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# Global Media and Communication Policy

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Petros Iosifidis



## Global Media and Communication Policy

*Also by Petros Iosifidis*

EUROPEAN TELEVISION INDUSTRIES (*with J. Steemers and M. Wheeler*)

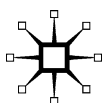
PUBLIC TELEVISION IN THE DIGITAL ERA: Technological Challenges  
and New Strategies for Europe

REINVENTING PUBLIC SERVICE COMMUNICATION: European  
Broadcasters and Beyond (*edited*)

# **Global Media and Communication Policy**

Petros Iosifidis

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Guest foreword © Cees J. Hamelink 2011

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# Contents

<i>List of Tables</i>	x
<i>List of Figures</i>	xi
<i>Acknowledgments</i>	xii
<i>Preface</i>	xiii
<i>Guest Foreword</i>	xv
<b>Introduction</b>	<b>1</b>
Global media and communication policy	1
Main questions and book structure	14
Limitations	19
<b>Part I A Trilogy on the Public Interest in Media</b>	
<b>1 Media Policy in the Public Interest</b>	<b>23</b>
Introduction	23
Defining the public interest	25
Public interest, public communication and the public sphere	27
Conclusion	43
<b>2 Media Regulation in the Public Interest</b>	<b>45</b>
Introduction	45
Telecommunications	46
Broadcasting	47
Print media	51
Media ownership rules in the USA	58
Media ownership rules in the UK	60
Press subsidies	66
Developments in media and communications since the 1980s	67
Narrowing the public service aspect of public interest: the public interest and free market competition	70
In support of PSB	71
A public interest approach to Internet governance	73



<b>3 Media Policy and Regulation in the Public Interest:</b>	
<b>Looking Ahead</b>	<b>76</b>
Introduction	76
Difficulty in defining the contemporary public interest	77
Increased reliance on competition regulation	81
The public interest has been quantified	83
Policy and regulation have been professionalized	85
Media policymaking at supranational level	86
What lies ahead	88

## **Part II Global Communication Theories and the Nation-State**

<b>4 Global Communication Paradigms</b>	<b>93</b>
Introduction	93
Modernization theory	93
Cultural imperialism theory	95
Critical political economy paradigm	97
Cultural studies theory	99
Media globalization	101
Conclusion: the national versus the global media system as the lead player	103
<b>5 Globalization and the Nation-State</b>	<b>106</b>
Introduction	106
Political systems	107
From 'government' to 'governance': towards a new role for the state?	111
Theorizing the process to governance and the role of the nation-state	114
Conclusion: towards 'state capitalism'?	119

## **Part III Supranational Bodies**

<b>6 Supranational Bodies, Non-State Actors and Global Media Policy</b>	<b>125</b>
Introduction	125
World Trade Organization	126
United Nations Education, Scientific and Cultural Organization	129
International Telecommunication Union	131
Civil society: the case of the World Summit on the Information Society	134
Internet Corporation for Assigned Names and Numbers	137
World Intellectual Property Organization	138
Conclusion	140

<b>7</b>	<b>Media and Communications Policy in the European Union</b>	<b>143</b>
	Introduction	143
	The growing involvement of the European Commission in media and communications policy	145
	European Union media policy in the 1980s and 1990s	146
	EU communications policy in the new millennium	155
	Conclusion	163
	 <b>Part IV The Convergence Phenomenon and Regulatory Reform</b>	
<b>8</b>	<b>The Convergence Phenomenon in Media and Communications</b>	<b>169</b>
	Introduction	169
	Conceptualization of convergence	169
	Technological convergence	172
	Industry convergence	174
	Market convergence	180
	Publisher–user convergence	180
	Conclusion	182
<b>9</b>	<b>Regulatory Convergence</b>	<b>186</b>
	Introduction	186
	The debate over ‘institutional integration’	188
	The Office of Communications	194
	The Federal Communications Commission	197
	The European Union and competition law	198
	European Commission policy for regulatory convergence	198
	Conclusion	202
<b>10</b>	<b>Guidelines for Regulatory Reform</b>	<b>204</b>
	Introduction	204
	The rationale for regulation in the digital age	204
	The convergence regulatory framework	209
	The continuing importance of content regulation	213
	Is content regulation still applicable?	217
	The cases for self- and co-regulation	224
	Is media ownership regulation still applicable?	231
	Conclusion	236
	<b>Conclusion</b>	<b>238</b>
	 <i>Notes</i>	<b>243</b>
	<i>Bibliography</i>	<b>254</b>
	<i>Index</i>	<b>277</b>

# Tables

0.1	Global growth and consolidation patterns in the USA	4
0.2	Multi-channel development in the UK, 1993–2009	5
0.3	Types of media governance	13
0.4	Interaction between culture and commerce	14
2.1	Largest owners of print media in the USA	53
2.2	Largest owners of print media in the UK	56
2.3	Summary of the media ownership rules in the UK	61
2.4	Ofcom's recommendations concerning the media ownership rules in the UK	63
4.1	Global communications conglomerates, 2004–2008	102
5.1	New bargains: a typology of regimes	113
7.1	Main indicators of EU works and independent producers for 2007–2008 by member state	158
7.2	Free-to-air listed events regime operating in the UK	160
8.1	Convergence/integration and divergence/disintegration	172
8.2	Market valuation of selective companies	176
8.3	Regulatory implications caused by changes in technology and market structure	184
9.1	Regulatory authorities in selected countries	191
10.1	Differences between PCs and TVs	211

# Figures

2.1	Estimated newspaper publishing market decline in OECD countries, 2007–2009	54
2.2	Contribution of advertising and copy sales to paid-for daily newspaper revenues, 2008 or latest year available	55
8.1	Convergence in the value chain	172
8.2	Number of corporations that control a majority of US media	178

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# Preface

This book addresses what I perceive to be an increasingly prominent subject in the field of media and communications, and one that has attracted increased attention in areas such as sociology, economics, political science and law: global media policy and regulation. Specifically, the book considers the wider social, political, economic and technological changes arising from the globalization of the communications industries and assesses their impact on matters of regulation and policy. It focuses on the convergence of the communication and media industries and makes reference to the paradigmatic shift from a system based on the tradition of public service in broadcasting and telecommunications delivery to one that is demarcated by commercialization, privatization and competition.

The book tackles a key question in the field: to what extent do new media developments require changes in regulatory philosophy and objectives? Within the current complex and rapidly changing environment, there is a need to comprehend the interactions between broadcasting, telecommunications, the press and the Internet in order to assess whether technological and industry convergence can result in international regulatory convergence. Therefore, policy researchers should look beyond national communications policies and acknowledge the international dimension of political and regulatory decision-making. In exploring the different regulatory modes and the interplay between the local and the global in policymaking, this book proposes various possible meanings of the 'public interest' concept.

The book aims to enhance the reader's knowledge and understanding of policy and regulatory issues, particularly at global level. Thus it assesses the impact of the technological, market, political and regulatory changes that affect the communications industries and discusses how media policymakers have reacted to these challenges mainly in the USA, the UK and the European Union. The unique features of this book are, first, the effort to integrate policy relating to print media, broadcasting, telecommunications networks and the Internet, and second, the reflection of the international scope of regulatory philosophy and objectives. The book incorporates and synthesizes the wide-ranging relevant academic literature in the field and there is an extended discussion on existing methodologies concerning the internationalizing of policy and regulation and the role of national delivery of policy. The book is grounded in theory and research related to the meaning of the 'public interest' concept in media policymaking, which is considered to be the most appropriate analytical framework for a book of this type. The

book's other principal original feature is an empirical survey that outlines new industrial changes and policy/regulatory responses.

Through its strong theoretical and empirical grounding this publication is intended primarily as a detailed monograph. However, it can also serve as an advanced text for graduate students in the field of media and communications, especially through its thorough incorporation of the relevant literature. Scholars, industrialists and policymakers could benefit from the book's rigorous examination of the policy implications of increasing media globalization and the ongoing processes of technological convergence.

# Guest Foreword

My personal interest in the topic that Petros Iosifidis addresses so ably and lucidly in this book dates from the 1970s. This was the decade of international debates about a re-ordering of global communication and information structures.

The aspirations of the, often heated, exchanges at these 'Cold War'-type diplomatic gatherings, and of their promising resolutions, were the creation of new international realities that would reflect greater fairness and balance in global communication and information dissemination.

One of the instruments that became prominent in the realization of these ambitions was the design and implementation of national communication and cultural policies. Such policies attempted to develop guidelines and institutional mechanisms for the promotion and protection of autonomous communication systems. A crucial part of this exercise (largely supported by the UN agency UNESCO) was rule-setting, with the concomitant development of institutions and best practices.

It was a time of great excitement and hopeful expectation, both of which nevertheless eventually petered out and never developed into real societal changes. The grand ideal of communicative democracies was hardly anywhere realized.

Having been actively involved in policy/planning missions for UN agencies and in the organization of training courses on communication policy and planning, I was intrigued by the renewed interest in regulatory reform. Obviously, crucial technological innovations stimulated the formulation of new traffic rules for the communication and information domain in the late 1990s and the early twenty-first century. However, the intriguing question was: had anything changed since the 1970s? Clearly, an important change was reflected by the prominence of the concept of 'multistakeholderism', and particularly by the increasingly active role of representatives of civil society and the convergence of once separated technological domains into a common digital playing field.

Yet, although these changes were undoubtedly significant, the key issues remained! The problem of failing global governance (across politics, economy and culture) kept coming back as a result of the lack of legitimacy of governing institutions. By and large, around the globe, electorates did not feel that the supranational institutions really represented their interests or were even willing to listen to them.

Also the problem persisted of how to take the 'public interest' (however one defines this) seriously in political situations where democracy is absent



or where the political system has only a weak, representative character. In many 'nominal' democracies the defence of the public interest is outsourced to collective and individual representatives that are inclined to pursue their own political agendas.

Another challenge to which no solution was found is how to conceive policymaking as a reiterative process that recurrently addresses such key challenges as inclusiveness, participation, universal access and freedom.

The governance of communication systems and institutions remained a somewhat quixotic enterprise, akin to regulating a tropical rain forest.

To help us come to terms with this complex domain we need the kind of intellectual analysis that Petros Iosifidis offers us. He does that through a comprehensive, analytical account that is supported by solid documentary evidence and transparent argumentation. Despite all this laudable and scholarly work he leaves us with an essential problem – for which he is not to be blamed: in making policies, defining rules and setting up governance mechanisms we have to assume that we have knowledge of future realities that will be shaped by our regulatory efforts.

We do not! We plan for a future we do not know and that may not even happen. The perplexing issue of our deep ignorance about the future stays with us. It would be unfair to expect Iosifidis to have resolved this for us – he has given us a study that inspires further thought and we should be very grateful for that.

**Cees J. Hamelink**

Professor Emeritus International Communication  
University of Amsterdam

# Introduction

## **Global media and communication Policy**

This book concerns global media policy and regulation – it attempts to examine the sociocultural, political, economic and legal issues that are used to regulate the media, telecommunications and the Internet in contemporary society. It aims to analyze the policy process, consider policy issues and shape policy debates, which are increasingly taking place at a supranational level. The bulk of the relevant academic literature up to now has mainly conceived media policy as the process of state-initiated and -implemented mechanisms for structuring media and communication systems. Although the role and power of national governments in the media policy process remain important – this volume argues that today the nation-state<sup>1</sup> indeed remains the decisive player in media policy formation – the book acknowledges that the exercise of policy is not confined to the state, for other actors, such as supranational corporations, multilateral clubs, the industry and the global civil society, have an increasingly significant presence in media policymaking. The shaping of policy has become more complex and increasingly competitive. In a global world, policy and regulation at national level is no longer sufficient.

There is a growing body of literature on global media policy and regulation, showing that there is increased interest in the field (see, for example, Castells, 1996; Castells and Cardoso, 2006; Chakravarthy and Sarikakis, 2006; Hamelink, 1994, 2000; Marsden, 2000; Ó Siochrú, Girard and Mahan, 2002; Raboy, 2002; Silverstone, 2007). Yet, ‘this field of study appears to be under-theorized, not well-defined in its boundaries and open to controversial interpretations regarding the main processes and actors involved as well as the approaches and methods through which research is being conducted’ (Raboy and Padovani, 2010: 4). The above article by Raboy and Padovani presents an overview of the conceptual framework through which a global media policy (GMP) mapping project has been initiated within the context of the International Association for Media and Communication Research

(IAMCR). The project confirms GMP as an emerging field of study and its ultimate goal is to build capacity for policy intervention.

This volume acknowledges the absence of a disciplinary and methodological home for GMP studies. It contributes to the understanding of the issues, practices and actors involved in global media policymaking by covering a lot of ground, theoretically as well as empirically. It also suggests a plurality of approaches and perspectives on the relevant phenomena. The core argument is that technology, economics, politics, culture and the legal framework are all important in the development of global media and communication policy and in the dynamics of media systems. Borrowing from the GMP mapping project it attempts to elaborate on the key terms 'global', 'media and communications' and 'policy and regulation'. For this purpose, the 'global' is considered as a multilayered and transnational space in which different communication systems operate and different models of policy and regulation are adopted. The book synthesizes the classic works on the debate on globalization for a better understanding of 'the global' and to shed light on the relationship between the local/national and global/supranational in the context of communication policy. Does globalization lead to the elimination of state regulation or does it result in new forms of global governance?

The concept of 'media and communications' is not uniform, for there are different types of media and different media systems across the world. Braman (2009: 2) reminds us that the word 'media' was coined in the 1920s to refer to the growing number of entries in this category and that only in the 1930s were separate regulatory systems developed to deal with then-new, and then-distinct, electronic broadcasting and telecommunications media. The types of media include newspapers (local and national, dailies and Sunday, quality and popular) and magazines, recorded music and film, radio and television (with local or national coverage, transmitted via terrestrial channels, satellite or cable, analogue or digital), video and computers, telecommunications and new digital, on-demand and online media. In today's 'mediated' world, alongside traditional 'mass media', one can observe newer communication technologies such as mobile and handheld devices, digital media and the Internet.

This book will show that the development of the Internet, the globalization trend and the process of technological and industrial convergence blur the boundaries between media and communication platforms and challenge traditional regulatory models. The substantive areas that characterize the communication policymaking domain are 'content' and 'structure', the former referring to policies that impact on the nature of the content offered by the media outlets and the latter signifying the structural elements of the media markets, such as ownership patterns and competitive conditions. Whereas the press has been largely a regulation-free sphere, there has been a long tradition of content regulation

in broadcasting focusing both on imposing 'affirmative' requirements, related to educational programming and localism, and 'protective' policies on matters like indecent language, the protection of minors and the portraying of violence. Broadcasting has also been subject to structural policy requirements focused on ensuring diversity of ownership and restricting foreign ownership, both aimed at enhancing media pluralism.<sup>2</sup> But globalization, new technologies and convergence have introduced new forms of content into the media and offered new mechanisms for the delivery of content, effectively blurring the distinction between communications markets.

'Policy and regulation' (or 'global governance', a fashionable mantra denoting structural changes in policymaking) has clearly been affected by globalization. Media policies have so far been mainly national, nation-states being the main actor initiating and implementing policy within specific territorial boundaries. New forms of policy/governance need to be developed to result in a fresh dynamic between the state, the market, the citizen and the media. An array of actors and processes are involved in contemporary policymaking, shaking the relatively stable traditional pattern of policymaking that served the 'public interest'. Although there are contradictory versions of the meaning of the public interest in media and communications, this volume uses 'public interest' to refer to the collective cultural, political, social and informational benefits to the society which serve both the democratic processes of participation of all citizens to society and politics, and the cultural, social and economic well-being of people (see below and Chapter 1).

But it is not only globalization and convergence that affect media policymaking; other structural changes have had an impact. These can be summarized as privatization (the situation where state-operated media enterprises turn private), commercialization (the introduction of market forces to the communications industry), industry consolidation (see Table 0.1 for a selective record of merger activity in the USA) and reregulation, referring to the relaxation of strict rules for broadcasting and telecommunications and the introduction of 'light touch' regulatory frameworks.<sup>3</sup>

Meanwhile, technological advances and the accompanying proliferation of channels of communication and modes of content delivery have challenged the rationale of imposing strict regulation. In the UK, for example, multichannel development (see Table 0.2) provided the rationale for the government to implement 'light touch' regulation in broadcasting with the passing of the 2003 Communications Act.

### **The public interest**

The question arises as to how these developments are reflected in media policies, which traditionally have been sector-specific and directed at mass media (mainly broadcasting). The meaningful boundary lines of

*Table 0.1* Global growth and consolidation patterns in the USA

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1985	– Murdoch's News Corporation buys Twentieth Century Fox
1986	– Matsushita acquires RCA for \$6.4 billion (then the largest non-oil acquisition in history)
1989	– Sony acquires Columbia Pictures (and Tristar) (Japanese electronics hardware company buying entertainment software companies)
1990	– Time and Warner merge
1991	– Matsushita acquires MCA (the acquisition lasted only four years)
1994	– Viacom acquires Paramount (\$8 billion) and Blockbuster (\$8.5 billion)
1995	– Westinghouse acquires broadcasting network CBS (\$5.4 billion)
1995	– Disney acquires ABC/Capital Cities (\$19 billion) (vertical integration)
1995	– Seagram acquires Universal Studios
1996	– Time Warner acquires Turner Broadcasting (\$7.4 billion)
1998	– AT&T acquires TCI (inc. Liberty) (telecom/media convergence)
1999	– Viacom and Columbia Broadcasting System (CBS) merge (\$80 billion)
2000	– Vivendi (French firm) acquires Seagram/Universal (\$35 billion)
2000	– America on Line (AOL) acquires Time Warner (\$220 billion) (biggest acquisition in history between an Internet service provider and a media conglomerate) (but AOL departed in 2009)
2003	– News Corporation buys a controlling interest in Hugh Electronics (DirecTV) (\$6.6 billion) (US satellite/global satellite TV)
2003	– General Electric (owner of broadcasting network NBC) buys Vivendi Universal (\$5.2 billion) to create the NBC-Universal
2004	– Sony and Bertelsmann (German conglomerate) merge music units into Sony BMG (\$5 billion)
2005	– News Corporation acquires social network MySpace (\$580 million) (the first acquisition between a traditional media outlet and a new medium)
2006	– Disney acquires Pixar (\$7.4 billion)
2006	– Google, acquires online video site YouTube (\$1.65 billion)
2008	– Liberty Media acquires DirecTV (\$16.2 billion)
2009	– Global financial data and news empire Bloomberg LP acquires BusinessWeek from McGraw-Hill (\$2 million)
2010	– Cable and broadband company Comcast buys NBC-Universal from general Electric (\$13.8 billion)
2011	– America on line (AOL) buys Huffington Post (\$315 million)

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*Source:* Hardy, 2010: 12 (including author's updates).

communication policy do not any longer revolve around particular communication technologies (Napoli, 2001). In line with McQuail (1992a) this book argues that it might be more appropriate to define the communication policy field in terms of its emphasis on particular substantive communication objectives. McQuail clearly noted in the early 1990s that policy is grounded in the political and cultural dimensions of communication processes. This perspective is reflected in more recent works, such as Braman's (2004, 2009). Braman argued that media policy is co-extant with the field of information policy that deal with the sociocultural issues of freedom of expression and participatory decision-making. Media and regulatory

*Table 0.2* Multichannel development in the UK, 1993–2009  
(number of homes in '000s)

Year	Satellite	Cable	DTT	Total
1993	2,387	625		3,012
1995	3,060	973	–	4,033
1997	3,804	1,845	–	5,649
1999	4,184	2,942	–	7,126
2001	4,991	3,490	529	9,010
2003	6,409	3,440	873	10,600
2005	7,277	3,363	4,216	14,327
2007	8,437	3,301	8,831	18,637
2009	9,440	3,585	14,008	22,471

Note: DTT = digital terrestrial television

Source: <http://www.barb.co.uk>.

activity could then be justified with reference to broad normative goals or, as Feintuck and Varney (2006) put it, 'to a claim of the public interest'.

This book proposes to refer to the various possible meanings of the concept of the public interest in exploring the different regulatory modes and the interplay between the local and the global in policymaking. This is because the public interest idea provides a comprehensive mechanism via which policymakers and researchers can pass judgements upon the performance of media systems. Despite its long and contentious history in communications policy-making, the public interest notion serves as the benchmark against which most media policies are assessed (see Napoli, 2001). It certainly refers to economic and competitive factors related to revenues and efficiencies, but most importantly requires that attention be paid to the broader normative criteria of pluralism and diversity, freedom, access and objectivity (McQuail, 1992a). The concept of the public interest reflects a broader awareness of policy outcomes that would benefit 'the public', rather than the interests of individuals.

### Media systems

In the simplest terms, the types of media systems are the Western media system, which is characterized by a mix of publicly and privately supported media, the free flow of ideas and diversity of views; and the communist and/or authoritarian media system, where the main media are owned and controlled by the state and 'news' is typically what is important to state interests. The main question, though, is why the media serve different purposes and appear in different forms in different societies. A few analysts have come up with empirically grounded models. In an early attempt to classify the world's media system into a small number of simple, discrete models, Siebert, Peterson and Schramm (1963) presented four major theories behind the functioning of the world's media: the Authoritarian theory, which was based on the idea

that truth is the product of a few wise men; the Libertarian theory, which asserted that the search for truth is one of man's natural impulses; the Social Responsibility theory, stating that newspapers should face up to their social responsibility, especially in one-paper cities, or that electronic media should provide equal time for political candidates; and the Soviet Communist theory, an expanded and more positive version of the Authoritarian theory.

In a more recent study based on a survey of 18 countries, Hallin and Mancini (2004) replaced the above four theories with a new set of models: the Liberal model (prevailing across North America, Britain and Ireland); the Democratic Corporatist model (observed in northern continental Europe); and the Polarized Pluralist model (existing in the Mediterranean countries of southern Europe). The Liberal model is characterized by a dominance of market mechanisms and of commercial media; the Democratic Corporatist model is characterized by the coexistence of commercial media and media tied to organized social and political groups, although the state still plays an active role; and the Polarized Pluralist model is characterized by the integration of the media into party politics, the weaker presence of commercial media and a more central role of the state. It can be seen that in contrast to Siebert, Peterson and Schramm, who covered a wide range of media systems, the nearly half-a-century later Hallin and Mancini's work was confined to the developed capitalist democracies of North America and Western Europe. Still, the authors admit, in their introduction, that many variations emerge once one begins to adapt these models to individual countries.

Despite the trend towards globalization and the regulatory integration processes taking place at global level, or global governance (issues that will be examined in the course of this book), national variations in media systems still apply and are important to the understanding of media policies. To take just one example, the American and British media systems that Hallin and Mancini discuss as examples of the Liberal model differ markedly when it comes to broadcasting. Unlike the UK, where broadcasting began in the 1920s under the control of state-owned and -operated enterprises, the USA chose to grant local broadcast licences to nongovernment entities – primarily to commercial firms to provide advertising-supported programming, but also to colleges, universities and churches. In contrast, the UK created a hybrid model in which a nongovernment organization (the British Broadcasting Corporation, BBC), supported by public funds, became the broadcasting monopoly.

True, both the USA and the UK can be dubbed liberal political systems securing political neutrality in broadcasting, but the British model of governance protects the BBC from political control by having professionals run the corporation instead of politicians exercising management control (Hallin and Mancini, 2004: 31), whereas in the USA a nonprofit, nongovernment Corporation for Public Broadcasting (CPB) to provide financial support to local public television and radio stations was established without the sustained funding or authority to build a strong national network (Baer, 2010). While successive British governments have encouraged the BBC to remain a

strong public service provider and adopt an expansive digital strategy, public broadcasting in the USA largely missed out on the opportunity to enter the era of multichannel television (Noam and Waltermann, 1998: 7).

### **Defining media and communication policy**

It is not an easy task to define the broad field of media and communication policy, for the focus can be on media systems, or on politics, or on law and regulation. However, it can be said that communication policy refers to the regulation of different mass media (radio, television, the press) and telecommunication, which in the era of digital convergence embraces new digital and online media, computers and the Internet. It is a field of media research that began to emerge in a substantial way in the early and mid-1980s as the reregulation policies of the Reagan presidency spread to Britain and the rest of Europe (Tumber, 2000: 3–4). According to McQuail (2007: 10), media policy acquired relative stability and recognition in the final quarter of the twentieth century to deal with the issues of public accountability and control of the dominant medium of television. The incentives were on the one hand the wish to check television output for political reasons and on the other to ensure that the public interest was maintained and promoted.

Policy institutions are tasked with regulating the structure, production and distribution of media. Put simply, media policy today can be understood as a set of laws and regulations that typically tackle issues such as (Flew, 2007: 17):

- Promotion of indigenous content that reflects the national culture and identity.
- Promotion of content that caters for the needs of both the majority and minorities.
- Control over market entry in order to ensure the efficient functioning of the media industry.
- Limits on the concentration of media ownership in order to preserve pluralism and diversity.
- Prevention of the distribution of material that is deemed harmful to the community.
- Setting of programme standards that ensure fair and accurate coverage of public interest issues.

However, media policy has always been controversial since it assumes state intervention, which limits freedom of expression and the right to communication. The freedom to communicate has been constrained by general civic and criminal law, as well as by laws and regulations specific to the media. Media firms are also subject to a series of technical, marketplace and conduct regulations governing elements of ownership, content and performance (*ibid.*: 171). Many media policies can simultaneously impinge upon the speech rights of particular individuals or groups. For example,



Napoli (2001) notes that the same policies to diversify media ownership in the name of enhancing free speech can be viewed as impinging on the individual speech rights of those owners of media enterprises seeking to expand into other areas and reaching new markets. The state has thus been portrayed as a threat to media freedom, and regulation has been attacked as an obstacle to consumer satisfaction (Curran and Seaton, 2010: 357). State interference in the field of media and communications might be justified according to public interest criteria on behalf of a national citizenry, but as will be shown in the first three chapters of this book there are various public interest paradigms: for instance, the broadcast model ensures that the public has access to quality content, while the telecommunications model refers to public's access to infrastructure.

The problem is further complicated by the fact that the formerly separate worlds of broadcasting, telecommunications and print are coming together as a consequence of technological convergence, which necessitates a common regulatory approach for all communications. Communication policy consistency has been evident in the USA with the long presence of the Federal Communications Commission (FCC), the agency responsible for regulating both telecommunications and broadcasting. This coherent vision for setting up a single regulator for the communications industry as a whole was also pursued in the UK under successive Conservative administrations during the 1980s and New Labour, in power for over a decade after 1997. The unifying theme of an integrated communication policy advanced by the then New Labour government was best reflected with the establishment of a super regulator, the Office of Communications (Ofcom), in 2003 to replace a number of formerly sectoral regulatory bodies.<sup>4</sup> This book will argue that, like its US counterpart, the UK regulatory agency has adopted primarily an economic imperative and has largely neglected sociocultural objectives.

Indeed, the main driving force shaping media and communication policy since the 1980s has been free market ideas, which have encouraged competitiveness and the adoption of reregulatory policies. Media policies are sought to create the conditions of independence from government, of wide range of choice, and of open competition, thus enabling the consumer to exercise sovereign control. The prevailing ideology of neoliberalism asserts that reliance on market mechanisms both empowers the consumer and fosters freedom, and creates the conditions for market efficiency. Broadly speaking, neoliberalism can be perceived as the stage of capitalism defined by four indicators: privatization, deregulation, liberalization and globalization. It was initially adopted by various rich countries such as the USA and the UK as a policy response to the 1970s global economic crisis and since the early 1980s it has evolved internationally 'to make market functioning (and the openness of national economies to global market forces) the *overwhelming* priority for social organization' (Couldry, 2010: 4). The 1970s crisis was seen as a consequence of the failure of Keynesianism (the preceding economic

policy regime), and neoliberalism opened the way for a new approach to politics and economics in which market competition is common practice and the state may no longer have an interventionist role (see Harvey, 2005; Peet, 2007: 77, cited in Coundry, 2010: 4).

Reinforced by technological change (the advent of cable and satellite together with digitalization and the emergence of the Internet, which have undermined the 'spectrum scarcity'<sup>5</sup> rationale for regulating broadcasting) and social shifts (greater individualization and fragmentation in society), reregulation (or 'light touch' regulation) in broadcasting and telecommunications has gained momentum, while the press has remained intact since it is shaped along free market lines.

This pro-market movement away from the onerous regulation of electronic media in favor of setting general objectives and co- and/or self-regulation<sup>6</sup> has found support and has been implemented quite straightforward in the telecommunications sector, which has traditionally been subject to infrastructural (but not content) regulation. However, it contrasts sharply with the continuing commitment to public control of broadcasting in order to maintain content quality, plurality of voices, impartial and accurate news, all of which are desirable goals that the market at present cannot be relied upon to deliver. The social market approach, which believes in principle in the free market while giving rise to public interventions intended to sustain media diversity, plurality of ownership and programming quality, was incorporated during the late 1990s and early 2000s in New Labour's broadcasting policy in the UK. According to Curran and Seaton (2010: 377), UK broadcasting policy 'can be viewed as an attempt to square a circle: a fervent belief in the market, combined with a highly developed sense of its limitations. This is a standard social market position that justifies – and indeed elevates – the regulator as champion of the public interest'.<sup>7</sup>

It is striking how current debates in the field of broadcasting are focused more than ever on the publicly funded BBC and its expanding online and digital activities at a time when competitive terrestrial TV channels are facing deep economic difficulties as well as on British Sky Broadcasting (BSkyB)'s persistent campaign to shrink the scope of public broadcasters. Not bound by the BBC's tradition of impartiality, Murdoch-controlled BSkyB is already larger than the BBC, with a turnover of £5.9 billion in 2010 compared with the BBC's turnover of £4.8 billion (Sabbagh, 2010). However, with the BBC's licence fee income frozen by the current Conservative–Liberal Democrat coalition government as well as the suggestion to cut BBC Online's budget by 25 per cent,<sup>8</sup> BSkyB may increase its financial and political power in the UK media market, especially if the UK competition authorities approve parent company News Corporation's bid to buy the 60 per cent of BSkyB that it does not already own.<sup>9</sup> Meanwhile, any cut to the BBC licence fee raises a fundamental question about the BBC's independence from government (Barnett and Seaton, 2010a, 2010b).

### Media policy and cultural policy

Media policymaking is premised upon the special role that media play in the processes of culture, politics and the market. It is therefore articulated within the society, polity and economy. But the boundaries separating these areas are not always clear and are actually being broken down as digitalization, convergence and globalization blur traditional technological and regulatory distinctions. It should therefore be recognized that the boundaries between media policy and cultural policy (and even information policy) are becoming less distinct. In fact, Hesmondhalgh (2005: 95) makes a case that media policy could be considered together with cultural policy as these two areas of policy have tended to be analyzed as separate domains, at least in the Anglophone world. Cultural policy has typically been associated with the subsidized arts sector. Schlesinger (2009a) makes reference to the so-called 'creative industries' idea of the New Labour government when it first took office in the UK in 1997, an arbitrary grouping of diverse cultural, communicative and technological practices: advertising, architecture, art and the antiques market, crafts, design, designer fashion, film, interactive leisure software, music, the performing arts, publishing, software, and television and radio.

Referring to the UK cultural policy in the 1950s–1960s, Lury (1994) wrote that this consisted of a series of preventative steps to preserve high art forms, like opera, theatre, dance, the visual arts and literature. A more integrated conception of cultural policy emerged in Europe and particularly France, where national cultural policy has been tasked with the preservation and promotion of heritage, creation and democratization. In contrast, media and communication policy has been considered in terms of economics and politics. While recognizing the important differences between the two domains, Hesmondhalgh (2005) believes that media policy and cultural policy need to be considered in relation to each other and in relation to public policy more generally. This is because both areas of policy concern the relationship between symbolic representation and a government's *cultural policy* and also issues of national and civic identity.

Williams (1984: 3) identified a function of cultural policy as 'display' which means that policies doing most to preserve or inflect cultural attitudes may not be those nominally attributed to 'culture'. McGuigan (2004: 61–91) developed Williams' thought by drawing up a distinction between 'cultural policy as display' and 'cultural policy proper'. Whereas the former is characterized by various kinds of public panoply and the instrumentalization of cultural resources for political and economic purposes, the latter attends to the 'proper' object of cultural policy (defined by McGuigan as aiding the 'democratic practices of art, culture and the media'). Following Williams' distinction between cultural policy as display (national aggrandizement and economic reductionism) and cultural policy proper (public patronage

of the arts, media regulation and the construction of a national identity), McGuigan (2004: 65) argued that cultural policymaking between the member states of the European Union (EU) falls within the latter category.<sup>10</sup>

Other thoughtful commentators have suggested that there is a need to assess the broader political debates leading to the formation of media policy. Horwitz (1989) and Streeter (1996) argued that media policy could be equated to media politics. Recent work by Chakravarthy and Sarikakis (2006: 4–5) asserts that a separation of politics from policy is an artificial and ideologically loaded position that falsely claims neutrality. Also this separation may not be desirable for the purpose of critical analysis of and reflection upon the contexts that determine the availability of communication channels and conditions for personal and cultural, social and political expression. The scholars point out that removing politics from the policymaking process in broadcasting, telecommunication and digital media content has been a great success in the USA in that it has shifted the discourse of policy.

### **Academic research**

According to Schlesinger (2009a), cultural policy is formed where culture and politics interact: it creates a relationship between diverse ways of life and the institutionalized form of the state. But while acknowledging the academics' obligations to disseminate their research widely and the requirement for intellectual openness and interdisciplinary research, Schlesinger rightly argues that there is a need for resources to conduct research in the fields of cultural and communication policies. Here, national research councils, foundations, government departments, public bodies, charities and the European Commission all have their own agendas. How they articulate their 'strategic priorities' will always have effects on what academics do and where they focus. So too do universities' own research strategies. Undeniably, it is becoming increasingly hard to be heard in the world of media and cultural policy formation and harder still to be influential. Influencing the terms of debate is difficult because the shaping of policy has become both more competitive and more complex. Academics today have to compete to make their views known with management consultancies, government advisers, business journalists and research teams within communications regulators (*ibid.*).

Political agendas and partisanship notwithstanding, academic researchers have the required skills and qualifications to contribute to rational media and cultural policymaking. After all, regulatory agencies like the FCC and Ofcom have to, by law, combine their in-house expertise with an objective and transparent collection of evidence when initiating rules and policies. However, as regulatory bodies increasingly display an inherent bias toward results-driven decision-making, academic researchers rarely achieve the same status as that of economists and consultants. Frieden (2008) noted that, with increasing regularity, the FCC generates and seeks empirical data

from market consultants and policy advisers that supports preferred or pre-ordained policies. In effect, academics' efforts have little influence on the FCC and also generate limited recognition. Chapter 3 will show that similar trends are evident on the other side of the ocean, particularly in the case of Ofcom in the UK.

### **Media policy and regulation**

Media policy looks at the ways in which policies are initiated and implemented and examines their impact on the communications industry. Media policy has traditionally referred to actions of government and public administration that have specific objectives alongside specific means for achieving them. Here, Freedman (2008: 13) makes a distinction between policy and regulation: 'if media policy suggests the broader field where a variety of ideas and assumptions about desirable structure and behaviour circulate, then regulation points to the specific institutional mechanisms for realising these aims'. In this sense, media regulation follows media policy: where policy refers to the development of objectives to shape the structure and behavior of media systems, regulation points to the means and mechanisms for achieving these objectives. In other words, regulation implies the application of rules developed through the policy process. Along these lines, Abramson (2001: 301–2) observes that media regulation flows from media policy: 'where policy sets out the state's role in bringing its preferred mediascape into being, regulation is the instrument through which the state supervises, controls, or curtails the activities of nonstate actors in accordance with policy'.

### **Media and communication policy paradigms**

Recent research on the concept of media policy typically begins by referring to communication and media policy paradigms. Van Guilenburg and McQuail (2003) distinguish three paradigmatic phases in the historical development of media policy: emerging communications industry policy, from the mid-nineteenth century until the Second World War. The ultimate objective of media policy during this period was efficiency – pursued in the public interest, which was defined as efficient public service under state control. A principal characteristic was the separation of regimes, with particular reference to the means of distribution: print media were governed by guarantees of freedom of expression; common carriers (telegraphy and telephony) were regulated in terms of infrastructure and ownership but not of content; strong regulation of access and content applied to broadcasting.

The second phase of media policy, which extended from the Second World War until about the 1980, was driven by democracy – normative and political considerations, rather than technology – and by the search for national cohesion and stability. In both the USA and Europe there was a tendency to break national monopolies and to privatize the media, although in Europe

there was more political debate on the issue and a greater attempt to develop new media potential through public investment and protectionism than in the USA, where what prevailed was frenetic deregulation of media and telecommunications. Since the 1990s there has been a new policy paradigm, driven by the convergence of communication infrastructures and services. Van Guilenburg and McQuail (2003) single out that the third phase promotes the ideals of freedom of communication, access, and accountability/control (this dualistic concept is defined as control over access coupled with answerability for the use made of that access).

### Media governance

A contemporary trend that reflects the shifting of power from national towards supranational or global levels is that of media governance. Freedman (2008: 14) observes that media governance is a broader term than regulation, both spatially and instrumentally. Borrowing from McQuail (2005: 234), he writes that media governance refers to the formal and informal, national and supranational, centralized and dispersed mechanisms that aim to organize media systems. Braman (2009: 3) makes a case that governance is part of what she calls the 'information policy' field, which includes the following: 'government' (formal institutions of the law); 'governance' (decision-making with constitutive [structural] effect, whether it takes place within the public or private sectors and whether formally or informally); and 'governmentality' (cultural predispositions and practices that produce and reproduce the conditions that make particular forms of governance and government possible).

McQuail (2003: 98) explores various types of media governance by adopting formal/informal and internal/external distinctions. This results in the following typology (see Table 0.3):

The complexity of media governance can be attributed to the fact that the media are located in civil society but operate in the marketplace, and meanwhile are linked to state institutions. What is more, the media as societal systems function simultaneously in economic, political and cultural terrains.

*Table 0.3* Types of media governance

	Formal	Informal
<b>Internal</b>	Management and financial control; Self-regulation	Professionalism; Organizational culture; Norms and ethics
<b>External</b>	Law and regulation	Market forces and relations; Pressures and lobbies; Public opinion review and criticism

*Source:* McQuail, 2003: 98.