

# VI

## What...

Roger Silverstone

Anthony Smith

Gaëtan Tremblay

Werner A. Meier

Elizabeth Fox  
and Silvio Waisbord

Binod C. Agrawal

Marc Raboy

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Joseph Turow  
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# VI

## What...

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This section is concerned with the *What* – the information wares that are bought and sold in the marketplace and that are circulated under arrangements that do not depend on the price mechanism. The ‘what’ concerns the conditions for the circulation of knowledge – from production, to distribution, to consumption. This theme was present in William Melody’s (1977) early work on the mass media and the economics of access to the marketplace of ideas. It characterises his elaboration of the dimensions of freedom of speech questions that arise in the context of the media. Who has freedom to speak, about what, and to whom? He addressed this issue in his analysis of the conditions necessary for cultural development. This is the common thread that runs throughout this section.

The developers of public policy, he argued, must attend to technological transformations, the shifting sites of public access to communication networks and to cultural products, and the associated transformations in industry structure, nationally and globally. Melody’s analyses of the dynamic interplay of these developments are closely linked to his work on regulatory reform and to his critiques of the emerging information society. From the 1960s, the technical convergence of the media, computing and telecom industries was becoming increasingly apparent. Melody examined these developments in the light not only of the potential for market failure, but also in terms of the potential for opening new spaces for the expression of distinctive cultures and traditions.

The implications of the changing structure of the media industries for the way content is appropriated by audiences are addressed through the lens of policy reform. Melody emphasised the economic incentives facing media producing firms and he examined the market-led advertising and the public service broadcasting models. Where he found evidence of market domination or practices that he argued were not in the public interest, he called for public policy reform.

Melody’s influential book, *Children’s Television: The Economics of Exploitation* (1973a), is still in use today. Working in collaboration with Action for Children’s Television (ACT), an American advocacy group, Melody asked, ‘Should special

protections be provided to insulate children from direct advertising designed to stimulate their consumption desires so that they would become active lobbyists for the merchandiser within the family?’ (Melody 1973a: 4). He considered whether the broadcast industry’s claims of financial harm as a result of the withdrawal of advertising targeted at the potentially lucrative children’s market were founded on fact. His investigation showed that these claims were vastly overstated. He advocated in testimony before the Federal Communications Commission (FCC) that the elimination of advertising deemed to be harmful to children could be promoted without significant financial hardship to the industry and with minimum negative consequences.

Melody’s view of developments in the media industries is complementary to Dallas Smythe’s understanding of the institutional dynamics of markets for the production of media content under capitalism. In his article, ‘Communications: Blindspot of Western Marxism’, Smythe (1977) argued that the economic incentives of producers were organised to exploit audiences by making them do the work necessary to consume commodities of all kinds. Smythe (1981: 111) claimed that the ‘role of the market for audiences, produced by mass media and bought by advertisers, has been totally ignored’. When audiences are influenced (or ‘educated’) by the ideological messages embedded in cultural products, they become a valuable asset for the media industry firms. Smythe suggested that countries should erect ‘cultural screens’ as a form of policy to protect themselves from these commercial products. In contrast, Melody advocated country-specific strategies of reform to change the economic incentives facing the commercial media and to improve the performance of public service broadcasters. His analyses of the economics of the media industries extended to the cable and satellite television industries. His work in this area was motivated by a search for institutional structures and practices that converge to a greater degree with the public interest.

The Internet Age is marked by digital technologies, convergence and multimedia content delivered over multiple platforms. The Internet also enables relatively convenient replication that may be construed as infringement of the copyright of the owners of digital information. In response to these developments, Melody has been concerned about the changed economic incentives that govern and shape the behaviour of media producing firms. Melody has argued that it is feasible to win some measure of protection for the diversity of ideas and of freedom of expression through policy measures that stimulate competition in the marketplace of ideas. Even in the face of growing numbers of suppliers, regulation is necessary to ensure that economic imperatives do not take precedence over social obligations. Melody

(1990a: 22) maintained that cultural products are influenced by institutions: 'These institutional constraints do not deny creativity and discretion so much as channel it in particular directions. Some of the most creative programming is channelled into advertising'.

Melody has always differentiated between policy mandates imposed on public service broadcasters and private broadcasters, on the one hand, and government capacity to implement those policies, on the other. In his 1986 Neil Matheson McWharrie Lecture on the Canadian Broadcasting Corporation's (CBC) contribution to Canadian culture, he asserted that Canada has the 'best communication policy statements of any nation', but that they are 'the idealistic aspirations of Canadian policy-makers rather than statements of purpose that will be made operational in practice' (1987a: 290-1). He suggested that the CBC had been hamstrung by problematic management decisions and that the Canadian Radio-television and Telecommunications Commission (CRTC) was ineffective in implementation: 'The issue is not so much one of private commercial interests insidiously undermining the public interest, as it is public service broadcasters losing sight of their mandate, and government policymakers and regulators failing to implement the noble principles that are so often enshrined in words, but missing in action' (Melody 1988: 280).

The justification for regulating media industries is the obligation to ensure that non-market objectives are articulated and addressed (Melody 1978; Cave and Melody 1989; Melody 1990b). Broadcast regulation is connected to the management of the radio frequency spectrum as a scarce resource. According to Cave and Melody (1989) broadcast markets have always been subject to government oversight or public financing. Broadcasting organisations implement their own preferences and biases regardless of whether they are located within the public or private sector.

The contributors to this section are concerned with policy objectives and rationales for regulation of the media industries. Their discussions draw upon experiences in national contexts including Canada, India, Israel, Switzerland, the United Kingdom, and the United States, as well as Latin America. They acknowledge that media content is now produced for circulation within global networks, but they point to distinctive patterns of content production and variations in policy priorities in the light of specific institutional histories. In some cases, they emphasise reform of extant media institutions; in others, they stress opportunities for the emergence of alternative media.

In his contribution, *Roger Silverstone* calls for a fundamental re-examination of the rationale for media regulation. We regulate, he argues, because the media are part of our lives – they enter the private spaces of the home and they influence our understandings of the world and the meanings we construct about others and ourselves. Silverstone suggests that it is necessary to think carefully about how regulation affects media producers and influences our experiences of geographical space and social relationships. He calls for consideration of what might constitute ‘proper distance’, that is, the knowledge of another person that is consistent with enabling responsible and caring action. He argues that the way the media constitute and mediate our lives may be inconsistent with an ethically appropriate ‘proper distance’.

*Anthony Smith* claims that there is little understanding of what was intended historically by support of institutions such as the British Broadcasting Corporation (BBC), despite continuing deliberations about the mission of public service broadcasters. Traditionally, the broadcast media were subject to control in the public interest. This took the form of prohibiting certain content that was deemed to be harmful, and promoting other content that was thought to contribute to national well being and social cohesion. Smith observes that public service broadcasting sought to ‘fill in the gap between citizen and consumer’ and assesses the possibilities of recapturing the public-service ethos. Like Silverstone, he emphasises the need for a moral stance, one that acknowledges the role of the media in assisting in the construction of a shared agenda. He foresees institutional changes in the media that may lead to the emergence of public information, even in the face of the cacophony of images and messages that now constitute our mediated environment.

With the intensification of global distribution of media content facilitated by the use of satellite, cable television, and now the Internet, media regulation and copyright protection are no longer solely of national concern (Ó Siochrú et al. 2002). Historically, most supranational issues have been dealt with through bilateral agreements or multilateral regimes. Melody examined trade in cultural products and advocated more effective public policy at the international level. He observed that ‘television programming that is specifically designed for the precise purpose of responding to international or global market conditions, and not to the particular domestic conditions of any country, must be different – perhaps substantially different – than the programming produced for the domestic market in any particular country’ (Melody 1988: 267). There are major differences in public service objectives that are given priority in different countries. In Australia, for instance, the ‘tyranny of distance’ is a key issue; in Canada, language and

bilingualism are important; in Latin America, the role of church ownership of the media is a consideration; and in the United States, the educational role of public service sometimes has been emphasised. Media policy must therefore accommodate diversity of objectives. In the globalising market for information commodities this is easier to aspire to than to achieve. Melody (1988: 270) observed that ‘if one seeks programming diversity within one’s country that is responsive to a variety of specific domestic conditions and issues, there is likely to be disappointment upon learning that the incentives of national public service programmers may be moving away from that objective, towards the objective of success in global market’.

The problems of international governance are addressed by *Gaëtan Tremblay*. He goes to the heart of the problem created by the conflicting values that influence media production and consumption in global and local markets. He asks, ‘how can we preserve cultural diversity while opening markets to encourage technological innovation and stimulate commercial exchanges? What is the right balance between political intervention and market rules?’ This issue is very important in the light of the recurrent and mounting pressures within the World Trade Organization negotiations to bring cultural production within the scope of trade in services agreements. Tremblay favours an international policy environment that recognises the peculiarities of the cultural industries. Any new trade regime should give weight to both commercial and cultural objectives. Tremblay draws attention to Melody’s consistent view that markets are, in fact, social institutions; they can be constructed and shaped to favour a variety of goals and outcomes.

*Werner Meier* takes up the theme of the globalisation of the media industries through the lens of media ownership. The industrial structure of the media affects who may access the marketplace of ideas. In an oft-cited article, ‘Communication Policy in the Global Information Economy: Whither the Public Interest?’, Melody (1990a: 20) stated that ‘... the public interest has been seen essentially as preserving the conditions of “independent” reporting, not a diversity of information services and viewpoints’. As media abundance in terms of channels and distribution alternatives has emerged, Melody has contested the argument that this implies increased media diversity. Concentration of ownership continues to matter and it requires scrutiny. Meier notes the passing of the political economy turn in media research as the attention of researchers has shifted from analysis of the supply side of the market to analysis of consumption. Studies of the active audience and the mediation process are revealing but as Meier suggests, there is a continuing need for detailed and critical analysis of the ways in which media conglomerates are accumulating power.

The terrain of media structure, ownership and policy is covered by *Elizabeth Fox* and *Silvio Waisbord* in the context of the changes in Latin American broadcasting markets. Fox and Waisbord show that there has been no coherent policy coordination between the countries in the region with the consequence that 'global capital and programming moves easily into weaker and smaller markets with low production, and more aggressively in partnerships with local powerhouses into advertising-rich countries with large, actual or potential, audiences'. Tracing the early history of public service broadcasting in the region and the forces of globalisation, this contribution highlights the power of resistance within the region to the hegemony of Hollywood. Local production of content has been a constant and there have been successes in export markets. The Latin American 'patchwork quilt' of media production, consumption and export is influenced strongly by factors such as per capita income, diffusion of technologies and expenditure on advertising. These authors are pessimistic: '... globalisation signals the consolidation of commercial media systems and the end of alternative models'. But, they are also hopeful that policy makers can influence the market.

The unequal development of the media industries and diverse patterns of media consumption are evident in India. In his contribution, *Binod Agrawal* considers the divides between those in the South Asian region who are excluded from participating in emerging information societies and those who are not. He argues that policy makers are indifferent towards measures that might facilitate greater equity in the distribution of the potential benefits of digital infrastructures. He calls for a vision of a distinctive Indian information society that can guide coordinated policy action. He notes that although much of the policy debate juxtaposes the views of those who fear the consequences of global developments and those who welcome it, there is a paucity of research on the nature of, and the contradictions in, the way the media and other information products are being accommodated or resisted in people's lives.

*Marc Raboy* addresses the themes of globalisation and paradigmatic change in the media environment. He examines the role of regulation in facilitating media and communication governance, arguing that regulation can help to secure access to content and alternative means of communication, and that it can support efforts to create opportunities for citizens. Raboy sees the need to revise government policy continuously in the light of the changing dynamics of the market, which are blunt instruments at best. Continuous reassessment of available means of mobilising production of media content that is responsive to public interest considerations is necessary. Policy must enhance access to information that is valued not just by consumers, but also by citizens. Raboy gives priority to devising

new forms of governance that take issues of cultural development and democratisation issues into account. The stakeholders that are most successful in developing innovative approaches to governance, he suggests, are the transnational media companies. For inclusive governance, the other collective groups in society will have to follow suit.

Melody (1990a) argued that there are deep and complex connections between the way information is generated and exchanged in any given society and the organisation of industry. When there are changes in the modes of information production or exchange, we must examine the potential for new biases and new distributions of power to emerge and their consequences for firms and other organisations.

The characteristics of information generation and dissemination affect the nature of markets and the structure of industry, as well as the competitiveness of firms, and the prosperity of regions and nations. They affect the international structure of organisations, ranging from corporations to government agencies, political parties, universities, trade unions, libraries and volunteer groups. The implications of the changes now taking place ... affect the characteristics of essential information and communication networks both for individuals and organizations (Melody 1990a: 26).

*John Downing* claims that it is no longer meaningful to refer to a universal concept of public service broadcasting. In this respect his position is similar to that of Anthony Smith. Downing is more concerned however, with whether the new technological developments, in conjunction with earlier generations of technologies, open up spaces for the emergence of ‘contrahegemonic’ media. Downing recounts a number of initiatives, including Independent Media Centres and micro-radio, that offer the potential for creative production of media to contribute to democratic participation. He observes that relevance and watchability are no longer necessarily in conflict. Declining production costs enable developments that may help to support the ‘public’s ability to amass power to achieve secular, just, pro-human purposes’. But Downing is cautious in his expectations because the extreme right can appropriate the new media spaces. The social scientist’s obligation in his view is to examine how the new media (and the old) are being appropriated and to assess the consequences for citizens.

The final contribution in this section by *Joseph Turow* and *Rivka Ribak* cautions against the tendency to treat the Internet and the World Wide Web as

undifferentiated phenomena. They argue that many comparative studies oversimplify and fail to acknowledge that these media are fundamentally associated with identity formation. This process is highly differentiated. Turow and Ribak examine two discourses about the Internet and the Web. The first, an essentialist approach, foregrounds the technological aspects and draws conclusions about the common experiences of users. The second, a relativist perspective, emphasises local identity and social practices. They suggest that neither is helpful in examining what happens when the Internet enables ‘encounters between local cultures ... in the context of transnational political and economic interests regarding the new technology’. Adopting a ‘world systems perspective’, they raise issues about asymmetries in the interpenetration of cultures and how these, in turn, may influence how various populations create and resist new meanings and identities.

The challenge that Turow and Ribak set out is a very appropriate. The research and policy challenge, they claim, is that of ‘relat[ing] people’s attitudes and that which takes place locally, to the national and global sociopolitical system’ – a statement that resonates with Melody’s lifelong concerns.