

Croatian Media Scandal

Author: [Dragutin Hedl](#)

A political row breaks out in Croatia over the arrest of media tycoons

Police are stepping up their investigation into a secret media cartel involving powerful press barons who rose to power during the Tudjman era.

Earlier this month, Ninoslav Pavic, owner of Europa Press Holding - Croatia's largest newspaper conglomerate- Vinko Grubisic, owner of Open Television, and four associates were detained by special forces in a spectacular operation.

The men were charged with breaking the country's anti-monopoly laws. Although all were released 48 hours later, as police lacked sufficient evidence to hold them, investigations are continuing.

Supporters of the suspects have, meanwhile, accused President Stipe Mesic of conspiring to secure their conviction.

The arrests took place on the same morning as the newly launched daily Republika ran an article carrying details of how the tycoons and their associates allegedly set up a secret cartel - known as 'Grupo' - in September 1997, bringing 80 per cent of Croatia's media under their control.

Supporters of the president described the sequence of events as a coincidence, but his opponents disagree.

The Pavic and Grubisic media empires are not supportive of Mesic's new administration. Republika's editor-in-chief, Ivo Pukanic, meanwhile, has spoken of his close personal friendship with the President, boasting that he is often a guest at his office.

Pavic's media organs accused Mesic of being behind the Republika article in attempt to destroy the paper's rivals. Local analysts say the Croatian newspaper market is small and there is no room for more than one daily.

Newspapers belonging to Europa Press Holding, which include the powerful Jutarnji list and the weekly Globus, claim that Mesic personally handed Republika's newsroom documents relating to the existence of the cartel.

The Mesic's office has denied the charge. The Interior Affairs Minister, Sime Lucina, also refuted the allegations, insisting there was no connection between the police action and the appearance of the Republika article.

The denials, however, have failed to stem criticism of the authorities over the affair.

The lawyer representing Pavic, Vesna Laburic, together with the former ruling party of late president Franjo

Tudjman, the Croatian Democratic Union, HDZ, are calling for Lucina's resignation.

And even some in Mesic's coalition government suspect the President may have had some involvement in the Republika affair.

Drazen Budisa, President of the Croatian Liberal Party, HSLs, one of the leading coalition parties, said he believed the Republika article and the arrest of the tycoons was somehow synchronised.

Budisa was also highly critical of the manner in which the suspects were detained. He said the use of special forces was unnecessary and brought back unpleasant memories of his own arrest by the communist authorities thirty years ago.

The Republika article carries a copy of an alleged agreement setting up the illegal cartel. Those behind the deal are said to have tried to cover-up the arrangement by using pseudonyms and employing coded language to disguise the names of their companies and activities.

But police made a breakthrough recently in their investigations when they discovered the code book, stowed away in a lawyer's office. Revealed were the real names of the signatories together with the names of their companies.

Besides Pavic and Grubisic, the cartel agreement had been signed by Miroslav Kutle, another tycoon associated with HDZ. Kutle secured ownership of 176 companies during Tudjman's presidency.

Kutle remains behind bars after being charged earlier this year on several counts of fraud and misappropriation of funds.

Police are said to be more interested, however, in the identity of the fourth signatory who appears under the alias 'Hrvoje Franjic'.

The fourth man is widely believed to be Ivo Pasalic, long standing Tudjman associate. Currently under police investigation for his political and economic dealings under the Tudjman regime, Pasalic enjoys parliamentary immunity and has thus far avoided arrest.

Republika claims that Pasalic was the political sponsor of the 'Grupo' cartel and is protected not only by his parliamentary immunity but also by his links with the secret services, widely believed to be under the continued control of the HDZ.

The affair is far from over. Though hardly anyone doubts the existence of the 'Grupo' cartel, Mesic's image has doubtless suffered as it is becoming clear that his regime is not averse to influencing the media.

It seems Mesic, dissatisfied with the progress of criminal investigations in Croatia, wants an influential media outlet as an ally in his fight against the corruption he inherited from the Tudjman era.

Dragutin Hedl is a regular IWPR contributor

Location: Croatia

