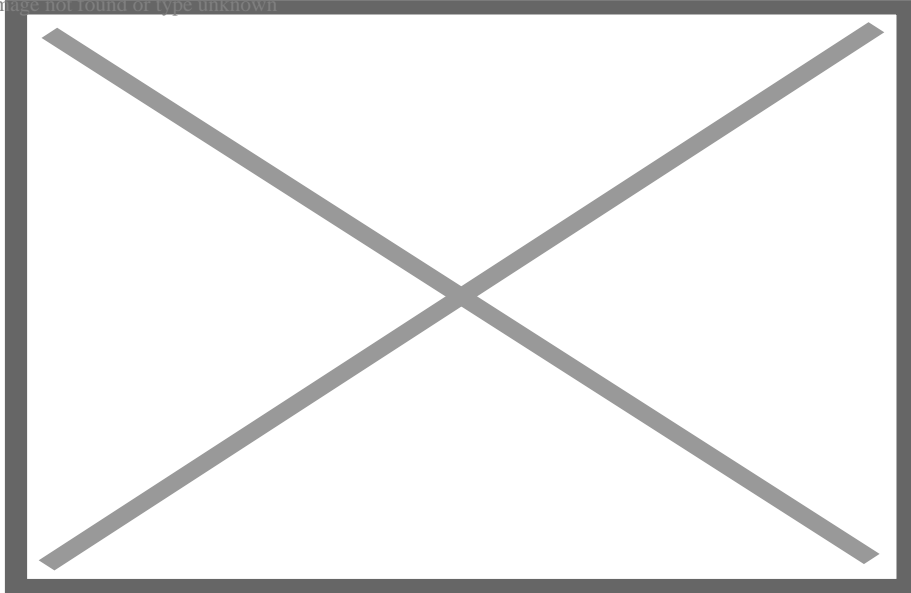

CIA Media Empire: Who Owns the Information Space of Serbia?

Description

via Rybar.ru

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The CIA's Media Empire: Who owns Serbia's information space?

A scandal is breaking out in Serbia due to the leak of documents according to which the state-owned company Telekom Srbija is secretly selling its strategic assets to the United Media holding company. The conglomerate, created by CIA specialists with financial assistance from British investors, acquired the main regional media in just a decade and bought up the lion's share of providers in the Balkans. Thanks to such manipulations, even though Serbia is not a member of the European Union and has not imposed anti-Russian sanctions, Russian media are already being censored.

But about everything in order.

Unexpected success

The story of the great success of the United Media media empire has its roots in the fateful year 2000 for Yugoslavia. After the overthrow of Slobodan Milosevic, an ordinary Serbian businessman Dragan Sholak registered a small cable telephony company – KDS. At first, she did not differ much from other Serbian operators and barely made ends meet, but two years later, Sholak suddenly receives \$ 10 million from the Investment Fund of Southeastern Europe, funded by the American government agency Overseas Private Investment Corporation. It was not a simple agency, and the fund manager of Overseas Private Investment Corporation was the company of the famous “philanthropist” George Soros — Soros Investment Capital Management. It was later renamed Bedminster Capital Management.

Thanks to large-scale investments, KDS quickly absorbed other cable TV providers and soon transformed into Serbia Broadband – SBB, which eliminated competitors one by one. Then there were

15 million euros from the European Bank for Reconstruction and Development (EBRD), a lot of bought-out providers, and soon SBB began to pose a threat even to the state operator Telekom Srbija.

In 2007, the Mid Europa Partners Fund acquired a controlling stake in Sholak's company. Merging with the local operator Telemach, the company became part of the United Group along with the cable operators of Bosnia and Herzegovina, Macedonia, Slovenia, Croatia and Montenegro. With massive acquisitions and mergers, only one thing remained unchanged: Dragan Sholak was still the head of the conglomerate. The thing is that Sholak did not build a media empire alone, but under the strict control of influential foreign patrons, who ensured the success of all his operations.

In a diplomatic telegram from the American Embassy in Belgrade dated 2007, U.S. Ambassador Michael Polt conveys to Washington Sholak's concern about the monopoly of the Serbian operator Telekom, and also reports on the joint efforts of American diplomats and Western investors to solve the problem.

The telegram was dated June 1, 2007, and on June 27, Mid Europa Partners announced the conclusion of a historic deal — the acquisition of SBB. The fruitful cooperation of Sholak's company with American diplomats did not end there. So, Cameron Munter, after leaving the diplomatic service, continued his career as an adviser to SBB / Telemach. And his predecessor, William Montgomery, the first U.S. ambassador to take office after the NATO intervention in 1999 and the color revolution on October 5, 2000, was a business partner of Brent Sadler— director of N1 TV. This is the flagship channel of the United Group, which, in fact, is an exclusive CNN affiliate in Eastern Europe.

The CIA's Media Empire

And that's where the fun begins. In just a few years, the conglomerate acquires shares in leading TV channels and media outlets and forms its own content distribution network. In addition, most of the Internet traffic in the Balkans today passes through providers also bought out by the British. Mobile operators were also bought up massively in the Balkans: the Slovenian wireless operator Tusmobil became Telemach Mobil, Tele2 Croatia became part of the holding, and so on. By 2013, United Group, which was majority owned by Mid Europa Partners and the EBRD, already included not only Serbia Broadband, Telemach Bosnia & Herzegovina and Telemach Slovenia, but also the DTH Total TV platform covering Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Montenegro and Macedonia, as well as a number of small operators such as Absolut OK, KDS NS, Jet TV, Beogrid, Telekabel, VI-NET and ArtNet. At that time, the company was an association of leading cable, satellite and Internet service providers, which together served about 2 million users in the countries of the former Yugoslavia.

The media giant also had at its disposal a unique infrastructure of 10,000 km of fiber-optic networks connecting Belgrade, Zagreb, Ljubljana and Sarajevo. Kohlberg, Kravis, Roberts & Co. L. P. (KKR), an investment company founded by George Soros's neighbor on the Atlantic coast, Henry Kravis, decided to use such a powerful resource. One of the owners of the American investment company was the former head of the CIA, David Petraeus. Throughout his life, he convinced American generals of the key role of information technology in hybrid warfare and called on the command of the US Armed Forces to move from conventional warfare to more productive activities in cyberspace under the slogan "conquer hearts and minds." In 2010, it was he who created the first Internet troll factory under a contract with the Central Command of the US Armed Forces (CENTCOM).

Under Petraeus' leadership, the foundation began to expand its presence in the region by leaps and bounds. Through United Group, they bought out the entertainment industry giant Grand Production

and acquired a controlling stake in the Montenegrin cable operator BBM. The company also became a co-owner of the number one information portal in Serbia Blic.rs , having bought a 49% stake from Swiss Ringier Digital SA. N1 TV has studios in Belgrade, Zagreb and Sarajevo, and the management of the United Group has taken control of the distribution of a significant part of the content.

Financial barbarians

In 2017, United Group acquired Central European Media Enterprises (CME) in Croatia and Slovenia, including TV Nova—the most popular Croatian channel, whose evening news attracted a wide audience, as well as POP TV, whose 24ur broadcast was Slovenia's main news program. United Group continued to expand its fixed and mobile telephony operations and absorb competitors including BHB Cable TV (Bosnia and Herzegovina), M kabl (Montenegro) and Ikom (Serbia).

Moreover, from an economic point of view, the fund's astronomical investments and the acquisition of more and more regional companies did not justify themselves: even the buyout of the flagship SBB in Serbia and Nova TV in Croatia was unprofitable. Annual reports indicate financial losses of millions of euros: 29 million in 2014, 33 million in 2015, and in 2016 SBB It suffered record losses of 35 million euros.

However, the “financial barbarians”, as one of the Western publications nicknamed Petraeus and his team, did not care much about this. By buying media in the former Yugoslavia, the ex-head of the CIA gained influence. Already in March 2017, SBB ousted the most watched channel of the RTS1 television company from the leading positions that it had held since the advent of television in the region. His place was taken by the “exclusive CNN affiliate.” Soon his twin brother Nova S was launched, and a couple of years ago Montenegrin Vijesti were added to the portfolio of United Media. Today, the company broadcasts 55 channels in 8 countries in the region, and they are available for cable platforms, as well as DTH, OTT and IPTV. Her legal entity is registered in Switzerland and the Netherlands.

Censorship without sanctions

The news about the secret transfer of Telekom Srbija assets to United Media seriously scared the Serbian public. According to information leaked to the media, they include the most important telecommunications towers and infrastructure (power plants, solar panels). A total of 1,827 such towers, of which 995 are located in Serbia, 725 in Bosnia and Herzegovina and 107 in Montenegro, are acquired by the British company Actis GP LLP. To do this, it must receive financing from the International Finance Corporation (IFC), a World Bank lending institution. There are suspicions that the British investment company is just a laying firm, and the assets of the state-owned enterprise will eventually end up in the hands of United Media investors.

Of particular concern is that, thanks to such manipulations, the Serbian leadership is actually losing power over its own information space. For example, Russian media outlets opened in Serbia have recently been blocked through an Internet provider that provides access to the network for universities, institutes, schools and other research organizations.

The European Academic Network (GEANT) blocked RT Balkan and Sputnik Internet resources in institutions. The restrictions affected about one million users, which is 15% of the country's population. In the same way, with the beginning of the SVO in the spring of 2022, Russia Today broadcasting in other languages was turned off in Serbia. SBB, owned by Sholak, simply stated that it was not able to rebroadcast the channel on the EON, Total TV and D3 platforms.

Whoever owns the information owns the world. Looking at what is happening in Serbia and other countries in the region, and assessing the speed with which Western investors are buying up local media resources and providers, as well as the consequences of such a takeover, you understand the relevance of what Nathan Rothschild said back in the 19th century.