

A few reasonable restrictions only

(Bhaskara Rao examines the implications of cross media restrictions and foreign equity participation in the proposed Broadcast Bill)

*Dr N Bhaskara Rao
The Pioneer, 1997*

The two most contentious issues being debated in the content of the proposed Broadcast Bill of 1996 are to do with the extent of foreign equity in the Indian media and regulations on cross media ownership. The proposed bill, currently under the scrutiny of the Standing Committee of the Parliament has also seen an unprecedented lobby on these two issues. While a good deal has been said about foreign equity, debate on cross media still remains muted, although the proposed bill specifies in detail the restrictions on controlling the interest of newspapers in licensed broadcast services.

Most democratic countries have some restrictions or regulations on cross media ownership and operations. The basic underlying philosophy is that there should not be a monopoly in news media establishments. Then, of course, there is the question of not just creating conditions for level-playing opportunity but also giving ample scope for new entrants.

In fact, it is this logic that led to the 1995 landmark judgement of the Supreme Court of India on broadcasting.

The cross media issue in the context of the proposed bill has two distinct dimensions. One of the dimensions which has become controversial is regarding the ownership of broadcasting service by those who own newspapers.

Part III of the proposed bill states that “No proprietor of a newspaper shall either be a participant with more than 20 percent interest in, or a control by a body corporate which is the holder of a license to provide a licensed service under this Act.”.

“No proprietor of a newspaper, who is a participant with more than five but less than 20 percent interest in a body corporate and not controlling such a body corporate, holding a license shall be participant with more than five percent, in any other such body corporate”.

“No person who is the holder of a license to provide licensed service under this Act shall be either a participant with more than 20 percent interest in or control body corporate which controls a newspaper”.

“No person is the holder of a license and is a participant with more than five but less than 20 percent interest in a body corporate and now controlling such a body corporate which means which runs a national paper, shall be participant with more than five percent interest in any other such body corporate”.

At the same time, it should be said that the proposed bill does not disregard scope and strengths of cross media as is often made out. The bill only sets certain limits on control, not on participation.

In fact, up to 5 percent equity one could hold in inter and intra media services. Even in the case of newspapers, the proposed bill does not discourage holding of up to 20 percent equity of a broadcast service.

In fact, the newspaper can also hold 5 percent in more than one broadcast service. Rightly control and participation have not been mixed up. However, in reality even this may not prevent manipulative control of more than one media by the same entities.

In a separate but concurring judgement Justice Jeevan Reddy, one of the three judges of the Supreme Court, which set the pace for the subsequent developments in the broadcast scene in the country including the proposed bill observed that, “By manipulating news and disinformation, to suit their commercial or other interests, they would be harming and not serving the principles of plurality and diversity of views, news, ideas and opinions. Citizens should have the benefit of plurality of views and a range of opinions on all public issues.

“A successful democracy posits an ‘aware’ citizenry. Diversity of opinions, views, ideas and ideologies is essential to enable citizens to arrive at informed judgement on all issues touching by a monopoly, whether the monopoly is of the state or any other individual group or an organisation”.

There is a strong criticism and objection from some of the key players of the Indian Press about the provisions in the proposed bill on cross media. This is understandable since the provisions adversely affect their business interests and diversification plans.

One of the objections is: why should the newspapers be discriminated when there is no such restriction on any other section of business or industry getting into broadcasting?

The other more convincing argument against cross media restrictions is that since the newspapers have already specialised in covering news and current affairs and also have the infrastructure they would be able to do a better job in broadcasting as well.

They also contend, although not convincingly, that unlike in the US, India has no city or state where there is such a monopoly of newspapers to compel such cross media regulations as proposed in the bill.

That may be the case, but no one can deny the fact that for whatever reason, historical or otherwise, there are certain cities and states where a single newspaper dominates in a couple of cases with more than 50 percent market share, both in terms of circulation and readership as in the case of Andhra Pradesh or Rajasthan.

In the event of the bill being adopted in the present form some newspaper groups would get affected adversely.

These include The Eenadu group in Andhra Pradesh, Rajasthan Patrika group in Rajasthan and The Hindustan Time, the Times of India, India Today, Praja Vani/Deccan Herald group, Punjab Kesari group etc. All of them have a proven track record and would easily stand out as the best record and would easily stand out as the best anywhere in the world. But that is not the issue here.

In fact, instead of putting a restriction on equity participation for restraining media monopoly. It may be better to use the market share concept either in terms of circulation or readership or both. whether one takes the equity or market share approach, either way it is complex to keep track of the composition of equity and market share and the changes therein. This calls for an effective monitoring mechanism with an independent regulatory authority. Of course, in the case of equity restriction, it is relatively easy to ask for disinvestment as and when a newspaper gets into broadcast service.

In the case of market share of circulation or readership, it may be little more complicated to keep track, set limits and implement. In any case, newspapers should not be deprived should they desire to get in to broadcasting service. The independent authority should not come in the way just on the basis of equity criteria alone.

This obviously implies that if a newspaper or news magazine wants to get into an altogether different territory with a broadcast service in the same territory but in an altogether different content, areas unconnected to news and current affairs, it should not be deprived.

Also, newspapers should be deprived should they choose, to sponsor programmes in the broadcast channels controlled by some other licensees.

Existing establishments with operations both in newspapers and television, for example, the Eenadu or India Today should be allowed reasonable time to catch up with the law of the land should the Bill become an Act in the present form and also get implemented.

Also, perhaps it is desirable to classify newspapers into news and current affairs category and the rest as a separate category. News media are not like any other business. Newspaper is a distinctly different “public service” in a civil society as compared to any other business. They are still viewed as a “public utility” and as a “fourth estate” institution. Hence, they are entitled to certain privileges, formally and

informally. All this obviously implies the compulsion for certain restrictions and regulations towards ensuring choice, option and plurality in the media scene.

In fact, the Supreme Court judgement of 1995 has also clarified that such regulations will not imply any conflict with the constitutional provisions for freedom of speech and with the right of citizens to do “business”.

The question is not whether newspapers are better equipped or not to operate broadcasting service, but what is good for the people and the country. Also, it is not a question of business interests alone. The creativity and entrepreneurship potential in the country being what it is and the imbalance and inequalities in access to media being what they are, certain cross media regulations are more than desirable. Business interests of a couple of media barons will no doubt get affected because of such regulations. But a much larger number of people readers as well as viewers, will eventually be the beneficiaries; so also the journalists and the democratic process and civil society.

(The writer is an expert on media policy and research)