

## CNN International, Gulf Cooperation Council and the Business of War

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Theme: Media Disinformation

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For four years, the US, Canada and NATO together with the monopoly media such as CNN have portrayed the foreign intervention in the Syrian Arab Republic as a "civil war" and championed foreign terrorists as "moderate rebels" – proxy forces that are harboured, trained, armed, and extensively funded by a coalition of NATO and members of the Gulf Cooperation Council (GCC) within the borders of Turkey (NATO territory) and Jordan. More recently, media disinformation has advertised the aggression by Saudi Arabia and members of the Gulf Co-operation Council (GCC) against Yemen as a so-called religious conflict (Sunni v Shi'a) and against expansionism by the Islamic Republic of Iran. Keep in mind that the Persian Gulf despotisms are client states of American imperialism. CHRISTOPHER MASSIE\* of the Columbia Journalism Review reveals the extensive business ties between CNN International and Qatar and other GCC states, especially sponsored coverage – programming bought and paid for by the feudal petro monarchies and routinely presented as "news" by its celebrity "journalists."

In June 2014, CNN business reporter Richard Quest <u>interviewed</u> the CEO of the <u>stateowned</u> Qatar Airways about the recently opened Hamad International Airport in Doha. "Opening new airports and terminals is a tricky business," Quest warned, before introducing Akbar al Bakar, who supervised the airport's construction.

But, he continued, "When Hamad opened in the last month, things went remarkably smoothly." The segment suggests that this outcome is largely attributable to what Quest calls "the Chief's [Bakar's] eye for detail." We watch the fastidious al Bakar patrol the airport, caressing walls and saying things like, "Look at the detail here, the match between the plaster and stone" and, "You can see the quality, you can see the touches, you can see the detail, and we will not compromise."



CNN's Richard Quest and Qatar Airways CEO Akbar Al Baker (L) attend a Qatar Airways gala to celebrate their inaugural flights to New York City, June 28, 2007 at the Lincoln Center. The airline was sponsoring his CNN show Quest. | Evan Agostini/Getty Images Entertainment

This wasn't Quest's first homage to the Chief and his airport. In a January 2012 <u>segment</u> on the airport for the CNN International program *Future Cities*, Quest observed that, "No detail is too trivial for the man known simply as 'Chief.'" Al Bakar predicted with certainty that the airport would open by the end of that year. This prediction changed dramatically in yet another <u>interview</u>, in January 2013—when his original prediction date had already come and gone. This time, al Bakar gave himself plenty of wiggle room, assuring Quest that the airport would be ready for the 2022 World Cup.

Quest never mentioned the failure of al Bakar's first prediction. More to the point, over the course of three interviews, the CNN journalist did not address a multitude of important background facts—about the airport as well as about his and his employer's relationship to it. For instance, he never told viewers that Qatar Airways would be sponsoring special CNN coverage of the history of commercial flight in conjunction with an annual aviation conference, and that Quest would lead the special programming. Nor did Quest disclose that his own relationship with Qatar Airways stretches back to at least 2005, when the airline sponsored his CNN show *Quest*. That year, he also served as emcee at the "Reach Out to Asia" fundraising drive, initiated by Qatar Airways and the Qatar Foundation, another state-owned firm which has a large (and clearly marked) advertising feature on CNN's website and which sponsored the CNN International program, *Inside the Middle East*, until this week.

Most significantly, Quest failed to ask al Bakar about allegations of labor abuse at the airport construction site. In 2012, Human Rights Watch <u>reported</u> that workers said that they had been deceived about their salaries and that their passports had been confiscated, as is the norm under the *kafala* system of migrant labor, which binds workers to individual employers. And, despite Quest's assertion that things went "remarkably smoothly," the airport <u>opened six years late</u> and exceeded its budget by \$12 billion. When it did finally open in April, it was amid a <u>legal dispute</u> with Lindner Depa Interiors, the interior-design company presumably responsible for the "quality" and "detail" that al Bakar had so effusively praised.

Quest's avoidance of grim context in these interviews was not an anomaly. CNN International, the version of CNN that broadcasts outside of the US and operates independently, has an ongoing history of sponsorship ties to an array of entities from the Gulf region, notably Qatar and the United Arab Emirates, most of which are wholly or partly owned by the state and, by extension, the countries' ruling families. (Furthermore, earlier this year, Time Warner, which owns CNN, sold its headquarters in New York City to a group that included a sovereign wealth fund of the Emirate of Abu Dhabi for \$1.3 billion.)

CNN International generally fails to disclose its relationships to these entities, except on the shows, segments, and Web pages that they sponsor. And even there, there is little explanation of the sponsorships. Perhaps worst of all, the network misleads its audience about the nature of the editorial content the sponsorships accompany—which is often extraordinarily favorable to the firms themselves, their partners, or the domestic economies in which they operate. What appears to be news on CNN International is sometimes not supposed to be news.

Mike McCarthy, CNN International's senior vice president and general manager, declined to comment on the network's relationships with sponsors. But he insisted that CNN is clear about its sponsored content and that it "maintains the same editorial standards for its sponsored programming as for its news output."

Behind this distinction between "sponsored programming" and "news output" is a British regulator. As a broadcaster based in the United Kingdom, CNN International is subject to the British Office of Communications (Ofcom) and the UK Broadcasting Code. One of the Code's <u>stipulations</u> is that "News and current affairs programs must not be sponsored." The goal of this rule is to "ensure that the principles of editorial independence; distinction between advertising and editorial content; transparency of commercial arrangements; and consumer protection are maintained."

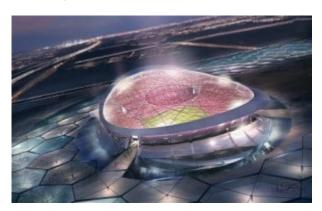
The Code is rather obviously not meant to encourage networks to broadcast superficial reporting on sponsored programs in order to avoid having those programs classified as news programs and maintain their eligibility for sponsorships.

Yet, that seems to be how CNN has interpreted the regulation. The Broadcasting Code defines a "news" program as one that "contains explanation and/or analysis of current events and issues, including material dealing with political or industrial controversy or with current public policy." As in the case of Quest's interviews with Akbar al Bakar, two of which were aired on the sponsored show <u>Business Traveller</u>, CNN International's sponsored programs present information related to current events in an upbeat fashion, while omitting or dismissing the stories' controversial aspects.

Examples of this are particularly abundant in the work of John Defterios. Defterios is the host of <u>Marketplace Middle East</u>, which, until recently, contained a segment <u>sponsored</u> by the Emirati firm Gulftainer, and which was included in a partial list of the network's "feature/lifestyle" shows (as opposed to news shows), provided by CNN International's McCarthy. Online, however, <u>Marketplace Middle East</u> bills itself as a "weekly business programme featuring in-depth analysis and top newsmakers from across the Middle East."

Defterios is also the host of <u>One Square Meter</u>, a segment on real-estate development that airs every week on a primetime news show, <u>Connect the World</u>. The segment is sponsored

by <u>Emaar Properties</u>, a UAE development company, 30 percent of which is <u>owned</u> by a sovereign wealth fund of the Emirate of Dubai.



An artist's impression of the Lusail City stadium, designed for the Qatar 2022 World Cup final. Inhuman abuse and exploitation of migrant workers preparing emirate stadia for the 2022 World Cup is rampant. Qatar hosts the huge Al-Udeid Air Base, headquarters for US air operations in the region and the directing centre of the air war against Syria and Iraq. It has been one of the leading funders of the terrorist forces aiming to subvert the sovereign government of Syria.

In a June 2013 piece on *Marketplace Middle East*, Defterios visited Abu Dhabi's Saadiyat Island, the site of a vast development project worth tens of billions of dollars, featuring a Louvre museum and a New York University campus. The Tourism Development and Investment Company, which handed out most of the enormous contracts for construction on the island, was <u>created</u> in 2006 by another business partner of CNN's, the Abu Dhabi Tourism Authority. (The tourism authority has since been replaced by another agency, but it once <u>teamed</u> with Turner Commercial Productions, CNN's producer, to build <u>Iconic Abu Dhabi</u>, "a stand-alone microsite which promotes Abu Dhabi as an international travel destination.")

The contract to build the Louvre, reportedly worth \$653 million, was awarded to Arabtec, a construction company that was 19-percent state-owned as of July. Arabtec has also collaborated with Emaar, the sponsor of *One Square Meter*, on a variety of high-profile projects, including the Burj Khalifa, the tallest building in the world. On top of this tangle of monarchic interests and sponsorship ties, Saadiyat Island has been a cesspool of labor abuse: thousands of workers employed on projects there live in squalor, severely underpaid. Last year, dozens were deported for going on strike—the rest are trapped in the country because their passports have been confiscated.

On *Marketplace Middle East*, Defterios said nothing about these disturbing facts, or about CNN's links to firms involved in the Saadiyat project. To his credit, when Defterios revisited Saadiyat Island last January for a segment on *One Square Meter*, he <u>observed</u> that Saadiyat is "on the radar of human rights groups" and included a quote from a researcher at Human Rights Watch. But that observation is buried beneath glowing descriptions of the island as "idyllic" and "one of the grandest residential and cultural projects in the world today." And

the last word in the piece is a rebuttal of the Human Rights Watch comment from a representative of the Tourism Development and Investment Company.

As with other sponsored content on the website of CNN International, the material aired on <u>One Square Meter</u> and published online could easily be mistaken for news. The segment publishes and airs reports on property and stock markets, housing, and technological innovations under the brand of one of the world's preeminent news networks, CNN (an acronym that stands for CableNews Network). And, on *One Square Meter*, the relevance of Emaar Properties to the content is inscrutable to the reader or viewer. There is an advertisement for the firm on the side of the Web page. In the right corner, a notice reads, "in association with Emaar." Videos are preceded by a 30-second commercial. There is no description of what Emaar does and even the word "Properties," which might lend a clue, is conveniently absent.

This is particularly problematic in stories that deal directly with the industry in which Emaar operates. A <u>story</u> from August, co-authored by Defterios, brushes aside concerns of a development bubble in Dubai, emphasizing the measures taken to stabilize the property market and the city's appeal to the rich. The piece suggests that the influx of wealthy foreigners may render Dubai unaffordable for "those with less cash to splash," but stops well short of suggesting that this could undercut the city's "charmingly optimistic," "build it and they will come" mantra.

The lack of transparency becomes even more acute in stories that include no sponsorship information whatsoever, such as a July 2 piece by Defterios for CNN International about the UAE stock market. In the previous month, the Dubai stock market had plunged, mainly because shares of Arabtec, Dubai's most heavily traded stock, had dropped by about half after the CEO, who had amassed a 28-percent stake in the company, resigned. Reuters interpreted the revelation about the CEO's stake and the ensuing plummet in share value as substantiating fears about the insufficiency of regulation and transparency in the region. In September, Bloomberg reported that another fall in Arabtec share prices had sent ripples across the Dubai stock market, precipitating a less dramatic drop in Emaar shares just as the CNN sponsor was preparing for its initial public offering. But in July, Defterios had a different take, noting the assurances of the Arabtec chairman that the company's internal investigation had found no "impropriety" and emphasizing that it had billions of dollars of building projects lying in wait. "That, as they say, is good business by any global standard," the story concludes.

In the past, other journalists have pointed out CNN's connections to firms owned by autocratic states, as well as its inadequate disclosure of these relationships. In 2011, soon after the Malaysian government had cracked down on protesters, Defterios, a former president of the public-relations firm FBC Media, interviewed the prime minister of Malaysia. At the time, Defterios was still listed as a director and shareholder of FBC and Malaysia was one of the firm's clients, leading critics to speculate that his questions might have been influenced by his business interests.

Then, in 2012, Glenn Greenwald <u>wrote about</u> CNN's extensive relationship with Bahrain, <u>arguing</u> that it contributed to CNN International's decision not to air a documentary about the Bahraini government's suppression of dissent during the Arab Spring. In the same year, Max Fisher, <u>writing</u> on the website of *The Atlantic*, criticized the opacity of the network's disclosure of its relationship with the state-owned Kazakh firms sponsoring its coverage of Kazakhstan.

Meanwhile, Habib Battah, whose blog, <u>The Beirut Report</u>, covers media in the region, has noticed that CNN's reporting from Abu Dhabi, where the network opened a regional headquarters in 2009, is strikingly complementary of the United Arab Emirates. "It didn't take much to figure out that there were some serious concerns here," Battah said in an interview. "It was just kind of banging it over your head: this beautiful skyline that they just kept talking about in every broadcast." (Though he was talking about the skyline of Abu Dhabi, the fact that the Defterios story about the Dubai stock market cited above is adorned with a series of spectacular photos of the Dubai skyline lends credence to his comment.)

Battah emphasizes, however, that the problem of corporate media transcends the Middle East and includes the American press. "I think that the various entanglements of corporate ownership is a global issue," he says.

It's true that the corporatization of the US news media is an ongoing concern, exacerbated by declining revenues and, more recently, the phenomenon of native advertising. Yet in at least one fundamental way, being beholden to private American corporations and being beholden to state-owned corporations from Qatar and the UAE is not comparable: The Qatari and Emirati states can and do imprison and exile people who publicly say things they do not like.

Matt Duffy, who teaches communications at Berry College in Georgia, is both a scholar and an exemplar of this fact. In 2012, after teaching for two years at Zayed University in Abu Dhabi, Duffy and his wife were notified that their contracts had been terminated and their residency visas would be canceled. He was never told exactly why he was kicked out of the country, but he suspects it had to do with his advocacy of journalism and free expression. "There is no freedom of speech in Qatar or the UAE," he said. State-owned firms in those places, he argued, "have vast powers that they can exercise over the journalists that are reporting on them."

These states have repeatedly demonstrated their hostility to free speech: The pollster Gallup was forced out of the Emirates in 2012, and the Qatari poetMuhammah Rashid al-Ajami is serving a prison sentence of 15 years (which was reduced from life). But perhaps the most noteworthy recent episode was the jailing of American citizen Shezanne Cassim in the UAE. Cassim, who was released in January 2014, spent nine months locked up for making a YouTube video that mocked Dubai teenagers. Matt Duffy notes that CNN covered the incident heavily—the network even interviewed Cassim after his release—though it is not clear how much of that coverage appeared in the region.

On the other hand, CNN seems to have <u>largely ignored</u> the arrest of activist Obaid Yousef al-Zaabi after CNN reporter Sara Sidner interviewed him in December 2013 about the Cassim case and human rights in the UAE. A search of al-Zaabi's name returns <u>no relevant results</u>on CNN's website and I could not find the interview that precipitated his punishment anywhere online. McCarthy, the CNN International executive, claimed via email that the network "experienced no interference in our extensive coverage of [the Cassim] story." Sidner, he says, who was stationed in the UAE "on an extended anchoring assignment for CNN International while recovering from a leg injury ... is now based in Los Angeles."

When asked if CNN had any concerns about being in business with firms owned by undemocratic regimes, McCarthy wrote, "We don't discuss the business arrangements we have with our sponsors/advertisers." He did, however, stress that "CNN International has been clear with its audience about all of its sponsored material."

The fact that it required extensive research to learn about who CNN International's Qatari and Emirati sponsors were, how they were related to each other, and that sponsored shows are not allowed to cover or comment on the news suggests otherwise. The fact that these sponsored "lifestyle" shows routinely present themselves as news programs further obscures this distinction. Indeed, one recent advertisement for *Inside Africa*, which is broadcast "in association with" the Nigerian bank Zenith, went so far as to tell viewers to "Tune in weekly for the latest stories across the continent."

As it turns out, the British Office of Communication may also be concerned that CNN International's sponsored material looks too much like news. An Ofcom spokesman said, "Ofcom is currently conducting an investigation into sponsored material broadcast on CNN International."

CNN International has <u>violated Ofcom sponsorship rules</u> at least once before. In 2010, the network was warned for airing criticism of Barack Obama by then-chairman of the Republican National Committee Michael Steele in a seven-minute segment sponsored by Skype.

Because the current investigation is ongoing, the Ofcom spokesman would not provide further information. McCarthy said that the network "has cooperated fully" and that the investigation is not exclusively aimed at CNN.

Christopher Massie is a CJR contributing editor.

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