

## POLICY AGENDA FOR COUNTERING MEDIA CAPTURE IN EUROPE

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Both in the run-up to its war in Ukraine and afterward, the Kremlin has intensified its disinformation campaigns, particularly those targeted at Europe. Reversing media capture, which allows Russian disinformation to affect citizen attitudes in Europe, must be the first order of business on the foreign policy agenda on both sides of the Atlantic. The focus of such efforts must **go beyond tackling disinformation** to expose and decouple critical nodes of European media infrastructure from corrosive Russian capital. Countries in Central and Eastern Europe are of particular concern, as some display alarmingly high levels of cognitive capture swaying public opinion towards Russia and its authoritarian model.

The Kremlin has openly and repeatedly voiced its intention of disrupting the EU and NATO as models of governance.<sup>1</sup> Russia has deployed a variety of instruments as part of its media capture campaign,<sup>2</sup> including direct ownership and/or informal financial (advertising, public procurement) and political ties to the editorial and management bodies of local media outlets, broadcasting of Russian channels, diffusion-proofing, building networks of friendly journalists and content-creators, and nurturing agents of influence among politicians and other public figures. The Kremlin has been able to capitalize on the **decline of traditional media** and the **erosion of their funding base**. In addition, the rise of social media with its unchecked algorithms, lack of appropriate moderation, and democratic culture, has provided fertile breeding ground for click-bait Russian propaganda. Countering media capture in Europe would entail addressing all four of its components:

<sup>1</sup> Shentov, O., Stefanov, R., and Vladimirov, M., *The Kremlin Playbook in Europe*, Sofia: Center for the Study of Democracy, 2020.

<sup>2</sup> Shentov, O., Stefanov, R., and Galev, T., *Tackling Kremlin's Media Capture in Southeast Europe*, Sofia: Center for the Study of Democracy, 2020.

### KEY POINTS

- The Kremlin has intensified its disinformation campaigns since launching its war in Ukraine, utilizing **captured media assets** and the **lax regulatory framework** of many social media networks to exploit policy loopholes and evade the removal of false or misleading content.
- Western sanctions have made significant strides in blocking direct avenues of Russian media capture, but if the **legal gaps and governance deficits** which the Kremlin previously exploited are not addressed, their **grey media infrastructure** could easily resurge after the end of the war.
- European states must use this opportunity to **capture-proof their institutions and media**, adopting a whole-of-government approach to close governance deficits. This can be achieved by introducing **annual threat assessments** under the NATO umbrella to identify vulnerabilities and **drafting new EU legislation** to clearly define the line between legal free speech and criminal disinformation.
- Ensuring the **transparency of ownership** of media outlets, with a particular focus on tracing the financial assets of media owners, is a vital step towards capture-proofing. This effort could be bolstered by **strengthening national media regulatory agencies** and enabling them to monitor the actions of foreign state-sponsored media subsidiaries more closely.
- Building **funding instruments and mechanisms for independent media platforms** is a top priority. The EU should devote specific focus to Central and Eastern Europe, the Western Balkans, and the Eastern Neighborhood, Europe's three most vulnerable regions with regard to Russian disinformation and media capture. **Private-sector-driven institutions** with initial public funding, independent boards, and private-sector volunteers and support should be established.

- Ownership capture
- Advertising capture
- Government capture
- Cognitive capture.

The Kremlin's direct and indirect corporate foothold in the media sector in Europe has been considerable, making use of both ownership and advertising. The EU and national governments across Europe successfully targeted direct channels of Russian media capture immediately after the invasion of Ukraine in February 2022. Similarly, advertising and government and cognitive capture, two more insidious and obfuscated channels of influence, declined across Europe as support for Russia's authoritarian model dissipated with the war in Ukraine. However, Kremlin's **grey media infrastructure** remains largely in place, especially in Central and Eastern Europe, and could resurge once peace settles in.

## What is to be done?

An effective and all-encompassing response to Russian and other authoritarian media capture and disinformation in Europe and beyond would require an integrated, multi-stakeholder approach based on cooperation among national policy-makers, the private sector, civil society, and European and US institutional actors. Achieving such a **whole-of-society approach** to countering Russian disinformation in Europe calls for heightened coordination, flexibility, and response speed. CSD's Kremlin Playbook analyses have proposed a **policy agenda for capture-proofing Europe**<sup>3</sup> and/or for closing permissive gaps in public governance; this list of non-exclusive set of policies and measures is provided below.

### National governance framework

- Address **rule of law deficits** as identified in the EU Rule of Law report through comprehensive annual action plans. Adopt independent governance vulnerability monitoring mechanisms, such as the *State Capture Assessment Diagnostics (SCAD)*.<sup>4</sup>
- Introduce an integrated annual **national security threat assessment** in relation to authoritarian regimes, similar to the efforts of the Czech Security Information Service (BIS). It should bring together an assessment of key national governance vulnerabilities and major economic exposure, with an emphasis on weaknesses related to critical infrastructure sectors, media, and the cyber economy, along with analysis of state-backed disinformation threats.

- The national security threat assessments would best be carried out **under the NATO umbrella** and should provide common evaluation and guidelines for follow-up joint and national action.
- Conduct comprehensive **risk assessments** regarding national vulnerabilities to media capture and disinformation both in general and regarding Kremlin action, in particular. Codify as a policy priority the **prevention and countering of malign media influence** activities in strategic documents.
  - **Adopt a whole-of-government, cross-thematic approach** to dealing with influence operations that fosters coordination among government agencies and tackles the cybersecurity as well as political-economic aspects of foreign disinformation activities.
  - **Strategic communications units** on the ministerial level should be well-resourced, raising awareness and clarifying government initiatives aimed at combating disinformation in a timely and consistent manner.
  - Develop specific **social media capabilities and monitoring capacity** in the national language. Work with major social media platforms and national IT associations to develop mutual understanding and coordinate responses to external threats.
- **Improve coordination with EU bodies**, particularly the EU Rapid Alert System and the East StratCom Task Force, for jointly monitoring, reviewing, and raising awareness of newly emerging media and disinformation threats. Russia incites both country-specific and EU-wide disinformation campaigns, which respectively require both ad hoc as well as concerted strategic responses.
- **Devise legislation** that clearly and comprehensively defines the boundaries between and permissibility of different forms of offensive discourse (including hate speech and deceptive and manipulative statements). Recurring pro-Russian disinformation narratives must be targeted more decisively and treated in a similar vein as other criminal online threats. Building a capable yet abuse-proof framework at the national level should be

<sup>3</sup> Center for the Study of Democracy, *Countering the Kremlin Playbook in Europe after Russia's Invasion of Ukraine*, Policy Brief No. 115, October 2022.

<sup>4</sup> Stoyanov, A., Gerganov, A., and Yalamov, T., *State Capture Assessment Diagnostics*, Sofia: Center for the Study of Democracy, 2019.

a priority, particularly in member states which could benefit from the experience of the German NetzDG, as well as the debates on the *Digital Services Act*.

- **Engage social networks** and their local subcontractors on the national level to flag emerging social media threats. Link such efforts to US and EU lawmakers' efforts to better regulate social media, such as the *Digital Services Act* and *Digital Markets Act* of the EU.
- **Ensure transparency of ownership** of media, in particular of online media portals and web-sites. The latter have benefited from much laxer regulation, despite their higher effect on the democratic debate than traditional media thanks to social media re-posting and sharing. The EU must consider a joint EU register accessible to public authorities and interested parties. Strict monitoring of the origin and concentration of the assets of media owners should be implemented in order to reveal the potential presence of illicit money flows, with an emphasis on uncovering capital from foreign authoritarian states.
  - Devote particular attention and resources to tracking and investigating the ownership structures of **anonymous websites** that proliferate Russian propaganda disinformation. The emphasis placed on stemming the tide of disinformation on social media may distract from the importance of regulating the spread of harmful content on websites, and preventing such websites' utilization of Facebook and Twitter or search engine algorithms to reach a wider audience.
  - Institutional bodies charged with monitoring anti-competitive market practices should exercise and increase **scrutiny of media company buyouts** that lead to a concentration of media ownership.
- Strengthen the administrative and professional capacity of **national media regulatory bodies**, and assert their independence from political pressure through appeals to EU institutions and support from international journalistic associations. Independent regulators should also pay particular attention to SLAPP (strategic lawsuits against public participation) cases, publicizing and responding to them when necessary.
- Enshrine the financial and operational independence of **national public broadcasters** from political interference, strengthen their online presence, and stimulate the development of specific national and EU-wide disinformation capabilities. Public media should become financially and managerially more independent from the state. **Public broadcasters should be financed through a mixed model** that includes not only government subsidies but also license fees, which allows the audience to maintain a more direct link to the media it sponsors and demand greater

accountability. Public media should not only report on their finances to the government, but also make their **financial reports publicly available**. Countries with strong public media models, such as the UK and Germany, could provide continuous peer learning and support.

- Introduce more **rigorous scrutiny of the activities of subsidiaries of foreign state-owned media outlets**. Regulatory bodies should begin to monitor Russian and Chinese state-owned channels such as RT, Russia Beyond, Sputnik, CGTN, News Front, etc. in a consistent manner, and alert national security authorities of ongoing disinformation campaigns.
- Promote **media literacy** by devising a long-term educational strategy focused on the creation of a school curriculum that teaches students how to recognize disinformation by acquiring critical skills for analyzing media articles, including how to identify authorship, references, and literary techniques that convey specific attitudes. Digital skills such as for identifying bots and trolls should also be emphasized.

### Civil society and the private sector

- CSOs must develop **cross-European networks** which combine the following: research excellence in assessing and exposing Kremlin disinformation and media capture in relation to its overall geopolitical, security, and economic goals, big data and online algorithm capabilities for monitoring online disinformation trends in near real-time, and advocacy skills. CSOs should work in particular with **media organizations and the private sector** to develop new capabilities and build well-informed policy pressure for action on national and European policymakers. The EU and the US could actively build and support such coalitions through their respective regional cooperation programs run by DG NEAR and USAID, using existing initiatives as stepping stones.
- It is particularly important for civil society, the private sector, and public institutions in Europe to develop a **public-private partnership** approach to cracking down on the abuse of social media for political ends, including abuse by foreign powers. Social media should be urged to address the disruptive effects of their platforms on the democratic public discourse in a given country's native languages and in cooperation with local civil society, focusing in

particular, on polarization, extremism, and foreign disinformation.

- Create multi-citizen stakeholder **fact-checking platforms** which unite the efforts of expert-led debunking and citizen volunteers who track and expose disinformation. The Funky Citizens efforts in Romania and the Lithuanian Elves are encouraging examples in this respect – both were started by citizen volunteers aiming to expose Russian disinformation, and now involve thousands of international volunteers.
- Improve the **resilience of journalistic advocacy** by building the resource and network capacity of journalists' unions (i.e., through better funding, including from the private sector, and creating transnational links that can provide support in case of political infringements on freedom of speech and attacks on journalists).
- To tackle informal influence on the owners of media outlets, based on personal, political, and economic ties via opaque networks of patronage that go beyond formal ownership structures, **Politically Exposed Persons' regulations and repositories** should be strengthened. Investigative media and government conflict of interest oversight bodies should work together and in cooperation with EU and US partners to develop more comprehensive and widely accessible databases to flag and detail the politically and business-sensitive connections that owners maintain to dubious national and foreign networks of influence, with hidden ties impacting media content. These should place a particular focus on social media activity, public procurement, real estate, public registries, etc.
- Introduce and strengthen **new public and private media financing models**, which would help reduce advertising and media power concentration.
  - Promote **alternative/non-profit funding models** ensuring a diversity of ownership stakes, as well as establishing different sources of financing, including crowdfunding and donations.
  - Develop specific government **public procurement media financing transparency measures**, which should list all government financing provided to the media, including direct budget subsidies and advertising budgets of state-owned enterprises as well as the media advertising budgets within public procurement contracts, etc.
- Ensure greater **advertising market transparency** by creating a publicly accessible registry that contains data on the market shares held by the largest advertising companies, broken down by advertising revenue, profits from subscriptions, and paid content. Establish a unified standard methodology for measuring media audience

size, which is essential for determining advertising stakes.

## The EU and the US

- The EU's first line of defense should be inward-looking, focusing on **closing rule of law gaps** in member states in relation to judicial independence, media freedom, civil society development, and the digital information ecosystem. The EU must build its capacity to deliver change in the member states based on its good governance recommendations contained in the annual Rule of Law report, as well as the country-specific recommendations under the European Semester.
- The EU must **strengthen and integrate the different tools for countering Russian interference** into a comprehensive response system (e.g., the *Security Union Strategy*), including but not limited to disinformation monitoring (East StratCom), investment screening, competition enforcement in critical sectors such as energy and telecommunications, anti-money laundering, corporate and final beneficial owner transparency, etc. It should bring together different EC bodies to deliver on this response system, including Europol, the EU Agency for Cybersecurity, the European Digital Media Observatory, and its regional hubs.
  - The EU should strengthen its capacity to target **strategic corruption and state capture** from authoritarian regimes in its member states by expanding the scope of its "Magnitsky"-type legislation to include corruption as well as human rights violations, as is the case in the respective US and UK acts.
  - The EU should introduce **final beneficial ownership transparency** of corporations active on its territory, and could pilot this initiative with media. The voluntary Media Ownership Monitor could serve as a starting point, but needs to grow into obligatory regulations.
- Build **funding instruments and mechanisms**. The EU should specifically consider supporting member states from Central and Eastern Europe, as well as countries from the Western Balkans and the Eastern Neighborhood, who are particularly vulnerable to Russian disinformation and media capture. This could happen through dedicated instruments under the EU cohesion and structural funds (DG

Regio) and the pre-accession programs under DG NEAR.

- To this end, the **model of U.S. government support for media freedom in CEE in the early 1990s should be revisited**. Its success in reinventing public media in post-communist Europe was due to its delivery method – not by government bureaucracies, but through the activism of independent professionals. Specifically, the establishment of the International Media Fund in the early 1990s – an initiative with an independent board and private sector volunteers/support – should be emulated. In addition to providing funding, equipment, and training, such support should be aimed at civic platforms of independent journalism. Possible avenues of assistance include the pooling of broadcasting infrastructure and marketing resources, joint access to news sources, professional mentoring and involvement of Western/American volunteers, etc. The resulting networking effect would both ensure the sustainability of independent outlets and counter the syndication of Russian disinformation among the Kremlin’s numerous media clients in the region.
- The EU’s legal push to better regulate social media platforms, particularly through the *Digital Services Act* and the *Digital Markets Act*, could be further fine-tuned in a number of directions:
  - Provide a **clearer definition of “illegal content”** that spells out and reconciles the different understandings and definitions of the concept as enshrined in member states’ laws. Expand the scope of **regulated content to include disinformation**, which is still subject to voluntary codes of conduct, after conducting a debate on the permissible legal limits of propagandist speech, which may not contain outright falsehoods and hate statements but nevertheless attempt to sway views and actions in a harmful manner. This is particularly true with regard to disinformation stemming from authoritarian state-controlled sources.
  - Reconsider the provision that makes EU stipulations obligatory only for very large platforms. The EU must also develop the capability to respond to disinformation **threats focused on a particular member state** in any of the EU languages. Recent developments have demonstrated that platforms can draw fewer users but nevertheless feature a higher concentration of extremist content capable of inciting violence. The exclusion of smaller platforms from EU legal purview therefore (1) leaves it up to the large platforms to decide whether to grant them access to digital infrastructure, and (2) relaxes the urgency to develop sufficient content moderation capacity to deal with an influx of new users, who may abandon larger platforms as they crack down on disinformation and hate speech.
  - Introduce **must-carry rules for online platforms** guaranteeing the accessibility and visibility of public service media, which are otherwise facing declining audience reach and competitiveness due to digital gatekeeping that entrenches the popularity of commercial streaming channels.
  - Ensure a fair balance between swiftness of content moderation (i.e., before a piece of disinformation goes viral) and observance of individual rights to freedom of speech, as hasty decisions may lead to the removal of legitimate content. This can be achieved by underscoring the importance of building **content moderation capacity**, both human and automated, and a streamlined process of decision-making.
  - Political and public controversies over the appropriate mixture between regulatory oversight and responsibility on the part of technology companies are feeding into a priority policy concern. The **boundaries between legislative regulation, platforms’ self-regulation, and co-regulation** should therefore continue to be drawn out with regard to persistently thorny issue areas such as recommender systems, accumulation of data, and advertising.
- Continue raising the profile and funding of the **East StratCom Task Force** as the primary EU institutional body dedicated to debunking Russian disinformation across Europe and supplying a comprehensive database of analytical resources to inform the European public about the key methods and narratives of pro-Kremlin disinformation. It should be linked to the Rapid Alert System and focus on creating research, CSO, and private sector consortia capable of working with the Task Force to more efficiently utilize its valuable database of disinformation cases.
  - A multi-faceted approach to dealing with disinformation, media capture, and general influence operations should also include **the investigation of illicit flows of authoritarian-state capital** channeled into the dissemination of media coverage favorable to Russia and China, through tactics such as funding news outlets operating in European countries, or party media related to political organizations with close ties with Moscow. The European Commission and the European Central Bank should enhance efforts to enforce anti-money laundering legislation and close loopholes in the corporate ownership and

- foreign direct investment regulatory frameworks.
- The European Commission should also introduce **more stringent rules** and monitoring for the methods by which national governments allocate **EU funding for communications and media purposes**, preventing the concentration and flow of these funds to local media tycoons who often are also successfully targeted by foreign authoritarian states.
  - Special attention should be paid to **monitoring investments from authoritarian states in the media domain**, as well as to drafting special safeguard clauses in free-trade or investment agreements with such countries in relation to the media market. For example, in its now defunct investment deal with China, the EU was seen as unable to achieve reciprocity in the domain of news and information sectors. Public and private news outlets from China, which are known to be tightly controlled by the Chinese state, could have thus gained disproportionate access to the European media space despite their non-compliance with EU media standards.
- Forge a **Transatlantic approach to media and technology-related issues**. This warrants an urgent policy reckoning in order to preserve freedom of speech standards and reliable public information, while preventing the use of these platforms to stoke division and mistrust.
  - The US Agency for International Development could **reinstitute instruments and platforms** for supporting good governance and media freedom initiatives on a **regional level**, which would be the most effective delivery mechanism for enabling policy change. A regional approach would improve the likelihood of positive peer pressure among national governments. The US Department of State could enhance multilateral exchange programs by creating a **technology and media corps** capable of mobilizing civil society and volunteer engagement to support the region's reform agenda.

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Despite its military setbacks in Ukraine, Russia will likely continue to step up its influence operations and disinformation campaigns in Europe, searching for new opportunities to subvert free media and open discourse for its own ends. And while citizen attitudes across the EU have largely turned against Russia since February, there is no guarantee that this trend will hold in vulnerable regions such as Central and Eastern Europe and the Western Balkans, especially if the state capture vulnerabilities and rule-of-law deficits that the Kremlin previously exploited remain unchecked. Simply debunking and removing fake stories is no longer sufficient, though – CSOs, European governments, and the private sector all have important roles to play in drafting new legislation, bolstering existing regulatory frameworks, streamlining content moderation, and creating new funding and support mechanisms for independent media.

Working in unison, the U.S. and Europe have already made impressive displays of political support and financial and logistical coordination, transferring large packages of NATO weaponry and armaments to defend Ukraine against Russia's campaign of military aggression. Brussels and Washington must now devote the same urgency to the fight against the Kremlin's campaigns of media capture and disinformation, **dismantling Putin's grey media infrastructure and empowering free and independent journalism** – or risk losing the war for the truth.