

Mission (im)possible. The case of Lithuanian Public Service Broadcasting



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ABSTRACT: The Lithuanian Radio and Television (the LRT¹) has been performing the functions of the public service broadcaster for two decades. Its mission is defined by the law; the former state subordination was replaced by the public administration (the LRT Council). The LRT is facing problems that are characteristic of the participants of the European audiovisual sector of the competitive era as well as specific problems of the post-communist states' development. There were no traditions of public service in Lithuania, the reorganization of the audiovisual sector coincided with dramatic changes in public, political and economic life of Lithuania. Although formally the LRT meets the requirements set for the European public service broadcasting, from time to time, the question of independence of public service arises. The possibility of political power to interfere in the matters of LRT is revealed in the article through the particular case – through the analysis of the so-called *Diarchy Case* when due to the influence on the LRT the interests of the former and new political majorities clashed. The case reveals that it is possible to make political impact on the public service by announcing aspirations of full depoliticization. It is possible to pursue political goals of the governing majority through financial levels as well. After the idea of subscription fee has remained unrealized we see how difficult it is to find alternative funding sources for the public service broadcaster.

KEYWORDS: audiovisual media, public service, Lithuanian Radio and Television, management, funding



INTRODUCTION

The development of the Lithuanian Radio and Television (the LRT) shows one of the cases of search for the identity of the public service broadcasting of the post-communist country, complex relationship with the society, political power.

¹ The LRT broadcasts three televisions (the universal LTV, cultural LTV2 and LTV World broadcasted *via* satellite) and four radio programmes (the universal LR, cultural Klasika, musical Opus 3 intended for a youth audience and musical @radijas broadcasted *via* Internet). According to the average structure (share) of the audience the LTV takes the third place (12.4%), while the LR takes the first place (20.2%, the spring of 2009). The popularity of other LRT television and radio programmes is low (<http://www.tns-gallup.lt/lt/ziniasklaidos-tyrimai>).

The PS of the post-communist countries faces unique problems as over the last twenty years they have had to move from the state propaganda model to the public one. They have experienced savage competition of newly emerged commercial broadcasters, their efforts not only to entice the audience, but also to prove that commercial channels may also perform certain functions of the PS. As the impact of public channels and place in the audiovisual market is diminishing, political and financial problems of independence arise.

The case of the Lithuanian Radio and Television shows the state of the PS in the specific post-Soviet country, which has struggled free from the Soviet Union and has restored an independent state. Lithuania is characteristic of the fact that the major part of the media actively promoted the striving for the independence, even before the declaration of Independence on 11 March 1990, the content of the media had already been essentially changed. The Lithuanian Radio and Television was also an active promoter of new changes that contributed much to the formation of the public opinion.

In the period of the Revival, when Lithuania was seeking to restore the independence, the LRT was a political battlefield. The impact of politicians did not decrease during the years of independence. One of the first concerns of the Parliament of the independent state was to change the leadership of LRT. In 1990, the State Radio and Television Committee was reorganized into the Lithuanian Radio and Television. On 13 January 1991, the LRT was invaded by the Soviet army and was occupied for 222 days.

After the reorganization of LRT management, the Council of 17 members was formed, to which the known public figures were delegated. Although the members of the Council and the General Manager of LRT were approved by the Parliament, it was an important step in forming the PS public management model of the Western pattern, absorbing political interference into the matters of LRT.

The preparation of the new Law on Provision of Information to the Public and Law on LRT took six years. The principle of formation of the supreme body of LRT management, the LRT Council, was changed. Some members were delegated by political principle (the President, the Seimas), other members – by non-governmental organizations. The LRT Council was granted the right to elect the General Manager of LRT and appoint other managers. The new law was prepared in the end of the term of office of the Seimas, therefore the new majority tried to stop its effect, the old one was speeding to implement its provisions. There was a time when two General Managers headed the Lithuanian Radio and Television, a situation, which caused not only the crisis of LRT management but also political and legal crises formed. The *Diarchy Case* that lasted more than a year, paralysed the LRT activities, reduced its audience and trust in the public broadcaster.

The *Diarchy Case* showed that it is possible to seek political influence through the declaration of noble goals and without offending the PC principles declared. The new political majority suggested depoliticizing the LRT management through

the delegation of representatives only from non-governmental organizations to the LRT Council. However, social organizations (15 out of 540) were selected according to the loyalty or sympathising with the governing right forces. Both, the former political majority that had lost the elections and the new majority, demonstrated the objective of political parties to maintain the influence on the LRT at all hazards. During the debates, it turned out that political parties did not realize the essence of the PS and regarded the LRT as the national broadcaster that had to obey the will of the governing political power. There was even a suggestion to unify the terms of office of the Parliamentary elections and LRT leadership so that the new majority could form a loyal radio and television leadership.

At the moment, the amendments of the Law on LRT made in 2005 are holding good, according to which the supreme management body is the LRT Council that is formed under the principles of political (the President, the Seimas) and social delegation (the Science Council, the Educational Council, the Union of Artists, the Bishops' Conference). Since the duration of the term of office of the Council members does not coincide, there is a permanent rotation. Every year, the Parliament hears the report of the Chairman of the LRT Council. There is a suggestion to establish the provision by law that if the report is not approved, the LRT Council must resign. This would increase the politicians' influence on the LRT. The report on the monitoring of television in Europe points out that even two thirds of the members of the LRT Council are appointed by the political principle and that the term of office of some members may last for twelve years. It is also suggested to allow including representatives of the audience in the LRT Council.

There have been discussions about the introduction of subscription fee in Lithuania for twenty years. The Law on Provision of Information to the Public of 1996 provided that one of the funding sources of LRT was the subscription fee. There was a plan that having started to collect the subscription fee, the volumes of advertising and state budget subsidies would gradually decrease on the LRT channel. The biggest supporters of alternative funding of LRT were commercial broadcasters aiming at expelling the LRT from the advertising market. Their interests coincided with the viewpoint of the so-called representatives of the *market criticism* aiming at protecting the PS from the market pressure and prohibiting the advertising in it.

There was an impression that Lithuanian politicians realistically did not want the subscription fee to be introduced. They had a wholesome resort for the possible tension in the society after the introduction of a new fee, they were openly sceptically assessing the possibilities of its collection, similarly, they did not want to lose the control of LRT. The position of LRT was also fairly passive. It was feared that with the commercial income reducing and failure to collect sufficient income from the subscription fee, the public broadcaster might go bankrupt. As there had been no success in the preparation of the law on the procedures of collection of the subscription fee, in 2005, the provision of subscription fee was rejected. The report on the monitoring of television in Europe points out that in

Lithuania, not a single previous recommendation related to the improvement of financing procedures has been implemented, and the LRT is one of the most poorly financed PS in Europe.

The Lithuanian public service broadcaster remains unprotected from the possible impact of political power. It is possible to do it by means of management structures, changing laws, assigning budget allocations. No protectors and recommendations fully eliminate the risk of interference into the matters of LRT. The approach towards the PS is the indicator of the maturity of the democratic state and civil society. The Lithuanian situation shows that this exam has been failed, since politicians strive to have impact on the LRT, intellectuals also want the public service broadcaster to regard only their wishes and will, citizens settle for the passive consumption of the poorest audiovisual products.

THE LITHUANIAN RADIO AND TELEVISION: THE FIRST STEPS TOWARDS THE PUBLIC SERVICE

The history of the Lithuanian Radio and Television (the LRT) witnesses the ambition of political power to interfere in the matters of audiovisual broadcaster. In the years of Soviet control, the LRT was the government's tool that combined communist propaganda and cultural mission. In Lithuania, in 1988, when the Revival started, the LRT had to tuck between the official power and movement, the Reform Movement of Lithuania (radio and television like the vast majority of Lithuanian media were on the side of changes). In 1990, after the declaration of Lithuania's independence, one of the first issues on the agenda of the Lithuanian Parliament was the reorganization of the Lithuanian Television and Radio Committee into the Lithuanian Radio and Television (the LRT) as well as the appointment of new management. On 13 January 1991, the Soviet army occupied the LRT building; for 222 days of occupation, radio and television programmes were broadcasted from the alternative studios in Kaunas and Vilnius. Under the circumstances of restoration of independence, the politicians' influence manifested itself in various forms: through direct and indirect pressure, backstage actions, change of legislative framework. The permanent instability of the public service broadcaster shows itself in the fact that over 20 years, fourteen executives have changed, only one of them has stayed for the entire term of office (the term of office of some of them lasted barely several months, three temporary executives have been appointed).

The beginning of the structural reorganization of the National Radio and Television into the public one was sufficiently smooth. In the society, the idea of television, which is supported by all people, therefore obliged to serve the interests of the whole society, has already existed (Valiulis, 1989). According to the Western example, the system that must secure a *safe distance* between the government and the broadcaster was starting to be created. In 1990, the Radio and Television Council of 17 members, the vision of which contained the declared efforts "to provide opera-

tive and objective information, unite the society, revive the human spirit” (Tapinas, 1990), was formed from the known politicians and representatives of public organizations. Although the Council and the General Manager of LRT was appointed by the Parliament, the formation of the public management body demonstrated the chosen direction to create the public service broadcaster’s model based on the Western values. The system that is characteristic of the features of the British postwar consensus (Musso, 2005), availability of Public Service to the whole society, pluralism of opinions and ideas, universality of programme, the broadcaster’s political and economic independence (Ojalvo, 1988).

The rapid implementation of the PS concept may be associated with the personality of Laimonas Tapinas. A university man well familiar with the concept of European public service broadcaster, who headed the first LRT Council, later became the General Manager of LRT (1992–1995), he was coherently striving for the implementation of the PS model in Lithuania.

The formed LRT Council did not have major powers, therefore observers and society called it a debate club. However, at this time, it succeeded in bounding the politicians’ rush into the radio and television (there was a time when the member of Seimas even had the right to use radio and television ether at any time, now only the President has this right).

In 1990–1991, on several occasions, the LRT Council adopted resolutions aimed at limiting the volumes of political broadcasts and regulating that the LRT covered at its discretion the press conferences held by the Parliament and Government and that no political party or movement could have its own autonomous broadcast (Kalba Vilnius, 1990). It was not easy to do as after one year, another resolution of the LRT Council appeared, which declared that the LRT belonged to the whole society, therefore it had to objectively reflect all opinions, that in polemic broadcasts, the right of answer had to be provided (Kalba Vilnius, 1991).

As one of the former members of LRT has admitted, sometimes politicians used to come to the sittings, sometimes they acted in other ways, the LRT Council was like a buffer between politicians and the LRT (Pečiulis, 1997).

In 1992, the LRT became a member of the European Broadcasters’ Union (EBU). However, after the first determined steps in creating the PS, hesitation started. The stage of political debates and uncertainty lasted for six years. In the Parliament, a new wording of the Law on LRT was debated off and on, in the drafts of which two opposite tendencies were competing. One was to essentially maintain the current situation, slightly changing the principles of the appointment of the LRT Council but preserving the subjection of the LRT to the Parliament. The arguments of supporters of such position were the following: the Lithuanian Radio and Television had already been public therefore there was no need to fear the Parliamentary control since the parliamentarians elected by the nation are the most genuine representatives of the society. The Parliamentary control would allow securing greater responsibility of LRT and higher level of broadcasts.

The objective of the advocates of more radical changes was that the parliamentarians' will would not determine either the decisions of LRT Council or the candidacy of the General Manager of LRT. According to them, only the public service broadcaster entirely independent of politicians and executive power would be able to disregard the political calendar and successfully fulfil the tasks set for it. Thus, it was intended to have the political power approval of the principles of the formation of the public service broadcasting management structure, according to J. Bourdon, characteristic of the modern state vision (2005, pp. 9–13).

In the summer of 1996, the Parliament adopted the Laws on Provision of Information to the Public and on LRT where new management principles of public service broadcasting were established. The Law changed the principle of political delegation when the candidates were proposed by the groups of Seimas and the final list of members and the General Manager was approved by the Parliament.

According to the new concept, the LRT Council consisted of 12 members. The President was to appoint four members of the Council for the six-year term of office, the Seimas was to appoint four members for the four-year term of office (among them, two were to be proposed by the opposition parties), non-governmental organizations (the Lithuanian Science Council, the Lithuanian Educational Council, the Lithuanian Association of Creators of Art, the Bishops' Conference) were to appoint four members for the two-year term of office (Pečiulis, 2000).

Having established different terms of office and rotation for the members, the goal was to gradually change the composition of the LRT Council and that it would disagree with the Parliament's election cycle. The LRT Council was empowered to announce a public tender for the post of the LRT General Manager and approve the public service broadcaster's leadership (the General Manager and his deputies) for the five-year term of office.

DIARCHY CASE – POLITICIZATION OF THE PUBLIC SERVICE BROADCASTING THROUGH DEPOLITICIZATION

The Lithuanian case shows how differently the idea of a public service broadcaster may be treated, how fundamental postulates of the Public Service may be manipulated. The Lithuanian events confirm the assumption that despite the efforts to neutralize the influence of the state's interests, it can be made in various legal ways: by changing laws, reorganizing the management structure, legitimizing the ether privileges for politicians or officers. Finally, the case of the struggle for the influence on the LRT demonstrates how great the politicians' ambitions might be to maintain their influence on the mass media at all hazards.

The so-called *Diarchy Case* in the Lithuanian Radio and Television confirms S. De Proost's assumption that in certain cases, the European Public Broadcasters may be used for pragmatic considerations in order to turn the audiovisual mass media into the mouthpieces of the interests of the governing political forces (2005,

95–99). That was obvious under the public monopoly conditions when the state's ambition to guarantee the objectivity of information used to become the pretext for the politicization of the management and retain the privileged right to the ether. Such temptation remains under the conditions of the liberalization of the audiovisual market as well. In the struggle for the influence on the Lithuanian National Radio and Television, the interests of the greatest political forces – the ex-communist Lithuanian Democratic Labour Party (LDDP) and the conservative Fatherland Union, Coalition of Christian Democrats clashed. The President, Algirdas Brazauskas, and the Chairman of the Seimas, Vytautas Landsbergis, found themselves on the opposite political posts. Thus, in the public space, the struggle for the LRT acquired the aspect of the struggle between *the old* and *the young*.

The political peripeteias of the *Diarchy Case* lasted for more than a year and a half, not only the audiovisual sector, the Lithuanian media but also politicians, courts, society were sucked into the swirl of events. The crisis rocked even the foundations of the constitutional state.

In the public space, both political forces declared loyalty to the principles of the public service broadcasting, the concern about its independence. In fact, all year, a fierce struggle for the influence was going on. The changes of the political influence created the situation. Till the elections of 1996, the Seimas' majority consisted of the left-minded politicians; the former ex-communist leader, A. Brazauskas, served as President.

When the right forces won the elections, the political landscape changed. The new majority with the leader, Vytautas Landsbergis, tried to increase their influence; the former majority, having President in the rearward, tried to limit this influence. The LRT became one of the bridgeheads of political struggles.

The possibility for manipulations by means of management structures of the public service broadcasting. The variety of the so-called protection structures, the possibility of application of the principle of the authorized and the appointed form the assumptions for the political demagogy. Amending the Law on LRT, the left Lithuanian political forces declared refusing the principle of only Parliamentary appointment of the authorized persons, extending the Public Council by the Presidential representation and non-governmental organizations. That added variety to the spectrum of political representation since the terms of offices of the Parliament and the President did not coincide, and half of the members of the Public Council delegated by the Parliament had to be proposed by the representatives of the opposition. The members delegated by the non-governmental organizations had to reflect the position of the wider groups of the society.

In order to change the system created by the former Parliament, the newly formed majority declared the entire LRT depoliticization, offering to refuse the influence of the political parties (Respublika, 1996; Lietuvos aidas, 1997). This doctrine of the LRT depoliticization was being realized through the amendment of the

Law on LRT, according to which political delegation was refused, replacing it by the representation of non-governmental organizations solely.

However, as one of the members of the old LRT Council stated, while announcing depoliticization, in fact, a contrary process was going on – the Council was even more politicized (Pečiulis, 1997a). There were efforts to maintain the politicians' influence through the formation of the list of organizations capable of delegating members to the LRT Council. From 540 non-governmental organizations operating in Lithuania 15 got into this list, however, the basis of the principles was not clear (eg., the Catholic Academy of Science was able to delegate representatives to the supreme management body of the LRT, the Lithuanian Academy of Sciences, however, was not on the list). It met the eye that among the selected there were non-governmental organizations which were barely known to the society, non-influential and non-numerous, but which were sympathizing with the right-minded politicians. By the political majority's will, on the basis of the principles known only to them, the list of the authorized non-governmental organizations was formed – one of the legal ways of forming the PS management structure of the wanted composition.

The objective of the influence on the public service broadcasting. Soon, the politicians forgot the aspect of the concern for the independence of the public service broadcaster, in the height of the struggle, open declarations of the aspiration to manage the LRT appeared. The actions of the old LRT Council, electing a new LRT General Manager in the last days of the term of office, was called a provocation. The situation formed was compared to the impossible case in politics, when the authority that won the elections would have to work with the prime minister appointed by the old authority. The supporters of the actions of the new political majority called the *Diarchy Case* the deliberate occupation of the LRT, the struggle between the old and the new (Pečiulis, 1997). The LRT General Manager, A. Ilginis, elected through the efforts of the new majority also did not hide the political implication, having stated that it would be wiser that in the presence of the present Seimas' majority, he would remain the General Manager (Leka, 1997).

Openly expressing these provisions, politicians compared the LRT with the national broadcaster controlled by the governing majority when public management bodies were not mediators between the PS and political authority, and became the tools of the governing majority and executive authority.

The opponent side blamed the new political majority for the wish to overtake the LRT by settling their own person and turning him into a marionette (Skėrytė, Ignatavičius, 1996). The supposed LRT depoliticization was called the execution of the political order, political case when everything was ignored, the authority was straining to control radio and television (Tapinas, 1997). The aspiration of the occupation of the ether was named by various epithets: political thriller, struggle for the ether, modern revolution when the telegraph, post is occupied, and now – radio and television (Leka, 1996).

When the Constitutional Court announced that the Parliamentary Resolution on the formation of the new LRT Council and the termination of the mandates of the old Council did not comply with the Constitution, a legal crisis arose. The LRT Council refused to implement the court decision to reinstate the dismissed V. Kvietkauskas in his post as the General Manager. The top state officials and clerks ambiguously commented on the court decisions. The Chairman of Seimas, V. Landsbergis, criticized the District Court since it “washed its hands and picked this problem created by two people – the former Chairman of the LRT Council with the President of the Republic – off the head” (Lietuvos rytas, 1997). The contemporary Minister of Justice, who maintained that it was not necessary to implement court decisions unconditionally, was being cited (Bačiulis, Stravinskaitė, 1997). The position of the top officials and the avoidance of the LRT Council to implement the court decisions stretched the PS problem. The escalation of the situation raised concern about the state of democracy in the state when political interests were raised above the laws. The society was considering the question why the citizens had to implement court decisions if politicians and the LRT Council involved in political games were not doing that? (Respublika, 1997).

When the Presidential elections were approaching, the deadlocked *Diarchy Case* became disadvantageous to the governing parties. That is why the upshot was sped up. Despite the activities of the LRT disturbed for a long time, the political and society’s contraposition, the emerged legal crisis, the new governing majority succeeded in reaching its goals. After all peripeteias, the model of the formation of the LRT Council proposed by them remained; the General Manager supported by them was re-elected.

The variety of the concept of the Public Service. The aspiration to occupy the public service broadcasting or influence it as much as possible is perceived as the natural behaviour of the governing political forces. In Lithuania, there have even been proposals to uniform the terms of office of the Parliamentary elections and the LRT leadership so that the new majority would elect its own leadership of the public service broadcasting. If this position is not refused, the danger arises that the calendar of the public service broadcaster will be always related to the political calendar.

The last correction of the LRT management was implemented in 2005. While forming the LRT Council it was returned to the model of the appointed and the authorized (four members are delegated by the President for six years, four members are delegated by the Seimas for four years (two from the majority and two from the opposition), four are delegated by non-governmental organizations for two years (the Lithuanian Science Council, the Lithuanian Educational Council, the Union of Artists, the Bishops’ Conference) (Law on LRT, 2005).

Such principle of formation of the Council ensures rotation of the members, the fluctuation of the LRT leadership does not coincide with the political calendar. However, there is no success in completely avoiding the influence of the political peripeteias since, when the ration of the political forces changes after the elections,

the question arises who is opposition and who must delegate two members of the LRT Council (such discussion took place in 2005, the leaders of the opposition changed in 2009).

There is a provision laid down in the Law on LRT that once a year, the Parliament hears out the report of the Chairman of the LRT Council. This report is usually evaluated very critically; the parliamentarians express many categorical reproaches. The Parliament has not approved the reports of the Chairman of the LRT Council of 2007 and 2008. It does not cause any legal consequences since this procedure is not discussed in detail in the law. In the Parliament, the debate was initiated on the provision of the law that when a report of the Chairman of the LRT Council is not approved in the Parliament, the LRT Council must resign. If such amendment to the law was adopted, the influence of the politicians, especially the majority of the Parliament on the LRT, would increase.

ADVERTISING WAR: UNSUCCESSFUL ATTEMPT TO CREATE THE SYSTEM OF ALTERNATIVE FUNDING

In Lithuania, the idea of financial independence of the LRT was cherished for two decades. It was mentioned in the discussions on the future of radio and television that took place as far back as the years of the Revival (1988–1990). Realistic steps were made as far back as 1996, when the provision was introduced in the Laws on Provision of Information to the Public and on LRT that one of the LRT funding sources was a subscription fee (together with the state budget allocations and advertising). It is paradoxical but the greatest initiators of the coming of this provision were commercial broadcasters and their lobbyists who wanted to expel the LRT from the advertising market. The progress while preparing the introduction of the subscription fee could be related to not only the aspiration of the part of the society to look for the alternative funding sources of the PS and ensure its greater self-sufficiency, but also to the wish of having a channel without advertising.

In Lithuania, alternative funding sources were sought in order to reach different goals. Some wanted to ensure greater self-efficiency of the PS in this way, the advertising revenues may also be used for funding of loss-making cultural, exploratory journalism, educational broadcasts.

Others aimed at banning advertising on the LRT channel. Therefore, the peripeteias of the introduction of the subscription fee in Lithuania were also parts of the processes, the *advertising war* and reluctance to reduce political influence.

Even the intentions of the ones who wanted to ban advertising on the LRT were different. Some cherished the dream to have a channel without advertising, thus, to seek to improve the programme quality and guarantee the fulfillment of the LRT obligations. The forces representing commercial broadcasters wanted to expel the LRT from the advertising market. In order to find out whether a mixed funding of the LRT did not violate the Constitution, the Constitutional Court was addressed.

Its decision was favourable to the public service broadcaster – it was decided that state grants were compatible with other funding sources (Television Across Europe. Lithuania, 2008).

Despite the different interests, *the advertising war* allowed the formation of favourable circumstances for the introduction of the LRT subscription fee. The Laws on Provision of Information to the Public and on LRT (1996) provided that when the subscription fee begins to be collected, the size of the state grants, similarly, the volume of advertising will gradually decrease on the public channel. From the beginning of 2000, advertising had to be not broadcasted. It was expected to compensate the loss of advertising income not only by the subscription fee but also by the funds received from the sales of audiovisual works. Even the Secretary-General of the European Broadcasting Union (EBU), J. B. Munch, was cautious in evaluating the aspiration to entirely refuse advertising and suggested banning it only when the BBC started buying the LRT broadcasts (Pečiulis, 1996).

A special working party was formed for the preparation of the law on procedures of collection of subscription fee; it had to be done in half a year. The Parliament, however, delayed the implementation of this law every year and in 2005, the provision of the LRT funding from the subscription fee was deleted from the law. The subscription fee was not introduced, although its realization lacked barely a few steps. During the debates that were going on for several years, the society's polarization showed through. The advocates of the fee reminded that it had existed in the Independent Lithuania before the Second World War; it means that this is a state tradition, which was interrupted by the occupation. It was explained to the society that every person (despite the fact whether he or she watches the LRT) pays for the programmes broadcast on the public service channels as well, however, the political authority redistributes the tax payers' money, emphasizing that the size of the PS funding is determined by the politicians' mercy. During the debates, there were attempts to suggest the society that the direct fee is the solidarity fee of conscious citizens ensuring the public service broadcasters' independence, that by paying this fee the citizens become the genuine LRT authority (Pečiulis, 1999).

The politicians' position was one-to-many in this issue. There was an impression that by regarding the Directives on the public service broadcasting in Europe and under the pressure of the commercial broadcasters, they make decisions, but they do not want to actually implement them. The majority of politicians did not want alternative independent funding due to different reasons. Some wanted to maintain the control of the public service broadcasting considering the LRT as the measure for the implementation of the political majority's will. Others had a wholesome resort for the potential tension in the society that might be caused by new taxes. The pretext of the fear for tax increase was unconvincing since the monthly subscription fee of barely LTL 4–10 (EUR 1–3) was being projected (at that time, after the privatization of Lietuvos Telekomas and taxation of local telephone conversations, the tax burden for the subscribers was much heavier).

The formation of the society's favourable opinion was hampered by the politicians themselves who were sceptical towards the possibility of the introduction of the subscription fee and had doubts whether people would pay the future fee, whether it would be possible to collect it. Most frequently, the following counter arguments were heard in the public space: Lithuania has not matured for the subscription fee; the fee may destabilize the state; the collection will cost more than the fee itself; the confusion of concessions and compensations will arise (Pečiulis, 1996a).

Another reason for the politicians' delay and indecision was the energetic lobbying activities of commercial broadcasters. Even before the beginning of collection of subscription fee, the provision of law on reduction of advertising on the LRT started to be implemented. The declining LRT income was not compensated by anything; therefore such situation was favourable for commercial broadcasters. In the group of the preparation of the law on subscription fee, the representatives of commercial broadcasters dominated for whom delaying tactics was favourable. Instead of considering specific aspects of the procedure of fee collection, in the working party, the debates on the validity, necessity of the fee continued, other means of LRT funding were sought – deductions from the electricity consumption, fixed percentage from the Gross National Product or the state's order for programmes of public nature (Pečiulis, 1999). The confusion was advantageous to the representatives of commercial broadcasters, which had great influence on politicians, since it weakened one of the principal participants of the competitive market.

One more reason why it was failed to develop an alternative PS funding method was the LRT drift. Inside the National Radio and Television, there was a struggle going on for the future funding model; the subscription fee was even regarded as the part of the LRT disruption plan. When the volumes of advertising decreased, finally when it was totally refused, without collecting sufficient income of subscription fee, the LRT would face bankruptcy.

The LRT leadership of that time, that mainly did not participate in the sittings of the working party, also questioned the need for the subscription fee.

One more important reason is the time when the attempts to radically change the procedure of the LRT funding were made. This had to be done in 1990–1991, when a new political and economic situation was developing in Lithuania, however then, there was lack of political will. The fact that the issue of the introduction of the subscription fee was considered during several terms of office of the Parliament of various political composition, however, it has not been resolved shows that politicians that belong to the spectrum of various attitudes do not realize the fundamental principles of the PS.

Unchanged alternatives. Despite great attempts, the LRT funding structure remained unchanged. The greater share of the LRT budget consists of the state allocations, the smaller share consists of commercial income (up to the third of the LRT budget). During the economic upturn, the share of advertising revenue was grow-

ing; under the crisis conditions, both funding sources become unstable, the issues of appropriate performance of the PS functions and the preservation of the political neutrality exacerbate. The maintenance of the LRT financial stability becomes the object of the negotiations in the Seimas and Government, therefore the chances for the politicians' direct and indirect interference in the content of the programmes and editorial policy increase.

On the other hand, the economic crisis again encourages returning to the idea of financial independence. As the state does not have resources to properly finance the PS, as the commercial income is decreasing, the way out – to apply for help to the society – becomes topical again. It is hard for the citizens as well, however, a symbolic subscription fee would not equal drastic fees, which tax payers of many countries have experienced recently.

The follow-up monitoring report “Television in Europe” states that in Lithuania, not a single recommendation related to the funding of the public service broadcaster has been implemented. After the deletion of the provision on the subscription fee from the Law on LRT, the procedure of the allocation of state grants does not ensure stable and transparent funding (in 2009, the LRT budget has been reduced, like the ones of other budgetary organizations, the LRT is one of the most poorly funded European PS). The new monitoring recommendations again encourage developing a transparent funding system introducing the subscription fee and allocating a specific share of the state budget. They also suggest considering the possibility to ban advertising on the LRT or limit it more strictly (Television Across Europe. Lithuania, 2008).

There are no new proposals and ideas; there is repeated encouragement to perform work that Lithuania could have completed twenty or ten years ago. Our motives listed above raise doubts whether these recommendations can be implemented in the near future. The long lasting peripeteias of the introduction of subscription fee could finally deter from new attempts to initiate the search for alternative funding forms. In case of the critical financial situation, it is not favourable time for new commitments of the state.

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