters dialogue with the policy-makers, expert community, and broad public.

www.amo.cz

