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Hungary

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Largest Opposition Daily Suspended in Hungary

SOURCE OF THREAT ▶ Non-state

CATEGORY  ▶ Other acts having chilling effects on media freedom

PARTNER: Index, AEJ, EFJ/IFJ

On 8 October 2016, the publisher Mediaworks Zrt. suspended, with immediate effect and with no prior notice, publication of online and print versions of the largest Hungarian opposition daily Népszabadság. The CEO resigned the day before and the publisher's replacement as CEO announced the decision in a statement, citing "significant" financial losses as the reason for closure. The publisher said that Népszabadság lost 100,000 readers and suffered 5 billion forints (€16.7 million) worth of losses over the last 10 years. Népszabadság's journalists swiftly announced their intention to "take legal action against the publisher due to ongoing legal violations", including a failure to invite their representatives to a crucial meeting of the supervisory board. Journalists were blocked from entering their offices, and cut off from their e-mail accounts and the paper's servers after receiving notification of the decision.

Mediaworks has been under Vienna Capital Partners' investments for the last two years. Vienna Capital acquired Népszabadság, with a first-quarter circulation of 38,000, by buying stakes from Ringier AG in 2014 and a foundation with ties to the opposition Socialist party last year, expanding a portfolio that already includes the country's largest business as well as profit-making sports newspapers.

The Népszabadság editorial team criticised the closure as a way of silencing criticism of the government, pointing out that it came days after the paper published stories with corruption allegations against Prime Minister's close allies and a scandal involving the governor of the central bank. The Hungarian Press Union (HPU) also denounced the sudden shutdown and said that media pluralism, freedom of expression and labour rights are being violated. The organisations submitting this alert consider that the suspension of the newspaper in such a peremptory and untransparent manner risks serious damage to media diversity in Hungary and is liable to have a chilling effect on the capacity for independent and investigative journalism.

UPDATES

03 Nov 2016: On 3 November 2016, a Hungarian Court ruled that Népszabadság's sudden closure in October 2016 was breaking the labour code because its owners and management should have consulted with the employee committee in a bid to keep publishing and avoid laying off all the staff.

- ➔ Article published by the Budapest Business Journal: "Népszabadság publisher violated Labor Code, court rules"
- ➔ RSF statement on the court ruling: " Symbolic posthumous victory for Népszabadság journalists "

26 Oct 2016: On 25 October 2016, Népszabadság was sold to Opimus Press.

- ➔ Article published by U.S news: "Hungary: Publisher of suspended opposition newspaper sold"
- ➔ Article published by the Budapest Beacon

ADDITIONAL INFORMATION

- ➔ Statement by AEJ: "AEJ deplores abrupt closure of Népszabadság, voices concern about political motivation"
- ➔ Report published on the Mapping Media Freedom Platform: "Hungary: Largest opposition daily suspended"
- ➔ Statement by the EFJ: "Hungary's biggest opposition newspaper stopped the presses"
- ➔ Statement by the Hungarian Press Union (in Hungarian)

STATE REPLIES

 **31 Jan 2019** | Reply from the Hungarian authorities (information from the Ministry of Foreign Affairs and Trade)

- ➔ Letter from the Permanent Representation of Hungary to the Council of Europe

FOLLOW-UPS

 **26 Oct 2016** | Secretary General Jagland discussed with Hungarian Justice Minister, László Trócsányi, the importance of media plurality in particular following the recent

closure of the Nepszabadsag newspaper.

 **Press release**