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### Media Ownership Transparency and Editorial Autonomy as Corporate Social Responsibility in the Media Industry: The Case of Latvia

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Abstract: This paper focuses on media ownership transparency and editorial autonomy in Latvia from the point of view how media companies engage in corporate social responsibility (CSR) initiatives. This article takes a critical look at a representative sample of media outlets that relate to Latvia's national peculiarities. The conclusion is that the ability of national media policy to really facilitate media ownership transparency and the editorial autonomy of media primarily does not depend on legal regulations, instead relies on co-regulation which links incentive national support policy for the media and their participation in a self-regulatory system.

**Keywords:** media ownership transparency; editorial autonomy; corporate social responsibility; media policy; media industry.

#### INTRODUCTION

Corporate social responsibility (CSR) is known as a values-laden umbrella concept that refers to the way in which the interface between business, society and the environment is managed. Also as the way in which business consistently creates shared value in society through economic development, good governance, stakeholder responsiveness and environmental improvement (Visser, 2017, p. 4). An important aspect of it, certainly in the context of the media industry, is how to earn more, as not accidentally stated in the subtitle of first Latvian book about CSR (Pētersons & Pavāre, 2005). Because of this business orientation,

CSR is both a means and an end. It is an integral element of the firm's strategy – the way the firm goes about delivering its products or services (*means*). It is also a way of maintaining the legitimacy of the firm's actions in the larger society by bringing stakeholder concerns to the foreground (*end*) (Chandler, 2017, p. 8).

CSR is based on voluntariness and self-binding, also economic self-binding, and summarizes the actions of company internal measurements regarding responsibility. The information policy of such companies changed from pure visibility to pro-active transparency on different levels in order to foster consumer's trust (Karmasin et al., 2014, p. 234).

In the scientific literature there prevails, on one hand, the understanding that the subjects of CSR are media enterprises (companies) as organizations, respectively their management or their managers and not the editorial staff (e. g. Bachmann, 2017, pp. 88, 197–198; Altmeppen, Greck & Kössler, 2015, pp. 612, 614). On other hand, there are differences in regard to which media responsibilities belong to a broad understanding of CSR (obligatory CSR) and which to the narrow understanding of CSR (voluntary CSR). In this broad understanding, the apodictic normative standards are distinctive and characteristic for the first type of CSR, including making a profit and law abidance (Bachmann, 2017, pp. 90, 208–209; Raupp, Jarolimek & Schultz, 2011, p. 11).

However, in practice (e.g., by the European Commission) CSR activities are mostly understood as voluntary economic, social and ecological initiatives doing more than the law requires, which is the essence of corporate social responsibility (Raupp, Jarolimek & Schultz 2011, p. 12). That is mainly discussed later in this point of view article, together with the empirical part, which offers the conceptualization and deeper analysis of media ownership transparency and editorial autonomy in Latvia from the perspective of CSR for the first time. Moreover, this paper—mainly in the broader framework of Economic Theory of Journalism tackles the journalistic issues from the actors' economic, respectively, information (content) and attraction market perspective (Fengler & Russ-Mohl, 2005; Russ-Mohl & Fengler 2007; Fengler, 2015; Rau, 2015; Franck, 2020, pp. 96, 104). Indeed, the borders between media responsibility that refer to journalism and journalists among other things (Bachmann, 2017, pp. 87-88) and CSR of a media company are blurry. Both concepts partly overlap as editorial staff is also part of a media company as a labor force and the core business of media company is both content production (editorial staff) and distribution (media organization) (Altmeppen, Greck & Kössler, 2015, p. 614).

Media responsibility is also impossible without the conscious and active support of a substantial number of consumers, particularly in terms of critical users of the media, for those media outlets which do engage in such CSR. If the media do not undertake voluntary responsibility in terms of own transparency, they not only do not follow the demand of the democratic public sphere to themselves (Habermas, 1999, p. 311) but also lose credibility as their main capital and fail in the media business. While, at the same time, demanding transparency from other participants in socio-political processes.

# THE TRANSPARENCY OF PRODUCTION PROCESSES AS AN EXAMPLE OF CSR

Media transparency, at least partly called also media accountability, including transparency related to the ownership of the media, is necessary to regulate and limit media concentration so as to ensure media diversity (cf. Jastramskis, Rožukalne & Jõesaar, 2017; Act Relating to Transparency of Media Ownership 2016 from Norway). Liberal democracy cannot exist without free speech and the expression of freedom by definition and so the preservation of media freedom and media diversity (which precondition is the limitation of media concentration) is the main task for the media policy of democratic governance. This is the other side of the same coin as the notion that media businesses basically cannot exist outside of the social functions of the media without the media's main values— credibility and media transparency (Weder & Karmasin, 2009, p. 334).

Given that media with their specific public functions are not just another business (Rožukalne, 2013), democratic government can limit media concentration by special regulations in competition law, which usually are more restrictive in comparison to other industries, at least in North-Central European media system model to which the Baltic States historically belong (Hallin & Mancini, 2004; Bærug, 2005; Beck, 2017, p. 237). Democratic government cannot ensure media diversity (including national support policies for the media) without information about media ownership or rather media ownership transparency. The need for such information is based on the logic that media owners under the conditions of democracy and market economics have fully justified rights to dictate the editorial line of their media outlets also on the basis of ideal values (e. g. so called Tendenzschutz in Germany, see Noelle-Neumann, Schulz & Wilke, 2009, pp. 271–272). Media owners do not have to make use of them, but they are certainly part of their ownership rights.

In transitional countries, e.g., Latvia, business oligarchs typically engage in state capture of democratic institutions, which leads to a failed state. This means it is all the more necessary to insist on higher demands of media policy related to media ownership transparency and commercial and owner influences over editorial content (regarding such high risks for Latvia see MPM, 2021; Jastramskis, Rožukalne & Jõesaar, 2017, 43; Valsts prezidenta paziņojums nr. 14 2021, p. 3). These activities would facilitate trust in the media system,

as well as media literacy. That is because media markets are typical of so-called lemon markets, in which it is hard to achieve high levels of quality if market participants are satisfied with a low level of quality (Russ-Mohl, 2017, p. 54). Moreover, higher requirements related to editorial autonomy (independence and freedom) relate to routine editorial decisions by editorial staff so as to guarantee and defend the authority of journalists as important actors of democracy (cf. Bentele, Brosius & Jarren, 2006, p. 223).

That is mostly the legal perspective, but socially responsible and good business practices are generally stated as a corporate social initiative in any industry. As Kotler and Lee (2005, pp. 23–24) point out:

A corporation adopts and conducts discretionary business practices and investments that support social causes to improve community well-being and protect the environment," including "external reporting of consumer and investor information" as characteristic practices: "*Providing full disclosure* of product materials and their origins and potential hazards. (ibid., pp. 209–210).

For example, ERR (Estonian Public Broadcaster) is a unified public media outlet, which according to opinion survey "is assessed as being politically independent by the smallest percentage of respondents, and they are last satisfied with the information ERR provides about its organizational functioning" (Jõesaar & Kõuts-Klemm, 2019, p. 109). However, such transparency is the main aspect, which media and communications scholars believe in terms of how this media company can improve (ibid., pp. 111–112). Unfortunately, data concerning how the audiences evaluate the transparency of the Latvian public service media companies production processes, including editorial autonomy, are not available, at least not in published sources.

It must be concluded, therefore, that the specifics of media company's corporate social responsibility rest on media ownership transparency and editorial autonomy being directly based on CSR requirements about the transparency of production processes in the core operations of these companies. Transparency of media ownership and collegial editorial autonomy belong to the transparency of production processes, are both discretionary practices and preconditions for media credibility as the basis for audience trust and journalistic quality.

At the same time, the particular challenge for the core business of media companies is growing. Companies must, on one hand, not only manage the business viably, but also to comply with the regulatory framework for responsible journalism in terms of objectivity, diversity and adherence to the truthfulness by implementing appropriate media accountability measures, namely, self-regulation on the level of a media system. On the other hand, media companies must also manage CSR on their organizational level. These two strategies together

form a specific concept of 'media social responsibility' as an organizational ethic (Koinig et al., 2019; Raupp, Jarolimek & Schultz, 2011, p. 11; Altmeppen, 2011, p. 248).

Karmasin and Bichler (2017, p. 142) have observed the opposite practice stating "[m]ost media corporations seem to have CSR on the agenda, but when it comes to institutionalization, there is a long way to go." Instrumental CSR without changing and affecting the core business seems to dominate instead of holistic (integrative) CSR as a comprehensive and voluntary objective integrated in the core business activity of media enterprises

CSR is instrumentally used as a tool to foster trust and credibility – but holistic approaches are scarce. So, the media industry obviously does not set the benchmark for competing with integrity. In general, the media industry seems to underestimate the potential of CSR for its business... (Karmasin & Bichler, 2017, pp. 142–143; cf. Weder & Karmasin, 2009, p. 326).

From the macro or system perspective, research has primarily focused on political and economic institutions, while the organizational level, which also provides context for journalism work and change, is currently understudied (Peruško et al. 2020, p. 1631). There are also media ethics tools at the organizational level for the protection of journalists and the quality of journalism, such as individual media ombudsmen, public editors, codes of ethics, appropriate personnel policies and others (Weder & Karmasin, 2009, p. 327). So, as an example and a good pattern, the US and the UK have developed stronger internal quality assurance mechanisms in media outlets, e. g., editorial agreements, which strengthen editorial autonomy not only against purely commercially motivated influences on media content but also internal editorial control (Donsbach, 2001, pp. 69, 71, 74).

Media journalism (including media criticism) is also important in the attention economy (e. g. Franck 2020) on both levels, organizational and also media system level. This ensures the transparency of the media industry and to highlight the added value of journalism (along with content created by advertising, organizational communication and social media users) (Russ-Mohl, 2017, pp. 235, 237). Media journalism is a specialist field both in general and in specialized media auditing the media itself, journalism, and public relations and advertising (ibid., p. 316).

### GLOBAL TRENDS IN A TRANSITIONAL MEDIA SYSTEM

Significant and topical global trends of the media industry should be considered when discussing specifics of Latvia's media system. The social responsibility of the media is manifested primarily in the decisions of media companies and editorial boards that concern the creation, presentation and distribution of media editorial content, so the core business of each news media. Such rulings have a decisive impact on the further development of the media industry especially in the current phase of dominance of social media platforms, both in terms of media use and the media advertising market. They include rulings by media owners, publishers and broadcasters (which nowadays rarely are the same natural or legal persons, but there is a separate highest management in publishing houses and broadcasting companies) on transparency of production processes, including editorial autonomy or so-called editorial independence/freedom (when daily editorial decisions are made by the editorial staff only).

This paper argues that in the context of global media industry trends, two factors – media ownership transparency and editorial autonomy – are increasingly impacting the decision-making powers of editors and journalists. They are, ultimately, important for the professional performance of media and the competitiveness of media companies vis-à-vis both public relations (organizational communication) and advertising (bought space and broadcast time clearly separated from the editorial content). These professional communication industries, in turn, operate not only according to other, much narrower professional standards in terms of social responsibility (e. g. Russ-Mohl, 2017, p. 301), but they are also funded not by the media audience (public) as media are, but by a much narrower customers groups – spenders of public relations and advertising services.

It can be said that the media is returning to its beginnings, without advertising playing a decisive role in the dual media business model: from protected journalists to the credibility of editorial content and then from the trust of an audience created by credible content to audience payments for such media content (proved by empirical research and practice cf. Bachmann, 2017, pp. 175–177, 199; Fengler, 2015, p. 242; Spillmann, 2020, p. 301) – credibility via trust consequently leads to media competitiveness in the modern attention economy where information (content) is changed to the attention (e. g. Davenport & Beck 2001; Fengler & Russ-Mohl, 2005, p. 38; Fengler, 2015, p. 237–239, 241; Franck 2020).

A recent study by the World Economic Forum *Understanding Value in Media: Perspectives from Consumers and Industry* acknowledges: "The main question for media companies is whether they can convince consumers that they will deliver enough value to make them start paying" (World Economic Forum, 2020, p. 19).

Thus, the crucial question for media companies now and in the future is whether they can *convince* consumers that the media offer enough benefits for users to pay for (e. g. there are signs that overall growth of payment for online news may be levelling off, see Newman et al., 2022, p. 10). The media actually first and foremost creates (or, conversely, does not create) the willingness of users to pay for a special professional performance of the media (the first part of the dual media business model besides advertising incomes) that meets the information, identification and entertainment needs of media users.

Here we will also look at Latvia's national peculiarities: in particular (1) the different competing journalism cultures (Dimants, 2018, 2019; cf. to close connections between the concepts of journalism cultures and media systems: Lauk, 2008, pp. 193–194; Hallin & Mancini, 2004; McQuail, 2005) and (2) the legal positivism of media policy actors (relying mainly on legal regulation) as opposed to good media business practice.

### INTERNATIONAL LESSONS FOR NATIONAL MEDIA POLICY

The above-cited study further states, "leading news publishers are taking advantage of the scale offered by the internet to deliver quality content alongside profitability" (World Economic Forum 2020, p. 4). From here it can be concluded that in a small market such as Latvia's, especially in the Latvian language, quality (serious) content must find other financing (e. g. direct payment from the audience) as it is very unlikely that the financing will be derived from their economies of scale by advertising incomes for popular content in the Internet. "For news, 53% would be willing to pay in the future, up from 16% who pay today" (ibid., p. 5). The future, when users will be willing to pay for journalistic content, can therefore be hoped for, but such a future can be purposefully and deliberately brought closer by appropriate audience trust creating activities of media companies. A recent study by the Trust in News Project concludes that

[t]o the extent that many users are looking for greater guidance on how to navigate between sources online, that suggests that news organisations would benefit from providing clearer cues and signals about who they are, their histories, what they stand for, and how they do their work (Toff et al. 2021, pp. 40–41).

Across countries, young people (aged 16–34) are the most likely to pay for content. ...we see a greater proportion of paid news subscriptions among higher income or higher status individuals (there is no consistent pattern for entertainment services). ...concerns of emerging 'information inequalities',

where wealthier consumers have access to more or higher-quality information, are very real (World Economic Forum 2020, p. 5)

Similar observations on media use are made in Latvia in the exacerbating conditions of the pandemic crisis (see Mārketings pret COVID-19 2020). Those are mostly younger, wealthier and more educated people who are willing to pay, so, *inter alia*, it turns out that the average quality content for everyone, especially in a small market like Latvia, can be provided mainly by public service media which is funded by all taxpayers.

Latvian newspapers, primarily dailies, suffered a lot under the pressure of business oligarchs and the ensuing loss of credibility and trust. The proportion of newspapers within the distribution of advertising expenditure was only 4% in 2017, compared to 17% in Estonia (Donauskaitė et al., 2019, p. 10) despite both nations historically having the same tradition of reading newspapers. But the whole print press in Russia attracted less than 4% of all advertising revenue in 2018 (Goble, 2019).

Original highlights in the World Economic Forum study, "Questions persist about how to fund the production of valuable content.

The success of some news and entertainment providers demonstrates that consumer revenues can be genuine alternative to advertising. This trend suggests increasing awareness among consumers about their role in financing content production... consumers expect governments to take a bigger role in funding news versus entertainment, as well as identifying advertisers as important contributors to financing content production. (...) These questions will need to be resolved if the important social functions of media are to be preserved (World Economic Forum 2020, pp. 5, 19).

It follows from such developments in the media industry that the role of a purposeful state (governmental) media policy is to support journalistic content in the media rather than entertainment, as well as to provide incentives for advertisers who place advertisements in (mass) media rather than social media.

On the other hand, not only are the position of media owners, publishers and broadcasters, but also the support of users with their wallets crucial for the successful corporate social responsibility of the media, which includes offering quality or serious (informative analytical, etc.) content in journalism. Amongst other strategies, an increase in micropayments is expected, provided that media companies are able to make them really convenient and fast to use: "news executives about the future of their industry, around two-thirds expected an increase in the use of micropayments to consume news" (ibid., p. 16).

In the age of social media, the mass media still remains the main agenda-setter for the public, and the effects of the mass media system on other sub-systems of society (political, economic, legal, socio-cultural) are ever permanent (e. g. Luhmann 1996; McCombs 2004), as is the dependence of individuals' socializing on mass media information by that agenda setting. These theories are far from being overturned, despite the growing influence of social media content on the media agenda, as evidenced, e.g., by the high proportion of media content on social media platforms and their use, especially in crisis situations (see Marketings pret COVID-19 2020). The social media are increasingly powerful in defining the agenda in the era of digital media, e.g., the winners of the last Riga City Council elections on August 2020, social liberals (electoral list Attīstībai Par/Progresīvie), are good example for that, especially in mobilizing young urban voters. However, the agenda taken by social media users is still becoming the agenda of society at large through the mass media agenda and not without mediation by them. In all events, there is no empirical evidence for the opposite, at least in Latvia.

Social media platforms obviously account for a great share of the content created for organizational communication, including strategic communication, which is frequently propagandistic (one-sided) public relations. There are media of authoritarian states, false news, trolls, etc. Amount to about 40%, in conversations conducted by bots in Russian-language messaging about NATO's presence in Poland and the Baltic States, in comparison to the content created by social media users (cf. NATO Strategic Communications Centre of Excellence 2020). In this situation, reliable media content and users' media literacy are growing in importance.

# THE SOCIAL RESPONSIBILITY OF THE LATVIAN MEDIA: TWO COMPETING JOURNALISM CULTURES

A substantial but not strongly dominant share of the media outlets that are focused on highly professional standards represents the modern journalism culture in Latvia. These outlets typically have actual, not just declarative self-regulation and codes of ethics. There are professional associations, particularly the Latvian Association of Journalists (LŽA, 2021), which has used its professional code of ethics since 2010 (Ētikas kodekss, 2014), the Latvian Association of Broadcasting Organizations (LRA, 2021), the Latvian Association of Press Publishers (LPIA, 2021) and the Latvian Advertising Association (LRA, 2021a), as well as the first national Latvian Media Ethics Council that was established in 2018 (cf. LMĒP, 2020). This council is the result of co-regulation and unites all the most powerful legal persons in media industry:together more than

40 media companies and all the above mentioned associations. It was initiated by and is financed by the state (regulation), but the media sector self-regulates itself independently by historically first drafting a joint code of ethics (LMĒP ētikas kodekss, 2019) and then supervising it (self-regulation).

Public broadcasters and private, commercial media companies have to invest into CSR measures, especially considering globalization and convergence trends." This might be achieved by developing and communicating the responsibility principles and appropriate instruments as mission statements or codes of conduct. The basic rules and guidelines are put into words and therefore institutionalized. "A major part of public self-binding is the publication of the mission or internal codes (Karmasin et al., 2014, pp. 235, 239).

Organizational ombudsmen and company guidelines, "highly influential on daily routines, (...) a typical tool of CSR, focus on the specific structure and needs of each media outlet" (ibid., pp. 234, 243–244). The qualitative, interpretative assessment of Latvian media and their belonging to various competitive journalism cultures as a set of professional norms and practices was made mostly on the bases of open, published data (editorial content about itself and other media, media websites, especially the section "About Us", company guidelines, etc.). However, these published sources (see references to respective information about ownership/highest management and the codes of ethics, both if available, hereafter in brackets) were also cross-checked by a survey of 25 representative Latvian media organizations. This was a sample of the largest mass media organisations, representing each relevant media type, both in Latvian and Russian languages, all mentioned below. The most senior media managers (editors-in-chief or senior members of the board) were interviewed by the author together with a communication student of Riga Stradins University in August–September 2021.

The modern journalism culture is represented by the largest but not absolutely dominant group of media, orientated towards high journalistic professional standards and practicing holistic CSR. Primarily they are Latvian media, which provide the abovementioned features of media corporate social responsibility. Secondly, if they are political mass media outlets in terms of content, they have ongoing own independent political agendas. Third, they are Latvia's leading media outlets (cf. Donauskaitė et al., 2020; Donauskaitė et al., 2019; Dimants, 2018, 2019):

1) The main news media outlets (having the largest audiences) in Latvia are the two most popular Internet portals – *Delfi.lv* (which has started to offer fee-based and original content since 2019; Delfi redakcija, 2021 – with reference to LMĒP ētikas kodekss, 2019) and *TVnet.lv* with a fee-based content segment since 2020 (Mūsu pienākums, 2021; Aljas et al. 2022);

- 2) An equally massive and profitable media outlet is *TV3* (Rīcības un ētikas kodekss TV3 programmai, 2019; All Media Baltics, 2021), which is the most popular and profitable commercial television station;
- The market leader in the newspaper sector is the nationalist and conservative *Latvijas Avīze* (AS "Latvijas Mediji" žurnālistu ētikas kodekss, 2021; Vadība, 2021);
- 4) The liberal weekly news magazine *Ir* has been published since 2010 (Ētikas kodekss, 2021; Par IR, 2021);
- 5) The largest and most profitable magazine publishing company is Žurnāls Santa (SIA "Žurnāls Santa" žurnālistu ētikas kodekss, 2021), which publishes more than 20 magazines and has an Internet portal (which was launched only in 2019 together with fee-based section *Santa+*);
- 6) The absolute majority of local newspapers, e. g. daily *Kurzemes Vārds* in Liepāja (Izdevniecības "Kurzemes Vārds" žurnālistu ētikas kodekss, 2012), *Neatkarīgās Tukuma Ziņas* in Tukums (Kontakti 2021 with the reference to Ētikas kodekss, 2014), *Zemgales Ziņas* in Jelgava (Ētikas kodekss, 2021a), *Druva* in Cēsis ("Druvas" žurnālistu ētikas kodekss, 2016; Kontakti, 2021a), *Rēzeknes Vēstis* in Rēzekne (Kontaktinformācija, 2021);
- 7) The public service media (with the smallest budget in the Baltic States) include *Latvian Television* (Rīcības un ētikas kodekss, 2020), *Radio Latvia* (Rīcības kodekss, 2017) and their jointly organized Internet portal *LSM. lv*, which has rapidly become very popular (it was established in Latvian, Russian and English in 2013); and
- 8) The independent investigatory journalism center Re:Baltica (About us, 2021). Most important in the context of this article's topic, all above mentioned media provided for the empirical research both, a transparent structure of ownership and convincing proof of editorial autonomy by editorial practice, not only declarative statements.

The Economic Theory of Journalism speaks to the actors' economic (market) perspectives and to a visible and broadly distributed instrumental and authoritarian journalism culture in Latvia, which does not operate on the basis of public payments upon which the media business depends, as well does not ensure media ownership transparency and editorial autonomy of media. When it comes to the political agenda, the operations of these media outlets by definition mean public relations. That is because when it comes to the political issues they are not independent, instead being subordinated to instrumental aspects of the political system without a distinctive separate role (see Luhmann, 1996). These are no longer media outlets that are financed by political parties, but this dependency ensures political parallelism to some of the parties that are controlled by specific business oligarchs.

This culture of journalism is represented by fairly large and numerous mass media outlets (cf. Donauskaitė et al., 2019; Dimants, 2018, 2019):

- 1) The most typical ones are the *NRA.lv* portal and the daily newspaper *Neatkarīgā Rīta Avīze* (Code of ethics, 2001), which suspended its print edition in May 2020. Since 1999, the newspaper has served the political and business interests of the mayor of the Baltic Sea port town of Ventspils, Aivars Lembergs.
- 2) The second largest daily newspaper, *Diena*, was sold by the Swedish Bonnier Media group in 2009 during the financial crisis. Latvia's print media lost 65% of their advertising income during that period, and *Diena* and other publications from the joint stock company were basically handed over to a group of Latvian business oligarchs Lembergs, Ainārs Šlesers and Andris Šķēle (cf. Donauskaitė et al., 2019). The trend in Latvia, however, is that such "tendency press" receives subsidies from other businesses and lost millions of euro each year. This means that the economic market system does not support them (Luhmann 1966, 51; Donauskaitė et al., 2019, pp. 24–25). Furthermore, these media outlets cripple a healthy market;
- Instrumental journalism culture is also represented by the second-largest magazine publishing house, Rīgas Viļņi (Uzņēmuma vadība, 2021), which more or less openly sells also editorial content due to overdone commercialization;
- 4) The largest Russian language television channel for twenty years was *PBK Latvia* (The Board, 2021), which since March 2020 stopped producing local content in Latvia, particularly in terms of news reports, which was a small but influential part of its programming. Afterwards the channel presented only programs from the Russian state-controlled *Pervyj Rossijskij kanal* channel until October 2021 when this broadcasting license was canceled by NEPLP, the national regulatory authority for audiovisual media services. This cancellation was due to the indictment of breaking EU-sanctions against Vladimir Putin's closest circle; in fact, *PBK* remained available in Latvian cable networks with the valid licenses of *PBK Estonia* and *PBK Lithuania* channels until the 'special operation' in Ukraine started in February 2022, which led to NEPLP ceasing all *PBK*'s retransmissions April 2022 (cf. Aljas et al. 2022, p. 35);
- 5) Latvia's most popular weekly is *MK Latvija* (O nas, 2021), published in Russian as a localized and a mostly week-day practical advice-oriented version of *Moskovskij komsomolec*, which is popular (tabloid) media outlet in Moscow:
- 6) The only daily in Latvia in Russian is *Segodnja*, more widely available on the Internet (Vesti segodnja until 2017; Etičeskij kodeks, 2021 with the reference to Ētikas kodekss, 2014);

- 7) Some local and regional newspapers, like the local *Ventas Balss* in Ventspils (Ētikas kodekss, 2021b), *Latgales Laiks* in Daugavpils (Laikraksta SIA "Latgales Laiks" žurnālistu ētikas kodekss, 2017), which function to a great extent under the financial influence of respective local governments, and the regional newspaper *Vietējā Latgales Avīze* (owned by the local dairy producer in Preiļi);
- 8) Some small television and radio channels (seem questionable because of nontransparent financing of programs, e. g. *RīgaTV 24*), etc.

All of the media outlets in Latvia that represent the instrumental journalism culture are non-transparent when it comes to their print run, sources of information, production processes, purchased editorial content, ownership and editorial autonomy. It is notable that employees of these media are members of a separate and former Soviet journalist organization – the Latvian Union of Journalists (LŽS, 2021), which adopted a code of ethics in 1992 (Latvijas žurnālistu ētikas kodekss, 1992). This organization exists still on paper and without any institutional oversight of its code implementation but in 2018 formally created an alternative council in opposite to the Latvian Media Ethics Council (Latvijas Žurnālistu Mediju padome, 2018).

The instrumental journalism culture also applies to most of the local government media outlets that have been established since 2009, when administrative and territorial reforms took effect in Latvia. These publications imitate media and by no means limit themselves to legitimate public relations; they take part in local media markets, cripple competence for independent local media outlets, and pretend to offer journalism while actually presenting the political propaganda of the majority in the local government. These publications, moreover, are paid for by all taxpayers in the relevant market. The result is a semi-authoritarian media system which facilitates a corresponding political regime in a territorial miniature in one administrative district or town, e. g. such as Jelgava. These trends clearly endanger local democracy, but despite a few attempts, the state has proven to be basically helpless when it comes to bringing these authoritarian trends to an end.

# THE SOCIAL RESPONSIBILITY OF THE MEDIA IN LATVIA: A LEGAL APPROACH VERSUS GOOD PRACTICES

Higher demands related to transparency in terms of media ownership have not been effective in law nor particularly in their application. Therefore, the real beneficiaries in practice can remain anonymous despite direct regulations in Article 102 of the law on the press and other mass media outlets (Latvijas Republikas likums, 1990; Grozījumi likumā, 2011). This article states: "The

founders and owners of mass media outlets who represent capital enterprises shall be obliged to inform the commercial register institution about their true beneficiaries in accordance with the events and procedures referred to in the Commercial Law." The ineffectiveness by implementation of this amendment basically offers additional evidence of the fact that transparency in the area of media ownership is an aspect of voluntary corporate social responsibility.

On the other hand, steps taken by the government to prevent money laundering at banks have been effective, and that shows that the relevant mechanisms of governance are resource-capacious but possible. This is also seen in the European Union's Directive on Audiovisual Media Services. Article 5, Paragraph 2 for the first time includes requirements related to the transparency of media ownership (AVMSD, 2018):

Member States may adopt legislative measures providing that, in addition to the information listed in Paragraph 1, media services under their jurisdiction make accessible information concerning their ownership structure, including the beneficial owners. Such measures shall respect the fundamental rights concerned, such as the private and family life of beneficial owners. Such measures shall be necessary and proportionate and shall aim to pursue an objective of general interest.

Regulations in Article 15 of the same Latvia's mass media umbrella law refer to the same declarative regulations, this time related to editorial autonomy. The law refers to possible "civil law relations between founders or publishers and editorial institutions" (Latvijas Republikas likums, 1990; cf. similar regulations by German media law: Meyn & Tonnemacher 2012, pp. 184–185). Article 16 (as amended in 2011) addresses the autonomy of editors-in-chief, but has also proven to be less that productive in practice: "The editor (editor-in-chief), in carrying out his duties, shall be editorially independent." This leads to the conclusion that editorial autonomy is basically more dependent on the voluntary corporate social responsibility of a media company than on legal regulations by the state.

#### CONCLUSIONS

To summarize, although there is a need for further research from the perspective of media users, it must be already concluded that the ability of a country's media policy to facilitate media ownership transparency and editorial autonomy of the media as a part of corporate social responsibility depends mostly—not on legal regulations—but on co-regulations. They could link an incentive government

support policy for those media which take part in the self-regulation system (Karmasin & Bichler 2017, p. 143). Specifically, in Latvia, there is the issue of the Media Ethics Council, its code of ethics, and the extent to which journalists take it into account (see LMĒP, 2020). Therefore, even compliance-driven CSR linking media subsidies to membership in Latvian Media Ethics Council would be a more stimulating means without touching press freedom by regulating the media via laws (cf. Karmasin et al., 2014, pp. 232, 234–235). It is also true that instrumental journalism culture media products must not receive any support from the state. Instead, legal regulations in the country must become far more effective, especially by their implementation in areas where the independent media market is crippled by imitated media publications that are issued by local governments.

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