

Media 's Controversial Roles/impact on/in Examples of (un) Covering Fraud with eu Funds

1. Introduction

The key political roles of the media include providing information, checking the accountability of public figures and authorities, and creating a space for public debate. Among these roles, (un)covering corruption in its various forms is certainly a great task which may also be of great interest for the media. Reporting on occurrences of corruption or the suspicion of it conforms to preferred media policy, i.e., a hunt for negativity (good news is no news), and the media's role as a moral lighthouse. Indeed, the free media are considered as a key factor in promoting good governance and controlling corruption, usually in co-ordination with civil society (Mungiu-Pippidi, 2006;¹ Brunetti & Weder, 2003;² The World Bank, 1997;³ Mungiu-Pippidi & Kukutschka, 2013;⁴ Sowunmi et al, 2010;⁵ Staphenhurst, 2000),⁶ although Camaj⁷

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¹ Mungiu-Pippidi, A.: Corruption: Diagnosis and Treatment. *Journal of Democracy*, Vol. 17 (2006) No 3, pp. 86–99.

² Brunetti, A. – Weder, B.: A free press is bad news for corruption. *Journal of Public Economics*, Vol. 87 (2003), pp. 1801–1824. DOI: 10.1016/S0047-2727(01)00186-4.

³ *Helping Countries Combat Corruption. The Role of the World Bank*. Washington DC, The World Bank. 1997. URL <http://www1.worldbank.org/publicsector/anticorrupt/corruptn/corrptn.pdf>

⁴ Mungiu-Pippidi, Alina and Roberto Martínez B. Kukutschka (2013). European Union Member States. In: Mungiu-Pippidi, editor, Anticorruption Report, Vol. 1, 14-54.

⁵ Sowunmi F. A. – Raufu A. A. – Oketokun F. O. – Salako, M. A. – Usifoh O. O.: The Role of Media in Curbing Corruption in Nigeria. *Research Journal of Information Technology*, Vol. 2 (2010) No. 1, pp. 7–23. URL <http://maxwellsci.com/print/rjit/v2-7-23.pdf>

⁶ Staphenhurst, Rick: *Media's Role in Curbing Corruption the International Bank for Reconstruction and Development*. 2000. URL <http://siteresources.worldbank.org/INTWBIGOVANTCOR/Resources/media.pdf>.

⁷ Camaj, Lindita: The Media's Role in Fighting Corruption: Media Effects on Governmental Accountability. *The International Journal of Press/Politics*. Vol. 18 (2013) No. 1, pp. 21–42. DOI: 10.1177/1940161212462741

(2012) tentatively suggested that the civil society variable possibly has no significant effect on fighting corruption but, instead, independent judiciary as well as parliamentary systems are important variables in supporting this role of the media.

Research conducted by Freille, Haque and Kneller⁸ supports the theory that restrictions on press freedom lead to higher corruption. However, the authors differentiate among various aspects of press freedom and, furthermore, their correlations are not conclusive (see also Brunetti and Weder, 2003). Nevertheless, other research findings tend to contradict or condition the presumably direct and/or strong correlation between freedom of the press and lower levels of corruption, either fully or partially. For example, Suphachalasai (2005)⁹ argued that media competition appears to serve as more important tool to combat corruption than press freedom. Freille et al. (2007)¹⁰ also suggest that political and economic freedoms are more relevant in generating positive outcomes in the fight against corruption than legal restrictions on media freedom. In their view, the political pressures have a slightly stronger effect on corruption, and reducing political influence on the media can thus form an important measure towards reducing corruption levels. They also argue that improving economic conditions for the press sector and contributing to a competitive environment would help to curb corruption. Moreover, Becker, English and Vlad (2013)¹¹ challenge the general argument that media freedom is unambiguously and strongly associated with lower levels of corruption. Their findings suggest that media freedom is indeed negatively related to corruption (at least as it is usually perceived by the general public), although their relationship is quite modest. In fact, if the measure of media freedom is produced by the elite evaluators from Freedom House or Reporters Without Borders, this relationship is only slight in the best case.

This article therefore deals with possible challenges of research that is based either on perceptions (opinion polls) or assumptions (annual surveys among professionals related to freedom of press), including indicators about the level of corruption based on media coverage. The article explores the real roles of the media in (un)covering and thus directly or indirectly fighting some aspects of corruption (namely suspicions or evidence of fraud, irregularity or misappropriation of allocated EU

⁸ Freille, Sebastian – Emranul Haque – Richard Kneller: A Contribution to the Empirics of Press Freedom and Corruption. *European Journal of Political Economy*, Vol. 23 (2007) No. 4, pp. 838–862.

⁹ Suphachalasai, Suphachol (2005). Bureaucratic Corruption and Mass Media, Uuniversity of Cambridge: Environmental Economy and Policy Research Discussion Paper Series.

¹⁰ Freille, Sebastian, Emranul Haque, and Richard Kneller. 2007. "A Contribution to the Empirics of Press Freedom and Corruption." *European Journal of Political Economy* 23 (4): 838–62.

¹¹ Becker, Lee B. – English, Cynthia – Vlad, Tudor: *Measurement Issues and the Relationship Between Media Freedom and Corruption*. Presented to the Journalism Research and Education Section, International Association for Media and Communication Research, Dublin, 25–29 June 2013. URL http://www.grady.uga.edu/coxcenter/Conference_Papers/Public_TCs/Becker_Naab%20_English_Vlad_IAMCR_5_22_2013.pdf

funds money) as reported by selected newspapers in the United Kingdom, Italy, Slovakia, France, Hungary, Latvia, and Romania.

Moreover, the research is also set into a specific context (sub-case study) with the Hungarian example, as among our sample, Hungary appears to be the country where media (in absolute as well as in relative numbers) most heavily (and increasingly—in the long term—more frequently) cover suspicions or evidence of fraud, irregularity or misappropriation of allocated EU funds. The situation in both politics and the media environment¹² in Hungary also appears to be one of the most problematic among EU member states (Trencsenyi, 2013/2014;¹³ Göncz, 2016;¹⁴ Mong, Nagy, Polyák and Urbán 2016;¹⁵ Magyar, 2016;¹⁶ O'Sullivan and Pócza, 2015).¹⁷

The research thus focused on the question as to how these contradictions were reflected in media coverage of suspicions or evidence of fraud, irregularity or a misappropriation of allocated EU funds money in selected Hungarian media in comparison with other countries in our sample. The second, and more general, question is, what does this research data tell us about the role of the media in covering corruption?

2. Methodology

This study is based on a literature review supported by a comparative countries study conveyed by the human-assisted content analysis (HACA) and focused on coverage of corruption in general (and in reference to EU funds in particular) among selected newspapers during the period of 2004–2013 (except the Romanian sample which covered the years 2009–2013 only. It should be noted that the Hungarian sample covered online versions of newspapers or only online newspapers). The analysed issues are thus illustrated by samples of newspapers from Italy, UK, France, Hungary, Latvia, Slovakia and Romania, four from each country. The underlying reason for the particular selection was to give representation to two quality newspapers—ideally from different ideological backgrounds—plus one business newspaper, and one tabloid newspaper. The selection and basic categorisation of newspapers can be seen from the table below, compiled by the University of Perugia.

¹² See also <https://freedomhouse.org/report/freedom-press/2015/hungary>

¹³ Trencsenyi, Balazs: From Goulash-Communism to Goulash-Authoritarianism? *IWM Post*, (2013–2014) No. 112, pp. 3–4.

¹⁴ See Hungarian Media Laws in Europe, CMCS, Budapest, Hungary. URL <http://medialaws.ceu.hu/summary.html#conclusions>.

¹⁵ Mong, Attila – Nagy, Krisztina – Polyák, Gábor – Urbán, Ágnes: *The Methods Are Old, The Cronies Are New. Soft Censorship in the Hungarian Media in 2015*. Mérték Booklets, Vol. 9. 2016.

¹⁶ Magyar, Bálint: *Post-Communist Mafia State. The Case of Hungary*. CEU Press, Budapest, 2016.

¹⁷ O'Sullivan, John – Pócza, Kálmán: *The Second Term of Victor Orbán. Beyond Prejudice and Enthusiasm*. BL Nonprofit and Social Affairs Unit., Budapest–London, 2015.

The total sample was based on nine general keywords: Corruption, Bribe, Kick-back, Collusion, Clientelism, Embezzlement, Favouritism, Nepotism and Familism. Out of this general sample, a “constructed week” of coverage was created for four selected newspapers in the period of 2004–2013. “Constructed weeks” in a two-month period mean that we had first randomly selected a certain number (defining a day in a week). Starting with this number, we constructed a full imaginary week of coverage in each newspaper for each year, invariably selecting each consecutive day of coverage. The research aimed at a sample that would cover a “constructed” two-month period in this way. Using this method, we obtained a total of 2,959 articles for Italy (of which 11 dealt with corruption and EU funds), 2,163 for the UK (38), 1,477 for France (40), 1,446 for Slovakia (48), 2,488 for Hungary (99), 1,678 for Latvia (24) and 558 for Romania (11). The Romanian sample was smaller in number than the others due to the unavailability of Romanian electronic archives for the whole research period, and therefore covered only about a half of the period.

In general, some ideological, theoretical, and financial issues always affect the measuring instruments of the research (see Giannone & De Frutos, 2016).¹⁸ McCurdy, Power, and Godfrey (2011)¹⁹ also believe that evaluation of media environments must take into account the ideological, theoretical, and methodological features of the tools used, while Cooley and Snyder (2015)²⁰ claim that international rankings always carry value judgements, methodological choices, and implicit political agendas. With regard to these inevitably occurring issues and in order to achieve a good quality research output, it was necessary to conduct three inter-coder reliability tests. Firstly, a pre-test was performed which used a random procedure on an international sample (eight long English articles, a separate sample). The results were cross-checked manually by the University of Perugia team. Secondly, we tested our approach on a local sample (4x100 articles, a subset of the full sample). The results were again cross-checked manually, this time by the Slovak research team. All coding disagreements were solved by using a “majority” decision rule in which the key researcher served as a tie-breaker. Thirdly, a reliability test was employed during coding of the full sample (randomly selected newspaper with 50 coded articles). All but two indices (Q27 and Q28) were included to calculate coders’ inter-reliability in samples. The resulting inter-coder reliability level coefficient for each country’s data set was declared as having “passed tests” by Dr. István János Tóth, director of the Centre for Research on Corruption, in Budapest, Hungary.

¹⁸ Giannone, Diego – Frutos, Ruth De: Measuring Freedom of Information: Issues and Opportunities from an Expert Survey. *International Journal of Communication*, Vol. 10 (2016), pp. 589–619.

¹⁹ McCurdy, P – Power, G. – Godfrey, A.: When theory meets practice: Critical reflections from the field on press freedom indices. In: Price, M. E. – Abbott, S. – Morgan, L. (eds.): *Measures of press freedom and media contributions to development*. Peter Lang, New York, 2011. pp. 47–67.

²⁰ Cooley, A. – Snyder, J. (eds.): *Ranking the world: Grading states as a tool of global governance*. Cambridge University Press, Cambridge, 2015.

	<i>Typology of the newspaper</i>			<i>Political bias</i>		
	<i>Business</i>	<i>Tabloid</i>	<i>Quality</i>	<i>Centre left</i>	<i>Centre</i>	<i>Centre right</i>
ITALY						
Il Corriere della Sera			+		+	
La Repubblica			+	+		
Il Giornale			+			+
Il Sole 24 Ore	+				+	
UK						
The Times			+			+
The Guardian			+	+		
The Sun		+				+
The Financial Times	+				+	
FRANCE						
Le Monde			+	+		
Le Figaro			+			+
Ouest France			+		+	
Les Echos	+				+	
SLOVAKIA						
Sme			+			+
Novy cas		+			+	
Pravda			+	+		
Hospodarske noviny	+				+	
HUNGARY						
MNO			+			+
Népszava online			+	+		
HVG	+			+		
Origo		+			+	
LATVIA						
Diena			+		+	
Latvijas Avize			+			+
NRA			+			+
Dienas Bizness	+				+	
ROMANIA						
Ziarul Financiar	+				+	
Jurnalul National			+	+		
Romania libera			+			+
Libertatea		+			+	

Table 1 Categorisation of Selected Newspapers

3. The media coverage of corruption

The media fight corruption not only in the day-to-day reporting of incidences or (what the media perceive as) wrong-doing/unethical behaviour but also in several other ways, such as by investigative journalism, conducting sting operations, holding public debates, publishing opinion polls, etc. Gonzáles (2007, 175)²¹ identified three key roles of the media in fighting corruption: a) the main discoverer of corruption, b) a watch-dog that can even prevent corruption from happening by creating fear of publicity among potential corrupters, and c) a public educator about the effects of corruption and the ways to tackle it.

An examination of the media's positive influence in the battle against corruption reveals that the effects are both tangible and intangible (Stapenhurst, 2000).²² Moreover, Németh, Körmendi and Kiss (2011)²³ mention that until those accused of corruption are treated appropriately, the media coverage of corruption may have both positive and/or negative impacts (see Tumbler & Waisbord, 2004;²⁴ Kramer, 2013;²⁵ Cunha, 2015).²⁶ The occurrence of ubiquitous reporting on corruption is also linked to the broader phenomenon of the potential desensitisation of the general public towards news reports, along with a loss of ability to differentiate the validity of information (Höschl in Wirnitzer, 2015).²⁷ Yet the complex public responses to corruption reports are difficult to discern (Entman, 2012).²⁸ Costa (2013)²⁹ opines that those countries with a free press appear to be the ones witnessing an increase in perceived corruption together with a simultaneous decrease in the perceived qual-

²¹ Gonzáles, Andrés: *Governance for the 21st Century. The Fight Against Corruption in Latin America*. LIT Verlag, Vienna–Berlin, 2007.

²² Stapenhurst: *Media's Role in Curbing Corruption the International Bank for Reconstruction and Development*. 2000. URL <http://siteresources.worldbank.org/INTWBIGOVANTCOR/Resources/media.pdf>.

²³ Németh, Erzsébet – Körmendi, Gábor – Kiss, Beatrix: The media's impact on corruption and its social judgement. *Public Finance Quarterly*. Vol. 56 (2011) No. 1, pp. 58–66.

²⁴ Tumbler, Howard – Waisbord, Silvio: Political Scandals and Media across Democracies: Introduction. *American Behavioral Scientist*, Vol. 47 (2004) No. 7–8, pp. 1031–1039.

²⁵ Kramer, E.: When news becomes entertainment: Representations of corruption in Indonesia's media and the implication of scandal. *Media Asia*, Vol. 40 (2013) No. 1, pp. 60–72.

²⁶ Cunha, I. F.: About the 'de-democratization' of Europe: democracy, Media and political corruption. *Intercom – RBCC*, Vol. 38 (2015) No. 1, pp. 37–62. DOI: 10.1590/1809-5844201512

²⁷ Wirnitzer, J.: Evropské hrozí invaze cizích hodnot, ale i nový vůdce [Europe is threatened not only by a possible invasion of foreign values, but also by a new führer]. *Idnes*, (2015, September 6). URL http://zpravy.idnes.cz/rozhovor-s-cyrilem-hoschlem-dgc-/domaci.aspx?c=A150902_170215_domaci_jw.

²⁸ Entman, R. M.: *Scandal and Silence: Media Responses to Presidential Misconduct*. Polity Press, Cambridge, 2012.

²⁹ Costa, S.: Do freedom of information laws decrease corruption? *Journal of Law, Economics, and Organization*, Vol. 29 (2013) No. 6, pp. 1317–1343.

ity of governance, rather than the expected improvement. According to him, an increase in perceived corruption apparently takes place particularly during the initial years of reform without major sustainability over a longer period. Costa used various corruption perception indices in his research project, both at the macro- and micro-level. His observations are rather intellectually challenging, and inspire the following question: Do these results imply that these perceptions are actually based on intensive media coverage rather than a negative change in the real occurrence of corruption? Indeed, the Hungarian case study conducted by Németh, Körmendi and Kiss (2011)³⁰ confirmed that if corruption cases are successfully uncovered and widely presented by the media, thus reducing the chance of corruption, its social perception is actually prone to increase considerably.

However, the media can also be prevented from fulfilling its role by impediments that are political (levels of political accountability through institutions of checks and balances, Camaj, 2012),³¹ legal (very low levels of press freedom, low access to information, see Cordis and Warren, 2014;³² or when civil society and civic activism do not participate in the process, Mungiu-Pippidi, 2014),³³ economic (low competition, see Suphachalasai, 2005;³⁴ small market size, failures of regulations, vested interests of owners, see UEA, 2013;³⁵ Pirinska, 2016;³⁶ Antonov, 2013),³⁷ professional (professional-ethical standards, when the audiences receive mostly fragments of information, Bergsdorf, 2002),³⁸ and/or possibly cultural (weak civil society, limita-

³⁰ Németh, Erzsébet – Körmendi, Gábor – Kiss, Beatrix: The media's impact on corruption and its social judgement. *Public Finance Quarterly*, Vol. 56 (2011) No. 1, pp. 58–66.

³¹ Camaj, Lindita: The Media's Role in Fighting Corruption: Media Effects on Governmental Accountability. *The International Journal of Press/Politics*, Vol. 18 (2013) No. 1, pp. 21–42. DOI: 10.1177/1940161212462741

³² Cordis, A. S. – P.L. Warren: Sunshine as disinfectant: The effect of state Freedom of Information Act laws on public corruption. *Journal of Public Economics*, Vol. 115 (2014), pp. 18–36.

³³ Mungiu-Pippidi, A.: Why Control of Corruption Works. When it Does. In: Alina Mungiu-Pippidi (ed.): *The Anticorruption Frontline. The Anticorruption Report*, Vol.2. Barbara Budrich Publishers, Opladen, 2014. pp. 90–123.

³⁴ Suphachalasai, Suphachol: *Bureaucratic Corruption and Mass Media*. University of Cambridge, 2005.

³⁵ *Media outlets and their moguls: why concentrated individual or family ownership is bad for editorial independence*. UEA, 2013. URL http://www.ueapolitics.org/wp-content/uploads/2013/12/ejc_eastminster_preprint.pdf

³⁶ Pirinska, Ana: Press freedom in Bulgaria: No country for old values? 22 January 2016. URL <http://www.cafebabel.co.uk/politics/article/press-freedom-in-bulgaria-no-country-for-old-values.html>

³⁷ Antonov, Stefan: *The Age of the Oligarchs: How a group of political and economic magnates have taken control of Bulgaria*. University of Oxford, 2013. URL <http://reutersinstitute.politics.ox.ac.uk/sites/default/files/The%20Age%20of%20Oligarchs.pdf>

³⁸ Bergsdorf, W.: Die politische Wirkung der Medien in skandalisierten Situationen. In: Bergsdorf, W. – Klein, H.K. – Lammert, N. – Schmitt Glaeser, W. (eds.): *Die repräsentative Demokratie und die*

tions in media literacy, see Armao, 2010;³⁹ Norris & Odugbemi, 2010).⁴⁰ Sometimes, the media or journalists may even become involved in corruption networks themselves or display potentially corrupt behaviour (see Limor and Himelboim, 2006;⁴¹ Greenwald, 2012;⁴² Osborne, 2012;⁴³ Orme, 1997;⁴⁴ Adam, 2016).⁴⁵ Moreover, Waisbord (2000)⁴⁶ suggested that factors unrelated to the quality of journalistic work also affect the impact of an exposé. According to him, these factors include the timing of the report's release, the prestige of the news organization, the production values of the investigation, etc.

Norris (2009),⁴⁷ Mendes (2013)⁴⁸ and Smit (2012)⁴⁹ included additional factors necessary for effective reporting on corruption (especially in a framework of investigative journalism) by media or journalists, and for the enhancement of the positive role of the media in a society.

Macht der Medien, Zukunftsforum Politik (10-20), (2002) No. 48. URL http://www.kas.de/wf/doc/kas_1034-544-1-30.pdf?021031104028

³⁹ Armao, Rosemary: Covering Corruption: The Difficulties of Trying to Make a Difference. 2010. URL http://www.cima.ned.org/wp-content/uploads/2015/02/CIMA-Covering_Corruption-Report_0.pdf

⁴⁰ Norris, Pippa – Odugbemi, S.: Assessing the Extent to Which the News Media Act as Watchdogs, Agenda Setters and Gatekeepers. In: Norris, Pippa (eds.): *Public Sentinel. News Media and Governance Reform*. pp. 379–394. World Bank, Washington, 2010. URL <http://issuu.com/worldbank/publications/docs/9780821382004>

⁴¹ Limor, Yehiel – Himelboim, Itai: Journalism and Moonlighting: An International Comparison of 242 Codes of Ethics. *Journal of Mass Media Ethics*, Vol. 21 (2006) No. 4, pp. 265–285.

⁴² Greenwald, G.: Correspondence and collusion between the New York Times and the CIA. *The Guardian*, 29 August 2012.

⁴³ Osborne, P.: Is the British press really so feral? *British Journalism Review*, Vol. 23 (2012) No. 3, pp. 61–68.

⁴⁴ Orme, W.A. (ed.): *A Culture of Collusion: An Inside Look at the Mexican Press*. Linner Rienner Publishers, Boulder, 1997.

⁴⁵ Adam, Ch.: Of droids and slaves. The media in the Orbán regime. *Hungarian Free Press*, 7 February 2016. URL <http://hungarianfreepress.com/2016/02/07/of-droids-and-slaves-media-in-the-orban-regime/>

⁴⁶ Waisbord, S.: *Watchdog Journalism in South America. News, Accountability, and Democracy*. Columbia University Press, New York, 2000.

⁴⁷ Norris, Pippa (ed.): *Public Sentinel: News Media & Governance Reform*. The World Bank, Washington DC, 2009. URL <http://www.hks.harvard.edu/fs/pnorris/Books/Public%20Sentinel.htm>

⁴⁸ Mendes, M.: *Overview of corruption in the media in developing countries*. Transparency International, 2013.

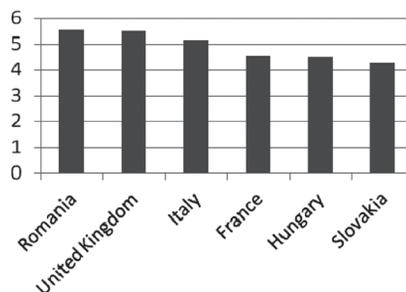
⁴⁹ Smit, Margo: *Deterrence of fraud with EU funds through investigative journalism in EU-27*. 2012. URL <http://www.europarl.europa.eu/document/activities/cont/201210/20121002ATT52809/20121002ATT52809EN.pdf>

4. Correlations between the perception of corruption as projected by media coverage, trust in the media coverage of corruption and the perceived level of corruption in a country

Research suggests that there is no direct correlation between the perception of corruption in politics and the public sector as projected by media coverage, and trust in the media reporting on corruption in a country (see Table 2, from Charon, 2013).⁵⁰ Trust in the media coverage of corruption was highest in Romania and the UK, followed by (in decreasing order) Italy, France, Hungary and Slovakia (Charon, 2013, 116): on a scale of 0–10, the level of trust ranged between 4.2 and 5.6.

On the one hand, the UK was not seen as a highly corrupt country, and the level of trust in the portrayal of corruption by the local media was among highest in this sample. On the other hand, Romania was regarded as a highly corrupt nation, but the faith in the media handling of corruption cases was among the highest in Charon's research. These data, therefore, clearly suggest that it may be problematic to rely solely on the media reporting about corruption as an indicator of relevance for further social science research or adopting policy measures.

Country	Value (2013)	CPI (rank 2013)
Romania	5,541	69
United Kingdom	5,521	14
Italy	5,151	69
France	4,527	22
Hungary	4,515	47
Slovakia	4,277	61



(Media Reporting Corruption from Charon, 2013, raw country averages of EQI 2013 survey question, Latvia was not included, the higher the better, CPI ranking from TIS, 2013)

Table 2 Trust in the Media Reporting Corruption

⁵⁰ Charon, N.: European Perceptions of Quality of Government. A Survey of 24 Countries. In: Mungiu-Pippidi, Alina (ed.): *The Anticorruption Frontline. The Anticorruption Report*, Vol. 1. Barbara Budrich Publishers, Opladen, 2013. pp. 99–120.

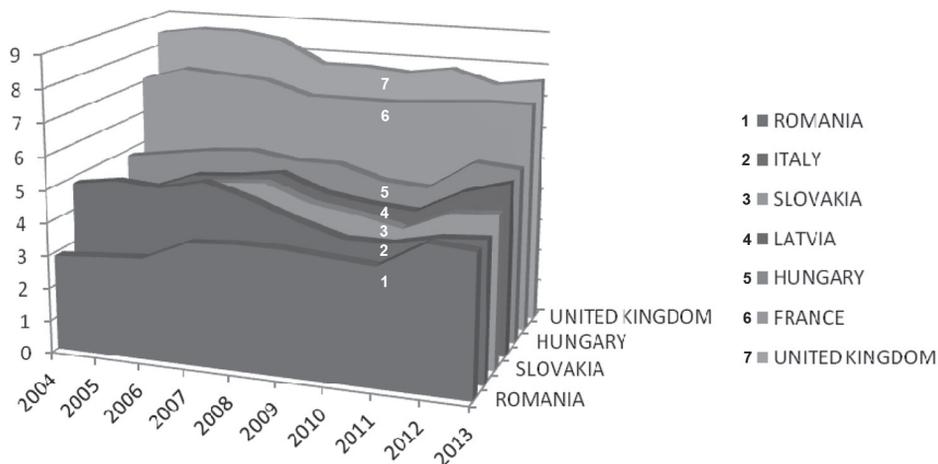
This inconsistency between media reporting on corruption and perception of corruption in a country is also visible when comparing the tables below (although the collection periods of the data in the tables do not overlap precisely, as is explained later).

The UK experienced a worsening of its rank in the Corruption Perception Index (CPI) during the 2008-2010 period, however, the country also improved (compared to other countries) its ranking in the Press Freedom Index (PFI) during the very same period.

A rapid deterioration of PFI can be noted in France in the period of 2009-2010; however, this was not so sharply reflected in CPI ranking during the same period and afterwards. France, nevertheless, witnessed the most similar CPI and PFI patterns in general during the analysed decade.

		<i>United Kingdom</i>	<i>France</i>	<i>Hungary</i>	<i>Latvia</i>	<i>Slovakia</i>	<i>Italy</i>	<i>Romania</i>
2004	rank	11	22	42	57	57	42	87
	score	8.4	7.1	4.8	4	4	4.8	2.9
2005	rank	11	18	40	51	47	40	86
	score	8.6	7.5	5	4.2	4.3	5	3
2006	rank	11	18	41	49	49	45	84
	score	8.6	7.4	5.2	4.7	4.7	4.9	3.1
2007	rank	12	19	39	51	49	41	69
	score	8.4	7.3	5.3	4.8	4.9	5.2	3.7
2008	rank	16	23	47	52	52	55	70
	score	7.7	6.9	5.1	5	5	4.8	3.8
2009	rank	17	24	46	56	56	63	71
	score	7.7	6.9	5.1	4.5	4.5	4.3	3.8
2010	rank	20	25	50	59	59	67	69
	score	7.6	6.9	4.7	4.3	4.3	3.9	3.7
2011	rank	16	25	54	61	66	69	75
	score	7.8	7	4.6	4.2	4	3.9	3.6
2012	rank	17	22	46	54	62	72	66
	score	7.4	7.1	5.5	4.9	4.6	4.2	4.4
2013	rank	14	22	47	49	61	69	69
	score	7.6	7.1	5.4	5.3	4.7	4.3	4.3
Average ranking		15	22	45	54	56	56	75

Table 3 Corruption perceptions index (CPI)—TIS



<i>Press Freedom Index (PFI)</i>									
	2004	2005	2006	2007	2008	2009	2010	2012	2013
Slovakia	-1	-8	-8	-3	-7	-44	-35	-25	-23
	0.50	0.75	2.50	1.00	3.00	11.00	11.50	0.00	13.25
UK	-28	-24	-27	-24	-23	-20	-19	-28	-29
	6.00	5.17	6.50	8.25	5.50	4.00	6.00	2.00	16.89
Latvia	-10	-16	-10	-12	-7	-13	-30	-50	-39
	1.00	2.50	3.00	3.50	3.00	3.00	8.50	15.00	22.89
France	-19	-30	-35	-31	-35	-43	-44	-38	-37
	3.50	6.25	9.00	9.75	7.67	10.67	13.38	9.50	21.60
Romania	-70	-70	-58	-42	-47	-50	-52	-47	-42
	17.83	16.17	14.00	12.75	9.00	12.50	16.00	14.00	23.5
Italy	-39	-42	-40	-35	-44	-49	-49	-61	-57
	9.00	8.67	9.90	11.25	8.42	12.14	15.00	19.67	26.11
Hungary	-28	-12	-10	-17	-23	-25	-23	-40	-56
	6.00	2.00	3.00	4.50	5.50	5.50	7.50	10.00	26.9

World Press Freedom Index, *Reporters Without Borders*

Table 4 Press Freedom Index

The Hungarian case supports the existence of correlation - rather radical worsening of press freedom was reflected in higher perception of corruption towards the end of our research decade (2011–2012). However, it should also be noted that Hungary did not actually present the worst average perception of corruption in the sample—it was Romania, followed by Italy, Slovakia and Latvia.

The Latvian and Slovakian cases are good examples of conformity to Costa's findings (2013). Both countries ranked among those states with the most successful freedom of press until 2009 (or 2008 respectively), yet their CPIs were much higher than those of the UK or France (and also Hungary) during the same period. In other words, free press did not help Latvia and Slovakia to achieve better rankings in CPI compared to those countries with lesser freedom of the press.

In addition, Slovakia's sudden deterioration of press freedom in 2009 and the following years can be linked not only to the change in the political climate but most likely also to the changes in ownership of some of the leading Slovak newspapers. For example, the former foreign owner of the daily *Pravda* was replaced by a Slovak owner in 2009/2010, and according to Zuzana Petková (2016),⁵¹ its former deputy editor-in-chief, who was forced to leave in the very same year, the daily (which until then exercised absolute freedom in its editorial policy) has become biased towards the ruling leftist governmental party, whilst the new management gradually pushed the journalists critical towards this party out of their jobs. Interestingly enough, Besley and Prat (2006)⁵² argued that foreign ownership of the press is associated with greater transparency in the political process and lower levels of corruption. In general, the cumulative research suggests that business owners are capable of influencing the freedom of speech by influencing the media they control, even though the modus operandi might differ from country to country (de Beer, Láb, Strielkowski & Tejkalová, 2015).⁵³ Regarding the correlation of CPI and PFI, Italy is a special case. While it shows better results in CPI than both Slovakia and Latvia during the period of the first four years, its ranking in PFI is extremely low if compared with these two countries during the same period. In other words, a correlation between CPI and PFI in Italy's case seems to work in the opposite way than the aforementioned theory assumes and that the Slovakian and Latvian examples confirm.

Lastly, Romania ranked equally low in both CPI and PFI during the first two to three years, although a similar but slightly more positive pattern with respect to

⁵¹ E-mail correspondence with Zuzana Petková, the former deputy editor-in-chief of *Pravda*, April 27, 2016.

⁵² Besley, Timothy – Prat, Andrea: Handcuffs for the Grabbing Hand? Media Capture and Government Accountability. *The American Economic Review*, Vol. 96 (2006), pp. 720–36.

⁵³ de Beer, A. S. – Láb, F. – Strielkowski, W. – Tejkalová, A. N.: Business influence on media news processing: a comparison of journalists' perceptions in the Czech Republic and South Africa. *Economics and Sociology*, Vol. 8 (2015) No. 1, pp. 222–233. DOI: 10.14254/2071-789X.2015/8-1/17

improving (at least in relative terms) the general situation in both parameters can be noticed towards the end of the decade.

PFI data for each year is presented as a rank, giving a position to a particular country in relative order in comparison to other countries. In this case, a smaller score corresponds to greater freedom of the press and, in addition, the smallest scores are in negative numbers.

Each report reflects the situation during a specific period. The year of the report represents the year when the particular report was released and thus reflects events occurring in prior years. For example, the 2009 report was published in October 2009 and reflects events between 1 September 2008 and 31 August 2009. No report was released in 2011. The 2011–2012 report (labelled “2012” in the table below) was published on 20 January 2012 and reflects events between 1 December 2010 and 30 November 2011. The 2013 World Press Freedom Index was published on 30 January 2013 and reflects events between 1 December 2011 and 30 November 2012.

It has to be mentioned that the comparative estimations of the freedom of the press in Central and Eastern Europe in the period of 2005–2014 (Balčytienė, 2015, 48)⁵⁴ do not suggest a full overlap with the above mentioned PFI, although in most cases the general trend according to Nations in Transit is similar.

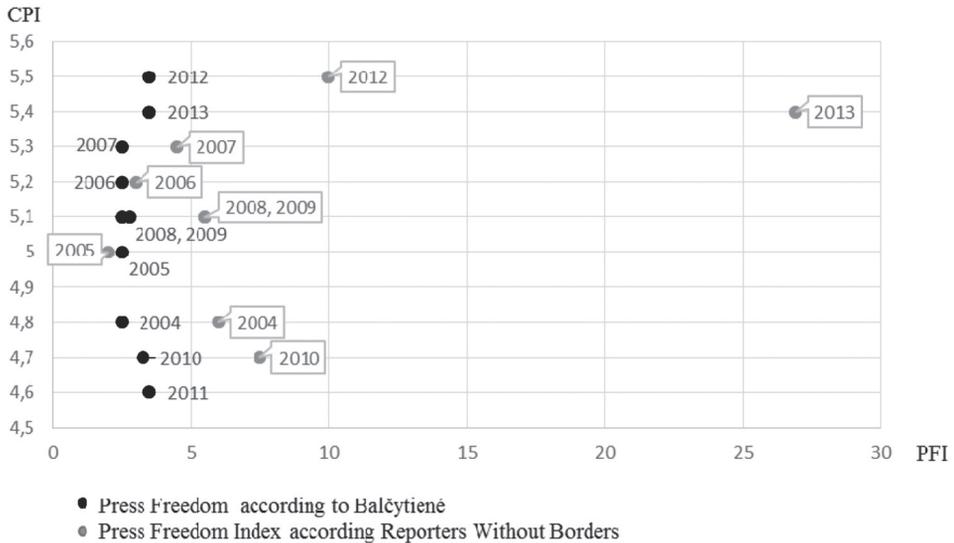
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Slovakia	225	225	225	250	275	300	300	275	275	275
Latvia	150	150	150	175	175	175	175	175	175	200
Romania	400	400	375	375	375	400	400	400	425	425
Hungary	250	250	250	250	250	275	325	350	350	350

according to Balčytienė (based on Nations in Transit data)

Table 5 Average scorings for “media freedom“

However, to give an example of the differences in these estimations, the comparative table of correlations between CPI and PFI has been constructed for the Hungarian case according to both Reporters Without Borders and Nations in Transit (Balčytienė).

⁵⁴ Balčytienė, A.: Institutions and cultures: an analytical framework for the study of democratization and media transformations in Central and Eastern Europe. In: Dobek-Ostrowska, B. – Glowacki, M. (eds): *Democracy and Media in Central and Eastern Europe 25 years On*. Peter Lang, Frankfurt am Main, 2015. pp. 47–62.

Figure 1: Correlations between CPI and PFI for Hungary

5. Case study of EU funds-related fraud coverage in six countries

The EU provides funding for a broad range of projects and programmes covering areas such as regional and urban development, employment and social inclusion, agriculture and rural development, maritime and fisheries policies, research and innovation, and humanitarian aid. Over 76% of the EU budget is managed in partnership with national and regional authorities through the system of “shared management”, and mainly through five large funds (the Structural and Investment Funds).⁵⁵ During the period 2014-2020, the EU will invest 325 billion eur in Europe’s regions through the Structural and Investment Funds.

However, a definitional problem already occurs here. As put by Smit (2012, 26): “What the public (and journalists, for that matter) easily call ‘fraud’ in the end can also be an irregularity or a ‘simple’ misappropriation of money.” His study on Deterrence of fraud with EU funds through investigative journalism in EU-27 (Smit, 2012)⁵⁶ showed that in some countries journalists did generate numerous strings of publications on the topic, especially in the United Kingdom, Romania and Slovakia

⁵⁵ See <http://europa.eu/about-eu/funding-grants/>

⁵⁶ Smit, Margo: *Deterrence of fraud with EU funds through investigative journalism in EU-27*. 2012.

(in addition to Spain and Bulgaria). According to the report, the UK has shown the highest publication of EU funds-related stories among all other EU countries.

Research by Fazekas, Chvalkovska, Skuhrovec, Tóth and King (2014)⁵⁷ has indicated that possibly as much as a third of EU funds (Structural Funds and Cohesion Fund) invested into public projects in the Czech Republic, Hungary and Slovakia were disbursed in irregular and obscure ways, or with a tendency to favour certain companies. These assumptions seem to illustrate the general trend in these areas. It was also remarked by Lenka Bradáčová, a Supreme State Prosecutor in Prague, the Czech Republic that while the organised crime in the 1990s specialised in violent forms of crime (racketeering), or focused on stealing money (both in violent and non-violent ways), joining the EU brought a new form of public sources to focus on—the EU funds (in Šnidl, 2015).⁵⁸

	<i>Population (million)</i>	<i>EU funds per capita (EUR)</i>
UK	62.5	1146
France	63	2138
Italy	60.5	1745
Hungary	10	3098
Romania	21.5	1074
Latvia	2.2	3203
Slovakia	5.5	2402

Table 6 Size of Population (2008) and Income from the EU funds per capita (2004–2013)⁵⁹

Yet these data do not help to explain differences in the intensity of coverage of corruption related to EU funding either. For example, while comparing Latvia and Hungary, the countries with the highest income per capita from EU funds during a decade, there is a ratio of 10:29 (1.4%:4%) in covering the topic of EU funds and corruption between these two countries.

⁵⁷ Fazekas, M. – Chvalkovska, J. – Skuhrovec, J. – Tóth, I. J. – King, L. P.: Are EU Funds a Corruption Risk? The Impact of EU Funds on Grand Corruption in Central and Eastern Europe. In: Mungiu-Pippidi, A. (ed.): *The Anticorruption Frontline. The ANTICORRP Project*, Vol. 2. Barbara Budrich Publishers, Opladen–Berlin–Toronto, 2014. pp. 68–89.

⁵⁸ Šnidl, Vladimír: Chytila Ratha: Je to aj výstraha pre ďalších [She Caught Rath: This is a warning to others]. *Denník N*, Vol. 121 (2015) No. 1, pp. 6–7.

⁵⁹ Population in 2008 (in the middle of research period) in millions with the exception of Latvia due to the overall small size of population + Income from EU funds per capita, based on average income per decade. URL https://en.wikipedia.org/wiki/Demographics_of_the_European_Union#Population_by_nation + own calculations.

<i>EU Funds, TOTAL EXPENDITURES, in millions EUR</i>							
	<i>FR</i>	<i>IT</i>	<i>LV</i>	<i>HU</i>	<i>RO</i>	<i>SK</i>	<i>UK</i>
2004	12 944.9	10 367.0	267.0	713.4	572.2	388.1	7 130.2
2005	13 620.5	10 696.3	385.0	1 357.0	634.5	609.5	8 670.4
2006	13 496.2	10 922.3	402.6	1 842.2	693.1	696.2	8 294.2
2007	13 897.2	11 315.3	675.0	2 427.6	1 602.4	1 082.6	7 422.9
2008	13 721.8	10 306.4	610.4	2 002.6	2 666.2	1 241.8	7 309.9
2009	13 631.9	9 372.3	710.3	3 568.6	2 951.2	1 192.4	6 247.1
2010	13 105.1	9 497.5	843.6	3 650.0	2 317.4	1 905.0	6 745.6
2011	13 162.3	9 585.9	911.0	5 330.9	2 659.5	1 785.1	6 570.0
2012	12 890.3	10 956.9	1 179.5	4 177.1	3 445.5	2 286.8	6 933.9
2013	14 239.3	12 554.3	1 063.2	5 909.8	5 560.6	2 026.1	6 308.3
	134 709.6	105 574.1	7 047.7	30 979.3	23 102.6	13 213.5	71 632.5

Source: EU expenditure and revenue 2000–2014.
http://ec.europa.eu/budget/financialreport/index_en.html

Table 7 Compilation of EU Funds Allocation for Selected Countries

Also, the data above do not show any unambiguous correlation between allocated money and the frequency of reporting on suspicions or evidence of fraud, irregularity or misappropriation of money from allocated EU funds. Yet these data may help us in understanding why there was so much attention paid to this issue in some of the Hungarian media. Hungary (being a more populated country) received the same amount of EU funds as Slovakia and Latvia combined. Moreover, as put by Bajomi-Lazár (2016),⁶⁰ the critics of Orbán's regime⁶¹ widely shared the view that the system is largely funded by EU development funds, most of which are channelled through public tenders to oligarchs, i.e. clients of PM Orbán, and most particularly to Lőrincz Mészáros, a former gas-fitter and now mayor of Felcsút, the village where Orbán was born and where he still owns a house (and had built a huge football stadium). As we shall see, these facts (supported by further experts' opinions) help to partly explain the politicised coverage of this issue among Hungarian media.

Nevertheless, these data do not explain the very low coverage of EU funds in Romanian newspapers (considering equally low reputation of Romania according to CPI), even when the limited sample of Romanian media is considered. Furthermore, the data do not clarify the low coverage of EU funds at national and local levels (in contrast to international level or foreign coverage) by French and British

⁶⁰ E-mail correspondence with Dr. Péter Bajomi-Lazár, editor-in-chief of the media studies journal *Médiakutató*, Hungary, April 19, 2016

⁶¹ See Göncz, Kinga: The games the EU and Hungary Play. *IWM Post*, (2016) No. 116, p. 5.

newspapers either—except that there were actually no suspicions or evidence of fraud, irregularity or misappropriation of allocated EU funds, which is a possible but unlikely explanation. However, more likely, as put by Smit, it can be a continuation of the tradition in which the tabloid papers are consistent in their approach to original EU stories. Regardless of the economic or political climate, they regularly produce small investigative-style articles, which aim to embarrass the European Commission. Finally, a general trend seems to exist among the UK newspapers and is fed by a general scepticism in the media towards the EU (Smit, 2012). The heavy coverage of EU funds by the *Financial Times* can be further explained by the 2010 research project by the Bureau of Investigative Journalism (BIJ) and the *Financial Times* into EU structural funds. The project tracked €347 billion [in EU structural funds] over seven years and from 100 agencies (Smit, 2012, 106).

Country	Newspaper	Total	Dealt with EU funds—all	Percentage	EU funds—National and local level	Percentage in total	Percentage in Dealt with EU funds
Italy	Il Corriere della Sera	855	12	1.4%	6	0.7%	50.0%
	La Repubblica	1036	7	0.7%	3	0.3%	42.9%
	Il Giornale	532	8	1.5%	5	0.9%	62.5%
	Il Sole 24 Ore	536	11	2.1%	3	0.6%	27.3%
	Total	2959	38	1.3%	17	0.6%	44.7%
UK	The Times	686	12	1.7%	0	0.0%	0.0%
	The Guardian	750	16	2.1%	0	0.0%	0.0%
	The Sun	186	5	2.7%	1	0.5%	20.0%
	The Financial Times	541	23	4.3%	0	0.0%	0.0%
	Total	2163	56	2.6%	1	0.0%	1.8%
France	Le Monde	570	17	3.0%	1	0.2%	5.9%
	Le Figaro	443	12	2.7%	1	0.2%	8.3%
	Ouest France	196	3	1.5%	0	0.0%	0.0%
	Les Echos	268	8	3.0%	2	0.7%	25.0%
	Total	1477	40	2.7%	4	0.3%	10.0%
Slovakia	Sme	570	18	3.2%	13	2.3%	72.2%
	Novy cas	144	2	1.4%	1	0.7%	50.0%
	Pravda	356	18	5.1%	15	4.2%	83.3%
	Hospodárske noviny	376	10	2.7%	8	2.1%	80.0%
	Total	1446	48	3.3%	37	2.6%	77.1%

Country	Newspaper	Total	Dealt with EU funds—all	Percentage	EU funds—National and local level	Percentage in total	Percentage in Dealt with EU funds
Hungary	MNO	1261	52	4.1%	42	3.3%	80.8%
	Nepszava online	249	13	5.2%	10	4.0%	76.9%
	HVG	756	23	3.0%	17	2.2%	73.9%
	Origo	222	11	5.0%	4	1.8%	36.4%
	Total	2488	99	4.0%	73	2.9%	73.7%
Latvia	Diena	639	6	0.9%	3	0.5%	50.0%
	Latvijas Avize	428	6	1.4%	4	0.9%	66.7%
	NRA	410	7	1.7%	5	1.2%	71.4%
	Dienas Bizness	201	5	2.5%	2	1.0%	40.0%
	Total	1678	24	1.4%	14	0.8%	58.3%
Romania	Ziarul Financiar	48	2	4.2%	2	4.2%	100.0%
	Jurnalul National	178	2	1.1%	2	1.1%	100.0%
	Romania libera	259	6	2.3%	5	1.9%	83.3%
	Libertatea	73	1	1.4%	1	1.4%	100.0%
	Total	558	11	2.0%	10	1.8%	90.9%

Table 8 Coverage of corruption and EU funds

In general, the coverage of corruption scandals related to EU funds was marginal. At an average country level it reached a minimum between 1.3–2% in Latvia, Romania and Italy, and a maximum of (almost) 3 up to over 4% in the UK, France, Slovakia and Hungary. Considering that EU funds represent a lot of money, and assuming that only a small fraction of corruption scandals and misappropriation of the money has been revealed, it seems that even the media coverage poorly reflected this issue in statistical terms. However, some major scandals in Slovakia (e.g. the Bulletin Board Scandal)⁶² and Hungary (the re-construction of Margaret Bridge,⁶³ Elios-case⁶⁴ and the example of the most covered case of misusing EU Funds in Hungary: a 40 cm high lookout tower in Bodrogkeresztúr)⁶⁵ indeed represented significant corruption cases related to the EU funds.

⁶² See <http://spectator.sme.sk/c/20127801/bulletin-board-tender-investigation-completed.html>

⁶³ See <http://atlatszo.hu/2013/11/27/atlatszo-hu-compiled-a-selection-of-budapest-corruption-stories-to-mark-the-140th-anniversary-of-the-citys-foundation/>

⁶⁴ See <https://english.atlatszo.hu/2015/07/05/more-and-more-signs-of-corruption-in-state-funding-of-pms-son-in-law/>

⁶⁵ See <http://www.europarl.europa.eu/document/activities/cont/200912/20091202ATT65755/20091202ATT65755EN.pdf>

The media in three countries from our sample—Hungary, the UK and Slovakia—paid the greatest attention to misappropriation of EU funds in absolute numbers. The low coverage (considering high CPI) was noted in Romanian media, but comparatively with highest percentage of national or local cases, which is slightly puzzling (and contradicts Smit's, 2012 findings). Milewski (2016)⁶⁶ further explained that the information related to EU funds in Romanian media did not mainly concern corruption but rather the EU fund absorption topic (actual spending of allocated money). During 2007–2013, Romania absorbed only about a third of the overall funds allotted by the EU for various national development projects.⁶⁷ However, those cases of corruption dedicated to EU funds have targeted the Romanian NGOs and companies that received the funds by fraud. The best known scandal which occurred in the Romanian media is the case of Melania Vergu, former advisor to the Minister of Education, who obtained 1.5 million Euros by scam and was sentenced to four years in prison in 2014. Regarding cases of corruption about misused EU funds, no such examples have been identified in the Romanian sample. A review of the Romanian database by Milewski proved that small- and large-scale corruption was mentioned as a potential risk to the EU funds' absorption. For example, an opinion found in some editorials considered that unresolved cases of corruption can lead to a potential decrease of funds allocated by the EU. However, Smit's (2012, 2012–2014) database includes many cases of EU money that were misused or stolen in Romania. His report suggested that while the regular Romanian media mostly ignore the topic of tracking EU funds, a co-operative NGO/journalists initiative dug properly into records and helped local journalists to identify stories based on a database of Romanian figures, although the project had to be abandoned after three years due to a lack of money.

There seemed to be a general trend of the UK (see also Smit, 2012, Annex 11) and French media almost ignoring local occurrences of corruption scandals in this area, with the very unlikely possibility that there were none. The media from new EU member states, especially in Hungary and Slovakia, actually considered national and local level corruption as an important issue. Italy and Latvia seemed to represent the in-between cases, when at least half of their media included in our sample significantly covered national and local scandals. Again, Smit (2012) reports that the Italian investigative journalism showed the same partisanship as politics until fairly recently: reporters largely investigated the opposing faction and ignored "their own side". However, since 2009 some media initiatives have taken on the public demand for coverage which the mainstream media was not providing, and the process

⁶⁶ E-mail correspondence with Dr. Natalia Milewski, Senior lecturer at the Faculty of Journalism and Communication University of Bucharest, Romania, April 20 and 21, 2016

⁶⁷ See <http://www.politicaromaneasca.ro/files/documente%20nou/Absorbtiafondurilorstructurale-sidecoeziune.pdf>

has proven that a paying market for truly independent in-depth reporting exists in Italy. Some even call it the “renaissance” of investigative reporting, despite the harsh political and economic climate. Yet, in general, Italian media seem to mainly report on cases, which are uncovered by legal authorities, partly in an effort to avoid possible libel cases (Smit, 2012).

Similarly, Latvia and its media were hit extremely hard by the economic crisis starting in 2008. The weakened media thus felt the pressure of powerful interests on their independent reporting, although the FOI apparently worked relatively well (Smit, 2012, 168-169).

In other words, the media in both last-mentioned countries face many internal regulatory and financial problems that hinder their proper functioning. This information can also explain some significant differences in their coverage of specialised topics such as EU funds.

Regarding particular newspapers, in absolute numbers, Hungarian *MNO* (Magyar Nemzet online, quality centre-right) and *HVG* (Heti Világgazdaság, business centre-left) devoted the most attention to EU funds and corruption, followed by UK's *The Financial Times* (business, centre), Slovak *Sme* (quality, centre-right) and *Pravda* (quality, centre-left) and France's *Le Monde* (quality, centre-left). However, in relative numbers (percentage of its total coverage of corruption), the coverage of EU funds issues renders different results: the most frequent coverage was provided by two Hungarian newspapers (*Népszava online*—quality, centre-left; *Origo*—tabloid, centre) and the Slovak newspaper *Pravda*, closely followed by *The Financial Times* from the UK.

It has to be noted that in the case of *Origo*, Smit (2012, 162) argues that this new medium belongs to the ones most open to investigative stories also on topics pertaining to Europe, since young journalists have migrated to the web, and away from politicised traditional media.

Moreover, more focused data suggested that in Slovakia, many of the stories were published by only a small number of outlets, mainly the dailies *Sme* and *Hospodárske noviny* (Smit, 2012, 72). The case of *Hospodárske noviny* as presented by our sample, then again, contradicts Smit's research.

6. The Hungarian case

The case of Hungarian media coverage is controversial and a more complex one. An investigation by Szántó, Tóth, Varga and Cserpes (2010)⁶⁸ found some differences both in the intensity of media coverage as well as in indirect governmental subsi-

⁶⁸ Szántó, Zoltán – Tóth, István János – Varga, Szabolcs – Cserpes, Tünde: *Media Representation of Suspected Cases of Corruption in Hungary (2001–2009)*. 2010.

dies to select newspapers in Hungary related to changes in governments. Urbán (2015)⁶⁹ has analysed distortions in the Hungarian media market and the impact of state advertising on competition in the media even further. Smit (2012)⁷⁰ argues that critical and in-depth reporting has suffered from the threats of new and highly controversial media law accompanied by an interesting shift of in-depth reporting from partisan traditional media to the domain of the Internet. Our data do not, however, fully support this claim. In general, four Hungarian newspapers in our sample have doubled their general coverage of corruption within our period in question.

The current situation in some of the Hungarian media, which are often targeted by the vested interests of local oligarchs, can be readily illustrated by the recent case (April 2016) of online news website *Vs.hu*. Its editor-in-chief and 11 other journalists collectively resigned from their functions upon their discovery of the website's controversial funding provided by the National Bank closely related to PM Orbán.⁷¹ This collective departure of journalists also resembles another case, the resignation of most of the staff from the above-discussed online news website *Origo.hu* in 2014, which happened after the initial departure of their editor-in-chief and most likely due to the extent of indirect pressure from the government on the editorial policy (via foreign owners).⁷²

Moreover, another puzzle is related to the fact that during our researched period, the print daily *Magyar Nemzet* and its online version *mno.hu* were owned by oligarch and former Fidesz party cashier Lajos Simicska, a former close friend of Orbán.⁷³

These facts thus seem to be contradicted by the findings of heavy coverage of corruption related to EU funds during the same period by this newspaper. Nevertheless, a plausible explanation is again offered by the contemporary political situation in Hungary. Two elections took place in the period under examination. For most of our research period, the socialist-liberal coalition ruled the country (MSZP–SZDSZ: 2002–2010, Fidesz–KDNP: 2010–now). As documented by Hajdu, Pápay, Szántó and Tóth (2016, 13),⁷⁴ the centre-right *MNO* reported on corruption more frequently (67% of the total number of articles) during the MSZP–SZDSZ govern-

⁶⁹ Urbán, Agnes: *Distortions in the Hungarian Media Market: the Impact of State Advertising on Competition in the Media*. Formalpress, Porto, 2015. pp. 157–167.

⁷⁰ Smit, Margo: *Deterrence of fraud with EU funds through investigative journalism in EU-27*. 2012.

⁷¹ See <http://www.omeiach.com/tlac/item/8944-odstupila-redakcia-portalu-dotovaneho-central-nou-bankouOdstupila>

⁷² See <https://english.atlatszo.hu/2015/03/24/the-fall-of-popular-independent-online-news-portal-origo-hu/>

⁷³ See *How did the Orbán-Simicska media empire function?* 9 April 2015. URL http://www.kreativ.hu/cikk/how_did_the_orban_simicska_media_empire_function

⁷⁴ Hajdu, Miklós – Pápay, Boróka – Szántó, Zoltán – Tóth, István János: *HACA Hungary Country Report*. 2016.

ment between 2002 and 2006, and less frequently (40%) during the Fidesz–KDNP government. Centre-left news outlets reported on corruption significantly more during the Fidesz–KDNP government, whilst the amount of articles published by *Origo* remained stable.

Indeed, Németh, Körmendi and Kiss (2011)⁷⁵ argued that 2010 elections in Hungary also clearly showed the consequences of the public coverage of corruption cases on the assessment and election results of certain political parties. Szabó (2016)⁷⁶ argues that “[...] being corrupt is one of the main criticisms towards the political elite after the regime change, but especially from the late years of the Gyurcsány-government (2006) and onwards. It is rather a political question: right wing newspapers tend to focus on corruptions when left leaning parties are ruling. And other way around, left leaning products have sharp eyes on corruption in times of right wing governments. Since an important source of public money is EU funds, and most of the public money for economic and social development programmes has come from EU funds, it is not surprising that the distribution of EU funds is highly affected by corruption. In addition, politicians are perceived as very corrupt persons regardless of their political affiliations as public opinion polls suggest. Left leaning politicians are also considered as corrupt as the members of the current government”.

According to Polyák (2016),⁷⁷ the subsidies of EU funds are the main source of Hungarian developments in recent years. It is also a generally known fact according to him that this money forms the most important source of power for oligarchs. In response, *HVG* is consequently critical towards the government as it has a strong editorial team. The case of *MNO* is much more interesting. The paper is owned by the former most influential oligarch in the country and it had been quite friendly with the government until the elections in 2014. After these elections, PM Orbán decided to break ties with this oligarch (Simicska) and build a network of new but weaker, oligarchs. Consequently, the media outlets owned by Simicska became critical (but still keeping right-wing) towards the government.

Interestingly enough, a team of journalists from the new Hungarian investigative journalism project called *Direkt36* investigated some cases of misappropriating EU funds by the persistent oligarchic regime, and one of their stories, related to Orbán’s son-in-law, was nominated for the European Press Prize.⁷⁸

⁷⁵ Németh, Erzsébet – Körmendi, Gábor – Kiss, Beatrix: The media’s impact on corruption and its social judgement. *Public Finance Quarterly*, Vol. 56 (2011) No. 1, pp. 58–66.

⁷⁶ E-mail correspondence with Dr. Gabriella Szabó, research fellow at the Centre for Social Sciences, Hungarian Academy of Sciences, Budapest, Hungary, April 20, 2016.

⁷⁷ E-mail correspondence with Dr. Gábor Polyák, an associate professor at the University of Pécs, Hungary, April 20, 2016.

⁷⁸ See <http://www.direkt36.hu/en/2016/01/28/tiborc-z-hatralepett-de-regi-uzlettarsa-felbukkantobb-nagy-allami-projektben/>

7. Correlations between General Coverage of EU (European) Topics and EU funds Coverage

Our analysis suggests rather chaotic or, at least, comparatively unsystematic coverage of corruption and misuse of EU funds in the selected newspapers and countries. Although some patterns emerged throughout the sample, they were generally rather weak or blurred. We have thus attempted to explore whether the perplexity of EU funds coverage might be explained by using a more generic pattern, i.e. how the media cover the EU or European issues in general. As Vreese (2001)⁷⁹ suggested, media coverage of European affairs is cyclical, peaking during the events but hardly visible before and after them. Moreover, news organizations differ in their editorial policy and the degree of their effort invested in covering the events. For example, the British (and Dutch) public broadcasters exerted greater discretion in their choice of issues to cover, and they also assumed a proactive agenda-setting role in comparison to their private counterparts. It thereby seems to be correct to claim that public and private ownership also impacts the coverage of EU issues to a certain extent. In contrast, cyclical aspect of news reporting on EU funds was difficult to detect due to small number of cases. Yet it is likely that there are cycles of reporting related either to political cycles (after elections) or to big corruption scandals (when a scandal can initiate a wave of reporting on an issue). This can be indirectly confirmed by Gleissner's and Vreese's (2005)⁸⁰ findings on media coverage of the Convention's preparation of the EU Constitution in selected news media from the UK, Germany and the Netherlands. Their findings suggested that (a) this issue entered and vanished from the media agenda very swiftly, (b) the style of reports predominantly showed it from a negative angle, and (c) the issue was reported from the European (i.e. broader) perspective. The authors of this study explained these results as predominantly stemming from the relations of journalists with EU institutions, position of their home news organizations, and their perception of what the audience would prefer. Firmstone's (2008)⁸¹ study (which also included *The Financial Times* in the sample) argued that the EU remain unreported due to its position as a polity in its own right, and the EU issues are thus predominantly covered from an external point of view in consequence of the diverse range of approaches adopted

⁷⁹ Vreese, Claes H. de: Europe' in the News A Cross-National Comparative Study of the News Coverage of Key EU Events. *European Union Politics*, Vol. 2 (2001) No. 3, pp. 283–307.

⁸⁰ Gleissner, Martin – Vreese, Claes H. de: News about the EU Constitution Journalistic challenges and media portrayal of the European Union. *Constitution Journalism*, Vol. 6 (2005) No. 2, pp. 221–224.

⁸¹ Firmstone, Julie: Approaches of the transnational press to reporting Europe. *Journalism*, Vol. 9 (2008) No. 4, pp. 423–442.

by transnational newspapers. Zografova, Bakalova and Mizova (2012)⁸² argued that a country-specific (rather than a unified) pattern of media reporting prevails in Europe. Their study also outlined a significant interdependency between the type of EU membership (old, new and non-member states) and actual articulation of the cases discussed. Nevertheless, Statham (2008)⁸³ reported on a limited yet clearly emerging “Europeanization” of journalism, which is carried out by transnational newspapers focussed on specialist audiences and, to a limited extent, by European correspondents writing for the national press.

In summary, it seems that chaotic or, at least, comparatively unsystematic way coverage of EU funds emerging from our sample in fact reflects more general trends pervading the general coverage of EU and European issues. The factors that can explain the differences in coverage include (a) the media ownership—but not so much public vs. private media (anyway, no public media appeared in our sample, so we could not compare) but what mattered was private media under control of local oligarchs or indirectly under control of government and/or with specific ideology (the Hungarian case, in the past also the Italian case), followed by (b) presence of transnational and/or business and/or elite/quality newspapers which generally pay more attention to EU issues (the most distinctive one, *The Financial Times*, was included in our sample as well as some business/economy/elite dailies, although these presented a rather weak correlations, and differences in coverage were more visible at a national level), (c) editorial policy and the degree of their effort invested in covering the events (to a large degree influenced by vested interests in some countries, namely Hungary, and with anti-EU rhetoric in the UK), and, finally, (d) membership position of a country in the EU (old, new or non-member). Considering the last criterion, the differences in our sample have been paradoxically noted in the focus of the news coverage: the media from “old” EU countries, the UK and France, reported on a misuse of EU funds mostly as it was a purely external issue, whereas the media from “new” EU countries, Hungary and Slovakia, and especially Romania, almost exclusively covered it from a domestic angle. However, some other countries with various accession data of EU membership such as Italy and Latvia showed mixed results in this regard.

⁸² Zografova, Yolanda – Bakalova, Diana – Mizova, Bistra: Media Reporting Patterns in Europe. The Cases of Construction of the EU and Reform Treaty. *Javnost—The Public: Journal of the European Institute for Communication and Culture*, Vol. 19 (2012) No. 1, pp. 67–84.

⁸³ Statham, Paul: Making Europe news How journalists view their role and media performance. *Journalism*, Vol. 9 (2008) No. 4, pp. 398–422.

8. Conclusion

Overall, the results suggest only a weak correlation between freedom of the press in a particular country and actual perception of corruption by its citizens. Occasionally, like in the Italian case, the correlation seems to work (for some time) in a completely opposite direction. The correlation also appears to be rather postponed, i.e. the general perception of corruption increases some time after media freedom worsens. Furthermore, our research seems to confirm previous findings that freedom of the press and, consequently, coverage of corruption is more prone to be influenced by political and economic pressures than via direct impact of media legislation.

No direct correlation exists between the perception of corruption in politics and the public sector (mostly as projected by media coverage), and trust in the media reporting on corruption in a given country. Some countries have perceived a low level of corruption and, at the same time, high trust in the media's coverage of corruption, such as the UK. Yet there are countries that have high levels of corruption, but the faith in the media's handling of corruption cases can still be among the highest, such as is the situation in Romania.

Also, there is no correlation between allocated money and the frequency of reporting on suspicions or evidence of fraud related to EU funds in the six analysed countries. The British press covered EU money (but mostly focusing directly on events in Brussels) more often than the French press, although the UK received about half of the amount of EU funds as did France. In general, *The Financial Times* proved its reputation as the "newspaper of record" in this field as well. Yet this higher coverage by *The Financial Times* was to a large degree influenced by a special long-term project.

Comparatively, all quality newspapers reported enough on misuse or stealing of EU funds in Slovakia. Nevertheless, Slovakia's case of sudden deterioration of press freedom in the middle of our research period (although still remaining on a relatively good level) can generally serve as a good example of the palpable dependence of this factor on both governmental shifts and changes in media ownership.

Latvian newspapers devoted twice as many articles to EU funds than did the Romanian ones (or about the same number when considering the smaller Romanian sample), although Romania received three times more money from EU funds than Latvia. However, the media in both countries (as well as, to a degree, in Italy) face many internal regulatory and financial problems that hinder their proper functioning. This partly explains the significant differences in their coverage of specialised topics such as EU funds.

The topic of EU funds were both heavily covered and heavily politicised in Hungary. Moreover, the Hungarian media coverage of EU funds until recently, has reflected mostly the priorities of print media owners (or editors) and their ideologically biased editorial policies.

Romanian print media, although generally trusted by the public in performing this task, seemed to report very little on the misuse of EU funds. Considering that Romania was perceived on average as the most corrupt country in our sample, this issue remains puzzling.

The role of the media in covering corruption is much more complex than we initially believed. A general trend, however, seems to exist among the analysed countries; whilst the media in the UK and France almost ignored local occurrences of EU funds-related corruption scandals (or were there none?), the media in the new EU member states, especially Hungary and Slovakia, considered it an important issue at both national and local level. Italy and Latvia represent the in-between cases, where at least half of the media included in our sample significantly covered national and local scandals.

Overall, since EU funds involve substantial amounts of money, and assuming that only a small fraction of corruption scandals and misappropriation of the money has been revealed, the media coverage still poorly reflected this issue in statistical terms. However, the failure does not appear to lie only within the media industry but often comes, first of all, from the authorities⁸⁴ or owners. This can be seen in the separate chapter on the situation in Hungary, where the watch-dog role of local media seems to be outdone by the vested interests of oligarchs and less so by harsh media legislation. Nonetheless, some media (e.g. *The Financial Times*) devoted substantial effort to investigate EU fund issues, and some of the major corruption scandals that were made public via the media across the countries of our interest were indeed related to misappropriations of these funds.

As hinted above, the last tentative conclusion of this study is that the various indicators used to measure and compare international perception of corruption and its reporting by the media should be rethought again since some of these, such as the ones used by Brunetti and Weder (2003)⁸⁵ or Ahrend (2002)⁸⁶ are clearly based on correct but too broad indicators, while the widely used WJS⁸⁷ is based on only one flawed indicator. In other words, freedom of the media is important, but the broader parameter of economic (especially type of media ownership) and political freedoms (a general freedom, not necessarily narrowed to the media-related one,

⁸⁴ See Bouda, Petr – Deščíková, Radana – Fadrný, Martin – Filipcová, Beáta: *Public money and corruption risks. A comparative analysis. The risks of system political corruption in the management of EU funds and state-owned enterprises in the Czech Republic, Slovakia and Poland*. Published by Frank Bold, 2013. URL http://frankbold.org/sites/default/files/publikace/public_money_and_corruption_risks.pdf

⁸⁵ Brunetti, A. – Weder, B.: A free press is bad news for corruption. *Journal of Public Economics*, Vol. 87, (2003), pp. 1801–1824. DOI: 10.1016/S0047-2727(01)00186-4

⁸⁶ Ahrend, Rudiger: *Press Freedom, Human Capital and Corruption*. Delta Working Paper Series, No. 2002–2011. Delta, Paris, 2002.

⁸⁷ See <http://www.worldsofjournalism.org/pilot.htm>