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# HUNGARIAN CAPITAL IN FOREIGN MEDIA

THREE STRATEGIC  
MODELS OF  
INFLUENCING THE  
NEIGHBOURHOOD

**HUNGARY**

# HUNGARIAN CAPITAL IN FOREIGN MEDIA. THREE STRATEGIC MODELS OF INFLUENCING THE NEIGHBOURHOOD

The articles were produced by IPI in cooperation with the Balkan Investigative Reporting Network (BIRN); the Hungarian investigative reporting outlet Átlátszó and its Hungarian-language partner in Romania, Átlátszó Erdély; and the Center for Media, Data and Society at the Central European University's Democracy Institute.



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This report by IPI is part of the Media Freedom Rapid Response, which tracks, monitors and responds to violations of press and media freedom in EU Member States and Candidate Countries. This project provides legal and practical support, public advocacy and information to protect journalists and media workers.

The MFRR is organised by a consortium led by the European Centre for Press and Media Freedom (ECPMF) including ARTICLE 19, the European Federation of Journalists (EFJ), Free Press Unlimited (FPU), the Institute for Applied Informatics at the University of Leipzig (InfAI), International Press Institute (IPI) and CCI/Osservatorio Balcani e Caucaso Transeuropa (OBCT). The project is co-funded by the European Commission.

This report was produced with the financial support of the European Commission and the Friedrich Naumann Foundation.



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# HUNGARIAN CAPITAL IN FOREIGN MEDIA. THREE STRATEGIC MODELS OF INFLUENCING THE NEIGHBOURHOOD

The International Press Institute (IPI) is publishing this series of articles that explore the presence of Hungarian money invested into foreign media. Since 2017 there has been a rush of investments in Slovenian and North Macedonian media by Hungarian businesses all closely associated with Hungary's ruling party, Fidesz. While Fidesz politicians insist such investments are purely commercially driven, the evidence suggests that they are rather part of a broad political strategy of influencing media and supporting ideological allies of Fidesz.

Meanwhile, there has been a significant boost in support provided to media in Hungarian minority communities in neighbouring countries, particularly Serbia, Romania, and Slovakia. The story of each Hungarian community and its relations to media and politics varies, yet the boost in spending has clearly assisted in bringing political parties and media into closer alignment with Fidesz.

Lastly, in 2019 the Hungarian ambassador to London established an international news agency named V4NA in reference to the four Visegrád countries. It was established to project Fidesz's populist narrative onto a pan-European media landscape and help feed the appetites of broadly aligned media across the continent.

These articles were produced by the International Press Institute in cooperation with the Balkan Investigative Reporting Network (BIRN); and the Hungarian investigative reporting outlet *Átlátszó* and *Átlátszó Erdély* its Hungarian-language partner in Romania. Robert Nemeth, of the Center for Media, Data and Society at the Central European University's Democracy Institute was coordinating editor.

They are part of a wider series by IPI exploring the issue of media capture in Central Europe, and in particular the spread of the particular model of media capture that has been developed by Fidesz in Hungary.

## INTRODUCTION

“Organizations of George Soros try to disintegrate NATO”. “George Soros wants to bring one million migrants to Europe every year”. Headlines like this have been common in recent years in Hungarian media close to the government, which has been led by the right-wing Fidesz party since 2010. However, these particular headlines appeared in media in Slovenia and North Macedonia in 2020.<sup>1</sup>

Not surprisingly, though, the outlets in which these headlines appeared are owned by a Hungarian businessman, Péter Schatz, one of the key figures in the Hungarian expansion in media in the Western Balkans and a former business partner of Árpád Habony, a member of the small inner circle of Hungarian Prime Minister Viktor Orbán. Habony also co-founded a London-based news agency, V4NA, aimed at spreading the messages of the Hungarian government disguised as news items.

Hungary’s media expansion, as a source told the Hungarian investigative journalism group Direkt36, reflects Fidesz’s aim to become a “factor” in the region. It has tried to gain influence and “friends” to get closer to this goal.<sup>2</sup> Even more recently, a businessman linked to the Hungarian government bought controlling stakes in the pan-European broadcaster Euronews.

Having subverted the media at home, the Hungarian government, with the help of companies controlled by political allies, started in recent years to build up a media empire in Slovenia and North Macedonia to act as megaphones for its regional ideological allies. The outlets that belong to this empire follow Viktor Orbán’s populist agenda and are heavily financed by Hungarian companies to the extent that this funding resulted in investigations by the police. In Slovenia, the previous government also launched a special parliamentary commission to investigate allegations of suspected illegal Hungarian financing of the party of Janez Janša, a close ally of Orbán. Soon after Janša became prime minister in March 2020, the process stalled.

The Hungarian government aims to increase its influence and spread its propaganda in other countries of the region and above all in neighbours with a large Hungarian minority: Romania, Slovakia, and Serbia. Hungarian media outlets and the diaspora in general in these countries have traditionally been supported by Hungarian governments since the fall of communism, but the Orbán government significantly increased that support. Hungarian media in these countries are often manipulated through financing: funding depends on supporting the Hungarian government without any criticism. Media outlets that play by these rules thrive, while support for others is simply cut.



<sup>1</sup> Blanka Zöldi, András Szabó András, Saška Cvetkovska, Anuška Delić: “Egymilliárdot pumpáltak át az Orbánék által épített balkáni médiába. Gruevszki ellenfelei vizsgálni kezdték a gyanús pénzmozgást,” Direkt36/444.hu, available online at <https://444.hu/2020/02/28/egymilliardot-pumpaltak-at-az-orbanek-által-epített-balkani-mediaba-gruevszki-ellenfelei-vizsgalni-kezdték-a-gyanus-penzmozgast>

<sup>2</sup> Blanka Zöldi, András Szabó András, Saška Cvetkovska, Anuška Delić: “Egymilliárdot pumpáltak...” ibid.

With the upcoming national elections in April in Hungary and in Slovenia, the question of how the Hungarian government uses media abroad to spread its populist propaganda is becoming more important.

This series of articles produced by local journalists follows the Hungarian money invested in media abroad, and also offers an insight into the influence exercised by the Hungarian government.

# HUNGARY'S MEDIA EXPANSION IN SLOVENIA AND NORTH MACEDONIA

By **Sinisa Jakov Marusic** (Balkan Investigative Reporting Network, BIRN)

## The Hungarian 'Model' in Action

Since 2010, when Fidesz returned to power in Hungary, the media landscape has changed drastically for the worse.<sup>3</sup> Under a pretext that Prime Minister Viktor Orbán has repeated over and over again, namely, that the media were hostile towards the views of conservatives and were corrupt and influenced by foreign liberal powers, Fidesz has established a firm grip on the media through legal changes, politically and ideologically based appointments to key positions, state advertising, and by overseeing the acquisition of media by friendly hands.<sup>4</sup>

In broad terms, the Fidesz media system is characterized by full support for the ruling party's key populist policies, including opposition to migration and the EU; hate speech towards Muslims and the LGBTQ community; and smear campaigns against independent media, their journalists, and political or ideological opponents.

This model applies systemic "soft" censorship, rather than harsher, direct measures like persecuting opposition media or shutting them down, although this has also happened in recent years. It relies on undermining critically inclined media outlets at the expense of state-subsidized regime media set up by government-affiliated business oligarchs.

According to research conducted by Hungary's Válasz Online news site<sup>5</sup>, in 2020, half of 88 media outlets that, depending on the size of their teams, are able to influence public life in Hungary – either by reaching millions or by publishing regular and exclusive content – are now owned by members of Orbán's closest circle. Another analysis by Mertek Media Monitor<sup>6</sup> found that already in 2019 almost 80 percent of the news and public affairs segment of media was pro-Fidesz, including the public service broadcaster.

The media appetite of Hungary's ruling elite does not stop at home, however. Since 2017, media companies linked with Fidesz have started media acquisitions in Slovenia and in North Macedonia.

In Slovenia, Hungarian efforts have focused on strengthening the media presence and influence of Orbán's political and ideological ally, Prime Minister Janez Janša, head of the Slovenian Democratic Party (*Slovenska Demokratska Stranka / SDS*). In 2020, Janša came to power in Slovenia for the third time, and he has not wasted time in using the position to influence and assert control over independent media.

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<sup>3</sup> For a more detailed overview see the 2019 report of The Joint International Press Freedom Mission To Hungary, available online at <https://ipi.media/wp-content/uploads/2020/02/Hungary-Conclusions-International-Mission-Final.pdf>

<sup>4</sup> Edit Inotai: "The Last Days of Independent Media in Hungary," Balkan Insight, available online at <https://balkaninsight.com/2020/05/11/the-last-days-of-independent-media-in-hungary>

<sup>5</sup> András Bódis: "A NER már a sajtó 50 százalékát kontrollálja – itt a nagy médiatérkép," Válasz Online, available online at <https://www.valaszonline.hu/2021/01/04/a-ner-mar-a-sajto-50-szazalekat-kontrollalja-itt-a-nagy-mediaterkep>

<sup>6</sup> "Mindent beborít a Fidesz-közeli media," Mertek Media Monitor, available online at <https://mertek.atlatszo.hu/mindent-beborit-a-fidesz-kozeli-media>

In North Macedonia, Hungarian companies have bought several key outlets that were close to the authoritarian former Prime Minister Nikola Gruevski and his conservative VMRO DPMNE party (Internal Macedonian Revolutionary Organization - Democratic Party for Macedonian National Unity / *Внатрешна македонска револуционерна организација - Демократска партија за македонско национално единство*), who were ousted in mid-2017.

Nikola Gruevski [L] and Viktor Orban [R] during Orban's visit to Ohrid, North Macedonia 2017.

*Photo: EPA/  
Aleksandar  
Kovacevski*



With Gruevski enjoying asylum in Hungary since 2018<sup>7</sup>, the Hungarian takeover of his former media megaphones in North Macedonia has allowed these media not only to financially survive but also to continue spreading their brand of populist ideology.

## Hungarian Businessmen on a Buying Spree

When Hungarian investors completed the purchase of Slovenia's Planet TV, controlled by SDS, for almost 5 million euros in October 2020, it was just the latest in a series of media takeovers in Slovenia and North Macedonia by Hungarian businessmen affiliated with Orbán. Planet TV's buyer, TV2 Média Csoport Zrt, operates TV2, the second-largest (in terms of audience) TV channel in Hungary and fiercely pro-Fidesz. The company was reportedly co-owned by József Vida<sup>8</sup>, one of the wealthiest Hungarians and described as a member of the business circle around Fidesz.<sup>9</sup>

<sup>7</sup> Edit Inotai and Sinisa Jakov Marusic: "Gruevski's Carefree Days in Hungary Perhaps Nearing an End," Balkan Insight, available online at <https://balkaninsight.com/2021/11/10/gruevskis-carefree-days-in-hungary-perhaps-nearing-an-end>

<sup>8</sup> Zoltán Jandó: "Megmutatjuk, ki áll most a TV2 mögött, de hamarosan elrejtőzhet a tulajdonos," G7.hu, available online at <https://g7.hu/vallalat/20190925/megmutatjuk-ki-all-most-a-tv2-mogott-de-hamarosan-elrejt-zhet-a-tulajdonos>

<sup>9</sup> Zoltán Jandó: "Mészáros Lőrinc bizalmasához kerülhet a teljes Fidesz-közeli tévébiznisz," G7.hu, available online at <https://g7.hu/vallalat/20190503/meszaros-lorinc-bizalmasahoz-kerulhet-a-teljes-fidesz-kozeli-tevebiznisz>

Hungarian expansion into Slovenia started in 2017, when three companies from Budapest – Ridikul, Ripost, and Modern Media Group – first bought Slovenia’s Nova24TV, buying 45.44 percent of the shares. With the 45 percent ownership spread evenly between these three nominally separate companies, the manoeuvre circumvented Slovenia’s Mass Media Act, which stipulates that an acquisition of more than 20 percent of a domestic media company needs the consent of the Slovenian Ministry of Culture. The need for such consent would have led to scrutiny of the ownership structure of the three companies and the source of their financing, which still today is not fully disclosed.

Slovenian citizens protest against alleged corruption of government. Poster reads “Against Orbanisation of Slovenia” in Ljubljana, Slovenia, 08 May 2020  
Photo by EPA/IGOR KUPLJENIK



The investment was reportedly backed by Károly Varga, a Hungarian billionaire.<sup>10</sup> Varga’s construction companies have been among the biggest winners of public contracts handed out by the Hungarian government in recent years.<sup>11</sup>

Among the owners of the Hungarian companies were Péter Schatz and Ágnes Adamik, who later changed her name to Ágnes Kovács. According to findings by the Balkan Investigative Reporting Network (BIRN),<sup>12</sup> they both previously worked for the Hungarian state broadcasting company MTVA, which was formed in 2011 after Orbán came to power. In a controversial move that allowed Fidesz to control the state media, MTVA was formed by uniting all the state media that previously functioned as separate entities.<sup>13</sup>

<sup>10</sup> Patrick Kingsley: “Safe in Hungary, Viktor Orbán Pushes His Message Across Europe,” The New York Times, available online at <https://www.nytimes.com/2018/06/04/world/europe/viktor-orban-media-slovenia.html>

<sup>11</sup> Babet Oroszi: “A tizsakécskei árnyékmilliárdos nem fordítva ül a lovon, és most beülhetett a Közgépbe,” HVG, available online at [https://hvg.hu/360/201939\\_orban\\_vagyonkezeloi\\_regiuj\\_arcok\\_varga\\_karoly\\_vakon\\_turas](https://hvg.hu/360/201939_orban_vagyonkezeloi_regiuj_arcok_varga_karoly_vakon_turas)

<sup>12</sup> “Пропагандната машинерија на Орбан влезе во Македонија,” Prizma.mk, available online at <https://prizma.mk/propagandnata-mashinerija-na-orban-vleze-vo-makedonija>

<sup>13</sup> For more details, see [http://medialaws.ceu.hu/public\\_service\\_media\\_more.html](http://medialaws.ceu.hu/public_service_media_more.html)

In 2011 and 2012 Adamik was manager of MTVA's Strategic Integration Office, in charge of all MTVA operations and key strategies,<sup>14</sup> while Schatz was director of sales, in charge of marketing, promotion, and sales, but also the production department.<sup>15</sup>

In 2015 Schatz reappeared as co-owner of the company Ripost, which launched a government-friendly tabloid under the same name. Two years later he started buying media in the Western Balkans.

Also involved was Árpád Habony, co-owner of Hungary's Modern Media Group and one of Orbán's long-time advisers and key ideologists behind Fidesz.<sup>16</sup> News reports date Habony's emergence and subsequent role in Fidesz media activities from the early 2000s,<sup>17</sup> with Habony's unofficial advisory role acknowledged by several government officials in 2014.<sup>18</sup>

In 2018, Ripost and Modern Media Group left Nova24TV, which is minority co-owned by members of Janša's SDS, when two Hungarian companies, Hespereia and Okeanis, became the new owners. Their additional investment increased the Hungarian shares in the TV station to 88 percent, according to Slovenia's central register. The true ownership of these two new companies is still unclear, but Hespereia is linked to Ágnes Adamik (Kovács)<sup>19</sup>. Both companies were established on the same day in November 2018, and by the same lawyer.

In 2017, Schatz's company R-post-R also acquired a majority share in Nova obzorja, the publisher of Demokracija (Democracy), a political weekly co-owned by Janša's SDS.

The Hungarian media's buying spree in Slovenia has focused on outlets close to Janša, boosting his influence on TV, which, according to recent polls, is still the dominant medium in Slovenia. However, the TV channels purchased by Hungarians are not ranked among the most viewed. The commercial television Pop TV has the highest ratings among TV stations in Slovenia, while pro-SDS media such as Nova24TV have lower ratings.

Meanwhile, in North Macedonia, Schatz and Adamik have also invested in media outlets, in this case ones that are close to another of Orbán's political allies, former Prime Minister Gruevski. Since 2017, Hungarian interests have taken over the news websites Kurir.mk, Deneshen.mk, and Vistina.mk, as well as the news portals Lider.mk, Republika.mk, and Netpress.com.mk.

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<sup>14</sup> Ákos Keller-Alánt: "Barátom, Gruevszki," Magyar Narancs, available online at <https://magyarnarancs.hu/kulpol/baratom-gruevszki-111237>

<sup>15</sup> "Egységben az erő – interjú Schatz Péterrel," Médiapiac, available online at <https://mediapiac.com/mediapiac/Egységben-az-ero-interju-Schatz-Peterrel/15746>

<sup>16</sup> Yvette Szabó, Márton Gergely: "Retteghetnek a kegyeltek, Orbán újrakeveri a kártyákat," HVG, available online at [https://hvg.hu/360/202001\\_orban\\_rendezi\\_sorait\\_libikokan\\_afidesz\\_kaderei\\_fiatal\\_no\\_rajongo\\_a\\_jollakottak\\_viadala](https://hvg.hu/360/202001_orban_rendezi_sorait_libikokan_afidesz_kaderei_fiatal_no_rajongo_a_jollakottak_viadala)

<sup>17</sup> Imre Bednárík: "A spindoktor spindoktora - Orbán titokzatos bizalmasa," Népszabadság, available online at [https://web.archive.org/web/20140412034130/http://nol.hu/belfold/20101009-a\\_spindoktor\\_spindoktora-840751](https://web.archive.org/web/20140412034130/http://nol.hu/belfold/20101009-a_spindoktor_spindoktora-840751)

<sup>18</sup> Zoltán Haszán: "Habony Árpád annyira titkos tanácsadó, hogy beszélni sem akarnak róla a Fidesz vezetői," 444.hu, available online at <https://444.hu/2014/12/11/habony-arpad-annyira-titkos-tanacsado-hogy-beszelni-sem-akarnak-rola-a-fidesz-vezetoi>

<sup>19</sup> Ildikó D. Kovács: "A köztvéé egyik korábbi vezére beszállt az Orbán-barát szlovén médiába," 24.hu, available online at <https://24.hu/kulfold/2019/02/13/adamik-agnes-szlovenia-ripost-media-habony-arpad>

The websites supported by Hungarian capital are attached to three companies, Em Media, Prva Republika, and LD Press Media. All three have the same majority owner, the Adinamik Media Company, founded on September 26, 2017, and fully owned by Ágnes Adamik (Kovács).

Em Media owns the domains of Kurir, Deneshen, and Vistina, as well as the business magazine Ekonomski and the health magazine Zdravstvo. Prva Republika owns the Republika website and Pressing TV, an online television station. LD Press media Skopje publishes the portal Netpress.com.mk. Lider used to be a website in the Em Media group but was later acquired by its editor-in-chief, North Macedonian national Ljupcho Zlatev. Today it is part of Prva Republika.

Hungarian interests also own the North Macedonian private national broadcaster Alfa TV. The direct owner of the station is Alfaskop, which is owned by four companies, of which CHS Invest Group holds the majority share. Since July 2017, the majority owner of CHS (90 percent) is Target Media, which Schatz owns.<sup>20</sup> The company was registered on April 11, 2017.

## More for Political Influence than Profit

In 2020, four members of the European Parliament - Kati Piri, Tanja Fajon, Tonino Picula and Andreas Schieder - submitted a list questions to the European Commission about Hungarian media investments in Slovenia and North Macedonia and whether they represent Hungarian interference in the democratic process in the Balkans.

On November 25, 2020, the European Parliament hosted a plenary debate, entitled “Hungarian interference in the media in Slovenia and North Macedonia”, where Vera Jourová, vice president of the European Commission, addressed the questions.<sup>21</sup> “Concerning North Macedonia”, she said, “the Commission and the EU delegation are following the developments in the media sector in the country very closely. The Commission reports on these issues in its regular enlargement packages, including in its latest 2020 report on North Macedonia. This report assessed that greater transparency on media ownership and possible illegal media concentration is required.”

Kati Piri, a Hungarian-born Dutch politician and MEP, went further, arguing that it was no surprise that Hungarian leaders, with Slovenian assistance, had put together an international interference operation that has poured millions of euros into pro-Janša and pro-Gruevski media organizations.

*Kati Piri: "We all know very well that Orbán's outrageous propaganda efforts in North Macedonia and Slovenia are just the tip of the iceberg. Whether in Brussels, Ljubljana or in Skopje, Orbán has only one goal: undermining the European Union for his own personal gain"*

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<sup>20</sup> Ákos Keller-Alánt: “Barátom, Gruevszki” ibid.

<sup>21</sup> See more details at [https://www.europarl.europa.eu/doceo/document/CRE-9-2020-11-25-ITM-011\\_EN.html](https://www.europarl.europa.eu/doceo/document/CRE-9-2020-11-25-ITM-011_EN.html)

Hungary's Prime Minister Viktor Orban (L) ahead of a meeting in Brussels, Belgium, February 3, 2020.

Photo by EPA-EFE/  
Olivier Hoslet



Fidesz MEP Balázs Hidvéghi refuted this, insisting that these companies had invested purely for profit, in line with one of the most basic principles of the EU: the free movement of capital. ***“The same is true for North Macedonia: investments are private business matters for media companies and have nothing to do with politics”***, Hidvéghi said.

Indeed, why did Hungarian owners decide to invest in media in Slovenia and North Macedonia?

An analysis of Schatz’s and Adamik’s media purchases in the two countries show that their reasons were most likely political. Both bought and recapitalized media outlets that share a similar ideological and political orientation to Fidesz. Even before being acquired, these outlets had a track record of publishing similar content to that used to scare and mobilize Hungarian voters against “threats” ranging from migrants, LGBTQ and liberal values to “foreign mercenaries”<sup>22</sup> who are vilified and connected to Hungarian billionaire George Soros<sup>23</sup>, who is portrayed as a figure working against these countries’ national interests.<sup>24</sup>

Similar points were reflected in North Macedonia and Slovenia by Gruevski and Janša.

During the last years of Gruevski’s rule in North Macedonia, in 2016 and 2017, the same outlets now owned by Hungarians were used as a platform for the ruling party to campaign against NGOs and the then-political opposition, accusing them of working for unnamed “foreign powers”, as Gruevski put it, in order to topple his government and jeopardize the country’s national interests. As a result, in 2017, Gruevski’s supporters formed a new movement, SOS, and vowed to “de-Soros-ize” North Macedonia, a process that the VMRO DPMNE party has increasingly underlined.<sup>25</sup>

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<sup>22</sup> Keno Verseck: “Viktor Orban's campaign against George Soros 'mercenaries',” Deutsche Welle, available online at <https://www.dw.com/en/viktor-orbans-campaign-against-george-soros-mercenaries/a-44954661>

<sup>23</sup> Edit Inotai: “Democracy Digest: Hungary Rediscovered Soros as Enemy No. 1,” Balkan insight, <https://balkaninsight.com/2019/11/29/democracy-digest-hungary-rediscovered-soros-as-enemy-no-1>

<sup>24</sup> “George Soros: Public Enemy Number One in Hungary,” EU-OCS, available online at <https://eu-ocs.com/george-soros-public-enemy-number-one-hungary>

<sup>25</sup> Sinisa Jakov Marusic: “New ‘Stop Soros’ Movement Unveiled in Macedonia,” Balkan Insight, available online at <https://balkaninsight.com/2017/01/18/macedonia-forms-anti-soros-movement-01-18-2017>

Back then, Gruevski was under increased pressure, amid a deep political crisis caused by the opposition's revelation in 2015 of batches of secretly recorded wiretaps that alleged various wrongdoings by his closest associates, as well as by him personally.

Following Gruevski's ousting, these media outlets, which were largely dependent on the influx of state advertisements and subsidies, have faced sharp financial difficulties. But, as a 2020 investigation by BIRN revealed, advertisement money from Hungarian firms that kept pouring in after their acquisition, although making no economic sense, kept these outlets afloat. They included small Hungarian companies like Olivery, which sells olive oil; Bonyart, which sells home decorations; and Skin Delight, a cosmetics company. None of them sells any products in stores in North Macedonia.<sup>26</sup>

**In both North Macedonia and Slovenia, foreign funding of political parties is prohibited. Suspicions are that Fidesz might have found a way to indirectly support its political allies in these two countries by pouring money into media loyal to them.**

Since then, these outlets in North Macedonia have remained loyal to VMRO DPMNE, now in opposition and led by Gruevski's successor, Hristijan Mickoski. Orbán also remained loyal to VMRO, giving official support for the party as it entered local elections in October 2021.<sup>27</sup>

In the longer term, however, the purchase of North Macedonian media outlets could become profitable if VMRO DPMNE wins power and the government resumes Gruevski's old practices of siphoning state advertising funds off to them.

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<sup>26</sup> Goce Trpkovski: "How Hungarian Olive Oil Kept Macedonian Media Afloat," Balkan Insight, available online at <https://balkaninsight.com/2020/02/14/how-hungarian-olive-oil-kept-macedonian-media-afloat>

<sup>27</sup> "Мицкоски доби поддршка за локалните избори од Орбан на средбата во Будимпешта," Fokus, available online at <https://fokus.mk/mitskoski-dobi-poddrshka-za-lokalnite-izbori-od-orban-na-sredbata-vo-budimpeshta>

## Political and Ideological Connections in Slovenia

Hungarian Prime Minister Viktor Orbán (C), former Slovenian Prime Minister and leader of the Slovenian Democratic Party (SDS) Janez Jansa (R) and European Parliament member of SDS Milan Zver (R) attend a campaign event of SDS in Celje, Slovenia, 11 May 2018.

*Photo by EPA-EFE/  
Szilard Koszticsak*



In Slovenia, where Hungarian-owned media outlets are seen in practice as Prime Minister Janša's official gazette, indications are that the main logic behind the purchases was also more political than financial. Nova24TV has reported an accumulated loss of more than 1.1 million euros in the three years since its establishment in 2015 while Nova obzorja has reported annual losses six times since 2010.

As with Gruevski, Janša is a long-standing ally of Orbán. The Hungarian leader has publicly supported Janša at party rallies in several election campaigns where he would reinforce the message that a Janša victory would ensure that Slovenia preserves its national interests and avoids the migrant threat.

Hungarian media businessmen from Orbán's circle do not seem keen on supporting independent journalism, pluralism, and media freedom. Rather, their record shows they serve to promote Orbán's strategic interests and to normalize far-right political ideas that feed European populists such as nationalism, racism, and religious fundamentalism.

Unsurprisingly, therefore, the Slovenian and North Macedonian media in question became part of the Hungarian conservative media coalition, united by nationalist politics, hatred of migrants, and opposition to the European Union and liberal democracy.

Unlike in North Macedonia, however, in Slovenia Hungary's support for Janša is already starting to pay off.

Since Janša formed his cabinet in March 2020, worries have increased that, under the same pretext of providing more balance in the media for the right, he is seeking to establish a firm grip on media freedom. Only two months after he assumed office, Janša published a text on the government's website, dubbed "War with the Media", in which he presented his views on the relations between journalists and politics.<sup>28</sup>

<sup>28</sup> "Vojna z mediji," available online at <https://www.gov.si/novice/2020-05-11-vojna-z-mediji>

In it, he was especially critical of two of Slovenia's most prominent media outlets, the public broadcaster, RTV Slovenia, and the commercial Pop TV. Among other things, he wrote that these two media are not professional, are full of "below average" journalists and editors, and are "pillars of the deep state". He accused them of spreading false pictures of the country, sparking a false sense of emergency, and attacking democratically elected authorities who are trying to control the pandemic.

Since then, Janša's government brought the Slovenian Press Agency (STA) to its knees by starving it of funds for ten months in 2021 until STA was forced to submit to greater oversight from the government communications office UKOM. It has also pushed ahead with a radical restructuring of RTV-SLO designed to tame the independence of the public broadcaster ahead of the 2022 elections.

On December 28, 2021, Slovenian news portal Necenzurirano published documents revealing that Telekom Slovenije pays five times the rate to broadcast Nova24TV in comparison to the other four telecom operators. This has fuelled suspicions that the state-owned company is covertly financing the pro-Janša's outlet as well as increasing its availability and influence among Slovenia's voters.<sup>29</sup> Telekom Slovenije's head of management board since March 2021 is Cvetko Sršen, a former SDS mayoral candidate.

Necenzurirano.si wrote that "sources close to the state-owned telecommunications operator have confirmed to us in recent days that it was a decision imposed from the outside", meaning from the ruling party.

## Investigation Offers Insight into Financial Transfers

In February 2020 another investigation published by Necenzurirano offered insight into the flow of money for media influence. In it, journalists Primož Cirman, Vesna Vuković, and Tomaž Modic revealed the financial links among Budapest, Ljubljana, and Skopje used to purchase and finance these media outlets.<sup>30</sup>

The portal said it had obtained documents, data, and information from several countries that prove that at least three companies – the engineering firm Belfry, a frequent winner of state contracts in Romania; the Hungarian media company Ripost (previously owned by Péter Schatz); and V4NA<sup>31</sup>, a news agency registered in the UK (co-founded by Árpád Habony), all three connected to Fidesz – transferred at least 4 million euros to Slovenia since August 2018.

The entry point for the flow of Hungarian money into Slovenia was the company R-Post-R, owned by Schatz. All the transactions went through an account opened with Unicredit Slovenija. Of the 4 million euros that have poured in, 1.5 million remained in Slovenia for NovaTV24.

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<sup>29</sup> Primož Cirman, Tomaž Modic, Vesna Vuković: "Janša kot Vučić: Telekom plačuje Nova24TV za blatenje nasprotnikov," Necenzurirano, available online at <https://necenzurirano.si/clanek/preiskovalne-zgodbe/jansa-kot-vucic-telekom-placuje-nova24tv-za-blatenje-nasprotnikov-931727>

<sup>30</sup> Primož Cirman, Vesna Vuković, Tomaž Modic: "Finančni tokovi razkrivajo: Orbanov denar v Slovenijo in Makedonijo," Necenzurirano, available online at <https://necenzurirano.si/clanek/preiskovalne-zgodbe/nov-orbanov-denar-za-medije-sds-in-napad-na-makedonsko-vlado-757754>

<sup>31</sup> For more details about V4NA, see chapter V4NA: Regional Disinformation Tool or Money Dump? in this report.

According to the investigation, the other 2.5 million euros were then forwarded on to media in North Macedonia<sup>32</sup> via the Unicredit Slovenija bank account of Péter Schatz. An infographic published by Necenzurirano indicated that Kurir, Netpress, Alfa TV, and Lider received money in North Macedonia.

But for what?

The portal has linked the influx of money to the North Macedonia opposition media's campaign to discredit the 2018 historic "name deal" with Greece, which that year opened the way for Skopje's accession to NATO and EU. VMRO DPMNE accused Social Democrat Prime Minister Zoran Zaev of committing treason and used these media outlets to campaign against the "name" referendum.

Protest against changing the constitution and the country's name to the Republic of North Macedonia November, 2018.

Photo:  
EPA-EFE/Georgi Licovski



Necenzurirano claimed that both Orbán and Janša, while publicly supporting North Macedonia's Euro-Atlantic integration, had in secret acted in support of Russia's interests in the Balkans, which is opposed to further Western enlargement in the region.

A follow-up investigation published on December 6, 2021, by Necenzurirano<sup>33</sup> found documents and data suggesting that this scheme was also used to transfer another 8 million euros from Hungarian companies to SDS media between 2017 and 2020.

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<sup>32</sup> Primož Cirman, Tomaž Modic, Vesna Vuković: "Od kod milijoni za medije SDS in 'Operacija Makedonija'," Necenzurirano, available online at <https://necenzurirano.si/clanek/preiskovalne-zgodbe/od-kod-milijoni-za-medije-sds-in-operacija-makedonija-757756>

<sup>33</sup> Primož Cirman, Tomaž Modic, Vesna Vuković: "Skrivnost 12 milijonov z Madžarske za financiranje propagande SDS," Necenzurirano, available online at <https://necenzurirano.si/clanek/preiskovalne-zgodbe/skrivnost-12-milijonov-z-madzarske-za-financiranje-propagande-sds-926042>

The documents reveal that the main entry point for the cash flows was, again, Schatz's company R-Post-R. Between March 2017 and January 2019 alone, R-Post-R received almost 8 million euros from the same aforementioned Hungarian companies, Belfry and Ripost. Both companies are closely linked to Lőrinc Mészáros, a childhood friend of Orbán who became the richest Hungarian in recent years<sup>34</sup> with the help of winning countless public tenders.<sup>35</sup>

The investigation found that Nova24TV received an average of 110,000 euros per month from Hungary, while Nova obzorja, the publisher of Demokracija, received about 50,000 euros per month in one period. A small part of the money received by Nova24TV, ranging from 6,000 to 70,000 euros per month, was transferred to its sister company Nova hiša, which manages the Nova24TV web portal.

## Authorities Probe Possible Wrongdoing

In 2020, BIRN learned that North Macedonia's financial police had filed charges against Schatz for tax evasion. The financial police then told BIRN that Schatz made illegal profits for himself and his company CHS Invest Group, the majority owner of Alfa TV.<sup>36</sup> Police said Schatz had failed to report revenues of 11,959,475 denars (around 190,000 euros).

According to the police, Schatz defrauded North Macedonia in the form of 19,000 euros in unpaid taxes. Schatz has not responded to BIRN's request for comment.

The investigation into money laundering against Schatz is still ongoing, and little was known about its progress until November 2021, when Alfa TV in Skopje complained that it had been suddenly visited by the police, who conducted a search of its documentation. Alfa TV accused the authorities of trying to "destroy the TV station". The public prosecutor's office in Skopje confirmed that a pre-investigation case had been formed and that they had started gathering evidence from this TV outlet.<sup>37</sup>

The prosecution also confirmed that "the public prosecutor has asked for data and information from countries ... that might inform the proceedings".

In 2020, Slovenian police confirmed that they had also opened a preliminary investigation into the financing of "certain media companies" in 2018, but did not reveal its targets.<sup>38</sup> The previous Slovenian government also appointed a special parliamentary commission to investigate allegations of suspected illegal Hungarian financing of the SDS and its parliamentary election campaign in 2018.

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<sup>34</sup> "“God, good luck, and Viktor Orbán”: The Story of Lőrinc Mészáros,” European Network of Corporate Observatories, available online at <https://corpwatchers.eu/en/investigations/know-your-billionaires/god-good-luck-and-viktor-orban-the-story-of-l%C5%91rinc-meszaros>

<sup>35</sup> Katalin Erdélyi: "The Mészáros empire won public tenders worth €826 million last year, 93 percent of which came from European Union funds," Átlátszó, available online at <https://english.atlatszo.hu/2019/01/17/the-meszaros-empire-won-public-tenders-worth-e826-million-last-year-93-percent-of-which-came-from-european-union-funds>

<sup>36</sup> Lenart Kucic, Natasa Stojanovska, Zoran Jovanoski, Anita Vorák: "Hungarian Media Expansion in Balkans Raises Worries but Lacks Impact," Balkan Insight, available online at <https://balkaninsight.com/2020/12/04/hungarian-media-expansion-in-balkans-raises-worries-but-lacks-impact-2>

<sup>37</sup> Frosina Dimeska: "Што се случува во телевизија Алфа?," Slobodna Evropa, available online at <https://www.slobodnaevropa.mk/a//31578273.html>

<sup>38</sup> Saška Cvetkovska, Blanka Zöldi, Anuška Delić: "Oiling Orbán's Propaganda Machine," Oštro, available online at <https://www.ostro.si/en/stories/oiling-orbans-propaganda-machine>

However, upon taking office in March 2020, Janša replaced the chairman of the parliamentary commission, stalling the process. Meanwhile, police told BIRN in December 2021 that their investigation was ongoing, but they cannot reveal any more information. This was, in essence, the same reply that BIRN got from the Slovenian police almost one year earlier, in late 2020.

## Hungarians Aim to Expand Interests Further

While Hungary's efforts to bring regional media under its influence have reached their furthest extent in Slovenia and North Macedonia, recent developments suggest that other Western Balkan and non-Balkan countries are also in its sphere of interest. Hungarian media owners over the past few years have also entered Romania, Serbia, and Slovakia, where they financially support media aimed at the Hungarian minority to the tune of several million euros.<sup>39</sup>

In addition, according to Croatian media reports, Péter Schatz was interested in buying Croatia's Z1 television station back in 2019.<sup>40</sup> A potential for media expansion in Montenegro also seems plausible. Over 15 years, big Hungarian firms, with state backing, have taken a commanding position in the Montenegrin telecommunications and banking sectors.<sup>41</sup>

Moreover, this year, Hungary's 4iG PLC, owned by Gellért Jászai, another Hungarian billionaire with close links to Lőrinc Mészáros<sup>42</sup> and Viktor Orbán<sup>43</sup>, signed an agreement to acquire 80.27 percent of the shares of ALBtelecom<sup>44</sup>, Albania's leading fixed-line internet and TV operator. Weeks after this happened, Albanian media reported<sup>45</sup> in December 2021 that 4iG is also close to buying the country's second-largest mobile phone operator, ONE Telecommunications.

ONE is not the only telecoms company 4iG has set its sights on. In addition to being involved in the Hungarian expansion in Montenegro by buying 100 percent of the country's largest mobile phone operator, Telenor Montenegro, in December 2021, it also struck a deal to purchase 70 percent of TeleGroup Banka Luka, an IT company in Bosnia-Herzegovina.<sup>46</sup> Finally, just a few weeks ago, it also bought the Hungarian assets of the Romanian internet company DIGI.

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<sup>39</sup> See chapter Supporting and Influencing Hungarian-language Media in this report for more details.

<sup>40</sup> Enis Zebić: "Orban kreće i na hrvatske medije?," Slobodna Evropa, available online at <https://www.slobodnaevropa.org/a/hrvatska-orban-mediji/29781213.html>

<sup>41</sup> Samir Kajosevic: "From Finance to Phones, Hungary Cements Presence in Montenegro," Balkan Insight, available online at <https://balkaninsight.com/2021/12/21/from-finance-to-phones-hungary-cements-presence-in-montenegro>

<sup>42</sup> Ákos Keller-Alánt: "A csendes magyar: bemutatjuk Mészáros Lőrinc "agyát", a birodalom ügyintézőjét," Magyar Narancs, available online at <https://magyarnarancs.hu/belpol/a-csendes-magyar-115951>

<sup>43</sup> Pál Dániel Rényi: "A százmilliárdos bombaüzlet, amit Orbán inkább elvitt Felcsútról," 444.hu, available online at <https://444.hu/tldr/2019/11/04/a-szazmilliardos-bombauzlet-amit-orban-inkabb-elvitt-felcsutrol>

<sup>44</sup> See more details at <https://www.4ig.hu/4iG-Acquires-majority-stake-in-leading-albanian-telecommunications-company>

<sup>45</sup> "Pas Albtelecom, hungarezët e 4iG po blejnë edhe ONE," Monitor, available online at <https://www.monitor.al/pas-albtelecom-hungarezet-e-4ig-po-blejne-edhe-one>

<sup>46</sup> "A 4iG megszerezte a DIGI-t," Portfolio, available online at <https://www.portfolio.hu/uzlet/20220103/a-4ig-megszerezte-a-digi-t-519184>

4iG is also linked to the Portuguese investment firm Alpac Capital, whose CEO, Pedro Vargas David, sits on 4iG's board.<sup>47</sup> In December 2021, Alpac announced a major media deal<sup>48</sup>: it signed an agreement to buy the controlling stake (88 percent) in the pan-European broadcaster Euronews.<sup>49</sup>

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<sup>47</sup> Marius Dragomir: "The Hungarian Media Capture Express: Next Stop, Europe," MediaPowerMonitor, available online at <https://mpmonitor.org/2022/01/the-hungarian-media-capture-express-next-stop-europe>

<sup>48</sup> Samuel Stolton: "Portuguese investor will buy Euronews," Politico, available online at <https://www.politico.eu/article/euronews-become-european-takeover-deal>

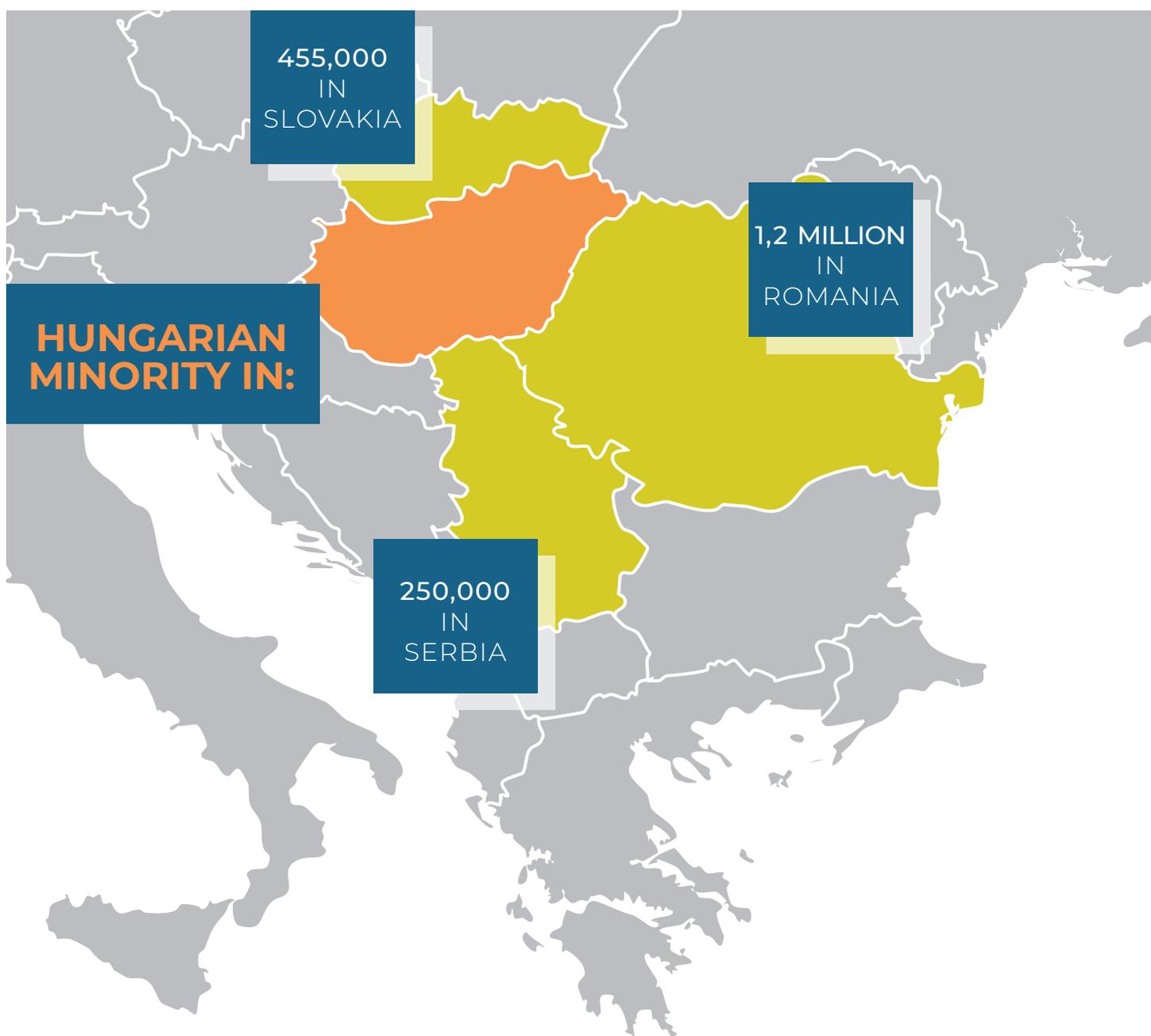
<sup>49</sup> See chapter V4NA: Regional Disinformation Tool or Money Dump? in this report for more details.

# SUPPORTING AND INFLUENCING HUNGARIAN-LANGUAGE MEDIA

By **Virág Gyurkovics**, Serbia; **Zoltán Sipos** (Átlátszó Erdély), Romania and **Karin Sólymos** (Investigative Center of Jan Kuciak, ICJK), Slovakia

## Introduction

“Bearing in mind the unity of the united Hungarian nation, Hungary bears responsibility for the fate of Hungarians living outside its borders, promotes the survival and development of their communities”, states Article D of the Fundamental Law in Hungary,<sup>50</sup> which in 2011 replaced the previous constitution of the country.



<sup>50</sup> Available online at <https://net.jogtar.hu/jogszabaly?docid=a1100425.atv>

The Hungarian minority is significant in neighbouring countries with over 2.2 million ethnic Hungarians living in them.<sup>51</sup> Hungarian governments have always supported the diaspora, but the Orbán government significantly increased its support. For example, it simplified the naturalization procedure, making it easier to obtain Hungarian citizenship<sup>52</sup>, and in 2011 it established the Bethlen Gábor Foundation (BGA) with the mission of promoting the strategy of the Hungarian government and subsidizing “the material and intellectual prosperity of Hungarians living abroad and the preservation of their culture”, as written on its website.<sup>53</sup>

The foundation approves grants to churches, educational and cultural institutions, scouts, media outlets, and individuals. Its grants amounted to 1.71 billion euros between 2011 and 2020.<sup>54</sup> This money not only provides cultural support but also helps strengthen the influence of the Hungarian government in neighbouring countries. For example, Hungarian media outlets in Serbia, Romania and Slovakia receive significant funds that often depend on the suppression of voices critical to the Hungarian government and local leaders. Media outlets that play by the rules thrive, while support for others is simply cut.

## Serbia: Building Influence with Money

### Background

Serbia is home to some 250,000 ethnic Hungarians. Most of them live in the northern Autonomous Province of Vojvodina, where Hungarians are the second-largest ethnicity. While the relationship between the two countries has sometimes been marred by tensions, today it seems to be at a historic peak, with close cooperation between Viktor Orbán and Serbian President Aleksandar Vučić.<sup>55</sup>

The Hungarian minority is represented by the Hungarian National Council (*Magyar Nemzeti Tanács*, MNT), an elected self-government body. The most influential ethnic political party is the Alliance of Vojvodina Hungarians (*Vajdasági Magyar Szövetség*, VMSZ), which has a majority in the MNT, and has also been part of the coalition governing Serbia since 2014. Its chairman, István Pásztor, has described Viktor Orbán as a “natural, unquestionable ally” of the party several times<sup>56</sup>, and also voiced his hope that Fidesz would remain in power in Hungary.<sup>57</sup>

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<sup>51</sup> “1,4 millióval csökkent a magyarok száma,” Index.hu, available online at [https://index.hu/belfold/2013/05/09/1\\_4\\_millioval\\_csokkent\\_a\\_magyarok\\_szama](https://index.hu/belfold/2013/05/09/1_4_millioval_csokkent_a_magyarok_szama)

<sup>52</sup> Laurence Peter: “New Hungary citizenship law fuels passport demand,” BBC.com, available online at <https://www.bbc.com/news/world-europe-12114289>

<sup>53</sup> See <https://bgazrt.hu>

<sup>54</sup> Zoltán Sipos: “Lack of Accountability of the Grants – A Feature, Not a Bug,” HungarianMoney.eu, available online at <http://hungarianmoney.eu/romania-lack-of-transparency-of-the-grants-a-feature-not-a-bug>

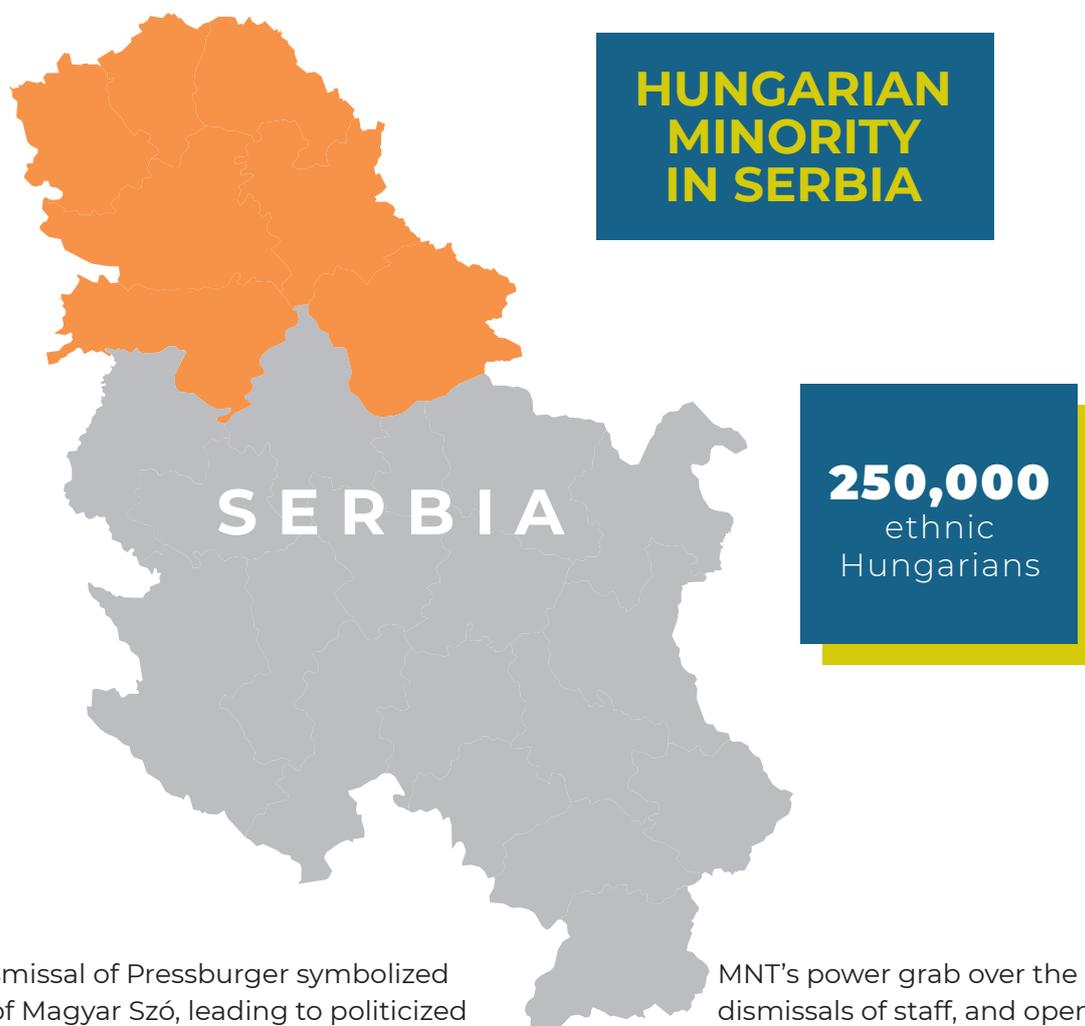
<sup>55</sup> Károly Gergely: “Ethnic Hungarian Minorities in Central and Eastern Europe: Normalisation in Sight?,” Royal United Services Institute, available online at <https://rusi.org/explore-our-research/publications/commentary/ethnic-hungarian-minorities-central-and-eastern-europe-normalisation-sight>

<sup>56</sup> György Farkas: “Folytassa, Orbán! A VMSZ ahol tud, segít,” 24.hu, <https://24.hu/kulfold/2021/12/09/valasztas-2022-vajdasag-orban-viktor-vmsz>

<sup>57</sup> “Pásztor István: A VMSZ egyértelműen azért áll síkra, hogy a Fidesz–KDNP folytathassa a kormányzást,” available online at <https://www.vmsz.org.rs/hirek/tortenesek/pasztor-istvan-vmsz-egyertelmuen-azert-szall-sikra-hogy-fidesz-kdnp-folytathassa>

## Hungarian-Language Press in Vojvodina

While the Hungarian-language press and public opinion in Vojvodina still had the power, in 2010, to overturn the decision of the MNT to set up a newspaper council to oversee the editorial policy of Magyar Szó (Hungarian Voice), the most important daily published in Hungarian in the country, their leverage disappeared quickly. Just a year later, in 2011, journalists' protest against the replacement of Magyar Szó's editor-in-chief, Csaba Pressburger, was in vain.<sup>58</sup>



The dismissal of Pressburger symbolized office of Magyar Szó, leading to politicized gates to similar takeovers at the TV and radio and the weekly Hét Nap (Seven Days). These three outlets – Magyar Szó, Pannon RTV, and Hét Nap – were founded as public media by MNT, and are thus indirectly controlled by VMSZ through its majority in the council.

MNT's power grab over the editorial dismissals of staff, and opened the broadcasters of Pannon RTV and at

In the supervisory board of the editorial offices related to these three media, members delegated through the MNT decide about the most important questions concerning the outlets, such as appointments and, through this, editorial policy. The directors or deputy directors of these media also hold political positions in various representative bodies, positions that VMSZ delegated to them as its members.

<sup>58</sup> For details, see Antal Bozóki: "A magyar közösség Szerbiában," p154, available online at [https://www.vamadia.rs/sites/default/files/2020-02/Bozoki\\_A\\_magyar\\_nemzeti\\_book.pdf](https://www.vamadia.rs/sites/default/files/2020-02/Bozoki_A_magyar_nemzeti_book.pdf); Evelin Peselszky: "A Duna sem mossa le a Magyar Nemzeti Tanácsról," Magyar Szó, available online at [https://www.magyarszo.rs/hu/2011\\_06\\_23/kozelet/40101.htm](https://www.magyarszo.rs/hu/2011_06_23/kozelet/40101.htm)

When it comes to financing, these three outlets receive normative support from the MNT and the Autonomous Province of Vojvodina (AP Vojvodina) annually, but these subsidies are insignificant compared to those provided to them by the Hungarian government through the Bethlen Gábor Foundation (BGA). For example, the Hungarian government financed the construction and infrastructure of the Hungarian Media House in Subotica, to house the editorial offices of all three MNT-founded media.<sup>59</sup>

According to the Center for Investigative Journalism (CIJ) in Serbia, the BGA paid over 9 million euros to Hungarian-language media in Vojvodina in this period, half of it in 2019.<sup>60</sup> The CIJ's analysis of grants shows that one of the main methods to gain political influence is manipulation through austerity measures. Minority Hungarian media, cannot make a living from the market and therefore need state or funding subsidies. VMSZ has exploited this vulnerability to gain political influence, which, through the MNT and its László Szekeres Foundation, can comment on who should receive support from BGA grants in Hungary. The subsidies that Hét Nap had regularly received previously, were reduced first by half, then completely reset to zero for three years – a situation that only changed after the appointment of a new editor-in-chief.

The case of the privately founded Vajdaság Ma (Vojvodina Today) news website was similar: it initially had stable support, which was later cut to a third and then reduced to zero. When Vajdaság Ma was on the brink of bankruptcy, the BGA disbursed the support again, and the website's editorial policy changed abruptly. For example, the news site started to employ a correspondent in Budapest, who primarily echoed the position of the Hungarian government.

At Magyar Szó, BGA subsidies also jumped in magnitude when the editorial office saw the departure of the more critical journalists. Today, MNT-founded media and also the Vajdaság Ma news portal almost completely ignore criticism of the Hungarian government or the VMSZ. In return, their existential status has been stabilized.

There are still some media trying to publish objective information. These include the media published by the Press Freedom Foundation: a portal, Szabad Magyar Szó (Free Hungarian Voice), and a weekly, Családi Kör (Family Circle). These media do not receive support from the BGA or MNT so they are not exposed to their political influence. Besides these, there is the regional public service broadcaster, Vajdasági RTV (Vojvodina RTV), founded and financed by AP Vojvodina. Nevertheless, since VMSZ Chairman István Pásztor is the president of the current Assembly of AP Vojvodina, the influence of VMSZ cannot completely be ruled out.



<sup>59</sup> Livia Magyar: "Magyar médiaház Szabadkán," Magyar Szó, available online at <https://www.magjarszo.rs/hu/3291/hetvege/160476.htm>; B. Em.: "Anyasországi támogatás a felújítások befejezésére," Magyar Szó, available online at <https://www.magjarszo.rs/hu/3894/kozelet/196361.htm>

<sup>60</sup> Stefan Marković: "Orban's "Purchase" of Influence in Serbia Through Vojvodina's Media," HungarianMoney.eu, available online at <http://hungarianmoney.eu/cins-orbans-purchase-of-influence>

## Elections

An analysis by the Association of Independent Journalists of Vojvodina (NDNV) of the media content of Családi Kör, Hét Nap, and Magyar Szó during the 2020 elections found that MNT-founded media covered VMSZ positively at a rate of 90 to 100 percent.<sup>61</sup>

When it comes to the 2022 Hungarian election campaign (in which Hungarian citizens in Vojvodina can vote) MNT-founded media are already reporting on the decisions, promises, and goals of the current Hungarian government only in a positive context. They build on the dichotomy that is also applied in Hungary, according to which the Fidesz government is right-wing, conservative, and acceptable, and the opposition is left-wing, Western/liberal, and unacceptable. Their news sources are mainly MTI, the state-owned Hungarian news agency; Magyar Nemzet, a Hungarian daily that fiercely supports the government; and Kossuth Rádió, the Hungarian state radio. The central topics are still migration, strengthening anti-EU and anti-Western sentiments, and emphasizing national unity.

## Romania: Money with Strings Attached

### Background

Over 1.2 million ethnic Hungarians live in Romania, a country of more than 19 million, making it the largest Hungarian community in neighbouring countries, and also one of the largest ethnic minority communities in Europe.

There are two political parties representing the Hungarian community, the Democratic Alliance of Hungarians in Romania (*Romániai Magyar Demokrata Szövetség*, RMDSZ), which dominates the political landscape, and the much smaller, right-wing Hungarian Alliance in Transylvania (*Erdélyi Magyar Szövetség*).

RMDSZ and Fidesz used to have an uneasy relationship, with Orbán openly supporting RMDSZ's rivals, but since 2011 the two parties have apparently made peace.<sup>62</sup> A source familiar with RMDSZ described the situation as a “non-aggression pact” to Balkan Insight.<sup>63</sup>

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<sup>61</sup> “Koga su birali manjinski mediji,” pp45-46., available online at <http://www.ndnv.org/wp-content/uploads/2020/09/NDNV-publikacija-Ministarstvo-manjinski-mediji.pdf>

<sup>62</sup> For an overview of the relationship between the two please see Zoltán Sipos: “Marriage of convenience sweetened with millions – how Fidesz persuaded the largest Hungarian party in Transylvania,” *Átlátszó Erdély*, available online at <https://atlatszo.ro/en/english/marriage-of-convenience-sweetened-with-millions-how-fidesz-persuaded-the-largest-hungarian-party-in-transylvania>

<sup>63</sup> Ákos Keller-Alánt: “Living Like in Hungary: Orban Bankrolling Romania ‘Ethnic Parallelism’,” *Balkan Insight*, available online at <https://balkaninsight.com/2020/01/30/living-like-in-hungary-orban-bankrolling-romania-ethnic-parallelism>



## Media Funding

Since the fall of communism, media outlets serving the Hungarian community in Romania have in general never managed to generate sufficient revenue and have always relied at least partially on some sort of public funding from either the Hungarian or the Romanian government, or from the local councils. Their owners were rarely professional media investors. Politicians or businessmen with good political connections were usually present in the ownership structure.<sup>64</sup>

While some fare better than others, generally speaking all outlets are chronically underfinanced. Most editorial teams are small, and produce content using cheap, outdated equipment. Journalists' salaries are lower than the national average, and difficulties attracting new talent, high rates of staff turnover, and in some cases poor management make things worse. Many good journalists leave their jobs to do PR or to work for political parties.

Moreover, many journalists in these media see their primary role as helping preserve the language and the traditions of the community and not necessarily to hold the powerful to account.

Thus, Hungarian minority media tend to focus more on cultural issues, and less on politics, policies, and business investments. Self-censorship is an issue: it is assumed by everyone that funding, even if it is taxpayer money, comes with strings attached. Some journalists also avoid publishing stories that depict their own community and leaders in a negative light for fear it might be used against the entire community by the Romanian majority.

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<sup>64</sup> For a detailed overview on the media landscape in Romania, see Dumitrița Holdiș: "Media Influence Matrix: Romania," available online at <https://cmds.ceu.edu/sites/cmcs.ceu.hu/files/attachment/basicpage/1473/mimromaniafullreport.pdf>

In terms of media funding, most outlets fall into three big categories: Hungarian-language editorial teams in the Romanian public media (radio and television) financed by taxpayer money; media outlets financed by RMDSZ with money from the Romanian government; and media outlets financed by the Hungarian government.

There are also a few outlets that don't fall into any of these categories: e.g., a portal (itthon.ma) published by a Hungarian NGO close to a former Jobbik<sup>65</sup> politician in Hungary; or a newspaper and portal (erdon.ro) that is part of the now infamous Central European Press and Media Foundation (KESMA), established by the Hungarian government.<sup>66</sup> Of course, there are good examples of independent journalism in the community as well, but these outlets are the exception, rather than the norm. In general, media in the community is not critical of those in power.

We have incomplete data on the funding of Hungarian-language media before and after 2010 (the year the Fidesz government came to power). However, we can state that the media financing landscape changed significantly in 2017, when the Hungarian government awarded an unprecedented amount of public money to a relatively unknown NGO, the Association for Transylvanian Media Space (*Asociația pentru Spațiul Media Transilvan/Erdélyi Médiatér Egyesület*, ATMS).<sup>67</sup>

**In four years, ATMS has received a total of 7.45 billion forints (about 20 million euros) in grants from the Hungarian government.<sup>68</sup>**

The “informal ambassador” of the AMTS and the brain behind the grants is Szilárd Demeter, born in Szeklerland, an area in Romania inhabited mainly by Hungarians. Demeter made a career in the Hungarian government, and is now considered to be the most influential person in the field of cultural policy in Hungary.<sup>69</sup>

As an indication of the resources behind it, ATMS's financial balance shows revenues of 18.2 million Romanian lei in 2020 (3.6 million euros), which puts it on par with the large players in the Romanian media market serving an audience 14 times bigger.

With this funding, the association purchased dozens of media outlets and now owns about 30 media channels serving the Hungarian community including newspapers and their websites, radio stations, a job search portal, a women's magazine, a cultural supplement, a local TV, and even a teletext service.

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<sup>65</sup> Former extreme right, now centre right party in Hungary, one of the leading forces in the opposition.

<sup>66</sup> See more about the foundation in the report of the Centre for Media Pluralism and Media Freedom, available online at [https://cmpf.eu/wp-content/uploads/2019/07/Report\\_KESMA\\_Hungary\\_A2.pdf](https://cmpf.eu/wp-content/uploads/2019/07/Report_KESMA_Hungary_A2.pdf)

<sup>67</sup> Zoltán Sipos: “Two-a-penny: 5 million euro per year for the Hungarian language media trust in Transylvania,” *Átlászo Erdély*, available online at <https://atlatszo.ro/en/english/two-a-penny-5-million-euro-per-year-for-the-hungarian-language-media-trust-in-transylvania>

<sup>68</sup> Zoltán Sipos: “Two-a-penny...” *ibid.*

<sup>69</sup> Zalán Zubor: “Bemutatjuk Demeter Szilárd birodalmának sokmilliárdos ingatlanvagyonát,” *Átlászo*, available online at <https://atlatszo.hu/kozpenz/2021/11/23/bemutatjuk-demeter-szilard-birodalmanak-sokmilliardos-ingatlanvagyonat>

Despite the funding available there is no trace of the innovations and investments promised at the beginning of 2018. The number of employees (roughly 200 people) and their salaries did not rise noticeably and even dropped by 25 percent for a few months in 2020, due to the COVID crisis.

The retail distribution operation of the group was closed and some local newspapers were merged into the regional daily Székelyhon. Spectacular investments in digital were discussed but they are nowhere to be seen.

### **Apparent Diversity. Total Control**

While the Hungarian-language media space appears to be diverse, in fact the Hungarian public in Transylvania does not have much choice when it comes to news sources. They can opt for the ATMS channels mentioned above; or the ones financed by RMDSZ such as Erdélyi Magyar Televízió (Hungarian Transylvanian TV) and Erdély FM (Transylvania FM), managed by the Jenő Janovics Foundation, and maszol.ro, published by the Progress Foundation. There are also news programs in Hungarian on the Romanian public TV and radio, whose managers are politically appointed by RMDSZ.

It is difficult to have a clear picture of the size of the audience of the media outlets in the ATMS portfolio: in its applications, ATMS gives vague and contradictory audience data that is impossible to verify from independent sources. However, ATMS is by far the largest Hungarian media operation in Romania.

Many people feared that so much money from Budapest would create a wave of centralized pro-Orbán propaganda in Transylvania, as in Hungary, but that has not been the case. Informal conversations with insiders confirm that the instructions refer not so much to what can be said – but to what cannot be said. No voice critical of the Hungarian government can be heard.

There were some materials critical of RMDSZ in previous years, but even these have vanished lately, especially during electoral campaigns. This is a clear indication of the good relationship between Fidesz and RMDSZ. Likewise, the media outlets financed by RMDSZ never criticize the Hungarian government.

**The case of Transindex, a major left-leaning news portal, is telling. After the outlet published critical pieces about Fidesz, it was told by the RMDSZ that it was no longer eligible for funding. Transindex is currently on the brink of bankruptcy.<sup>70</sup>**

In general, the monitoring of content in media outlets serving the Hungarian community reveals that the number of news items about the opposition is significantly less than those about the Fidesz government. Moreover, news and opinion pieces about the Hungarian government are always positive or neutral; the Hungarian opposition is very often depicted in a negative light.

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<sup>70</sup> Bendegúz Czékman, Kincső Juhász-B.: “A Transindex bajba jutása rámutat, hogyan lehetetlenül el egyre inkább az erdélyi szabad magyar sajtó,” MÉRCE, available online at <https://merce.hu/2021/11/09/a-transindex-bajba-jutasa-ramutat-hogyan-lehetetlenul-el-egyre-inkabb-a-erdelyi-szabad-magyar-sajto>

## Slovakia: Politicians on Board



### Background

Slovakia has, in relative terms, the largest Hungarian minority: the some 455,000 ethnic Hungarians in the country constitute more than 8 percent of Slovakia's total population. The relationship between the two countries used to be tense, sometimes even hostile. This includes the periods during Slovakia's Vladimír Mečiar government in the mid-90s, or the first Robert Fico government ten years later. In 2009 Slovak authorities even banned the Hungarian president from entering the country due to alleged security concerns.<sup>71</sup>

Nonetheless, in the past few years the relationship has improved: populist politics brought Viktor Orbán and Robert Fico closer to each other. After defeating Fico in recent elections, the new Slovak prime minister, Igor Matovič, also talked about his preference for dialogue.<sup>72</sup>

Robert Fico (L) and Viktor Orbán (R) at the Bratislava Castle in Slovakia in 2017.

*Photo by EPA-EFE/  
JAKUB GAVLAK*



<sup>71</sup> Matthey Day: "Hungarian president banned from Slovakia," The Telegraph, available online at <https://www.telegraph.co.uk/news/worldnews/europe/hungary/6077063/Hungarian-president-banned-from-Slovakia.html>

<sup>72</sup> Szabolcs Vörös: "A kollektív bűnösség nem helyes és nem igazságos" – exkluzív interjú a szlovák miniszterelnökkel," Válasz Online, available online at <https://www.valaszonline.hu/2020/06/15/igor-matovic-szlovak-miniszterelnok-interju>

## Minority Media

Minority media in Slovakia suffer from a lack of human and financial resources, and a small and shrinking market. While the media environment is transforming to a web-based structure, conventional and more expensive media outlets are still present. These factors themselves make the media environment more vulnerable to political influence. The funding of the majority of Slovak-Hungarian media outlets depends on connections with political actors. Support from Budapest proves to be vital for the existence of many minority media outlets in the community.<sup>73</sup>

Political and economic influence is widespread, as shown by the roles and orientation of portals and magazines, but the most influential political power is a foreign one: the Hungarian governing party, Fidesz. A major part of the Hungarian media space in Slovakia is subsidized by the Hungarian government through the Bethlen Gábor Foundation (BGA). Some organizations behind the supported portals and magazines are also on the Hungarian list of institutions of national importance, so they can look forward to financial support in the amount of tens of millions of forints each year.

These organizations are mainly linked to the former Hungarian Community Party (*Magyar Közösség Pártja*, MKP), which used to be the strategic political partner of Fidesz and the Hungarian government. Although the party merged into the Alliance party with two other political parties representing the Hungarian minority in Slovakia, it remained the leading political power in the Alliance.<sup>74</sup>

## Main Organizations under Influence

Common characteristics among these organizations are based mainly on personal connections with the MKP. For example, the Association for Common Goals (*Szövetség a Közös Célokért*, SZAKC), which operates the Felvidek.ma portal, has strong ties to MKP. The current chairman of the association, László Gubík, is also the chairman of the youth organization of MKP and was a Fidesz MEP candidate for the European elections in 2014. SZAKC has been awarded more than 1.5 million euros (541 million forints) through the BGA alone in the last decade.<sup>75</sup> Among the editors of its portal we can find active regional politicians, former candidates, or persons involved with the MKP.

Another organization long supported by the BGA is the Association of Hungarian Television Producers in Slovakia (*Szlovákiai Magyar Televíziósok Szövetsége*). In March 2011, this organization established the first Slovak-Hungarian television portal, hirek.sk. A year later, it started a collaboration with the Hungarian public broadcaster, MTVA. Since the establishment of the portal, the association has been awarded almost 1 million euros (345 million forints) from the BGA alone.<sup>76</sup>

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<sup>73</sup> For a detailed overview on the media landscape in Slovakia, see Marius Dragomir: "Media Influence Matrix: Slovakia," available online at <https://cmds.ceu.edu/sites/cmcs.ceu.hu/files/attachment/basicpage/1322/mimslovakia2020full.pdf>

<sup>74</sup> Gábor Czímer: "Bemutatták a közös magyar pártot: megalakul a Szövetség," Új Szó, available online at <https://ujsozso.com/kozelet/bemutattak-a-kozos-magyar-partot-megalakul-a-szovetseg>

<sup>75</sup> Karin Kóváry Sólmos, Márk Finta, Roman Cuprik, Lukáš Diko: "The Survival of the Slovak Hungarian Media is in the Hands of Budapest and thus their Content," HungarianMoney.eu, available online at <http://hungarianmoney.eu/icjk-survival-of-the-slovak-hungarian-media>

<sup>76</sup> Karin Kóváry Sólmos, Márk Finta, Roman Cuprik, Lukáš Diko: "The Survival of the Slovak Hungarian Media..." *ibid.*

In the summer of 2017, the then-chairman of the MKP, József Menyhárt, announced that the party was trying to establish a Hungarian regional media network in Slovakia, and that the financial resources would be provided by the Hungarian government.<sup>77</sup>

A few days later the foundation Pro Media was created, and, despite having only just been established, was granted about 1.5 million euros (474.6 million forints) by the BGA. This was the third-highest subsidy granted in 2017 in Slovakia.<sup>78</sup> The Pro Media Foundation founded the Ma7 media family.

By the end of 2020, the foundation, with an expanded media portfolio, had received almost 1.5 billion forints through the BGA.<sup>79</sup> Hungarian government grants and subsidies for other Slovak-Hungarian media do not even come close to this amount.

Links to the MKP can also be found at the generously subsidized Pro Media. The administrator of the foundation is Attila Puskás, a former employee of the party's press department. And among the members of the supervisory board is Tünde Neszméri, who ran for the MKP in the past and is also the editor of Felvidek.ma.

Among Pro Media's founders the name of Judit Molnár, then editor-in-chief of hírek.sk, also appears. Under the auspices of Pro Media, the news portal ma7.sk was created in the first half of 2018, and soon the first issue of the weekly Magyar7 (Hungarian7) was published. At this point hírek.sk merged into the Ma7 media family.

The Ma7 media serves mainly as an outlet for the messages of Fidesz. Content analysis of the magazine and news portal revealed that the editorial staff provides space for Hungarian pro-government propaganda and that the media are heavily biased towards Fidesz. They remain silent about the scandals of Fidesz-linked politicians and businessmen.<sup>80</sup>

In 2017, another Slovak-Hungarian media product appeared on the BGA lists, the website korkep.sk. Its editor-in-chief, Zsolt Király, worked for MKP for many years as a consultant and spin doctor. Since 2017, the organization Vox Juventae, which operates the portal, has been granted about 38.5 million forints (122,000 euros).<sup>81</sup> Zsolt Király was fired from MKP around 2018, but he is said to have maintained connections with politicians and staff of the party, and also with politicians of Fidesz.

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<sup>77</sup> "Első körben 321 millió forint az MKP média-stratégiájára," Új Szó, available online at <https://ujsoz.com/kozelet/elso-korben-321-millio-forint-az-mkp-media-strategiajara>

<sup>78</sup> Csaba Lukács: "Újabb százmilliók a határon túli propaganda sajtóra," Magyar Hang, available online at <https://hang.hu/belfold/ujabb-szazmillio-k-a-hataron-tuli-propaganda-sajtora-112992>

<sup>79</sup> Karin Kőváry Sólmos, Márk Finta, Roman Cuprik, Lukáš Diko: "The Survival of the Slovak Hungarian Media..." ibid.

<sup>80</sup> Karin Kőváry Sólmos, Márk Finta, Roman Cuprik, Lukáš Diko: "The Survival of the Slovak Hungarian Media..." ibid.

<sup>81</sup> Decisions of the BGA are available online. For 2017 see [https://bgazrt.hu/wp-content/uploads/bizottsagi\\_hatarozatok/bizottsagi\\_hatarozatok\\_2017\\_051-099.pdf](https://bgazrt.hu/wp-content/uploads/bizottsagi_hatarozatok/bizottsagi_hatarozatok_2017_051-099.pdf), for 2018 see [https://bgazrt.hu/wp-content/uploads/bizottsagi\\_hatarozatok/bizottsagi\\_hatarozatok\\_2018\\_001-050.pdf](https://bgazrt.hu/wp-content/uploads/bizottsagi_hatarozatok/bizottsagi_hatarozatok_2018_001-050.pdf), for 2019 see [https://bgazrt.hu/wp-content/uploads/2019/09/71\\_2019.09.06.-sz.-biz.-hat.-mell.pdf](https://bgazrt.hu/wp-content/uploads/2019/09/71_2019.09.06.-sz.-biz.-hat.-mell.pdf), for 2020 see [https://bgazrt.hu/wp-content/uploads/palyazati\\_kiirasok/kulhoni\\_tamogatások/2020/eredmenyek/MKO-KP-1-2020\\_eredmeny.pdf](https://bgazrt.hu/wp-content/uploads/palyazati_kiirasok/kulhoni_tamogatások/2020/eredmenyek/MKO-KP-1-2020_eredmeny.pdf), and for 2021 see [https://bgazrt.hu/wp-content/uploads/bizottsagi\\_hatarozatok/2021/29\\_2021.\(05.06.\)%20sz.%20biz.%20hat.%201.%20sz.%20mell.pdf](https://bgazrt.hu/wp-content/uploads/bizottsagi_hatarozatok/2021/29_2021.(05.06.)%20sz.%20biz.%20hat.%201.%20sz.%20mell.pdf)

## Media Content

Subsidies coming from Hungary do not automatically mean censorship or propaganda. Nevertheless, the effect can be felt. While the reader can often read about Hungary's success in the struggle for Christian Europe or "anti-Hungarian" steps of the Slovak government, one cannot learn much about the mistakes of Slovak-Hungarian politicians or Fidesz politicians.

On the MA7 platforms, MKP politicians often appeared in discussions without an opponent. Before the Slovak parliamentary elections in February 2020, when MKP, Cooperation and the Hungarian Forum parties merged with a joint list of candidates, alliance members repeatedly met in debates without opponents.

Both the portal and the weekly often cover topics related to Hungary's domestic policy, on which Hungarian government politicians are given the opportunity to comment, but the opposition is not. Several of them appeared on the cover of Magyar7, like Árpád János Potápi<sup>82</sup>, secretary of state for national political affairs, who has significant influence when it comes to the distribution of subsidies through the BGA.

Adapting to Hungarian government propaganda, Slovak-Hungarian websites commonly feature articles on George Soros and illegal migration, sometimes simply lifted from Hungarian outlets belonging to Fidesz's media empire. Some articles – especially on the Felvidek.ma website – directly support conspiracy theories spread by Viktor Orbán, not to mention the anti-Brussels and anti-liberal agenda.

It must be pointed out that, in addition to the above-mentioned media platforms, where Hungarian governmental influence is significant, there are still media organizations in the Slovak-Hungarian community that are considered independent, such as the more than 70-year-old daily Új Szó (New Voice) or the Hungarian program of the Slovak public service radio, Pátria Rádió. Both, on the other hand, suffer from a lack of resources. In the case of the latter, it is important to mention that the Slovak public media is under constant political pressure as a significant part of its budget comes from the state treasury.

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<sup>82</sup> "Potápi Árpád János: Örülök, hogy a két erő végre összefogott!" Ma7, available online at <https://ma7.sk/kavezo/potapi-arpad-janos-orulok-hogy-a-ket-ero-veg-re-osszefogott>

# V4NA: REGIONAL DISINFORMATION TOOL OR MONEY DOWN THE DRAIN?

By **Márton Sarkadi Nagy** (Átlátszó)

## Introduction

On a gloomy Tuesday in December 2021, one of the top stories of the self-styled news agency V4NA was a short report on Hungarian Prime Minister Viktor Orbán's promise that the country's elderly will receive their special pension bonuses in time before elections in 2022<sup>83</sup>. On this day, the piece (which was reported on the basis of a video that originally appeared on the prime minister's Facebook page) was one of only a handful of news items published on V4NA's website.

Surely, content of such meagre quality and quantity cannot power a news agency that has been described as one of the key tools behind Hungary's aspirations to become a regional disinformation power, justify subscription fees costing up to just over 1800 euros, or keep a self-professed team of 50 journalists busy.<sup>84</sup>

Attempts to dissolve the cloud of mystery surrounding V4NA are certainly not helped by an apparent habit of the news agency in failing to respond to requests for comment from other media.<sup>85</sup>

Citation metrics suggest that V4NA, however influential the site still is in Orbán's Hungarian propaganda machine, has not succeeded in becoming a regional hub for disinformation. Financials show a company deep in the red — which suggests that V4NA may be more of a vehicle for funding the tangled web of Hungarian investments, ownership and influence in Slovenian and North Macedonian political media, than previously believed.

At the same time, the Orbán government seems to be supporting other media ventures and think tanks to target an international audience.

## News Service and Operations

V4NA provides news items in Hungarian and English through its website, v4na.com. While the titles of all individual news items are visible on the site, the content of most items is only available to subscribers.

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<sup>83</sup> "PM Orban: Bonus month pension to be paid in February," available online at <https://v4na.com/en/pm-orban-bonus-month-pension-to-be-paid-in-february-60552>

<sup>84</sup> Márton Sarkadi Nagy: "Balkán-szerte terítik a Habony-művekben kikevert valóságot, mégis kudarc a V4NA-projekt," *Atlatszo*, available online at <https://atlatszo.hu/kozpenz/2020/05/18/balkan-szerte-teritik-a-habony-muvekben-kikevert-valosagot-megis-kudarc-a-v4na-projekt>

<sup>85</sup> See for example: Matthew Day, Balázs Csekő: "The other side of Hungary's media crackdown," *The Telegraph*, available online at <https://www.telegraph.co.uk/news/2020/07/25/side-hungarys-media-crackdown>; Shaun Walker: "London media agency carries Viktor Orbán's nativist message," *The Guardian*, available online at <https://www.theguardian.com/world/2019/may/05/london-based-media-agency-channels-victor-orban-nativist-message-hungary>; Márton Sarkadi Nagy: "Balkán-szerte terítik..." *ibid*.

The French-language news service was discontinued after a few months in 2019. There is no sign that service in other languages (in particular Czech, Polish and Slovak), which were formerly claimed to be forthcoming, are on the horizon. This is the first of many claims regarding the extent and ambitions of V4NA as a media organization that do not seem to hold up to real scrutiny.

Though its name is suggestive of some sort of a relation to the Visegrád Four group of countries<sup>86</sup>, this is not reflected in the actual news service. The governments of the Czech Republic and Slovakia both reportedly raised concerns with their Hungarian counterparts over the use of the V4 term given that V4NA reflects purely the talking points of the Hungarian government.<sup>87</sup>

Since the start of its news service in April 2019, London-registered V4NA has claimed to boast a "headquarters" in the capital of the United Kingdom serviced by a "growing team of 50 journalists, fast responding news teams [...] on location everywhere where leading stories happen. Should it be London, Brussels, Paris, Berlin, Prague, Budapest, Belgrade, Bratislava, Warsaw or any other places of our continent".<sup>88</sup>

V4NA's claims regarding the size of the editorial team cannot be independently verified (emails previously sent by the author to the official address of the website went unanswered), as the news items lack bylines and the website only names one member of the office: Editor-in-Chief Tamás Tóth, a former manager of the Hungarian public broadcaster, who previously also held the position of deputy news director at TV2 in Hungary, a channel belonging to the Fidesz media empire.<sup>89</sup>

According to the publisher's financial statements, on average during 2019, V4NA Ltd. had two employees. By 2020, this number had decreased to one.

Neither the quality nor the quantity of the news items provided by V4NA seems to be indicative of a 50-strong editorial team. Though V4NA styles itself as a news agency, it does not provide actual on-the-ground reporting — the usual staple of the news agency business — with any regularity, contrary to the website's claims. V4NA instead publishes a hodgepodge selection of various Hungarian and international news items usually sourced from the websites of other news organizations.

V4NA is estimated<sup>90</sup> to publish around 15 news items on weekdays in Hungarian (and even fewer in English or on weekends), significantly less than the daily 35 to 40 items offered to prospective clients, according to a price list formerly available on the website. There is no sign that any additional (photo, video, graphic) content, pledged in the document to higher-tier subscriptions, is being produced either. V4NA's YouTube channel, featuring seven videos altogether, also seems to be defunct.

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<sup>86</sup> Visegrád Four is a cultural and political alliance of Poland, the Czech Republic, Slovakia and Hungary. Launched in 1991 by a summit in the small Hungarian town, Visegrád, the cooperation traces back to a 1335 congress held in the same city between the kings of Bohemia, Poland and Hungary.

<sup>87</sup> Shaun Walker: "London media agency..." *ibid.*

<sup>88</sup> See <https://v4na.com/about>

<sup>89</sup> Máté Vaskor: "Pénzért árulják Habonyék a kormánypropagandát, de van egy kis baj," 24.hu, available online at <https://24.hu/kulfold/2019/04/24/v4na-hirugynokseg-habony-arpad-fizetos>

<sup>90</sup> Márton Sarkadi Nagy: "Balkán-szerte terítik..." *ibid.*

## Goal, Target Groups and Impact (Hungary)

Though not a powerhouse of original reporting, V4NA still provides some added value to media companies allied with Fidesz, namely curation and framing. V4NA's news selection process is apparently slanted towards collecting stories from around the world that will make refugees, the LGBTQ community, a rotating cast of political opponents, the European Union and the West all look bad, while making Hungary, its current government and above all Viktor Orbán look good.

Fidesz-friendly media companies were centralized in the last few years after most of them were "gifted" by their respective former owners to a giant, newly established conglomerate, the Central European Press and Media Foundation (KESMA), in 2018.<sup>91</sup>

V4NA is one of the most important sources through which KESMA outlets acquire their international news, in addition to the state news agency MTI. On average, several hundreds of news items produced by V4NA are republished by other Hungarian media every month. In November 2021, 643 news items were sourced from V4NA by various Hungarian online media (either online-only outlets or online versions of print publications).

**The type of content KESMA outlets seem to be keen to source from V4NA are news items fitting the narrative of a declining West, where criminal migrants run rampant and LGBTQ-friendly elites sell out children to paedophiles.**

V4NA has effectively replaced Russian state-financed news sites (such as RT or Sputnik) as the favoured source of that kind of content for Fidesz-friendly media.

The main republishers of V4NA content are the political daily Magyar Nemzet; the county-specific daily newspapers; and online outlets Origo and 888. All of them belong to KESMA, and mainly cater to the core voter base of Fidesz. In addition, V4NA news items are sometimes picked up by public broadcaster MTVA's news channel M1 and the non-KESMA Fidesz-allied Pesti Srácok news site.

Content production for titles under KESMA has become highly centralized in recent years. Notably, all of KESMA's 18 county-specific daily newspapers regularly share several pages of common content amongst them, including V4NA news items. This phenomenon effectively acts as a publication multiplier for V4NA content.

Though some media republishing V4NA content have a relatively large reach in the Hungarian media sphere (notably, Origo belongs in the top five Hungarian news sites in terms of monthly real users) and therefore enables V4NA news items to reach a national audience, V4NA's role in the Fidesz-friendly propaganda machine is still somewhat marginal, as the news items KESMA outlets source from them on a daily basis can be counted on one hand.

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<sup>91</sup> For a detailed overview of the changes in the Hungarian media system see "The Past Ten Years of the Hungarian Media," ATLO, available online at <https://atlo.team/media2020>

## Goal, Target Groups and Impact (International)

V4NA's international aims are two-pronged. On the one hand, it aims to disseminate messages and narratives of the Hungarian government in the Anglophone world. On the other, it was meant to act as a news clearing house for several media markets in Hungary's region, in particular the V4 countries and the Balkans. As such, V4NA would have been a cornerstone of any regional political alliance brokered by Orbán.

These aims are not independent of each other. If V4NA had succeeded in becoming a key player in inter-regional media networks, it would have had a better shot at making itself heard on the world stage. However, neither of these goals has been realized so far.

There is no sign that media from the other V4 countries (the Czech Republic, Poland and Slovakia) were ever involved in the venture. Media from Slovenia and North Macedonia seem to have subscribed initially — but not anymore.

From the start, V4NA was clearly aiming to produce content that could form the propaganda backbone of a regional political grouping. Their very first news item, published in spring 2019, attacked the European People's Party (EPP) for organizing a briefing for MEPs on Libya together with the Brussels-based EU policy branch of George Soros's Open Society network, the Open Society European Policy Institute.

The Hungarian-born financier and philanthropist has long been in the crosshairs of media aligned with Fidesz. At the time of publication of the news item, Orbán also had a bone to pick with the other target of the hit piece, the EPP, of which Fidesz was then still a member. As pushback against a new Hungarian government poster campaign featuring Soros together with Luxemburg politician Jean-Claude Juncker (who had achieved presidency of the European Commission with EPP backing), several EPP member parties called for expelling Fidesz from the group.

The message was clear: if other politicians wanted to join Orbán in attacking the old guard, V4NA was there to provide the ammunition.

Fidesz, in the end, was expelled from the EPP by March 2021. Orbán now - according to numerous news reports<sup>92</sup> - is one of the more important party leaders pushing for the formation of a possible new Eurosceptic party alliance in the European Parliament.

Research published in spring 2020 by Hungarian investigative news outlet Átlátszó found news items numbering "one or two dozen every month" finding their way from V4NA to online media based in the Balkans, especially in Slovenia and North Macedonia.<sup>93</sup> It does not seem a coincidence that important international allies of Orbán include Prime Minister Janez Janša of Slovenia and Nicola Gruevski, former prime minister of North Macedonia.

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<sup>92</sup> Clea Caulcutt, Maïa de la Baume and Lili Bayer: "Marine Le Pen aims for Budapest boost from Orbán meeting," Politico, available online at <https://www.politico.eu/article/marine-le-pen-france-hungary-viktor-orban>

<sup>93</sup> Márton Sarkadi Nagy: "Balkán-szerte terítik..." *ibid.*

The media republishing V4NA content were the very same companies in which Hungarian businesspeople had invested in the years before: the news sites of NovaTV24 and the weekly Demokracija in Slovenia, as well as the online news sites Netpress, Infomax, and Kurir in North Macedonia.<sup>94</sup>

Apparently, however, even the Balkan connections didn't pan out. By 2021 only a handful of V4NA news items had found their way to Slovenia or North Macedonia (or anywhere else, for that matter). On the international stage, if V4NA is quoted anymore anywhere, it usually happens on fringe websites such as German-language disinformation website Unser Mitteleuropa.

## Key people, networks and finances

V4NA Ltd. was founded in London at the end of 2018 by Kristóf Szalay-Bobrovniczky, then-ambassador of Hungary to the United Kingdom.<sup>95</sup> Just before the start of the news service, Szalay-Bobrovniczky, a wealthy businessman with close links to Fidesz, and married to the Hungarian government's spokesperson<sup>96</sup>, held only 3 percent in the company, while the majority of the shares (57 percent) were owned by New Wave Media Group, a Hungarian news company belonging to the KESMA conglomerate. The remaining 40 percent was owned by a London-registered company, Danube Business Consulting Ltd (DBC), of Árpád Habony.

News reports consider Habony, a businessman and long-time media advisor to Orbán, the key person behind V4NA.<sup>97</sup> DBC was originally set up as a common venture of Habony and the late Arthur J. Finkelstein. The Israeli-born spin doctor advised Fidesz for several years, including on the campaign targeting George Soros<sup>98</sup>, which helped Orbán win the elections by 2018. Habony and Finkelstein, through DBC, reportedly were providing advice to several political parties in Europe including Janša's SDS in Slovenia and Gruevski's VMRO-DPMNE in North Macedonia by 2017.<sup>99</sup>

Habony was among the Hungarian businesspeople who invested in media outlets in Slovenia and North Macedonia. News reports have alleged that the tangled web of ownership and interests in these countries hide illicit, cross-border cash transfers to Orbán's allies. According to a Slovenian investigation, V4NA was one of three companies to wire large sums to these countries.<sup>100</sup>

<sup>94</sup> See the chapter Hungary's Media Expansion in Slovenia and North Macedonia for more details.

<sup>95</sup> Barna Borbás: "Megtaláltuk Habony Árpádot: Londonban épít nemzetközi hírügynökséget," Válasz Online, available online at <https://www.valaszonline.hu/2019/04/09/v4na-habony-london-nemzetkozi-hirugynokseg>

<sup>96</sup> Yvette Szabó, Márton Gergely: "Orbán pilótát váltott: Szalay-Bobrovniczky vehet cseh vadászgépgyárat," HVG, available online at [https://hvg.hu/360/20210531\\_Orban\\_pilotat\\_valtott\\_SzalayBobrovniczky\\_vehet\\_cseh\\_vadaszgepgyarat](https://hvg.hu/360/20210531_Orban_pilotat_valtott_SzalayBobrovniczky_vehet_cseh_vadaszgepgyarat)

<sup>97</sup> Barna Borbás: "Megtaláltuk Habony Árpádot..." *ibid.*

<sup>98</sup> Ildikó D. Kovács: "Kitalált a Fidesz kampánytanácsadója: így csináltak Sorosból tökéletes ellenséget," 24.hu, available online at <https://24.hu/belfold/2019/01/14/soros-gyorgy-fidesz-kampany-arthur-finkelstein-george-birnbaum>

<sup>99</sup> Ákos Keller-Alánt: "Barátom, Gruevszki" *ibid.*

<sup>100</sup> See the chapter Hungary's Media Expansion in Slovenia and North Macedonia for more details

Although this cannot be independently verified, V4NA's financing remains murky. Since the company does not publish profit and loss accounts, it is unclear how many news outlets subscribe to its services for a hefty 450 to 1825 euros per month (according to the 2019 price list formerly available on V4NA's website). Most outlets publishing V4NA content belong under KESMA, meaning the lion's share of V4NA's operating income should come from the Fidesz-friendly media conglomerate.

Available financial statements for the years 2019 and 2020 of V4NA Ltd. are indicative of a meagre, money-losing operation ridden with huge debts. At the end of 2020, the company was in the red by some 1.45 million pounds (1.73 million euros).

The lion's share of the debt taken on by V4NA, 1.2 million pounds by the end of 2020, was earmarked as amounts owed to group undertakings in the financial statements for the year. DBC's statements describe loans to group undertakings in the amount of 349,000 pounds, which leaves about 850,000 pounds from an unknown source.

Financial statements provide no clue as to whether KESMA did provide the remaining 850,000 GBP, and what happened to the loans provided to V4NA — aside from the fact that most of it was already gone in 2019.

After changes in the company ownership structure in October 2021, it is currently unclear whether KESMA — through New Wave Media — or Habony — through DBC — control any of the shares of V4NA Ltd. Currently, the only person with significant control over the company is Róbert Morvai, a Hungarian national.

## Conclusion

The news service of V4NA is still of material importance in the Hungarian media sphere. However, it seems to be winding down as an information hub between Orbán's camp and their international allies, and as a tool to disseminate the messages and narratives of the Hungarian government on the international stage.

Other ventures seem to be taking on V4NA's role. Magyar Nemzet, the flagship daily of KESMA, now has an English, a German, and a French online edition<sup>101</sup>. Think tanks financed from government grants through the Batthyány Lajos Foundation (BLA)<sup>102</sup>, such as the Danube Institute and the Center for Fundamental Rights, seek to build international networks and influence international media reporting on key issues for the Orbán government.<sup>103</sup>

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<sup>101</sup> See <https://magyarnemzet.hu/rovat/english>, <https://magyarnemzet.hu/rovat/german> and <https://magyarnemzet.hu/rovat/french>

<sup>102</sup> Márton Sarkadi Nagy: "Rogánék küldték a milliárdokat, kormányközeli álcivilek rejtett támogatására költötték," Átlátszó, available online at <https://atlatszo.hu/kozpenz/2021/09/28/roganek-kuldtetek-a-milliardokat-kormanykozeli-alcivilek-rejtett-tamogatasara-koltottek>

<sup>103</sup> Márton Sarkadi Nagy: "How Orbán's Government Funds Ultra-conservative NGO's Agenda," VSquare, available online at <https://vsquare.org/how-orbans-government-funds-ultra-conservative-ngos-agenda>

BLA also provided a grant worth about 130,000 euros to the publisher of the Remix news site, which aims to offer “news and commentary from Central Europe, the Visegrád countries of the Czech Republic, Hungary, Poland and Slovakia [by] providing in English a curated selection of what’s trending daily in the local media of the region.” The news site can be considered as a more suitable alternative to V4NA. The publishing company is owned by U.S. national Patrick Egan, a former campaign advisor to Fidesz.<sup>104</sup>

The business circles around Fidesz have also set their sights on even larger targets. Enter Pedro Vargas David, the CEO of the Portuguese venture capital firm Alpac Capital who also sits in the board of the Hungarian company 4iG.<sup>105</sup> David’s father, former MEP Mario David, is also closely connected to Viktor Orbán, who previously called him “a true friend.”<sup>106</sup> Previously, Alpac has received funding from Hungary’s official export credit agency, EXIM, from Hungarian energy giant MOL and also from the largest Hungarian bank, OTP.<sup>107</sup>

In December 2021, Alpac announced a major agreement with Egyptian tycoon Naguib Sawiris to buy the controlling stake (88 percent) in Europe’s leading news channel, Euronews.<sup>108</sup> With its editions in 12 languages and a self-claimed monthly audience reach of 145 million people<sup>109</sup>, Euronews definitely means a different level of playing field.

So it seems that the Hungarian government didn’t lose its appetite after buying and funding numerous media organizations. In fact, it just gets bigger and bigger.

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<sup>104</sup> Márton Sarkadi Nagy: “Hungarian gov’t money, US advisor with Republican ties behind propaganda news site,” Átlátszó, available online at <https://english.atlatszo.hu/2020/10/23/hungarian-govt-money-us-advisor-with-republican-ties-behind-propaganda-news-site>

<sup>105</sup> For more details about 4iG and its links to Viktor Orbán, see chapter Hungary’s Media Expansion in Slovenia and North Macedonia in this report.

<sup>106</sup> “New Euronews Owner, Alpac Capital, Linked To Hungarian PM’s Adviser,” Radio Free Europe/Radio Liberty, available online at <https://www.rferl.org/a/hungary-euronews-orban-david/31619957.html>

<sup>107</sup> Samuel Stolton, Lili Bayer: “Euronews defends independence after buyout by Hungary-linked firm,” Politico, available online at <https://www.politico.eu/article/euronews-independence-buyout-hungary-firm>

<sup>108</sup> Samuel Stolton: “Portuguese investor will buy Euronews” *ibid.*

<sup>109</sup> See <https://www.euronews.com/about>



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