



THE HISTORY OF THE HUNGARIAN MEDIA REGULATION AND ITS POLITICAL NARRATIVES DURING THE POLITICAL REGIME CHANGE (1989-1996)

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ABSTRACT

I have chosen the systemic changes, which took place within the system of the Hungarian electronic media as the topic of my doctoral dissertation. This change was not only a significant point of controversy of the first two parliamentary cycles, but straight after the first elections it accurately reflected the basic lines of division manifest in the Hungarian political space. Studying the basic differences between the bills submitted during the Antall government and the Horn government and how much the ideological divide between the prevailing governing parties became apparent are not devoid of interest either.

It is important to keep track of how the positions of the different parties changed in relation to the Media Act, depending on whether they were on the government or the opposition side of the negotiating table, also how the standpoints of the smaller opposition parties changed, as well as that of SZDSZ, which went through a significant political turnaround, since the role and hardly overrated influence of the free democratic politicians on the process of the elaboration of the law and shaping the political arguments are hardly debatable. The thesis pays special attention to the concept of public service, which was finally successfully created only by Act I of 1996, although the makers of earlier bills had also been concerned about the issue.

KEYWORDS Political changes, media system, Hungarian electronic media, public service, media law

1. Introduction

I have chosen the systemic changes which took place within the system of the Hungarian electronic media as the topic of my doctoral dissertation. This change was not only a significant point of controversy of the first two parliamentary

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cycles, but straight after the first elections it accurately reflected the basic lines of division manifest in the Hungarian political space.

Since this thesis is being written within the framework of doctoral training in political science and jurisprudence, it stands to reason that it focuses on the study of draft bills and the subsequently adopted Media Act, but naturally it also keeps track of the political narrative of the topic, since I have completed my education as a political science researcher. I have been researching the change of the political regime since 2013 within the Research Institute and Archives for the History of Regime Change. I have written and co-authored several books (Fricz & Orosz, 2011; M. Kiss, 2014; Fricz et al., 2014; Orosz, 2017; Fricz et al., 2018) and studies, however, until now I have primarily dealt with the EU integration of Central-Eastern-European countries and Hungarian party history research, therefore the field of the media is new for me.

I have accepted the invitation of Professor Tamás Mihály Révész to compose the history of Act 1 of 1996 according to specified terms of reference and having used my foregoing research experience, I elaborated the previously researched parliamentary committee and plenary session reports by a set of criteria, which have not been studied so far. We limited the research to six different issues, along which the processing of the reports has taken place:

- 1) The issue of legal form and financial independence of the Hungarian Television and Hungarian Radio;
- 2) The appointment order of the head of the Radio and Television Office;
- 3) The debate on the extent of inclusion of foreign capital, anti-monopoly measures and content quotas;
- 4) The issue of financing the Radio and Television Office and the problem of conflict of interest;
- 5) The protection of cultural values and the issue of content quotas.

This paper is primarily based on the processing of the official reports of parliamentary committees participating in the elaboration of the draft bill and managing the six-party negotiations, as well as of the minutes of the plenary sessions, but it must include the processing of the documents of ministerial committees and of the motions which have been discussed within such committees. The extensive press documentation in this topic has assisted the understanding of the correlations, the most relevant part of this is indicated in the footnotes.

A fundamental problem is posed by the fact that only the official reports of the committee meetings are held at the Parliamentary Library, the Hungarian

National Archives or at the particular ministries and the motions and bills debated are not appended to them. A significant part of these has not been preserved in the archives at all, therefore these could only be obtained from private collections after lengthy inquiries or not even from there.

A further difficulty is presented by the fact that some parts of the pages typed by electronic typewriters or printed by ink-jet printers around 1990 are illegible, they are damaged due to the degradation of the ink. The documents are accessible on the Internet in scanned format, and I primarily worked from these, trusting that I would progress by having the original copies brought from the storeroom and that perhaps they would be more legible than the digitized version, but unfortunately this did not serve the purpose. Significant passages cannot be processed because of this. It is especially regrettable for instance that Miklós Haraszti's summary of foreign capital ratio cannot be read either, which basically includes the political viewpoint of SZDSZ (Free Democratic Party) on the entire media policy issue, although it would be vital for my research.

During the description of the particular debates the most important objective was to outline the contrasts and antagonisms between the views of the government and the opposition. Besides the legal aspects, the political narratives of the creation of the Act, the political dividing lines, which played an extraordinary role during the discussions and exposing the interests and adverse interests have at least the same importance for me.

I did not endeavour to outline the chronology of the events, as we could fill libraries with literature and press-matter about that. Besides listing the relevant literature on the topic, however, I could only rely for the most part on the official reports regarding the five subject-matters defined in the introduction, since I could not find specific professional publications, only some traces at best, even with the assistance of legal desk officers of the Parliamentary Library's Information Service.

Whilst processing these, I became familiar with the works of researchers who had dealt with the topic earlier, with special focus on the work of András Koltay, who is an expert on the field as well as of Tamás Klein, Gergely Gosztonyi, György Varga Domokos and Sándor Révész, who approached the events of the regime change related to the mass media and their works can therefore constitute the primary literary sources of the present dissertation.

During the research it is very important for me to explore what sort of position the successive party of MSZMP took up and how the positions and standpoints of the historical and newly formed parties were settled regarding this issue. Studying the basic differences between the bills submitted during the Antall government and the Horn government and how much the ideological divide

between the prevailing governing parties became apparent are not devoid of interest either.

It is important to keep track of how the positions of the different parties changed in relation to the Media Act, depending on whether they were on the government or the opposition side of the negotiating table, also how the standpoints of the smaller opposition parties changed, as well as that of SZDSZ, which went through a significant political turnaround, since the role and hardly overrated influence of the free democratic politicians on the process of the elaboration of the law and shaping the political arguments are hardly debatable.

It was an important undertaking of the research to examine what type of media system had evolved in our country after 1990 and what effect the activity of the Constitutional Court had had on it, although this paper primarily focuses on the development of the circumstances of national public radio and television broadcasting.

The thesis pays special attention to the concept of public service, which was finally successfully created only by Act I of 1996, although the makers of earlier bills had also been concerned about the issue. The work, through the representation of literature on the topic, establishes that public service on the one hand is political and state influence and control and on the other hand, a system of ideas and values, which possesses specific social functions and cultural roles (Terestyéni, 1997, pp. 91-92). Certain basic principles of public radio and television service may be determined by the features of its scale of values. These include unlimited access for the public and geographical coverage, compliance with the main requirements, diversity of services, respect for minorities, guarding of European as well as national culture, language and identity, conformity with high professional standards (Gosztonyi, 2003, p. 3; Koltay & Nyakas, 2012, pp. 246 & 264; Koltay, 2007a, pp. 25-33) and naturally, last but not least, compliance with the requirements of a democratic political system, regarding the right to balanced information and orientation as well as impartiality and objectivity (McQuail, 2003, p. 142; Jakab, 1995, p. 58; Gosztonyi, 2003, pp. 3-4; Koltay & Nyakas, 2012, pp. 245 & 260; Terestyéni, 1997, pp. 92-93.).

The era of technological innovations which took place in the 1980-ies created the significantly cheaper and more efficient instruments of electronic broadcasting, and because of this, the different media companies were mushrooming, the market and profit orientation of which wanted to meet the demands of the masses. Following this, the idea of public service was not just relegated to the background, but by the turn of the millennium it was practically questioned, resulting in numerous political and professional disputes (Antal, 2011, p. 151).

However, in my view, the service of public interest bears a transcendent significance and is quite a different matter than satisfying business interests, since public interest is always superior to the interests of individuals or a narrow business circle.

2. The issue of the form and financial independence of the Hungarian Television and the Hungarian Radio

The Hungarian Radio and the Hungarian Television had to remain two of the basic institutions of the Hungarian mass communication system even after the regime change, within the legal frameworks which ensured the political independence of the two public institutions, and besides independence from and in relation to political power relations, created an institutional form that eliminates the financial dependence on the general budget, but nonetheless ensures the operational prerequisites for providing public service tasks.

Originally, at the time of the first parliamentary cycle, two separate concepts were formulated, which showed several overlaps besides their basic differences. According to one version, the Parliament would have established two public foundations, which would create the Hungarian Radio and the Hungarian Television as a publicly financed public foundation institution, within the deadline specified in their deeds of foundation. According to the other idea, the boards of trustees of the public foundations would establish joint stock companies and the public service radio and television would operate in this legal form in the end.

Besides the legal form, the justification for the budgetary status of the two institutions was also an issue, which assumed a potential political influence and could have implied a blackmailing potential at the annual budget debates.

The pros and cons of political dependence and the pros and cons of budgetary dependence constituted the dividing line at the debates between the first democratically elected government and the opposition and this dividing line accurately reflected the ideological differences between the civic-conservative and liberal conservative political forces.

The draft bill which fell through in 1992 envisaged the legal form of the institutions as public foundations and although it removed them from the budgetary institution status, in reality it did not put an end to the dependence of the radio and the television on the central budget.

The legal form of the institutions of the radio and the television provided an inexhaustible source of disputes at the 1995 autumn debate as well. The politicians at the negotiating tables ran the same circles in succession in 1991,

1992, 1994 and 1995 as well. The “public foundation versus joint stock company” debate does not reveal anything new over hundreds of pages of committee reports. In the end an agreement was reached in a somewhat interim form, and the public foundations established by Parliament created joint stock companies for a specified time, which provided wider opportunities for management and profit-making economic activities.

Setting out from the fact that financial dependence and political dependence are aspects which are not separable from each other, the paper arrives at the conclusion that the Media Act passed in the end did not assure these in either its appointment order or its financing system, on the contrary. The appointment order created the total politicizing of the institutions, whereas the financing system wishing to avoid political dependence did not function in the first few years either, as the Programme Servicing Fund did not come into existence despite the legal specification, and the organisational restructuring of the Hungarian Television did not take place either, thus the wasteful administration and the sizable corruption continued within the institution.

However, until an institution is unable to support itself by self-sufficient management and relies on the support of the general budget, it cannot be called independent. Especially not in a young democracy where the political traditions brought with them a mass media hog-tied by the central power.

3. The appointment order of the head of the Radio and Television Office

After the regime change public service television channels were envisaged to be in public ownership by all political parties (Országgyűlés, 1991, pp. 44-50). Since personalized social property is difficult to legalize, they assumed that the legal status and the control system together would be able to ensure public service televisions remaining publicly owned, independent, being managed and controlled by the public.

In relation to the control system there was full agreement in that some sort of public control should be provided as well over the institutions, which, based on a German example, could mean the representation of socially relevant groups, that is they tried to originate the nature of public control from public property. Thus, the public control of public radio and television broadcasting had to be done by a control panel which would ensure the expected independence in all aspects also by the representation of relevant groups in part (Országgyűlés, 1991, p. 63).

In the 1992 proposal, which failed in the end, an advisory board became the trustee of the assets of each of the public foundations, and the government

parties as well as the parliamentary panels of the opposition parties jointly could have delegated three members each. The public foundation broadcaster would have been directed by the president as a one-person responsible leader. Act LVII of 1990, namely the Appointment Act would have regulated the appointment and dismissal system of the president and vice presidents of public foundation broadcasting service.

The supervisory board of the public foundation broadcaster would have supervised the activities of the public broadcaster comprehensively and theoretically, which would have been determined by the act and the Public Service Regulations. The government parties as well as the parliamentary panels of the opposition parties jointly would have delegated three members each into the committee and the government parties as well as the parliamentary panels of the opposition parties jointly could have asked three widely respected persons additionally each to participate in the Committee. On top of that, the government would have delegated a member, and this is where the representation of the community organizations would have appeared according to the original ideas. The draft bill listed the organizations entitled to delegate one by one.

Another important element of the system of public service institutions in the 1992 bill is the Radio and Television Office (RTH), which would have been an administrative body of national jurisdiction performing specific official tasks and which would have been established as a separate publicly financed institution. The so-called Social Council of the RTH (RTH-TT) would have invited tenders to fill the position of the president of the RTH. RTH-TT would have submitted the list of candidates bearing two-thirds support to the prime minister, from among whom the prime minister was authorized to select and appoint the president.

The short summary of the system of institutions shows that those outlined by the 1992 bill did not realize in any way the requirement of political independence. The political parties and the member of the government delegated into the supervisory committee of the public foundation all guarantee the absolute political and professional dependence on the government and the parliamentary parties.

During the negotiations in the second cycle, in the autumn of 1995 they already managed to reach consensus in that the radio and television operating in state ownership at the time would operate as public foundations having founded joint stock companies following the coming into force of the act, however, it was more difficult to agree on how many public foundations would cover these institutions. MDF, KDNP, FKgP and MSZP proposed the establishment of three public foundations as well as three advisory boards attached to them, and in the

case of Duna Television they placed special emphasis on the necessity of delegating members of Hungarian organizations across the border into the advisory board (*Országgyűlés, 1995d, p. 16*).

SZDSZ however, was originally in favour of the establishment of a central institution. The Polish solution was mentioned as an example, where the authority equivalent to ORTT was also the advisory board at the same time and had ten or so members altogether. Nevertheless, the other parties insisted on having one advisory board per institution, that is three altogether, headed by senior management staff being set up at par from a political viewpoint. This would be some sort of executive committee within the board, a professional staff with appropriate remuneration, who possess adequate experience and expertise for the operation of the institutions.

The other parts of the advisory board would operate as some kind of general assembly, not in full-time positions and would consist of delegates of different professional and community organizations (*Országgyűlés, 1995d, pp. 27-28*). This is where the representation of community and professional organizations appeared which also emerged in the first cycle and there seemed to be an agreement on the notion that the ratio of persons delegated by the parties could not exceed the ratio of professional and community delegates, namely the political sphere should not intrude in the work of the advisory boards to a higher degree than this.²

The studies conducted on the effects of the act uniformly point out that the political influence did not cease in the public media, although the act formally prohibited it and tried to exclude it by the method of financing (*Monori, 2005, p. 276; Cseh & Sükösd, 1997, p. 42; Farkas, 1997, p. 214*). It was to no avail that the filling of presidential positions was tied to tenders, the decision depended on the agreement between the political parties. It needs to be added that the elimination of political influence was also hindered by the fact that some of the board members delegated by the parties „fought through” almost six years of the media war, therefore regardless of being professional or having parity, these delegates could not have made politically neutral decisions, even if they wanted to. Partiality was already a foregone conclusion at the time of appointment (*Farkas, 1997, p. 214; Gellért, 1998, p. 298; Molnár, 1998*).

4. The extent of raising foreign capital, on anti-monopoly measures

Act I of 1996 tried to restrain the formation of media monopolies, since the freedom of the means of mass communication depends on the regulations

² This was also the subject of the committee meetings on 3, 4, 5 and 9 October.

regarding ownership as well. The media act of a given country is qualified to express these values through the regulations in respect of the monopolies. In the first cycle after the regime change the government tried to ascertain these values through a high degree of restrictions on letting in foreign capital and strict quotas of programme content. However, in the second cycle other types of regulatory aspirations appeared regarding de-monopolization, by which they tried to hinder the ownership concentration of the media market. According to § 86 (5) of Act I of 1996:

“§ 86 (5) Any person who is entitled to broadcast on the basis of a contract or notification may simultaneously be entitled to operate not more than:

- a) one national programming service; or*
- b) two regional and four local programming services; or*
- c) twelve local programming services.”*

The question is whether this provision can prevent the formation of large communication monopolies. According to Cseh and Sükösd the answer is definitely no. In order to interpret the example, we must precisely define the concepts of national, regional and local broadcaster. The act classifies local broadcasters as those whose coverage area has a population of no more than 100 000 inhabitants per year and no more than 500 000 inhabitants per municipality. In the case of regional broadcasters this figure means that less than half of the country's population may fall within a coverage area. Therefore, if someone owns two regional televisions and four local radios at the other end of the country, then in an extreme case even seven million inhabitants may have access to the services provided, which means a significant advantage as opposed to the other providers. The anti-monopoly provisions of the Act did not prevent this by themselves, but the ORTT could (have) prevent(ed) it by a circumspect evaluation of the proposals at the time of awarding the broadcasting licences (Cseh & Sükösd, 1997, p. 195).

Besides the economic efficiency of size and selection, the evolvement of media concentration is influenced by the forced growth ambitions of the media companies, even to the detriment of profitability, the effort to reduce market risks and the aspiration to prevent unfavourable economic effects (Gálik & Polyák, 2005, p. 323). Besides business aspects though, the moral and political influence within the given society should be weighed as well, which is also an important motivating force for the media companies. The effect on people's thinking, their shopping and consumption preferences or even their political decision making and culture places huge social and social capital into the hands of these businesses besides the money, which can obviously again be exchanged for financial gain. Thus, it is not only about increasing economic

power, but the interaction with the social environment cannot also be overlooked either.

Within the concept of pluralism, we differentiate between internal and external pluralism, which originates from the so-called third television resolution of the German constitutional court and was later taken over by the definition created by the Council of Europe (*Bundesverfassungsgerichts*, 1981, p. 326). Internal pluralism demands a balanced state in relation to the programme content of a television or radio, or in cases of impartiality and disputes, by presenting completeness of the relevant views and opinions. The requirement of internal pluralism is primarily tied to public broadcasting.

External pluralism demands the diversity of views and content offers in respect of the entirety of the media system or their balance and does not demand internal pluralism separately regarding each broadcast (*Nyakas*, 2012, p. 53).

The problem of media pluralism and media concentration appeared in the history of EU legislation due to the globalization processes arising in the field of the media already at the beginning of the 90-ies, because of which the European Commission published the so-called Green Paper dealing with the topic in 1992, which examined the connections of pluralism and media concentration (*Commission of the European Communities*, 1992; *Nyakas*, 2012, p. 54).

Horizontal expansion connects the markets in a geographical sense, whereas vertical expansion means the mergers between companies operating in each area or acquisitions, which increases the safety of operations of large companies, decreases the opening of the competition, and by this strengthens the opportunities and the degree of control over the markets (*Gálik & Polyák*, 2005, p. 323).

In the vertical and diagonal expansion, the so-called cross ownership can be caught out through the mergers, which can result in such impenetrable ownership structures in the media systems of the different countries, which are quasi untraceable and difficult to be restrained or caught up even by the authorities supervising the media – Act No. 1 of 1996 failed to do this as well. The products belonging to the same corporate circle but launched on the market in different sectors are capable of seizing huge market segments by strengthening one another, beside whose multinational size and global influence the smaller companies are left with only a fraction of opening (*Sánchez-Tabarnero*, 1993; *Gálik & Polyák*, 2005, p. 328; *Doyle*, 2002; *Farkas*, 1997, p. 211).

The pluralism of the media scene and the diversity of media coverage are key concepts which are present in different forms and emphases in the legislation of

the different countries. The diversity of media coverage reflects the diversification of sources, which depends on the structure of the proprietary circle operating radio and television as well as the scale of values of them and of the workshops creating the programmes (Gálik & Polyák, 2005, p. 326). As a result of this, the less concentrated the ownership structure of a media system is, the more varied the programme offer and the content offer can be, nevertheless, the globalization trend affecting also the electronic media makes a negative impact on it, which leads to the unification of programme contents and to becoming heavily tabloid, and reduces the possibilities for diversity or uniqueness – not to mention the possibilities of effectiveness of traditional cultural values.

The primary task of anti-monopoly regulations is the prevention of abuse of economic superiority at the expense of media pluralism and media offer, which allows for more versatile information gathering opportunities for people.

§ 86 (5) of Act I of 1996 does not just refer to the broadcaster, but also to the companies in the background, emerging in the ownership structure of the broadcaster:

“§ 123 (1) With the exception of specialized broadcasters, broadcasters with national broadcasting rights and those holding a controlling share therein may not acquire a controlling share in another company that is engaged in broadcasting or program distribution services.

(2) The same company may acquire a controlling share in an organization holding broadcasting rights subject to the restrictions specified in Subsection (5) of Section 86.”

Therefore, not only the business possessing direct proprietary rights in broadcasting needs to be taken into consideration, but any further companies which are proprietors in these companies as well. However, as I have already mentioned it: tracking these is almost impossible, as cross ownership may result in such complicated ownership structure which is difficult to follow or not by any means traceable by legal instruments. This is partly because multinational companies simply do not comply with their data reporting obligations and their enforcement cannot be ensured merely by the force of law and the legal means of the authorities. Consequently, through direct and indirect ownership, the media companies gained influence in several programme providers, to a far greater extent than it would be possible by the original intention of the law.

5. The issue of financing the Radio and Television Office and the problem of conflict of interest

Since the regime change, the awarding or withdrawing central budgetary support has been a political weapon in the hands of the parliament against the Hungarian Radio and the Hungarian Television. The Antall government rejected the application for bonus of the Hungarian Television for political reasons in the 1991 budget debate, and one year later even the granted budget support was sequestered, again for political reasons, in order to finally achieve the dismissal of Elemér Hankiss as the head of Television. By 1994, the Hungarian Television was indebted to such an extent that the mere functioning of the institution became uncertain – I have already mentioned these in the chapter about financing of my paper.

Therefore, the primary goal of the Media Act was to relieve the public media of financial defencelessness and to create a financing system, which would make public media independent from the state budget to the greatest possible extent, in a way that the financial resources of the institutions could be planned and calculable years ahead. Because of this a complex system evolved, which consisted of a certain proportion of the appliance operating charge, the appropriate amount of state subsidy of broadcasting costs, entrepreneurial activities and advertising revenues.

In respect of financing, the aim of the Act was to adjust financial opportunities to the particular types of institutions. In order to fulfil programme structure requirements, it provided the kind of financial support, which did not signify direct state subsidies, but by ensuring a share of the Broadcasting Fund and by dispensing with certain financial obligations, it endeavoured to provide some sort of safety for the public broadcasters (Cseh & Sükösd, 1997, p. 27).

The most significant income is realised by advertising for all media, however, the Act set quantitative and content limits to its opportunities according to international trends. It determined the possible ratio of commercials within the programme structure and in certain cases it introduced content bans on certain topics.

Back at the six-party negotiations the parties clarified that it would be the 1996 interim period when public media were to struggle, and their financing would be totally uncertain. Accordingly, by the end of 1996 both the Hungarian Radio and the Hungarian Television continued to roll a serious set of debts before themselves. The Hungarian Radio planned an 8.7 billion HUF revenue, but it was not sufficient for its 9 billion HUF expenditure, therefore the missing amount was replenished by the central budget. This did not include the 2 billion HUF, which was owed by the Radio to Antenna Hungaria in the form of broadcasting cost,

of which only a part was compensated by the central budget. Another problem was presented by the fact that the appliance operating charge was paid less and less by the consumers and the debts were difficult to collect, and also the advertising revenues had been over-planned, of which only a fraction rolled in in the end (Farkas, 1997, p. 216).³

The financial situation of the Hungarian Television was much more difficult to survey. Ádám Horváth took over the institution in 1994 with a huge volume of debt, and he was unable to change the situation in effect, partly due to the lack of law. In 1996, the planned budget of the Television was 24 billion HUF, of which altogether 21.9 billion HUF rolled in finally. Out of this, the extent of state subsidy was 3 billion HUF. Although the Television managed to grab a significant segment of the advertising market, it accumulated such a great quantity of unpaid invoices and tax liabilities over the years that these revenues could not counter-balance the huge shortfalls for the time being, and essentially the institution continuously manoeuvred on the verge of insolvency (Farkas, 1997, p. 217).

We must add that in 1996 the two institutions could not count on the concession fees, which would have functioned as a ventilator for the budget, since the tenders have not been completed yet at the time.

Thus, in the first year the public media transformed into joint stock companies stood on really wobbly feet and essentially it was up to the benevolence of the government whether they went bankrupt or were forced to conduct mass downsizing or to narrow down airtime.

The passing of the Media Act in the short run resulted in a balanced condition only for Duna Television, where the significant share of appliance operating charges and large-scale subsidies for broadcasting costs proved to be a reassuring start.

Péter Molnár in his article of April 1998 – that is more than one year after the law had come into force – wrote (Molnár, 1998, p. 17) that the Broadcasting Fund, which should have supported the production of public service programmes and the operation of non-profit broadcasters, still did not start at this time (Orsina & Székelyné, 1998, p. 126). Thus the financing system only worked in part in the first years and even the financial experts could not tell at that time when the system built by the law would come into being and whether it would be financeable. One of the reasons for this was that the law prescribed a much

³ Let us note that from 2002 the citizens were not required to pay the appliance operating charge, as the government overtook this liability (Origo, 2007).

greater role-taking than the previously undertaken amount by the central budget.

They also had to prepare for the scenario that in 1997, when commercial radio and television services were to start, the share of the advertising market would be significantly smaller for public services, therefore in the following years a drastic reduction of these revenues would be expected as well. Therefore, even having the law in effect, the financial situation of the institutions was still not clarified, and the letter of the law did not offer a reassuring alternative for the following financial year either.

6. The protection of cultural values and the issue of content quotas

In chapter II/2 of my paper I described the notion of public services in detail, as well as the conflicts of public and commercial broadcasting, of which content restrictions constitute a relevant part. The discord between the two sectors generated serious political and economic disputes in every country and influenced the content of regulations, *“the intention of the legislator in respect of formulating the concept and the institutional system of the Media Act.”* (Cseh & Sükösd, 1997, p. 29). The aim of any media act is to regulate the relationship of public service and market-based media organizations, by ensuring operability and financial viability. A part of this is the formation of requirements regarding programme structure, during which we must also differentiate between programme types of public broadcasters, commercial or the so-called non-profit specialized media (Cseh & Sükösd, 1997, p. 29). The same refers to the beginnings of Hungarian media regulations following the first democratic elections, when the primary goal of the legislator beyond creating media pluralism was to create legal security within the media, by elevating the state of affairs previously regulated at the level of Hungarian Television statutes and resolutions to the level of the law, which I described in detail in the introductory essay of this present dissertation.

The so-called content quotas formed part of the regulation, about which there were extremely intense debates, and these conflicts truly reflected the deep divide in values between the government and the opposition. One of the cardinal points of the political skirmishes, called media war by the public, was a very deep ideological, difference of the scale of values, which meant a gaping abyss between the conservatives and the left and the liberals. This was the so-called vernacular-urban antagonism which emerged in the 20-ies and 30-ies of the last century and although latently, but survived communism and during the regime change it became one of the most important drivers of party dissent (Fricz, 1999, 2017). This is what we can trace the continuous political conflicts

between the Hungarian Democratic Forum and the Alliance of Free Democrats back to in the 90-ies, which interspersed with all spheres:

„The radical nature of discords between the vernaculars and the urbanes was significantly accountable to the fact that their view of the world, their conception was simply different. The urbanes, if they are liberals, are cosmopolitan, and if they are socialists, they are international, whereas the vernaculars are strikingly marked by a national-conservative disposition. Actually, it is more precise to call this a dispute between globalists and nationalists” (Fricz, 2017).

These differences during the media war manifest themselves in the content issues of the television and radio programs in a cumulative way.

The government wanted to achieve by the content quotas to provide an ongoing leading role for the protection of Hungarian culture, Hungarian films and Hungarian-produced programmes in the electronic media and to ensure that the effect suggesting strongly questionable values of the media coming from the West should only gain admittance into the homes of the Hungarian families in a certain proportion (Koltay, 2007b, pp. 26 & 160; Koltay, 2007a).

The left and the liberals were much rather characterized by a West-friendly mentality, and they emphasized that Hungarian people wanted to be entertained when they sat in front of the television or the radio, above all they wanted to watch American movies and modern programmes and were not interested in the programmes which had been considered boring, even up to that time. The era of merely public television broadcasting had passed, people longed for something different, and the gates had to be fully opened towards Western media. They did not manage to agree in that people's tastes could be formed and their needs evolved partly according to what was offered to them.

The liberal opposition accepted what had been said about the protection of cultural values. They also accepted that it was necessary to insist on the quotas protecting the development of Hungarian production capacity and Hungarian cultural values in the programme policy stipulations of the law, but they rejected all forms of restrictions in ownership and considered them harmful. They held the view that if such provisions were to be included in the draft bill, these would not reduce but much rather increase the level of state interference in the media, and in fact, state administration type of press companies would gain ground in the market. This is dangerous in an era when we were about to dismantle a sector with government majority (Koltay, 2007b, pp. 26 & 160; Koltay, 2007a).

During the second cycle they were discussing the content quotas in relation to the distributable frequencies and there seemed to be consensus in that the law had to prescribe content quotas as well, i.e. in what proportion should

programmes of public interest, programs produced in Hungary and in Europe and films made in Hungary be broadcast on the two new commercial channels. According to the original plans these quotas for channel 2 would have been identical to those of TV1. However, a debate unfolded about this, because TV2 was not a classical private station as the new programme starting on channel 58, where these constraints prevail less, but it could not be treated as a traditional public service channel either. That is precisely why it occurred that stricter quotas should be determined than in the case of channel 58, but according to the professionals it was impossible to produce so many Hungarian films and programmes made in Hungary to comply with this requirement (*Országgyűlés, 1995b, p. 7*).

It also arose that as channel 2 operated via satellite, only 30 to 35% of the population were able to receive the transmission. As a result of this, in significant parts of the country public broadcast was being transmitted through one channel only. The only way to improve this ratio was to press for urgent expansion of the cable system, but this resulted in a higher rate of accessibility to the channels only after several years (*Országgyűlés, 1995a, p. 22; Országgyűlés, 1995c, p. 8*).

7. Conclusions

In 1998 Gábor Gellért Kis wrote that the greatest error of the Hungarian regime-changing politics had been that they had sensed the media not as an object, but as its central objective and had wanted to regulate it not according to the fundamental principles of democracy, but it had created the regulations regarding the media in order to fulfil its own assumed or real mission (*Gellért, 1998, p. 296*). The aspirations of politics in relation to the media pointed far beyond what it would have been entitled on the basis of the democratic elections, and the media also undertook political tasks, which stretched beyond the scope of activities of free press and the media.

Although the coming into existence of the first Media Act put a stop to the media war conditions for a while, which both the profession and politics, as well as the viewers were fed up with, but it did not resolve the conflict itself between the „spheres”, it simply transferred the battle ground from the parliament in between the walls of the public media institutions and ORTT (*Gellért, 1998, p. 65*). It was to no avail that the law seemingly eliminated the influence of politics on the affairs of the media, as a matter of fact, not one decision was made, the birth of which was not shadowed by political interest to the detriment of professional aspects. Thus, the system of institutions created did not terminate political influence, but much rather institutionalized it and put it in a legal framework (*Székely, 1998, p. 305; Halmai, 1997, p. 94; Gellért, 1997, p. 70*).

Consequently, the system of institutions became the instrument of political dependence and the stumbling block for a really free mass communication.

In the 20th century mass communication turned into a quasi-industry and transformed political public sphere to such an extent that it became not only the territory of a narrow group of specially trained people, but the participants of (internal and external) political processes lay claim to it as well (Halmai, 1997, p. 92). This is how mass communication – written and electronic press equally – became an inter-sphere between politics and society, a field where the different political parties do not only battle against one another, but also fight for the attention and the votes of the citizens. Based on this, the history of the first Hungarian media law is nothing but the history of mistrust of the political forces operating at the time of the regime change against one another, which can be explained by the lack of democratic traditions of our country, but as Gábor Gellért Kis put it: no one can be excused from their responsibility.

Following the invitation of the first tender, the scandals of extending broadcasting licences (Smuk, 2011, p. 268) and the news in relation to the digital change-over (NMHH, 2018; Rozgonyi, 2012) indicated that although the media war came to rest by the passing of the Media Act, but it did not mean its end. After the 1998 parliamentary elections, by the formation of the Orbán government Hungarian radio and television services entered a new era, but the history of this cannot constitute the subject of this paper. However, it offers wide perspectives for the continuation of research. The undertaking of the dissertation was to write the history of the series of negotiations of the two parliamentary cycles after the first democratic elections and of the birth of Act I of 1996. The research fulfilled its commitment along the subject matter given in the introductory study, trusting that the new knowledge acquired may provide further directions to the research of the history of the Hungarian media, e.g. with regards to the comparison of the media systems of the ex-socialist countries as well.

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