



# EUROPEAN MEDIA STUDIES

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# Public service and the deregulation of European broadcasting

Broadcasting in Western Europe has been described as a 'mixed model' (McQuail 1990). European nations at the advent of radio broadcasting in the 1920s rejected both the unregulated, free market model developing in the USA and the directly regulated, state-controlled system emerging in the Soviet Union. They adopted a distinctive model which combined components of commercial and state-regulated broadcasting and is usually called public service broadcasting. A variety of public service broadcasting systems developed across the continent, some of which placed broadcasting in a closer relationship with the state than others. Some countries rejected the market playing any part in the financing of broadcasting; while others developed a dual role for the state and the market in raising revenue. This model had the support of most of the significant forces in Western European society until the late 1970s. However, support was gradually eroded by a range of technological, financial, political and social changes. Since 1980 the consensus behind public service broadcasting has broken down and, as a result, broadcasting has undergone considerable change (Pettley and Romano 1993). This chapter examines the technological developments and new regulatory mechanisms that have ushered in a world of multi-channel, market-driven television and explores the readjustment of broadcasting structures, output and audiences that has resulted. While there is a general crisis of public service broadcasting in Western Europe, with public funding for television being cut and the audience for public service television falling, these readjustments have differed nationally.

## European public service broadcasting

The public service system that took hold of Western European broadcasting in the period following the Second World War was characterized by a number of key features. McQuail (1995) identifies the 'old order' as being distinguished by a programming policy catering for all tastes, public accountability, monopoly, national scope, independence from vested political interests and non-commercialism. The overall end product could be seen as 'quality' programming for all. Programme-makers were freed from the commercial need to make profit and governed by guidelines that ensured, among other things, access for minority groups and fair and impartial political coverage, and, as a result, they produced programmes that had broad appeal. Public service broadcasting made available a far wider range of representation

than other media. Accountability was put in place through regulatory bodies and Western European legislatures usually had ultimate control over the funding of public service broadcasting. The most common means of financing broadcasting in Western Europe was by a licence fee, set by governments and collected by a government agency. Broadcasting tended to be a monopoly in most countries, with one broadcaster licensed and funded by the government. Monopoly was justified by the technical argument that there was a scarcity of airwaves and hence only a few channels were available. However, most Western European governments were reluctant to allow such a potentially powerful means of communication to operate outside their control.

Politics was central to the development of public service television in Western Europe. Blumler (1992: 12) points out that public service broadcasting bodies are 'highly politicised organisations'. The state played a crucial role in the formation of these organizations, but public service broadcasters have taken their responsibilities to the performance of the political process and maintenance of a healthy civic culture 'far more seriously' than their colleagues elsewhere in the media and in commercial systems in other parts of the world, such as the USA (Blumler 1992: 12). This does not mean that public service broadcasting was closely controlled by government. Day-to-day editorial control often rested in the hands of the broadcasters, who achieved considerable independence of government in many, if not all, Western European nations. The independence of broadcasting was guaranteed by a number of different political arrangements. Kelly (1983) identified three different forms which bring television and politics together. There are formally autonomous systems, in which arrangements have been established to separate decision-making from the government of the day. Such arrangements exist in Britain, Ireland and Sweden. Politics in broadcasting systems ensures that the governing bodies of broadcasting organizations have representatives from all major political parties, as well as other social groups and movements associated with them, as in Germany, Denmark, the Netherlands and Belgium. Finally, there are what Kelly terms 'politics over broadcasting systems', in which the government and other organs of the state can intervene directly in the day-to-day decisions of broadcasters, as in Greece, Italy and France. Sensitivity to state involvement in broadcasting has always been a matter of concern in every European country. The rationale for the state's role in the broadcast media is that broadcasting is too important to be defined as a market commodity. It is a social good, a commonly valued resource that must be organized for the collective good to ensure that all citizens have an equal right to be educated, informed and entertained. The public broadcasting system in Western Europe was supported by a wide range of groups and interests in western society.

Prior to the 1980s a broad consensus surrounded the public service concept. Political elites supported public broadcasting as it enabled them to exercise some form of control over a potentially disruptive social force. For intellectuals and cultural elites, public broadcasting allowed them access to the airwaves to educate audiences about the finer aspects of literature and the arts, and to raise standards of knowledge and understanding. Many saw it as a crucial tool in promoting social harmony. Bureaucrats in Europe, more accustomed to state intervention than their North American counterparts, saw it as natural that a government department should oversee broadcasting. The press were grateful as the rejection of

commercial broadcasting prevented broadcasters competing for what was a limited amount of advertising revenue. For audiences the range of programming appeared to satisfy their viewing requirements. However, from the early days of radio and television, after the novelty of the new medium had worn off, audiences were increasingly dissatisfied with what was served up. In Britain in the 1930s listeners drifted away from the BBC to tune into European channels such as Radio Luxembourg and Radio Recamp, private services banned in the UK, to receive a range of entertainment in preference to what they saw as the dull and worthy output of Reith's public service station. These concerns did shape the development of programming policy, but remained hidden by the consensus surrounding public service.

The European public service model was destabilized by a number of changes in the late 1970s and early 1980s. Technological change was critical as it undermined the 'scarcity of the airwaves' argument, which had justified the monopoly of broadcasting. The original rationale for public service broadcasting in Western Europe was the scarcity of frequencies, making regulation necessary to avoid the confusion and chaos of airwaves wrought by competing radio signals. Monopoly was seen as 'natural' in such circumstances (Negri 1998: 228). The arrival of the new media technologies of cable and satellite in the late 1970s brought to an end the problems of scarcity. New systems of delivery undermined terrestrial services by liberating the airwaves to more and more channels. As significant was the arrival in positions of political power of right-wing libertarian governments, opposed to public regulation and state intervention, which they saw as inhibiting the operation of the free market (Humphreys 1996: 161). Free marketers, such as Mrs Thatcher in Britain, Jacques Chirac's Gaullist neoliberals in France and the neoliberal faction of the Christian Democrats in Italy, committed themselves to liberating broadcasting from the 'nanny state' and ensuring that consumer choice, as determined by audience tastes and preferences, would prevail. They embarked on the process of deregulation and liberalization which represented a direct challenge to public service values. These governments were lobbied hard by a range of commercial interests. The business lobby behind deregulation was a formidable amalgam of cable and satellite operators, advertisers, independent television producers, the press and publishing industries, broadcasting facilities and financial interests, all of which believed that opening up European broadcasting would be favourable to their enterprises (Humphreys 1996: 174). The advertising industry in Europe was particularly effective at lobbying for change, at a national and a European level (Humphreys 1996: 172; Martelart and Palmer 1991: chapter 4). By breaking the public service monopolies, the advertising industry hoped to reduce the rates they had to pay to advertise on television. Other powerful interests supported the coalition against public service broadcasting on political grounds. The European Commission believed that breaking down national public service broadcasting monopolies would assist the process of European cultural and political integration (see chapter 7). It also sought to prioritize economic aims in the television industry in order to build European production to counter the increasing flow of US programming into the continent (Humphreys 1996: 259-61). Commercial pressure came from the new media moguls, who sought the relaxation of national rules and regulations to facilitate their entry into the increasingly lucrative broadcasting market. The press saw broadcasting as an investment opportunity rather than a competitor, and with newspaper groups becoming

incorporated into larger media enterprises, the larger potential profits to be made in television pushed concerns about the newspaper business into the background. Finally, fuelled by the social and cultural changes of the 1960s onwards, audiences increasingly demanded and asserted their right of access to information and a range of programming. Increased prosperity meant that more people were able and willing to pay for what they wanted to see on their television screens. The result was that the forces for change became overwhelming and in 1976 Italy became the first European country to 'deregulate' television.

## The Italian affair

The Italian state broadcaster Radio Audizioni Italiana (RAI) had held a monopoly of broadcasting from the end of the Second World War. Deregulation in Italy was as much a response to political factors as technological innovations such as satellite and cable, which promised a multi-channel system. The stifling hand of the Christian Democrats, who had been the majority party in Italy since 1945, brought forth calls in the 1970s for greater diversity on Italian television. Their defeat in the 1974 election provided the opportunity to do something about the situation. The resulting changes brought about a radical shift in the 'ecology' of Italian broadcasting. In its first phase, deregulation led to the setting up of hundreds of private television stations throughout the country – about 600 local television stations and more than 2500 radio stations were born (Mazzoleni 1997:129). Lacking the public subsidy of the state broadcaster, RAI, and relying heavily on advertising revenue to fund their operations, the output of these stations was variable. Sartori (1996:156) identifies three kinds of organizational types: independent stations, the 'pioneers of private television', which produced their own programming and sold their own advertising; the so-called 'circuits' established by advertising sales agencies, which began to incorporate television programmes; and 'networks', which centralized programming, advertising sales and management through the merger and affiliation of channels. The audience share of these early networks rose from 4 per cent in 1977 to 24 per cent in 1979. However, their programming was described as combining 'artless idealism with naked profiteering'. Before long the television explosion encountered meltdown as local stations closed. The end of the first phase of Italy's television experiment came when the 'big operators' began to buy up strings of local stations. The main beneficiary of this process was the TV entrepreneur, Silvio Berlusconi, who came to own three major national channels – Canale 5, Retequattro and Italia 1. The means by which most of private television was delivered into the hands of one man and one corporation, Berlusconi and Fininvest, is attributed to 'a mixture of contradictory factors – managerial skill and lack of it, far-sightedness and obtuseness, active and passive political cronyism' (Sartori 1996: 158; see also Mazzoleni 1991).

The kind of programming Berlusconi's channels offered was organized around 'high advertising appeal', relying heavily on a schedule of quiz shows, 'sanitized nudity', bought-in old US situation comedies and sport. Games and variety shows seemed to be on all the time. The most notorious was *Colpo Grosso* – put out by another private TV station – which had stripping housewives and, as a main prize, the chance to undress the show's dancers. Italian television pioneered the 'TV sex show' (see Blain and Cere 1995). Soap operas purchased

from the USA and Latin America and dubbed into Italian also became part of the service. The invasion of foreign imports into Italy has been described as 'the most extraordinary collection of international programming stock ever seen in the history of television' (Sartori 1996: 160). The increase in foreign-made material was a response to the need to produce programmes at the lowest possible cost; bought-in soaps at the time were five times cheaper than the home-made product. The new ecology of Italian broadcasting soon settled into the following pattern. RAI's share of the audience had fallen to around 45 per cent, while the share of Berlusconi's channels had risen to roughly the same amount. The remaining 10 per cent or so was fought over by myriad local and regional stations, including those run by the Catholic Church, Italian political parties, trade unions and hard-core porn interests. However, in order to survive, RAI had to drop part of its public service mission and become involved in a ratings battle. Sartori (1996: 156) details how a number of traditional programmes disappeared altogether from its schedule during these years, which he labels the period of 'tactical degeneration'. First the Friday night drama series disappeared, then the slots for children's programmes were reduced and finally cultural offerings were relegated to later and later in the evening. In an effort to compete, RAI had been driven downmarket, increasingly embracing the formats adopted by Berlusconi's channels. Criticized and pressured to concentrate on 'serious' programming, RAI argued that this would further diminish its audience. The changes were necessary if RAI was to secure its future and the future of public service broadcasting.

The 1980s was an era of unremitting competition in Italian television. Mazzoleni (1997: 129) compares the period with the Wild West, with 'unregulated competition, births and deaths of hundreds of broadcasting enterprises, rocketing programme costs and, above all, the consolidation of a private broadcasting industry, monopolized by a single trust'. In the end there was 'trench warfare involving two combatants – the RAI and Fininvest' (Sartori 1996: 160). During this period the amount of broadcasting hours increased considerably: annual hours of television rose from around 6000 in 1976 to about 34,000 in 1986 (Wolf 1989: 53). However, advertising time on Italian television grew even more quickly. In 1983 RAI carried 40,000 advertising slots on its three channels, a figure which rose to 60,000 by 1987; meanwhile, Fininvest channels had no fewer than 284,800 slots in the same year (Wolf 1989: 53). RAI was operating on an income two-thirds of which came from licence fees and one-third from advertising (Henry 1989). This saturation of advertising meant that 'programmes, schedules, tones and even the appearance of on screen personnel were all determined by the need to satisfy the needs of advertisers' (Grundel 1997: 69). Demands were made for limits on advertising, but it was in the area of programme quality that concerns became most pronounced. Informational programmes were virtually absent from Fininvest's channels, although prior to 1991 Berlusconi's channels were prevented from broadcasting live, which hampered their attempts to develop a news service (Grundel 1997: 63). However, the amount of time devoted to what was the centre of the public service schedule – news and current affairs – declined on RAI. Qualitatively, there were changes in the presentation of information programmes on RAI, as more sensational, cinéma-vérité-type formats – of programmes such as *Yellow Telephone*, *I Confessi* and *Public Prosecutor* – replaced the more traditional and less spectacular, news and current affairs output (Wolf 1989: 59). Public concerns at the more

market-oriented nature of RAI's news selection and presentation led to calls for a television journalism 'freer, more autonomous and more respectful of professional integrity' (Wolf 1989: 62). Only with such changes could the threats to journalistic standards and, hence, the national and civic culture be countered.

In these circumstances, the government did nothing to put order back into the broadcasting sector. It was not until 1990 that a bill was passed to address the chaos. The Mammì law, however, only served in the eyes of critics as a 'legalization of the status quo' (Mazzoleni 1997: 129). While the law introduced new programming responsibilities and a number of measures to ensure transparency in the industry, it made no attempt to reform the system and left intact existing patterns of ownership (Sartori 1996: 159). Backed by what was then the 'biggest commercial TV network under single ownership outside the US', Berlusconi became prime minister in 1994 and wasted no time trying to appoint new executives to RAI to ensure that the political bias of the organization went his way (Hutton 1994). By the 1990s RAI had split its service into three channels, each supporting a particular political persuasion – RAI 1 remained in the hands of the Christian Democrats, RAI 2 was run by the Socialist Party, while the Communist Party controlled RAI 3. The result was an open civil war inside RAI, with journalists passing votes of no confidence in their news directors, and broadcaster pitted against broadcaster (Glover 1995). Internal competition was dropped in the 1990s as RAI sought to fight off the threat from the centre right government and Berlusconi's media empire. The close connection between the broadcasters and political parties was also abandoned, having been discredited by the corruption scandals of the early 1990s. In the process, public service was redefined and RAI's distinctiveness abandoned (Pandovani and Tracey 2003).

The 1990s witnessed a convergence in the output of Italian television. The new 'technocratic' management team that took over the running of RAI in the mid-1990s, following Berlusconi's electoral defeat, decided that the organization should become more competitive and broadcast even more popular programmes. The amount of fiction formats on RAI channels grew enormously: in 1992, 9242 hours of fictional programming were aired, compared with 2259 in 1982 (Pandovani and Tracey 2003: 145). RAI had taken a conscious decision to fight its commercial competitor on its own terrain, which resulted in a radical departure from its traditional programme formats (Hibberd 2001: 237). Hardly any effort was made to prevent the ever-increasing amount of low quality programming. In 1994 the Constitutional Court belatedly declared Fininvest's near monopoly of the commercial system illegal, but its decision was nullified in 1995 when the Italian public voted in a referendum in favour of Fininvest keeping its channels and the partial privatization of RAI. Locked into the ratings battle, which inflated the costs of programming, the amount of imported material on RAI increased. Anglo-American programmes and formats are now the most watched programmes on the channel. There is increasingly less difference between RAI and Berlusconi's channels. RAI's strategy enabled it to maintain its audience share, but at the expense of its public service commitments, which are ever more marginalized in its output.

## Crisis of Western European broadcasting

The Italian experience is seen as a good illustration of what is happening to broadcasting in Western Europe. Deregulation brings about the growth of privately controlled television networks, and the increased competition they present undermines public service broadcasting. The number of people who watch the public service channels is drastically reduced. In response, public service channels are forced to 'imitate commercial television in an effort to try and beat the competition' (Stune and Hulten 1999: 28). As a result, there is a decline in the traditional mixture of programmes catering for diverse audience tastes and interests that characterizes public service television. Public service channels come to resemble their commercial competitors more and more. Serious programming devoted to information, education and culture disappears from the peak viewing hours – prime time – to be replaced by more entertainment-oriented shows. The market-driven imperatives of the new television lead to a lessening of the range of programme output and actually work to restrict choice for the viewer. While the amount of television broadcast expands, the variety of programmes on offer is reduced. The profit motive results in a relentless search to produce television at the lowest cost. In the case of Western European broadcasting, this means importing more cheap television programmes from the USA. The reliance on American and other foreign imports and the growth of low-cost, entertainment-driven programmes is seen as presenting a threat to national cultural identity and cultural standards (see Tunstall and Machin 1999). The impact of commercialization on the content of television is summed up in an official report in 1994 on the consequences for German television (quoted in McQuail 1998: 119):

... we can observe a surplus of programmes, both in entertainment and information. The TV programme itself has become more sensational, more negative, focusing more on scandals and rituals in politics. Entertainment has increasingly focused on sex and violence, on simplistic stereotypes, more rapid editing as part of a slowly developing 'video-clip aesthetic', a new confusion of realities and television realities ...

At the heart of Western European broadcasting has been its 'delicate and often symbiotic relation to politics' (Brants and Stune 1998: 128). The new commercial order is changing the nature of politics and political communication. The maintenance of 'serious' programmes is seen as a particularly acute problem in the reporting of politics. The *raison d'être* of public service broadcasting is to provide a range and diversity of political coverage that enables the citizen to play his or her full part in the political process. News and current affairs was at the centre of the traditional public service schedule. Most commercial channels regard political coverage as marginal. As a result, the amount and quality of political information is falling. Competition is forcing public channels to scale back on politically informative news or push it to the margins of the schedule. The nature of political reporting on television is also changing. It concentrates more on the rituals and personalities of politics than on the substance and issues (Brants and Stune 1998: 137–9). Investigative journalism is changing. There is also a significant alteration in the style and mode of the presentation of politics across the commercial and public channels, emphasizing immediacy and emotion at the

expense of explanation and elucidation. Shorter, snappy and sensational items are more newsworthy. One writer has dubbed the new product as 'newszak' (Franklin 1997). The explosion of newszak and the changing nature of political reporting both raise questions about the role of television in democracy. These developments are seen as favouring political parties and personalities that trade on the emotive, and contributing to the degradation of public debate, which accounts for the growing cynicism about politics, the rise of voter apathy and the decline of public participation in the political process. Blumler and Gurevitch (1995) have referred to this as the 'crisis of public communication'.

## National variations

The generalized crisis suggested above points to the imminent death of public service television in Europe. For some it is already dead: in Tracey's words, public service broadcasting is a 'corpse on leave' and any attempt to save it is more akin to 'the preservation of primeval bugs in amber than the continuation of any vibrant cultural species' (Tracey 1998: 33). However, as Curran (1996) notes, the decline of public service broadcasting across Western Europe has not been uniform. In some parts of the continent public service channels have been better able to resist the pressures of commercialization; in others, public broadcasters have improved their performance to fight off the competition; and elsewhere the public have rallied around public service to defend it. The picture of what is happening to public service television is varied and the reasons for this are found in a range of social, political and cultural factors.

It is important to point out that the concept of public service has been interpreted differently across Western Europe. While scholars (for example, Blumler 1992, Broadcasting Research Unit 1986) have striven to identify the common features of European public service broadcasting, national economies, cultures and politics have determined considerable variations in practice. As Brants and Stijne (1992: 101) state, 'public service broadcasting in Europe is relatively lacking in norms; in fact there is no uniformity even in the terminology used'. Three factors in particular have underpinned this difference: the ways in which public television is financed; the nature of the relationship between broadcasters and the state; and popular attitudes to and understanding of the public service mission to explain. Today pure public service systems, funded only by public subsidy, usually through a licence fee, do not exist (Humphreys 1996: 125). It was in the late 1980s that the handful of Western European countries – Belgium, Denmark, Norway and Sweden – that supported systems of public subsidy only began to run ads. There are still some channels, such as the BBC in the United Kingdom, Norway's NRK and Sweden's SVT, which are still financed only by a licence fee. However, most public service channels have been financed by a mixture of public and state subsidy and advertising revenue for a long time.

Spanish state television, Televisión Española (TVE), had always raised the vast proportion of its revenue through advertising – in 1977, 94.1 per cent of its financing came through advertising (Maxwell 1995: 27). Spanish television was exceptional in the extent to which advertising played a role in the financing of public broadcasting, but it has been present in most European broadcasting systems. The revenue for German public service channels is raised

through a mixture of advertising – which is limited to certain hours and may not be shown within a programme – and a licence fee. France introduced commercials to state television in 1968, and by 1977 advertising accounted for 25 per cent of the revenue of the monopoly state broadcaster, ORTF (Kuhn 1995: 131). Figures for 1979 show that in Greece advertising accounted for 29.2 per cent of the revenue of the public broadcaster, while the figures were 38 per cent in Portugal, 48.9 per cent in Ireland and 25 per cent in Holland (Maxwell 1995: 27). In Britain commercial broadcasting was introduced as early as 1955, with the launch of ITV (see Williams 1997). While BBC and ITV were kept separate in their sources of finance, British television audiences were introduced to advertising on their screens earlier than most other Western Europeans. Some form of mixed revenue has been the reality for most Western European broadcasters prior to the commercial deluge. Where the commitment to public subsidy has been strongest, public service broadcasting has remained more firmly entrenched.

Countries in which public service broadcasters have been able to maintain some independence from the state, or which have been able to ensure some degree of equality of representation in their coverage of politics, have been better able to defend the ideals of public service, by and large. The political arrangements of broadcasting in Northern Europe, in particular in Scandinavia, have ensured that the traditional public service model has been defended most rigorously. What some have labelled 'savage deregulation' (Traquna 1995) has been more apparent where public perceptions of the state and its intervention in broadcasting have been most negative. In Southern Europe – primarily Spain, Greece, Portugal and Italy – the new commercial order has advanced more quickly as a consequence of public service broadcasting's close association with years of authoritarian government or clientelism. It also explains why the advance of commercial broadcasters in these countries is closely tied to the importance of news and political information at the centre of the media agenda.

Crucially there is the matter of public and political support for the ideals and objectives of public service broadcasting. Western European countries which are more culturally homogeneous, and have experienced a long period of political consensus in the post-war years, have been better able to provide more sturdy foundations for public service broadcasting. The social democratic welfare states of Northern Europe contrast noticeably with the more politically and ideologically divided politics of Southern Europe. Serving the nation, building a national culture and maintaining balance and objectivity in news and political reporting are more straightforward in a climate of cultural homogeneity and political consensus. Popular support for the process of public enlightenment is another important factor. Social democracy in Scandinavia emphasized the importance of education as well as the role of radio and television in serving as the 'social cement' during periods of change (Sondergaard 1996: 12). Dahlgren (2000) relates how the Social Democratic Party's implementation in Sweden of the 'folkheim' – the people's home – with its emphasis on economic and social security and opportunity for all citizens, shaped the structure and output of the media. In such circumstances mass commercial culture was seen as 'vulgar', if not downright threatening to an enlightened democracy' (Sondergaard 1996: 11). Thus it is not surprising that in response to the efforts of the Norwegian Broadcasting Corporation (NRK) to adapt to the new competitive environment in the mid-1980s, there was a public outcry at what was seen as a trivialisation of television output' (Sjvetsen 1991: 105).

Based on these factors, it is possible to suggest that what is happening to public service broadcasting in Western Europe is far more varied and complex than the picture of an impending process of eclipse painted by some commentators. To examine these variations in more detail, comparison is made between what has happened in Scandinavian countries and in the countries of Southern Europe, and between two of the big players in Western European media systems, France and Germany.

## Northern exposures

Scandinavia has been exposed to the forces of the new commercial broadcasting order as much as elsewhere in Western Europe, but until the late 1980s the Nordic countries had maintained their public service broadcasting monopoly with only minor adjustments (see Bondebjerg and Bono 1996). The case of Denmark is typical (see Holm 1998; Sondergaard 1996; Bondebjerg 1996; Petersen and Siune 1997). One institution – Danmarks Radio (DR) – had a monopoly on radio and television broadcasting until 1983, with a single television channel, which broadcast six hours every day, during which 50 per cent of the programmes were news and culture. The monopoly was broken when local broadcasting began on an experimental basis in 1983, leading, in 1988, to the creation of a second channel, TV 2, which carried both national and regional television. TV 2 has been described as a 'reaction to the challenge from foreign channels broadcast to Denmark via satellite and ... cable' (Petersen and Siune 1997: 36). This channel was funded by advertising and the licence fee from the outset. By the beginning of the new millennium both the amount of television and television viewing had increased in Denmark. The two terrestrial channels, DR and TV 2, have been joined by TV 3, a wholly commercial channel, broadcast by satellite from London to all of Scandinavia, and exempt from national laws, and by DR 2, a satellite channel set up by the public service broadcaster to reach the younger and better-educated segments of the population. Since 1997 local television in Denmark has been allowed to network and is now called TV Denmark, behaving, in effect, like a third terrestrial channel. It is a commercial channel. Cable penetration is high in Denmark (around 60 per cent), which allows Danes access to many foreign TV channels. Thus from a single channel 12 years ago, the Danish viewer today is presented with a variety of channels.

The result is that the Danish public spends more time watching television – viewing has doubled in the last decade. Danish channels are watched much more than foreign channels. DR is watched by around 25 per cent of the audience, TV 2 by about 35 per cent, with the remaining 40 per cent split between the other channels (Tufte 1999: 86). The growth of commercial practices has had an impact on programme content. Fictional programmes grew rapidly in the early 1990s; for a fully commercial operation, such as TV 3, this category accounts for more than 80 per cent of output. But such programming also increased on the other channels – nearly 50 per cent of TV 2 and 30 per cent of DR was devoted to entertainment and fictional programming in the mid-1990s. News programmes, however, have also increased. Petersen and Siune (1996: 45) describe Danes as 'news freaks'. In 1996 one-third of the population watched the main news on TV 2, while nearly 50 per cent tuned in for the main bulletin later on DR. By 2000 the amount of news in prime time had increased on both channels, rising on TV 2 from 17.7 per cent of output in 1995 to 22.3 per

cent in 2000, and on DR from 19.4 per cent to 26.9 per cent for the same years (*Jyllands Posten*, 15 February 2000). (Figures are based on prime-time viewing – 6 p.m. to 11 p.m. – from 18 to 23 January in the years stated.) News has become more central to the programming policy of both channels as the entertainment content has declined, for example, series (mainly soaps) fell between 1991 and 2000 from 21.5 per cent to 3.9 per cent on DR, and from 15.2 per cent to 3.6 per cent on TV 2.

The growing amount of news on Danish television has been accompanied by a debate about the nature of news programming. A recent study of Danish TV news found that TV newscasts today are more likely to contain shorter items and more feature material (Hjærvad 1999). The increased sensationalism of news reporting, with more focus on conflict and scandal, crime, 'soft news' and news presentation, in terms of style and angles, has been identified by other researchers as a change in Danish news (cited in Brants and Siune 1997: 138). The Media Committee – set up by the government in 1994 to monitor the state of the Danish media – identified politically relevant information on TV news as having become 'sporadic and incoherent' (Holm 1998). Some journalists argue that these changes mean that 'television as a medium is just now coming of age in Denmark' (quoted in Graham-Holm 1999). They contend that Danish television in the public service era was simply 'radio with pictures'. Bondebjerg (1996: 51) refers to the 'ideology of objectivity which made it difficult to produce investigative and in-depth journalistic programmes'. He welcomes the growth of 'more personal and controversial forms of documentary' since the 1980s. In 1988 DR – followed a year later by TV 2 – established a documentary group whose only function was to develop documentaries. Despite recent cuts in DR's documentary group, the result has been high ratings, international recognition and documentaries becoming a 'powerful element in modern Danish television culture' (Bondebjerg 1996: 54). The two main tracks developed in these documentaries have been the first person participant observation and investigative reporting. The decline of government intervention and the loosening of party affiliations in broadcasting appears to have provided an impetus to the development of a more independent, personal and critical journalism.

The situation in Denmark is reflected to a greater or lesser extent in other Northern European broadcasting systems. The shift in the schedules as a result of commercialization and deregulation has been gradual. The emphasis is still on news and current affairs, which have adapted to the new realities of the market on their own terms and in accordance with what Danish audiences want, within the parameters of Danish society and its traditions. Similar developments are observable in Norway (see Svendsen 1992) and Sweden (see Djelf-Pierre 2000). There is evidence to show that trends in Northern Europe do not support the argument there is a convergence in the content of television. Research indicates that across the Nordic region news, current affairs, documentary and domestic fiction have increased on public service television (Siune and Hulén 1999; McQuail 1998). It is also the case that public service criteria have been incorporated into the new commercial channels in Scandinavia, in particular in relation to the diversity and quality of programming policy commitments. While television in Northern Europe has had to change in response to the pressures of commercialization and deregulation, this change is characterized as a 'modernization' of the concept of public service rather than its demise.

## Due south

The ethos of public service has never been as deeply ensconced in Southern Europe as it has been in the Nordic nations. The sharp decline of the public broadcaster is a noticeable feature of this part of Europe. Within the very first year of their operation, 1989, two private entertainment channels, Mega Channel and Antenna TV, dominated Greek television (Papathanassopoulos 1997). The public channels saw a steady erosion of their audience, falling from 61.6 per cent of viewers in 1989 to 7.9 per cent by 1995; by 1997 their cumulative debt was reported as 45 million drachmas. Similar experiences are found in Spain and Portugal. In Spain RTVE built up huge debts, which were covered by the government as its audience plummeted from 76.6 per cent of the television viewing market in 1990 to 34 per cent by 1997 (Lopez et al. 1999: 353). In Portugal the two channels of public broadcaster Radiotelevisao Portuguesa (RTP) could claim just over 39 per cent of viewers by 1996, having collapsed from a near monopoly of the national audience in 1993 (Rui Cadima and Braumann 1999).

The demise of the public broadcaster in Southern Europe has been accompanied by a shift in the nature of programming. The rise in the number of television hours has seen the growth of cheap-and-cheerful programming. Traquna (1995) has shown how soaps and quiz shows came to dominate the main public service channel, RTP 1, in Portugal following the introduction of commercial television. He found that in 1993 entertainment programmes (films, soaps and game shows) were more prevalent in prime time on the main public service channel than on the two main commercial channels. The three genres took up 68 per cent of prime-time programming on RTP 1. The output of Greek television has also seen an increase of game shows, soap operas and films. This has led critics to describe private channels as 'glorified versions of tabloid newspapers' (Papathanassopoulos 1997: 362). The sluggish response of the public television channels to such fare was one of the main reasons behind their decline. In Spain the arrival of private television channels produced a 'serious shortage of programmes', which threw the industry into a 'state of great uncertainty' (Vilches 1996). By 1995 fiction, films and TV drama accounted for 43 per cent of the total output of Spanish television. The influx of North American and foreign programming has been a noticeable feature of the situation in all these countries. For example, of all the films shown on Spanish television in 1994, 58 per cent were American (de Marco 1997: 205). However, the unrestricted competition in the television market in these countries has led to a spiralling upwards of the cost of programmes and programme-making, which has hampered the development of the service. There are too many stations and channels for the relatively small domestic advertising market. In Portugal, to ease this situation, in 1997 the government decided to remove advertising from the second public channel and reduce its amount on RTP 1. The insufficiency of advertising revenue to cover the financial needs of operators has resulted in the rising cost of bought-in programmes as channels compete for their purchase. The result is that for much of the period since deregulation the general state of the television business in Southern Europe – with some exceptions – has been very precarious. Both private and public channels have made considerable losses and the production of 'quality' programmes, that is, high-cost productions, has suffered.

The fate of public television in Southern Europe is intimately tied to a history of excessive direct state control over the media. In all three countries discussed above broadcasting was regarded as an arm of the state until the mid-1970s. Public service was compromised by politicians using television as an instrument of propaganda and political interest. The underdevelopment of civil society ensured that policy-makers focused on what was politically expedient. Papathanassopoulos (1997: 365) argues that in Greece the deregulation was a 'knee jerk reaction to the politics of the time and to electoral speculation rather than a response to the needs of the industry'. Syngellakis (1997) explains how the chaotic system of deregulated television was introduced in response to the internal electoral needs of the socialist government of the day and the pressures being exerted on Greece to adjust rapidly to the norms of democracy in order to ensure its membership of the European Community. A similar situation was found in Portugal and Spain, as media interests and owners made their deals with politicians, steeped in the tradition of the state intervening directly in the business of television (see Traquna 1995; Bustamante 1989). The use of television as an 'instrument' outlived the authoritarian military regimes. In Greece, for example, director generals of the public service broadcaster, ERT, changed on average every 12 months, well into the 1990s.

(Papathanassopoulos 1997: 364). Deregulation and privatization were fuelled by the desire to remove the shackles of dictatorship and the need to democratize. However, the tradition of a strong centralized state and political clientelism ensured that changes in the structure of television were slow to develop (see Papatheodorou and Machin 2003). When they did, the discredited public service broadcasters found it difficult to maintain the loyalty of their viewers.

The deregulation of television in Southern Europe has thus coincided with freeing it from the dead hand of direct state intervention. Starved of non-governmental news for so long has meant that there exists a considerable popular demand for news and information

programmes. News is central to the output of both private and public stations. In Greece one of the advantages of deregulation is that 'contemporary TV news is faster, less boring and, at least, the newscasters are what they are supposed to be – not readers of the government's announcements as they were in the past' (Papathanassopoulos 1997: 361). Private channels, in particular, have responded to the public demand for news. In Portugal, from the very early days, the private channels carried a considerable amount of information programming in prime time – more than their public service competitor (Traquna 1995: 231–2). News has also featured in Spain, with both the public and the newly autonomous regional television channels devoting a significant part of their output to the genre (see Lopez et al. 1999), while Syngellakis (1997) states that 'Greek television programming is dominated by news and information'. The growth of entertainment on television in most of Southern Europe has been accompanied by parallel growth of news and information. However, the lack of an investigative tradition of journalism has retarded the development of a critical television journalism that challenges the entrenched power of the established political parties.

## Franco-German differences

At the heart of Europe the clash between 'northern' and 'southern' responses to deregulation and commercialization has been encapsulated by the changes in the broadcasting systems in

Germany and France. Two of the 'big three' players in Western European broadcasting have taken different paths in adapting to the new broadcasting order. In both countries broadcasting was a public monopoly until the mid-1980s; the break-up of the public service monopoly took a different form in each. Following the introduction of competition in the early 1980s, France embarked on a radical change when, in 1986, the Chirac government initiated the transfer of TF 1, the leading public service channel, into private hands. The channel was sold to a consortium headed by the Bouygues construction company. One of the consequences of this development was the eventual demise in 1992 of La Cinq, one of the commercial channels introduced by the socialist government in 1985. Thus it was not only the channels that remained in the public sector, Antenne 2 and FR 3, that were affected, but some of the early commercial operators suffered too. Humphreys (1996: 233) highlights the lessons of the French experience for 'headstrong free marketers and privatizers': more channels compete for limited advertising revenue which increases competition for programmes and media stars, driving up costs and eventually squeezing profit margins and resulting in bankruptcy. The search for cheaper programmes is part of this scenario; through the process of deregulation it adopted, France put considerable pressure on its indigenous production base. The decline of French-sourced production came at a time when the French government was leading European efforts to resist the flow of US material into the continent. The success of Canal Plus, a pay-for-programmes channel, which up to 1997 was received in 6 million French households, attests to viewers' perceptions of the content of terrestrial television in France.

The situation in Germany saw the integrity of public service television maintained for longer. The decision of the Federal Constitutional Court in 1981 to end the public monopoly paved the way for the growth of commercial channels from 1984 onwards. After some initial problems the new commercial channels started to gain ground slowly and from 1992 the public service channels had lost their position as market leaders (Hickethier 1996: 113-14). With viewing figures declining, its limited share of advertising revenue falling and the government refusing to raise the licence fee, German public service broadcasting went into crisis in the mid-1990s. This gave rise to a national debate, in which calls were made for the discontinuation of the main channel, ARD (Hickethier 1996: 115). By the late 1990s Germany had six main TV channels, three public and three commercial, sharing almost equally 80 per cent of the total audience (Tunstall and Machin 1999: 198). However, there is no evidence that the content of the public service channels has come to mirror that of the commercial stations. There is much more news and information on the former: ARD and ZDF, the two leading public channels, broadcast 40 per cent and 44 per cent, respectively, information programmes on a 24-hour basis, compared to 14 per cent for the two leading commercial channels (McQuail 1998: 122). Public service has consolidated its position without copying the formats of commercial television. Hickethier (1996: 117) argues that public television was able to strengthen its position by adopting a twofold strategy: the expansion of serial-making and the augmentation of news. More up-to-the-minute reporting, the introduction of news specials and more in-depth coverage of world events were emphasized. The amount of news remained stable on public service television between 1985 and 1995, at about 18 per cent, while on the commercial channels its presence in prime time

has dropped considerably, to between 4 and 5 per cent (McQuail 1998: 122). While the style and mode of presentation of news on both services has become similar, there is evidence to show that in recent years news output on the commercial channels has come to resemble that of the public broadcasters. There has been a decline of 'human interest' stories on RTL and SAT 1, the leading private channels, and both commercial and public broadcasters have increased the number of political stories on the news (McQuail 1998: 122). In her study of German television in the early 1990s, Pfetsch (1996) found that the amount of political information on both services had increased. She concluded that 'private channels caught up with public channels regarding the contents of political information while the public channels caught up with the commercial channels in their presentation formats' (Pfetsch 1996: 446). For Hickethier (1996: 118) what has happened with news and political reporting on German television is one aspect of how commercial broadcasting is being influenced by the public service model.

The differences between the situation in France and Germany can be attributed to a range of factors. However, the relationship between politicians and policy-makers and the media was important. Partisan political control dominated the development of French television. De Gaulle used to govern by television; an astute media performer, he ensured that his opponents were denied access to airtime, as well as packing all the key positions in broadcasting with his closest allies. Nothing much has changed since his departure from the scene. Successive presidents of both the left and right have used television to pursue their own advantage. The decisions of both the left and right have used television and privatize TF 1, were the products of short-term political opportunism. Mitterrand's decision to allow two private channels was determined by his concerns about losing the 1986 legislative elections. Placing these channels in the hands of his supporters, he hoped to fend off defeat. As Kuhn (1995: 175) notes, the legacy of governments pursuing their own political interest has been 'to the detriment of the implementation of the public service ethos'. In Germany the establishment of broadcasting was underwritten by the efforts to use the media as instruments of democracy. The lessons of the Third Reich taught post-war German governments that broadcasting should be secured 'against capture by either the state or sectional interests' (quoted in Negtine 1998: 226). The political re-education programme in Germany enhanced popular support for broadcasting encouraging social diversity and established regulatory structures to ensure that this goal was enforced. This firmly cemented public service broadcasting into foundations of political, administrative and public support, which has enabled the model to exert its influence over the development of commercial television in Germany.

## Public service and the digital revolution

Digitalization promises further radical changes in the nature of European broadcasting. It enhances the capacity to deliver more TV pictures via satellite, cable or terrestrial transmission, further increasing the number of channels available for viewers. It holds out the possibility of changing not only the way in which television and radio are delivered, but also how viewers interact with what they see and hear. A variety of services, from shopping to telephony, television to banking, can now be delivered via one set-top box, making today's

television receivers obsolete. Through interactive devices it allows viewers more control over what they see and when (see Murdock 2000). Digitalization poses a further challenge to public service broadcasting; however, the challenge varies across Western Europe.

Kleinsteuber (1998) draws attention to the different rates at which new media technology is taken up in Europe. Some countries have high cable and satellite penetration – Scandinavia, Germany and the Benelux countries (Belgium is nearly totally cabled). Other countries, such as Italy, Portugal and Greece, have no significant cable take-up. Nations such as Britain, France and Spain have only recently come to cable and satellite. The varying degrees of penetration have implications for the development of digital television. Whether more than a small elite of viewers will take advantage remains a matter of speculation. It is clear that the pace of the introduction of the new technology will vary across Europe. The ability and willingness of viewers to pay for their television services will also be a determinant. Digital television can be free and some public service broadcasters are experimenting with such a digital service – for example, in Germany and Italy. But in addition to payments for the relevant apparatus to receive the service, it is likely that many of the new channels offered will be by subscription. In certain parts of Western Europe viewers have shown themselves to be reluctant to pay for their television. Pay-TV struggles where the range of 'free television' is wide. In Germany and Italy, for example, such services have met with limited success, while in Britain and France, with a limited number of channels, pay-TV channels such as Canal Plus and BSkyB have been very successful. Thus the market for the take-up of new digital services is highly fragmented.

There is still much uncertainty about the potential of the new digital technology. In addition to uncertainty about the level of market demand for the new digital services, Chalaby and Segell (1999) highlight the increased competition thrown up, the pace of technological progress and the exact nature of convergence. With technology producing an increasingly unpredictable broadcasting environment, the risks for investors and producers are multiplied. Such is the extent of these risks that several authors identify a small number of the largest media corporations in Europe as crucial to the growth of digital television (Kleinsteuber 1998; Murdock 2000; Papathanassopoulos 2002). Only these companies will be able and willing to take on the risks, as the costs of developing such technology are high (Papathanassopoulos 2002: 36–7); their successes in the past have been attributed in some part to their willingness to gamble on the future. But even 'inveterate gamblers' such as Rupert Murdoch are aware of the huge risks associated with the digital revolution. Europe's leading media players, including BSkyB, Canal Plus, Bertelsmann and CLT, have cooperated in planning for the future of television (Papathanassopoulos 2002: 38). Public service broadcasters face considerable obstacles in entering the digital world (Kleinsteuber 1998: 72). Huge costs are incurred in converting to the new technology and purchasing new equipment to be ready for the switch-off of the present analogue service. What is also certain is that in a new digital world more programmes will be needed to fill up the increased space on our television sets. Competition for these programmes will drive up costs, particularly of popular programme formats such as films and sport. With finances limited by the public funding, and declining audience share making it difficult to justify the continued use of public money, public broadcasters will struggle. In the future the large media conglomerates are likely to

strengthen their hold over the European communications industries and exert more influence over the television market, with the likely consequence of further weakening of the public service model.

## Conclusion

Following the deregulation of Western European broadcasting in the late 1970s and early 1980s, new commercial television channels and new commercial forces have established themselves in the television market. The consequence of this has been to undermine the system of public service broadcasting that had dominated European television in the post-war period. National responses to these changes have varied. In some parts of Europe the public service ethos has proven more resilient. How broadcasting systems adapt to the new conditions depends on a series of domestic factors, including the strength of national cultures, the financial regimes for funding broadcasting, popular attitudes to information, education and entertainment, the relationship between broadcasting and the state and the attitudes of policy-makers. In countries where policy-makers, programme-makers and viewers have had an understanding of and commitment to public service, deregulation has been accompanied by specific obligations on programme content and quality. Hence in countries such as Germany and Denmark we are more appropriately talking about re-regulation, with public service commitments surviving, albeit in a different form. In other countries, where no obligations have been placed on public or private broadcasters to broadcast particular kinds of programmes or meet quota requirements for domestic production, public service has withered. But everywhere public service broadcasting has changed. Now digital technology threatens to change it further. At the heart of this change is whether broadcasters delivering a diversity of programming, including programmes essential to the operation of the political process, have a future in the modern broadcasting era.

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