

**BROADCASTING DEREGULATION
IN WESTERN EUROPE
WITH PARTICULAR REFERENCE TO
GREECE**

BROADCASTING DEREGULATION IN WESTERN EUROPE
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Thesis Submitted for the Degree of
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by

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Dedication

To my Parents

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Broadcasting Deregulation in Western Europe with Particular Reference
to Greece

Abstract

While considerable divergencies existed among Western European countries in the broadcasting field until recently, all of them instituted a state monopoly. This traditional European pattern has recently been questioned with the emergence of the new phenomenon of 'deregulation'. This thesis looks at the main facets of W.European deregulation giving particular emphasis to the Greek case. It does not attempt to create a homogeneous notional structure covering all Western Europe, but to examine and uncover the antecedents behind broadcasting deregulation, which is taking place all over Western Europe, acknowledging the diverse paths through which this new phenomenon has taken place. The recent deregulatory evolutions, however, prove that most countries are now subject to the same international developments in technology, economics and politics. Broadcasting deregulation in Western Europe is closely wedded with the neo-liberal creed that appeared with new technological developments such as the 'new media' of cable and satellite and the investment opportunities they brought. Particular attention is paid to the principal connotations that technology had on Western European broadcasting and to the neo-liberal policy-making, concerning reduction in the level of regulation and introduction of deregulatory policies, based on arguments for business efficiency, effectiveness and enrichment of consumer's choice. These arguments are compounded by the growing internationalisation and interdependence of investment and broadcasting. Additionally, the Commission of the European Communities, particularly with its Directive 'Television Without Frontiers', seeks to establish a common market for broadcasting across the frontiers of the EC member states. In short, the main argument of this thesis is connected with the determining factors behind broadcasting deregulation particularly focusing on the Greek case. The thesis first gives a theoretical framework for broadcasting policies and trends and then investigates the Western European broadcasting scene, taking an integral approach and making the connections, in order to focus on the Greek case, as Greece is part of this process. The second part of the thesis investigates and clarifies how broadcasting regulation has been abandoned in Greece in response to the influence of external and internal factors and tendencies.

ABBREVIATIONS

A2	Antenne Two (France)
Ant1	Antenna TV (Greece)
AC	Administrative Council
AT&T	American Telegraph & Telephone
BBC	British Broadcasting Corporation
BSkyB	British Sky Broadcasting
BT	British Telecom
C+	Canal Plus
C3I	Command Control Communications and Intelligence
CoE	Council of Europe
COPE	Cadenas Ondas Populares
CLT	Compagnie Luxembourgeoise de Telediffusion
CNN	Cable News Network
CNCL	Commission Nationale des Communications et Libertes
CSA	Conseil Superieur de'l Audiovisuel
DBS	Direct Broadcasting by Satellite
DG	Director General
EBU	European Broadcasting Union
EC	European Community
ECHR	European Convention for Human Rights
ECJ	European Court of Justice
EIAR	Ente Italiano Transmissionsi Radiofoniche
EIR	Greek Radio Corporation
EIRT	Greek Foundation of Radio and Television
ERT	Greek Radio and Television
ESA	European Space Agency
Eutelsat	European Telecommunications Satellite Organisation
F2	France 2
F3	France 3
FR3	France Regions 3
FCC	Federal Communications Commission
FT	Financial Times
GATT	General Agreement on Tariffs and Trade
HDTV	High Definition Television
IBA	Independent Broadcasting Authority
IMF	International Monetary Fund
INA	Institute National del' Audiovisuele
INTELSAT	International Telecommunications Satellite Organisation
ISDN	Integrated Services Digital Network
ITC	Independent Television Commission
ITV	Independent Television
ITU	International Telecommunications Union
K29	Kanali 29 (Greece)
MAC	Multiple Analogue Components
MC	Mega Channel (Greece)
MTV	Music Television
NC	New Channel (Greece)
NCB	National Council of Broadcasting
NTV	Nea Tileorasi (Greece)
OECD	Organisation for Economic Cooperation and Development
ORTF	Office de Radiodiffusion Television Francaise

OTE	Greek Telecommunications Organisation
PAL	Phase Alternation by Line
PC	Personal Computer
PS	Public Service
PSB	Public Service Broadcasting
PTT	Post Telephone and Telegraph
RAI	Italian Radio Audition (before)
RAI	Radiotelevisione Italiana (now)
RCE	Radio Cadena Espanola
R&D	Research & Development
RDS	Radio Data System
RNE	Radio Nacional de Espana
RTF	Radiodiffusion Television Francaise
RTVE	Radiotelevision Espanola
RTL	Radio-Tele-Luxembourg
SDP	Social Democratic Party (UK)
SECAM	Sequentielle Couleour a Memoire (Colour TV Norm)
SER	Sociedad Espanola de Radiodifussion
SFP	Societe Francaise de Production
TDF	Telediffusion de France
TVWF	Television Without Frontiers
TF1	Television Francaise One
TVE	Television Espanola
VCR	Video Cassette Recorders
UCD	Union of Democratic Centre
UK	United Kingdom
URI	Italian Radio Union
US	United States
UNESCO	United Nations Education Scientific and Cultural Organisation
WARC	World Administrative Radio Conference

Part I

Deregulation in Western Europe

INTRODUCTION

AIMS AND PURPOSE OF THE THESIS

While there have been significant distinctive characteristics in each of the broadcasting systems of Western European countries, all European broadcasting systems until recently were organised as state monopolies (a slightly different version was the British BBC v ITV duopoly model). Regulation over broadcasting was a dominant pattern meaning basically public ownership. This traditional monopolistic system which was predominant across Europe has been recently put in question. Western Europe has experienced a dramatic change in the broadcasting field in recent years. The traditional European pattern of regulation has been abandoned and a new phenomenon, 'deregulation', has emerged.

Greece, which like the rest of the European states had traditionally organised its broadcasting system on monopolistic lines, has also experienced dramatic changes in its broadcasting system in the last decade. Greece in the last few years has undergone a dramatic change as far as broadcasting is concerned. Its traditional public broadcasting system has been deregulated and the number of radio stations and television channels has dramatically increased. Although broadcasting deregulation came as late as 1987, under the Socialists, Greece has passed through all the phases of deregulation very quickly. It is possible to identify three phases: First, liberalisation of radio broadcasting (1987), second, introduction of satellite TV (in late 1988 with the method of over-the-air retransmissions) and thirdly, introduction of commercial television by the Conservative-led coalition government in 1989.

The aim of the thesis is to uncover and reveal the main determining factors

that led to deregulatory developments in the last decade in the Greek broadcasting arena. In accomplishing this aim the thesis places the Greek case into the wider Western European context, as developments in Greece could not be seen in isolation from European evolutions. Greece is part of Europe and the EC, therefore although certain conditions differ, developments did not occur completely autonomously. It would be rather naive to believe that recent deregulatory changes were prompted in isolation to what was happening in the external environment. The fact that the internationalisation of investment puts national economies into a web of interdependence indicates that what is happening in Greece today is part of a much wider international pattern. The above is further reinforced by the fact that Greece not only receives the influence (affected by) of the general European environment but it is also obliged to abide by EC policy.

On the other hand the thesis identifies distinctive characteristics and factors and unveils the socio-political culture and tradition of Greece which is different to Northern Europe and largely reflects similar conditions in the rest of the Southern European states. Policy changes in different states are closely associated to national characteristics - domestic socio-political system and traditions - and deregulation took place in different states via different routes. The thesis stresses this factor and shows that in the Greek case it was the paternalistic Greek state and its control over broadcasting that led to public mistrust. This more than any other factor has played the most crucial role in recent developments.

In other words, the thesis elaborates and investigates the recent Western European broadcasting deregulation with particular emphasis on Greece. It argues that although deregulation in the broadcasting field in Western Europe was prompted by a combination of factors such as the neo-liberal ideology, technological developments, business opportunities and the EC policy, in the Greek case - although the above factors played their role - the major ones were the paternalistic state and the public mistrust that was created towards state broadcasting as well as the lobbying of the powerful publishing lobby. The Greek case seems to be similar to Southern EC states (France, Italy and Spain), which are examined in a comparative context.

CHAPTER ORGANISATION

PART I

In Part I, the thesis sets up the context of the new phenomenon of broadcasting deregulation in Western Europe. It illustrates how broadcasting regulation changed under the impact of a number of combined factors. It investigates the new phenomena, trends and forces that developed in the broadcasting field in Western Europe with the emergence of the new technologies. The thesis pays attention to the principal implications that the new technologies had on Western European broadcasting. Furthermore, it considers the new neo-liberal policy issues that have emerged concerning the abandonment of public monopoly on broadcasting as well as considering the new legislative framework of the liberalised policies. The thesis reviews the motivations of the new media magnates who have emerged in the scene, mainly from the publishing sector and who have established commercial television ventures and sought to create multinational empires. The new situation needs to be seen at a national as well as at an international level particularly in light of cross-media and foreign ownership.

Part I explains the political, technological, economic and cultural dimensions of broadcasting deregulation. It does not seek to sustain a homogeneous conceptual model covering all Western Europe, it however, attempts to uncover the new phenomenon of broadcasting deregulation, which is taking place all over Western Europe, taking, of course, into consideration the fact that deregulation has taken place in different Western European countries via different routes.

Although in the recent years we have become observers of common developments in the broadcasting field all over Western Europe - most of the countries are now subject to the same international developments in technology, economics and politics - there are many different policy-making aspects between different countries' broadcasting systems. Every Western European broadcasting system has its own national (or sometimes regional) distinctive characteristics and peculiarities, originating from different causes (history, tradition, language, culture etc.). Deregulation did not come in all countries simultaneously and for the same reasons.

The thesis offers a theoretical framework and literature review concerning regulation and deregulation. This proceeds an examination and analysis of case examples. These examples are for the Mediterranean EC states (France, Italy and Spain). The comparative and historical perspectives given for these countries highlights the timing and reasoning for deregulation. These states are chosen because they should be seen as belonging to the same group as Greece since all of these states have sufficient common patterns of socio-political and cultural tradition that reflected similar conditions in the development of their broadcasting systems, different to those of the Northern European states. Although, certain broadcasting policy aspects differ in the above named countries, they bear the closest resemblance to the Greek example. There are three main reasons why Greece should be seen within this grouping. Firstly, The French, Italian and Spanish broadcasting systems were established and developed under authoritarian regimes like the Greek one and used for partisan purposes by the government of the day. One of the main reasons that brought deregulation in all of these countries (particularly in Italy, Greece and Spain) was public mistrust and reaction against the paternalistic use of public broadcasting. Secondly, deregulation in all of those countries came under Socialist governments. Thirdly, because all of them have developed similar patterns of broadcasting deregulation (increase of conventional channels, commercialisation, participation of press magnates in TV ventures, minimum percentages on foreign ownership), different to that of the northern EC countries, who have remained loyal to their tradition of democratic public service broadcasting and have therefore developed a different pattern of deregulation at a slower speed, which is based mainly on the new technologies and is less commercialised.

Clearly, the Italian pattern of developments in broadcasting that was subsequently introduced into both France and Spain was introduced into Greece in a modified form. Deregulation in Greece, as in all of the above countries also came as a result of public pressure as Greek broadcasting was always used for propaganda purposes. Both radio and television grew up in authoritarian regimes (radio in the Metaxas dictatorship and TV in the Papadopoulos dictatorship). The democratic governments which succeeded the dictatorships fell to the temptation of using the same tactics. Thus, the main characteristics of the Greek broadcasting media were always tight governmental control and lack of impartiality in the news and information programmes.

The thesis first gives a theoretical framework concerning communication policies. It examines specifically the concepts of broadcasting regulation and deregulation. Chapter One deals with regulation and the development of broadcasting in Western Europe. It shows that while important differences existed from one country to another in the broadcasting field in Western Europe, most of the countries instituted until recently a state monopoly. In each country, there was a public broadcasting system organised with 2-3 national channels. The radio frequencies were viewed by governments as a scarce valuable national resource belonging to the society. The governments' argument was that the frequencies were limited and that the audience could be better served by a public broadcasting system. However, the actual reason behind state ownership in broadcasting, as it is argued by many theorists, was that governments were afraid of the power of the electronic media to influence the masses. As Dyson and Humphreys (1989: 138) point out:

Historically, European broadcasting has conformed to a single broad model of public-service broadcasting with common values and principles of regulation. Within this model there has always existed a rich variety of national 'styles' of regulation, reflecting significant differences of historical experience and regulatory culture. Subtle but important differences were to be found in the heritage of assumptions and practices about broadcasting.

For instance there was a contrast between the form of regulation that was followed between Northern and Southern European states. Northern European states' broadcasting regulation was more moderate allowing a relative independence between broadcasting and the political authority. By contrast the Southern European states' structure of broadcasting regulation was more paternalistic, as their different (from the Northern European states) socio-political and cultural tradition perceived the electronic media as 'arms of the state'. Moreover, there has been a wide range of different regulatory forms and structures. For instance, as far as finance of broadcasting is concerned some countries' public broadcasting systems were financed entirely by licence fees (BBC) whereas others were financed by both licence fee and advertising revenue (ERT, RAI). "Yet they have all shared a common principle of existing to provide programmes of entertainment, educative and informative value to **all** citizens 'in the public interest'" (Dyson and Humphreys 1989: 138).

This traditional European pattern of public service broadcasting has recently been put into question. During the 1980s in Western Europe, a new phenomenon

has emerged: 'broadcasting deregulation'¹ with relatively little time difference between different states. Chapter Two deals with the new phenomenon of deregulation and offers an analysis and explanation of the process and factors that led to it. This chapter gives an account of a complex combination of factors which prompted deregulation. One of the most crucial determining factors for broadcasting deregulation was the rise of a fairly pervasive neo-liberal political creed, which came across the Atlantic encouraging a 'market model' of broadcasting on the basis of the new multiplication of channels. The politico-economic arguments behind deregulation of broadcasting were for business efficiency and consumer choice.

The whole evolution was aided with the emergence of the 'new media' of cable and satellite, which removed the argument of the 'scarcity of frequencies' which has hitherto been one of the main foundations of public regulation of broadcasting, as they made available a substantial number of channels, which can be received on a multinational basis. The technological evolution created new possibilities in the area of mass media (e.g. transfrontier broadcasting, interactive communication, fibre optics etc.).

The evolution which is characterized by the transformation of the interventionist state and the rise of the neo-liberal economic spirit, has also seen private capital come to exploit commercially the opportunities that have emerged in Western Europe. The broadcasting area was being transformed into a cultural industry with commercial criteria along the lines of the USA. Entrepreneurs from the publishing sector have pressed governments towards television deregulation and have established a cross-ownership of press and television ventures, not only at national, but also at multinational level.

Another very crucial factor, which helped towards deregulation was the crisis of the 'Public Service Broadcasting' ethos due to heavy paternalism of the state over PSB. This factor proved to be more evident in the cases of the EC Mediterranean states. Case examples of these states are given in Chapter Three. These states are examined in an historical comparative context and reveal conditions common with those of Greece such as similar socio-political traditions which seem to have led to similar developments. These conditions have had

¹ In Italy, however, deregulation started earlier (in the 1970s).

repercussions in the broadcasting systems of all these countries. The paternalistic model followed by the state for decades resulted in a public mistrust towards state media. Thus, paternalism led public opinion to favour deregulation.

Additionally, the old style PSB monopoly was no longer able to respond to the new diverse interests and needs of the modern Western societies of consumerism, of more spare time and political freedom. This trend became evident in the 1970s, when many states inaugurated a third TV channel, other countries changed the style and content of programming and Italy also started a de facto deregulation.

These factors have also been compounded by the growing internationalisation, interpenetration and interdependence of the European broadcasting systems. Within the European Community, the debate and preparation for integration had also its extensions in the institutionalisation of a common market in the audio-visual sector, aiming at the abolition of specific national barriers and the easing of regulations. Likewise EC governments gradually abandoned their traditional broadcasting policies and reduced the level of regulation as broadcasting today needs regulation at an interstate level. The Commission of the European Communities with its Directive 'Television Without Frontiers' seeks to establish a common market for broadcasting across the frontiers of EC member states. Thus a new environment, aiming at unrestricted movement of audio-visual services, is gradually opening up, especially with the European integration in 1993², and is helping the movement towards deregulation in order to further improve the business environment, increasing efficiency and effectiveness and enriching consumers' choice. Chapter Four is primarily concerned with the internationalisation and interdependence of broadcasting systems and particularly focuses on the EC policy.

All the above factors had a crucial impact and exercised enormous pressure on the old legal status of the traditional public broadcasting systems in Western Europe. Deregulation arrived under these antecedents and a new interesting field is being shaped. Clearly, the responses of Western European states to the broadcasting changes "reflect the impact of the realignment of interests as new ideas and practices are diffused through international markets and as the entry of

² With the ratification of Maastricht Treaty.

new actors challenges traditional assumptions, values and styles of the broadcasting sector" (Dyson and Humphreys 1989: 137).

Although the basic determining factors for broadcasting deregulation are common in almost all Western European states, deregulation in the North was brought about as a result of public debate (e.g. Britain, Germany etc.) whereas in the South, deregulation was 'anarchic' and arrived de facto; it was not the outcome of governmental policy, but the result of initiatives of entrepreneurs, mayors (mainly from the parties in opposition to the governments of the day - Spain, Portugal, Greece) and publishers establishing de facto their stations. These similarities in the South reflect common socio-political characteristics with the Greek system.

PART II

The second part of the thesis focuses on the Greek case. It describes the links with the whole deregulatory process in Western Europe and develops the argument of broadcasting deregulation in Greece uncovering and analysing the determining factors of change in the Greek broadcasting scene. It particularly examines the reasons and the detailed routes and norms via which they took place as well as under which internal and external impacts, influences and forces Greece's traditional monopoly was abandoned. Additionally, the similarities and common characteristics with other European states are drawn to the reader's attention in an attempt to link and see the distinctive norms of the Greek case within the whole deregulatory process in Western Europe.

The Introduction to Part II as well as Chapter Five give an historical background of Greek broadcasting. These sections show how the Greek socio-political culture and tradition have influenced broadcasting and have left their mark on Greek broadcasting today. This section offers an appropriate background in examining the role of the Greek state in broadcasting and acts as a guide in explaining recent developments as it reveals the role and nature of the Greek public administration and its impact on broadcasting by using it as a branch of the civil service. It unveils how the socio-political tradition has influenced the Greek broadcasting system and reveals similarities with the Mediterranean EC states. This section examines the period from the establishment of Greek broadcasting until 1981.

Chapters Six and Seven are concerned with recent developments in Greece. They primarily offer an explanation of the determining factors that led to deregulation in the broadcasting field and show how the traditional monopolistic broadcasting system was broken up. Particular stress is placed on the role of the state and the public mistrust that this caused throughout the years as well as on the role of commercial interests.

These chapters explain how Greece responded to the influence of the social, political, economic and technological trends of the wider environment as well as to internal factors. The speed and the degree of adaptation of Greece into the new deregulatory Western European scene was exceptionally high. Within a period of one and a half years and without any particular debate and plan Greece passed

all the stages of the deregulatory process, (whereas in other states the whole process took 7-10 years). These stages included the liberalisation of radio and the introduction of satellite television and private TV. Deregulation in Greece was however established de facto as happened in other Southern European states. Greece has today experienced an explosion in radio stations and television channels.

In chapter six and seven it is shown that deregulation came to Greece as a result of internal and external factors and pressures. The main external influences came as a result of the general deregulatory climate, which developed in Western Europe during the 1980s compounded by the EC policies³. With the new technological advances and the tremendous technical and commercial possibilities they brought about, political rhetoric favouring the old concepts of regulation could no longer be sustained. Technological advances and the Western European deregulatory scene acted as a model for Greece as (1) it gave ideological arguments to neo-liberal forces and (2) it acted as a model for business development and investment giving an example to domestic commercial circles.

An additional reason for the deregulation of Greek broadcasting was the institutional framework of EC policy. The EC policy supports a commercial use of broadcasting capacity for unrestricted services in conjunction with CoE's Convention and the recent interpretation of article 10 of the CoE's ECHR which favours deregulation. Additionally, the ECJ ruling (C-260/1989, 18/6/1991) had a decisive impact as it came to confirm broadcasting deregulation (see chapter 6).

Chapters Six and Seven also stress the role of the state in broadcasting. Chapter Six explains the role of the Socialists and Chapter Seven the role of the Conservatives. Article 15 of the Constitution of 1975⁴ which provides for 'direct state control', was until recently interpreted by all governments, (regardless of their political colour), as state ownership of the electronic media,⁵ therefore governments used the electronic media as a propaganda tool. The extreme bias

³ Greece as a full member of the EC has been obliged to restructure its legislation in every aspect of policy, including broadcasting, adapting it to the EC. Regular visits of Community officials (agents) are made in Athens with the purpose of examining the process of adaptation of the Greek legislation to the EC Law and Directives. Inspections of this kind were made recently (April, May 1993) (To Vima 13/6/1993) .

on information programmes of the national broadcaster (ERT) led to public mistrust and support for deregulation. The long lasting heavy paternalism on PSB and the failure and unwillingness of the post-dictatorial Greek governments to fulfil their promises for democratisation and independence of state media led to social reaction. The public could no longer tolerate paternalism.

The social dissatisfaction and mistrust of PSB was initially expressed by the press and intellectual and academic circles. However, the real change arrived only after direct action. The direct action was initially exercised by a public pressure group of intellectuals. This group was known as Kanali 15 after the Constitutional article. Kanali 15 reinterpreted the Constitutional article 15 to imply that direct state control does not mean state ownership of broadcasting but only state monitoring. Consequently, they started up a de facto radio station. The favourable public reaction to this initiative paved the way for further developments. It gave the opportunity to the opposition Conservative mayors of the three largest municipalities of Greece (Athens, Piraeus and Salonika) to start de facto radio stations in 1987 and later in 1988, pushing further for private TV, to start de facto local television stations. In turn this forced the Socialist government to accept the principle of deregulation and consequently to liberalise radio broadcasting and additionally, in late 1988 to introduce satellite TV⁶ into Greece with the method of the retransmission of satellite programmes through terrestrial frequencies by ERT⁷.

Thus, deregulation in Greece was not the outcome of a planned strategy, but was the result of de facto initiatives, which forced the government to approve and embrace it. Although there were many factors behind deregulation, it

⁴ After the restoration of democracy.

⁵ However, Constitutional experts have argued that 'direct state control' does not necessarily mean state monopoly in broadcasting, but state monitoring for the democratic function of broadcasting.

⁶ However, the Socialists had initially (during their first term in office 1981-85) perceived satellite TV, across national frontiers, as a danger to national sovereignty in broadcasting and had threatened to shoot down the satellites over the Greek national air space.

⁷ From autumn 1988, satellite channels were available almost all over Greece. The main satellite channels now available in Greece are: MTV, Eurosport, TV5, RAI Uno, RAI Due, TVE International, Horizont, RTL, RIC etc.

appears that deregulation was the result of party politics, played between the Socialist government and the Conservative mayors. However, the government did not permit private TV, as it feared that the new channels might become politicized. At that time the popularity of the Socialists was in decline - due to the involvement of certain Socialist politicians in financial scandals. Consequently, the Socialist party preferred to introduce satellite retransmissions instead, which was a safe and popular policy and one which they considered would have less damaging effects in the forthcoming elections.

The Socialist government as expected lost the elections in June 1989, and its successor the coalition of the Right and the Left, in summer 1989, gave in to the intense lobbying of the owners of publishing enterprises and radio stations and allowed private and municipal local television⁸. Indeed, in Chapter Seven it is argued that although all the factors that influenced the deregulation of radio were also behind the deregulation of television, it seems that the arrival of private TV was the result of political expediency. This argument is further reinforced by the fact that the government, although it has passed legislation permitting private TV (law 1866/1989), has not yet legalised de jure deregulation.

Under the coalition government of the Right and the Left a National Council of Broadcasting (NCB) was established which was given the state's constitutional responsibilities for broadcasting monitoring. However, the government deprived the NCB from full authority as it gave it only an advisory role on the most crucial factor for the democratic monitoring of broadcasting, which is the granting of licences to television channels⁹.

Public monopoly on broadcasting has been abandoned in Greece and a host of new commercial entrants are appearing. Chapter 8 examines and analyses the current situation in the Greek audio-visual sector examining the high level of competition between the private TV channels for ratings and advertising revenue. It explains the new situation in the Greek broadcasting arena illustrating the developing patterns of cross-ownership and the concentration of publishing and broadcasting operations. It explores the consequent implications given that the

⁸ Including cable TV, Pay-TV and satellite retransmission stations.

⁹ Equivalent committees in other Western European countries can grant licences to TV channels. (i.e. ITC).

press in Greece has always influenced policy-making. Chapter eight also illustrates the position of the Greek public broadcasting corporation (ERT-S.A.) in the newly created deregulated environment, which is, as with most of the Western European public corporations, in a state of reorganisation, negotiating with the state about future broadcasting policy and finance.

Chapter eight shows that the situation that now prevails in Greek broadcasting is one of a high level of competition between ERT and the new private channels - competition in some instances is also 'unfair' as private channels frequently violate the limitations set by the legislation concerning advertising limits etc.¹⁰. Mega Channel and Antenna TV belong to shareholders of other media. Mega Channel belongs to a group of the most powerful Greek publishers and ANT1 to the Kyriacou Group, which owns the radio stations with the same name. Due to their popular programming (mainly entertainment)¹¹ these channels have attracted high ratings and consequently the lion's share of advertising revenue. However, their information programmes are of better quality than the state ERT, and especially in the case of the Mega Channel, due to its multiparty make up, more objective.

On the other side the public corporation (ERT-S.A.) is in a stage of reorganisation and its ratings percentages have fallen to approximately 16% of the total viewing. As far as objectivity in information programmes is concerned, although a decisive effort to separate the state media from direct governmental interference was made, between summer 1989 and spring 1990 - with the coalition governments¹² - when a one party government (ND) came to power, despite its marginal majority of two seats, quickly deprived the ERT from independence. As a result the short-lived 'spring' of public broadcasting seems to have disappeared. Thus, the Greek broadcasting arena today is on the one side

¹⁰ Mainly Antenna TV and Mega Channel, which are operating de facto, while awaiting the processing of their applications. However, in the meantime they have extended their local transmission coverage to panhellenic level (almost 80%), additionally violating the locality clause of the law (which in practice has been informally abolished as the government has announced its intention to award TV franchises for national coverage).

¹¹ Educational TV is missing from their programmes.

¹² Greece was governed by coalition governments for first time since 1952 in Summer 1989 - Autumn 1989 : Coalition of the Right and the Left and Autumn 1989 - Spring 1990: All Party Government.

with the state media under tight government control and on the other side with the private channels operating illegally and being engaged in an excessive race for ratings and advertising revenue. Thus, the future of Greek broadcasting seems to be uncertain. The situation must be settled and the responsibility of the government is very substantial in arranging the audio-visual sector, which is vital for democracy.

In the conclusions, after briefly highlighting the relationship between state and society in Southern Europe and Greece, I present a general summary of the thesis. Finally the last section of the conclusions focuses on current and future issues to be faced in broadcasting policy in Greece after deregulation.

CHAPTER ONE

REGULATION AND THE DEVELOPMENT OF BROADCASTING IN EUROPE

1.1 INTRODUCTION

This chapter is concerned with the development of broadcasting in Europe. It proceeds to the definition of regulation as well as to a detailed analysis of the political, economic and cultural arguments behind this traditional Western European phenomenon in broadcasting. According to McQuail (1986: 15):

Radio and television were developed of preexisted technologies such as telephone, telegraph, photography, cinematography and sound recording and they have a sixty and thirty years history as mass media respectively. Broadcasting media have become the main sources of dissemination of culture, information and entertainment.

The broadcasting media possess a central role exercising a great degree of power. They are the prime agents of information, through news and current affairs programmes. They inform people about events taking place outside their immediate environment and replacing previous forms of entertainment, opening up, thus, new horizons for viewers and listeners.

The electronic media is a rapidly developing sector, which produces goods and services and provides employment. After the emergence of new communications technologies these media have been transformed into an international carrier of messages; they provide a location where world affairs are played out. Their international dimension gives them the potential to reach audiences, not only at national level, but all over the globe; they are playing a dominant role in all kinds of activities, whether in social, cultural, political or economic matters. Clearly, radio and television are very important channels for society and they are a very powerful media for public affairs and social changes.

Of major importance in radio and television history has been the high degree of regulation, control or licensing by public authorities. Until recently there was a close relationship between the state and the broadcasting media in Western Europe. The state played a significant role in establishing and regulating the organizational context of broadcasting operation. The state was giving permission to public institutions to operate broadcasting as a monopoly. Thus, the traditional Western European broadcasting system was a highly regulated public monopoly. Broadcasting was seen as a public service providing a wide-range of programming for the whole spectrum of the population.

Although broadcasting systems in Western Europe have been adapted to quite different socioeconomic and political conditions, the establishment of broadcasting monopolies throughout Western Europe is more than a 'historical' arrangement and have some common features. The broadcasting models that consequently developed in each state reflected individual political, economic and cultural considerations. Within Western Europe broadcasting was considered as a public service (PSB) and was either run by public bodies or at least was subject to government licensing, programming and organizational requirements (Dyson and Humphreys 1989, McQuail et.al. 1986). Nevertheless, all monopolies in Western Europe had the following common characteristics:

(1) Most countries established nationwide monopolies with one corporation (PSB), serving the whole nation. Some of them however later started operations at regional level as well.

(2) PSBs broadcast within a defined territory to a nationwide audience. "Of course there have been exceptions to this situation, and especially in countries with linguistic and cultural differences which made centralism difficult. Thus, countries such as Belgium and Switzerland, each linguistic community enjoys its own broadcasting service" (Papathanassopoulos 1990: 116).

Clearly, the European states had traditionally organized their broadcasting systems as monopolies. The concept of monopoly in certain areas of control and management - not only in the field of broadcasting - has been an almost unquestioned element in a wide consensus. The monopolistic organisation of certain sectors of the economy, including telecommunications and broadcasting was conceived until recently as something natural on the grounds of experience

gained in the administration of scarce resources and essential services. Monopolies in broadcasting were justified on the grounds of general public benefit, scarcity of frequencies and the existence of economies of scale.

Broadcasting had been seen as a 'public service' subject to state regulations. The state had given a *de jure* monopoly status to public broadcasters. There have been three major reasons behind state regulatory activity 1) the scarcity of radio frequencies, 2) Political patronage because of the fear of the power of broadcasting to influence entire populations and 3) the protection of public interest, which was thought could be better protected by a state monopoly rather than by a free marketplace, as broadcasting was seen as a 'public good'.

1.2 THE HISTORY AND LEGITIMACY OF BROADCASTING REGULATION - TRADITIONAL JUSTIFICATIONS

The development of radio and television over Western Europe has been marked by a common state activity: 'Regulation'. Regulation means the existence of rules. Throughout the existence of broadcasting, the state has established laws to control its development and operation. Regulation was originated in the 19th century when the state exercised its power to control the wireless telegraphy. Broadcasting regulation also started in 1920s, when radio started as a means of mass communication. After 1920, many governments felt the need for some regulation. Although in the beginning (1920s) radio started to operate under private ownership, by the second half of the decade radio broadcasting was in most European countries regulated in one way or another by the state. Broadcasting has therefore developed and operated within the context of state regulation.

In the beginning in most countries broadcasting regulation took the form of a state permission to an institution, which was given monopoly to broadcast¹ to the whole nation such as BBC in Great Britain, RAI in Italy and EIR in Greece. A few years after the introduction of scheduled radio broadcasting in the 1920s, governments began enacting statutory controls.

¹ Most radio stations, however, in the beginning belonged to private owners rather than to governments. In fact the government department concerned usually the PTTs (post, telegraph and telephone administration), moreover, governments feared the power of broadcasting in reaching and influencing entire populations.

The pattern established in the 1920s for radio proved to be a strong guideline to how the new medium of television would be organised when it entered the European arena around 1950. Television was regulated from the very beginning. In the majority of European countries television was placed under the same organization that had managed radio since the 1920s. In most European countries national radio and television channels were organised within a single national broadcasting institution, such as RAI of Italy, BBC of Britain, ORTF of France and ERT of Greece. In almost all European countries there were legal regulations governing the activity of radio and television. European broadcasting systems generally came under the rubric of public corporation.

In Britain, for example, the Royal Charter created the British Broadcasting Corporation (BBC) to supersede the manufacturer's British Broadcasting Company. The Charter established a non profit public corporation to provide broadcasting throughout the United Kingdom as a 'public service'. The BBC licence forbade advertising and provided for funding from licence fees paid by the users of receiving sets. In most European countries TV was regulated and controlled by the state as a public institution with the same responsibilities and duties as radio.

Broadcasting thus came under the control of the state; it became a state monopoly. This view fitted naturally with the spectrum scarcity argument as well as military purposes, initially to retain the military sector the control over the radio spectrum, which could be lost by opening the use of communication to rival companies. Additionally, radio spectrum used to be regarded as a great national asset. The twin concepts of natural monopoly and public service were regarded as supplementary notions for the public interest and utility. The generally accepted view was that the radio waves were dedicated to the serving of the people and that the electromagnetic spectrum being a natural resource of the nation, which could be destroyed, if it was given to private hands. Likewise, it was widespread that broadcasting was a unique service which had to be equitably distributed, that everyone was eligible to use it and that the state had the absolute powers and control over it.

Clearly, the main reasons behind state regulation over broadcasting could be classified into three categories: Technical reasons, political patronage and the protection of public interest. The analysis that follows deals with the first two

reasons. The third reason which is the protection of the public interest via a 'public service' broadcasting system is analysed in the following sections 1.3 and 1.4.

(1) Technical Reasons (Frequency Scarcity Rationale)

Frequency scarcity, spectrum management and protection from technical interference among stations to the detriment of clear reception were the main technical factors justifying regulation and monopoly. Technically it has been necessary to control frequencies and to avoid interference with other parts of the radio spectrum. Terrestrial (or off-air or conventional) broadcasting uses frequencies of the radio spectrum, which are scarce. This fact constrains the number of channels available. Thus, state regulation was necessary to allocate frequencies and prevent interference between stations.

Telegraph and telephone systems were from the beginning operated as national monopolies, since this kind of electromagnetic communications did not work without traffic management and state regulation. Since radio and television were established, using the electromagnetic spectrum, both satisfied the requirements for 'natural monopolies', and consequently organized under the same legal framework with telecommunications (Head 1985).

Since the advent of broadcasting, the demand for radio frequencies has increased. The finite nature of the electromagnetic spectrum raised scarcity problems, which were used by Western European states to justify, on legal grounds, their monopolistic position on broadcasting. Thus, spectrum scarcity was one of the main justifications, which was pragmatic and could not be challenged. Most European countries, consequently, treated them as invaluable elements of their national patrimony, reserving the available channels² for a public institution. Clearly, in this perspective, governments had a fundamental duty to protect such precious resources from abuse and to ensure that they benefited the nation as a whole. The frequency rationale was used to justify not only the governments' regulation over broadcasting, but also to exclude private broadcasters.

² For example, rules must govern which services may use which parts of the frequency spectrum, control the siting of transmitters and antennas and limit the amounts of power that each type of transmitter may use.

(2) Political Patronage

However, there are other interpretations about regulation than those flowing from the concept of the electromagnetic spectrum as a scarce public resource and of broadcasting as a natural monopoly for the best servicing of the public. They have to do with political control and military preparedness. From the role of the telegraph to today's sophisticated electronics in missiles, manned weapons, and 'C3I' (Command, Control, Communication and Intelligence), governments tend to assume that broadcasting has tangible social effects. Television heightened concern about such effects, causing increased regulatory intervention. "Politicians have long believed that television is a real force for political communication to the public. State control is recognised as the best way of guaranteeing that broadcasting does not become an instrument of narrow sectional interests" (Hughes 1988: 49).

According to McQuail and his colleagues (1986: 115-6), the European broadcasting monopolies were the results of political decisions. When a sector of the economy has been monopolised by market forces, it is no longer subject to consumers' control. When monopolised by political decisions, it may be indirectly maintained or abolished by consumers acting as voters.

The main factor that Western European governments feared was that broadcasting may by-pass elected leaders, directly influencing the public on political issues. A monopoly under government control is easier to control than a multiplicity of programming groups.

Clearly, the official justification of public regulation was concerning technical reasons, and public convenience, but behind most of the regulation was a belief in the power of the electronic mass media and the fear of this power if used for purposes opposed to the status quo. The established political system wanted to keep the control of these media.

There were many fears over what the wireless fans might transmit. This new means of public communication had the potential to stir up powerful political undercurrents that could either bolster or undermine political systems, depending on the terms under which government allowed broadcasting to operate. Political authorities dared not let these forces run loose in the land. They realised, as

Namurois (1972: 58) put it, that:

Broadcasting confers upon its ostensible or concealed masters a social power which, when not actually wielded by the political authorities, must to some extent be regulated by them if they are not to lose their grip on the levers of power.

Also Burrows (1924) had argued, the period when the arguments for the public control of broadcasting were first propounded was also one when there was considerable fear that the use of broadcasting might lead to the dissemination of subversive ideas. In Britain, for instance, owing to its proximity to a highly unstable Europe, the military and naval authorities considered it essential to prohibit for some while wireless experimental work by private persons. The fear presumably was that amateur hams might pick up - and perhaps pass on - undesirable messages for the government.

1.3 THE CONCEPTS OF 'PUBLIC INTEREST' AND 'PUBLIC GOOD'

To aid our understanding regarding the concept of 'public service' broadcasting (PSB) as a system for the protection of the 'public interest', this section (1.3) gives an account and analysis of the concepts of 'public interest' and 'public good' which are associated with the concept of 'public service'.

Right across the spectrum of positions regarding the public interest lies a shadow of ambiguity and contradiction. There is a whole diversity of meanings for public interest in the context of any single society. According to Smith 1989: 11):

The term 'public interest' in itself contains sub-textually a sense of the existence of a natural conflict between individual and public goods, between the natural strivings of people for their own betterment and the social benefit which might ensue from a partial or temporary denial or self-gain.

There are two different ways in which the discourse of public interest has been used in the course of the industrial society: one as a collective good (the traditional meaning), and one as consumers betterment (the consumerist meaning). Both views exist simultaneously. In each phase of the industrial era one of the two views attempts to become prominent. When we are speaking about the concept of public interest in the traditional sense we are referring to a collective good, a public good, which is highly valued. In this view the public interest is better served with the imposition of supreme goals on society, which

are above private property and personal interest. However, this view does not accept that the public service corresponds to the mere aggregation of the interests, desires and needs of all individuals³. As Smith (1990: 28) stipulates, in the course of the industrial era

there had to be goals greater than the aggregate interest. So, we are all now familiar with welfare states with powerful bureaucracy and powerful public institutions, which embody the results of that debate about how to offer society 'great goals'.

The consumerist view of the public interest argues that the society consists of atomised individuals and their property. It is assumed that the public interest is best served by allowance of all individuals to interact competitively. This theory grew in significance in the 1980s gradually replacing the traditional theory of public interest.

Clearly, Western society has been through all these phases of public interest. Both discourses have been implemented in telecommunications and broadcasting in Western Europe. From the establishment of broadcasting in the 1920s to the 1980s, the traditional theory was, however, predominant with the establishment and operation of powerful public corporations.

The traditional notion of public interest is related to the theory of the public good. According to Samuelson quoted in Head (1974: 69).

The theory of the public good is based on the traditional continental concept of 'public good' which differs from a private consumption good in that each man's consumption of it ... is related to the total by a condition of equality rather than of summation.

The public good is considered in juxtaposition with a private good. The private good is perfectly divisible in that it can be parcelled out to different individuals. Given a fixed amount of such a good, increased consumption by one community member reduces the quantity available to other members by an equivalent amount. As a result of the private good's property of perfect divisibility, potential consumers can be excluded from consuming the good.

³

We should bear in mind that another view, treating the public interest as an aggregation of individual interests, was also developed during the course of the industrial era. This view however is different to the traditional view of public interest and achieved little currency, as it could not correspond to the real needs of the industrial society.

The outstanding property of a pure public good is that, upon its production, it is equally consumed by all members of the community. As a result one member's consumption of the good does not reduce the quantity and/or quality available to other members. The pure public good is perfectly indivisible in that it can not be divided up and parcelled out to individual members of the community. Furthermore, once it is produced it is either impossible or prohibitively costly to exclude any member or group of members in the community from consuming it. For instance, a community member can consume a public good despite the fact that this member has not contributed to its cost of production.

The most important attribute of a public good is collectivity in consumption. All societies have a way of expressing generalized collective needs. Each possesses an appropriate term to describe and account for its collective historic national, doctrinal or regional identity. Western European societies had traditionally attempted to protect collective needs for the public interest. For instance, there are forms of public interest entailed in projects designed to protect the public against harms which are invisible to the victim. There are of, course, losers in the achievement of public interest; there exist a limit to the economic activity and freedom accorded to individuals beyond which the good of all has to take precedence. Examples are defence, protection from environmental pollution, education and in our case broadcasting. In this case the collectivity of individuals basically do not hope to benefit in the short-term. Societies have to acquire a certain view of cultural activity and of the public interest.

Every society finds appropriate policies to protect collective needs. Very often, in view of public goods and/or externalities, public policy analysts are quick to recommend public intervention in the markets where externalities exist. All Western societies have passed through a long era considering their policy-making, in many fields, towards the protection of the public interest, gradually coming to accept the view that the state must undertake the responsibility to carry out the roles assigned to the public interest.

During the course of the century, a vast proportion of economic activity in all Western societies (irrespective of whether they are formally wedded to utilitarian or socialist doctrine) has been swept into public discourses, if not into direct state ownership (Smith 1989: 12).

In the course of history Western societies have reinterpreted and concretized many manifestations about the nature of the public and its interest. Generally, in fields as diverse as transportation, education, public health and telecommunications, Western European societies have permitted the notion of public interest to spread, sometimes leading to the formation of public services for the free or inexpensive provision of the benefit concerned. Public utilities, originated in the nineteenth-century and they were seen as providing goods or services in which the general public has a greater interest. There has long been, for example, a public interest argument in favour of publicly run buses in certain countries, in order to ensure that people at all levels of income enjoy cheap and reliable transport, favourable to the interests of welfare and of the economy as a whole.

1.4 THE CONCEPT OF PSB AND THE PROTECTION OF 'PUBLIC INTEREST'

Until recently (1980s), in Western Europe, communications and broadcasting were not seen solely as a business carried out for private profit but as a public concern impressed with the public trust and considered from the point of public interest to the same extent and upon the same principles as other public utilities. Radio and television programmes were treated by Western European governments as public goods. It was argued that broadcasting has all the characteristics of a public good, because the level of improved communications is of course the same for all viewers. European governments attempted to derive the requirements of broadcasting, as a public good and argued that no one market mechanism could be expected to satisfy these requirements and to ensure optimal provision of services. The argument was based on the theory of market failure in public goods. So, it was assumed that broadcasting programmes as a public good should be done as a public service by a national broadcaster in order to serve the public interest so as not to offend public decency and taste and to avoid political bias and provide a wide range of programmes for the whole spectrum of the population.

According to McQuail and his colleagues (1986), in Western European countries, governments assumed a duty to protect the public both from technical interference to the detriment of clear reception and from private exploitation of the medium to the detriment of national culture and social goals. Governments used to see commercialism in broadcasting as the giving away of an enormously

important social asset to people who fritter it away to make money satisfying the baser human wants and using it generally for their own ends. So, broadcasting in Western Europe was treated as a public good devoted to the public interest in contrast to today's private commodity for individual interests and delivered through a national broadcaster. Thus, broadcasting organisations were encouraged to pursue some notion of the public interest.

Generally, broadcasting was seen as a public good devoted to the public interest, which had to be articulated in terms of social goals, accessible public institutions, for the construction of the cultural development of the citizens. Clearly, PSB has been largely and widely expected to use its monopoly position to fulfil social functions, which include giving access to diverse voices and reaching the whole public with information, education and culture.

In one way or another all the European broadcasting institutions were by law or proclamation told that they had some kind of programme responsibility. In general, after the first tentative trials of the inter-war period, particularly in the 1920s and early 1930s, European countries adopted the view that broadcasting should be regarded as a 'public service', organized in public corporations, which would disseminate a balanced programme, supported by licence fees on receiving sets, free of advertising and organised on a national network basis rather than on a local station basis.

Licence⁴ funded monopolies had remained the dominant form of broadcasting in Western Europe for most of this century. PSB institutions as other public institutions justified and legitimated their privileged monopoly position to limited resources.

The monopoly in broadcasting was justified by the argument that the establishment of a free marketplace of opinions can only be served by the public broadcasting structure. This model according to Papathanassopoulos (1989: 114) "does not rely on either journalistic or advertising competition, but is based on internal pluralism".

⁴ The coming of television with its high costs, however, compelled European nations to supplement licence fees with advertising revenue. In some countries such as France (1968), Italy (1957) and Greece (1968), advertising was introduced on public corporations in an attempt to aid them financially as a supplement to the licence fee.

But how could the concept of 'public service' be defined? The 'Public Service' notion is not a precise term and it could be defined through a range of characteristics. According to Scannell (1989: 137), the most essential characteristics that have remained, from the beginning through to the present, as constitutive of public service broadcasting are "the provision of a service of mixed programmes on national channels available to all".

According to another more analytical definition ((BRU: 1988), public service broadcasting comprises the following elements:

(1) universality; (2) broadcast programmes should be available to cater for all interests and tastes; (3) catering for minorities; (4) concern for 'national identity' and community; (5) detachment from vested interest and government; (6) one broadcasting system to be directly funded by the corpus of the users; (7) competition in good programming rather than for numbers; and (8) guidelines to liberate programme makers and not to restrict them

This at least was the ideal. However, no public broadcaster would claim that it has followed all these qualities of public service. Nevertheless, in Europe, broadcasting has been operated until recently, as a public service within the framework of the basic of the above characteristics⁵.

Clearly, the basic characteristic of public service broadcasting in Western Europe was the universal distribution of a diversified programme, covering all aspects of public life, through a national broadcaster⁶, which is a public body.

1.5 VARIOUS DEGREES OF REGULATION IN DIFFERENT WESTERN EUROPEAN STATES

In most Western European countries there were links between the government and the public corporation. This takes a number of forms, from

⁵ A slightly different version was the British duopoly model, where there existed a competitive environment, including private broadcasters (BBC - versus - ITV). However, British broadcasting was also highly regulated. As Dyson and Humphreys (1988, 256) have stated "Regulation has been dominated by the monolithic presence of the British Broadcasting Corporation (BBC) and the Independent Broadcasting Authority (IBA-now ITC)"

⁶ "There was a generally accepted view that public corporations were the most effective and socially most acceptable instruments for managing certain sectors of the economy" (Hood 1986, 55).

ownership of transmitters to government appointed watchdogs, overseeing the operations of broadcasters where control is exercised to varying degrees. However, we observe different degrees of regulation throughout Western Europe. We could distinguish two main categories of state regulation: Those where responsibility of broadcasting is given to 'independent' bodies like Britain (with the BBC and the IBA-now ITC) and those where broadcasting was controlled directly by the government, like Greece, where broadcasting was controlled by the Ministry to the Prime Minister.

Although, most of the Western European broadcasting systems were organised as a state monopoly, certain differences existed between different states. For example, it is widely accepted that there always existed a fundamental difference, as regards independence of PSB, between the North Western European states and the South Western European states. The tradition of 'public service' was stronger in Northern states (Britain, Germany etc.), which always used broadcasting in a less partisan mode than the Southern states (e.g. the Mediterranean states), where authoritarian practices and paternalism did not leave any space for pluralism and freedom of expression. Northern states had developed a more open and independent public service broadcasting monopoly and monitoring was given to independent authorities, whereas in the case of the Mediterranean states direct governmental interference and control on broadcasting matters was always predominant.

The tradition of public service broadcasting was stronger in Britain. The BBC was always the flag-bearer of public broadcasting corporations. The BBC ethos for instance reinforced the pursuit of independence and the enjoyment of editorial autonomy, compared to continental Public corporations. The BBC was enjoying considerable isolation from direct government control, but nevertheless more government control than in the United States. The degree of independence, impartiality and editorial autonomy, enjoyed by the BBC was never applicable to the PSBs of continental states.

Although the state has many links with officialdom, the corporation operates with a recognizably independent scope of discretion in programme matters within the terms of its charter. The strength of the public service commitment in Britain was, however, revealed not only with BBC, but also with ITV. When ITV (Independent Television) was founded in 1954, although financed from

advertising, it was subject to similar programming guidelines as the BBC. Consequently ITV, despite its private ownership and commercial funding was closer to the PSB model of television than to the new American-style commercial channels like Sky or MTV.

Although, many European countries were admiring the BBC model and were organizing their broadcasting systems along the BBC lines, in practice they did not allow independence in their programming. For example, the Mediterranean countries broadcast output was heavily influenced by partisan ends of governing elites. As McQuail (1986, 47) has stated:

In quite a number (of European states), there is a close relationship between the political system and broadcasting, ... A close relationship between broadcasting and the political system of the kind established in Eastern Europe and the Soviet Union is unknown in Western Europe, but the closest relationships are likely to be found in Spain, France, Italy and Greece.

As Kuhn (1985), Sassoon (1985), and Bustamante (1989) demonstrate, since the second world war France, Italy and Spain had suffered from a broadcasting system controlled by governing political elites (right-wing governments). These elites played a dominant role in broadcasting output, as they consistently appointed political sympathisers to key decision-making posts. These elites used broadcasting frequently and systematically for propaganda and clientistic purposes as part of their giant web of patronage, while at the same time resisting any challenge to the legal framework of the state monopoly, which allowed the politicians to operate broadcasting as an integral branch of the government.

Clearly, although these countries had declared that their broadcasting systems were organised as PSBs and ought to follow all the public service commitments for the information, education and entertainment of all the citizens, in effect they did that only in theory for in practice they did not allow any independence between broadcasting and the political authority.

The fact that Mediterranean countries are the most obvious examples of partisan political control of broadcasting does not, however, necessarily mean that other countries' PSBs were totally independent and absolutely impartial. For example, even the BBC, which was perceived as the ideal model of impartiality and independence from governmental control (editorial autonomy) could not avoid criticism. As Hood (1986, 59) describes, "there is no need to rehearse the

criticisms which have been directed over the years at the BBC and the IBA ... for the way in which they have discharged their public duties: criticisms of the degree of real public accountability they display; of their lack of openness to the societies on whose behalf they discharge their trusteeship".

The ideals of the middle class culture which had shaped BBC programming policy started to change in the 1960s. According to Negrine (1985), as many divisions were revealed within British society in the 1960s (political, social, racial, economic etc.), the concepts of balance and impartiality started to lose their significance in broadcasting output, as broadcasting organisations failed to reflect the whole range of the political and social spectrum. The notion of balance was too narrow to explore divergent opinions. The consequence was that TV output was the result of compromises between broadcasters and politicians.

1.6 THE CONTRAST OF AMERICA: NON PATERNALISM

Although there is a coincidence in broadcasting terminology of concepts such as regulation and the public interest in both Western Europe and the US, there are fundamental differences in the rigour of the controls and meanings, as American broadcasting was always an example of permissiveness. The only time that the United States had European-style regulation on broadcasting (state monopoly) was actually before the inauguration of radio broadcasting, when the medium was still in its infancy [full-fledged broadcasting made its debut in the years following World War I (see Pusateri 1988, 283)]. Thus, regulation of radio communication predates the broadcasting era, since it originated with the Wireless Ship Act of 1910 and the radio Act of 1912. The latter was the first general law for governmental control over radio. At that time the view of broadcasting as a natural monopoly fitted naturally with the Military's desire to gain control over radio communications, based on the grounds that much would be lost by opening the use of radio communication to rival companies. In 1918, for instance, the US Secretary for the Navy stated that the profound conviction of every person in the USA and abroad was that radio was a 'natural monopoly'.

With the emergence of radio broadcasting in the early twenties, however, and although the first US Radio Conference in 1922 had treated broadcasting as a 'great national asset', the notion of natural monopoly started to give way to competition as "by the end of 1922 there were already almost 600 licensed stations and an estimated 400,000 receiving sets in use. Commercial or toll

broadcasting developed rapidly" (Pusateri 1988, 284). The twin concepts of 'natural monopoly' and 'public service', started to lose any ascendancy with the Radio Act of 1927, the first American attempt to legislate on broadcasting. The 1927 Radio Act included the view that the radio waves 'belonged to the people' and the electromagnetic spectrum was a natural resource of the nation, which could be destroyed by uncontrolled exploitation. For this reason it designated broadcasting a subject of federal control (public control). Thus, the concept of regulation started to be given another meaning. Regulation took the meaning of the substitution of rules made by government for the competition of the market. "The television marketplace in the USA is regulated in two ways: directly, through the regulation of its competitive structure, particularly entry; and indirectly, through the regulation of broadcast content" (Porter 1989: 8).

According to Wallace.H.White, the senator who sponsored the Act of 1927 (quoted in Head 1985):

The right to our people to enjoy the means of communication can be preserved only by the repudiation of the idea ... that everyone who will may transmit and by the assertion in its stead of the doctrine that the right of the public to service is superior to the right of any individual to use the ether.

Broadcasting, thus, was assumed to be a unique service which had to be equitably distributed, and that the government had discretionary powers over broadcasting. However, the Radio Act left ownership to private, primarily local and commercial interests. It made a statement about financing the new medium, taking for granted that most private licensees would aim at making profit and that advertising would be their major source of revenue.

The 1927 Radio Act, also, defined the point at which the technical existences of broadcasting, the necessary avoidance of signal interference and the establishment of appropriate controls over content intersected. For example, some regulations over content had been intended to get better television access for blacks and women and generally to give the opportunity to minorities to be included. Clearly, the Radio Act of 1927 established a formula of 'public interest, convenience and necessity', attempting to express the objectives of public benefit. However, the meaning of such concepts in the US is different than in Western Europe. The public interest in the US was perceived to be better protected with control over content of programming output, rather than with state monopoly, leaving, thus, the ownership in private hands.

The formula of 'public interest' in the United States was borrowed, as in Europe, from public utility legislation. However, public utilities in the US were differently organized. They were organized through the regulation of government agencies, but the enterprise itself remains private. The public interest has been ideology-bound in the area of common carrier telecommunications services (publicly supervised, privately capitalised enterprises obliged to offer certain prescribed standards of service). Regulation was seen as an activity for the maintenance of equitable and reliable standards. In this respect the most stressed public good has been the goal of universality and equality of service.

The next legislative step on American broadcasting was the 1934 Communications Act. This Act (1934) created the FCC (Federal Communications Commission), and gave it the status of an independent regulatory commission of the federal government, required to function in such a way as to serve 'public convenience', interest or necessity. There was therefore implicit in its terms of operation the idea of trusteeship on behalf of the public. The 1934 Communications Act reflected the public interest dimension with a series of policies especially affecting programming output, mainly news and public affairs programmes as well as programmes for children. The Act attempted to control the output of network controllers in the interest of a socially caring commitment; for example, for protection of children against excessive advertising and the portrayal of violence; for more obligatory local programme origination, unpaid public service announcements, and news at prime time.

If we look in the Act of 1934 we see that it created broadcast regulation; however the meaning of regulation here is not European- style (state monopoly on broadcasting). Regulation here was given a different meaning, that of control over content for the protection of the social interest, as well as control of who is going to be awarded a licence. "No one can broadcast without a license granted by the US Federal Communications Commission (FCC)". Television stations are licensed to ensure that signals will not interfere.

The statutory standard for granting or denying those licences or renewals was the 'public interest', 'convenience' and 'necessity'. Clearly, the most common reason cited for broadcast regulation is the scarcity of available frequencies as well as public necessity. Someone has to divide the spectrum, make rules for it's use (such as bandwidth and transmitter power etc.).

To justify such behaviour the airwaves are designated as public property. "In principle, the purpose of regulation is to ensure that the chaos that might result from open competition does not interfere with the delivery of service to the public" (Comstock 1980, 12). However, despite these circumstances, American television by the standards of much of the European systems is thoroughly non-paternalistic. Public broadcasting like commercial broadcasting exists because of the licences made available by the FCC. From the beginning the priority was given to broadcasting conducted as a business, deriving its income from the sale of time to advertisers. What happened, simply, is that the federal government aligned itself with the values of private enterprise. There are about 950 licensed television channels managed as privately owned, profit seeking ventures.

Since PSB was established by Johnson Administration, America has had no European-style public television. Most television observers have emphasized the contrasts between US and European attitudes and issues. The FCC, as established by the 1934 Communications Act, experimented in the nature of a new style of relationship between government and industry in the United States.

The principle involvement of the government in broadcasting has been through the FCC (Federal Communications Commission). This agency literally determines the structure of American television by setting the rules to which broadcasters have to conform. It allocates available spectrum space among uses (such as commercial versus public television); determines the privileges - until, in some instances, halted by the courts - that commercial 'open air' broadcasters, cable, pay-TV and other communications operations enjoy; and licences TV stations. In principle the FCC could revoke a station license under periodic review, but in practice it has seldom done so, although licence renewals have been challenged frequently by would-be broadcasters and dissatisfied citizen groups. The FCC has the obligation to oversee the public interest - located differently (i.e. the power to reject the distribution of a broadcasting schedule among categories of programming etc.).

Clearly, on the one side of the Atlantic there existed a series of powerfully established national institutions, some of them in competition (BBC versus ITV), some of them monopolistic (RAI). In the US there have emerged three main networks drawn from the numerous local channels, but operating under rubrics (FCC), demanding interventionist guarantee of the public interest. (programming

regulation)⁷. The three giant national networks the American Broadcasting Company (ABC), the Columbia Broadcasting Company (CBC) and the National Broadcasting Company (NBS) - are the nervous system of American television. Just as American television is almost synonymous with commercial television, commercial television is almost synonymous with network television. About 90 percent of the privately owned stations are affiliated with one of the networks, and the networks provide about two thirds of their programming.

Clearly, American broadcasting has developed a paradigm that could be described in terms of nonpaternalism and competition, whereas "most other systems began with a strong commitment to a programming philosophy" (Comstock 1991, 4). Regulation in the US has a different meaning than in Europe and is connected with the regulatory activity of the FCC for controlling competition, awarding licences as well as for seeing that broadcast outlets conform to the statute's requirements for programming.

⁷ There was always also PSB in America. Public television, like commercial has a national distribution system, but unlike commercial television there are two networks supplying an extensive schedule that stations will broadcast concurrently. About 250 public and educational TV channels are supported by contributors and subsidies.

CHAPTER TWO

DEREGULATION: THE NEW PHENOMENON IN WESTERN EUROPEAN BROADCASTING

2.1 INTRODUCTION

The last few years have seen the end of a period during which the concept of public service in certain areas of control and management has been an almost unquestioned element in a wide consensus. Until recently in Western Europe there was a generally accepted view that public corporations were the most effective and socially most acceptable instruments for managing certain sectors of the economy. The traditional viewpoint had generally been that certain industries, primarily the regulated public utilities, might by nature be monopolies. The essence of 'natural monopoly' is that "their costs will be lower if they consist in a single supplier" (Kahn 1971: 11). Particularly in the field of broadcasting, governments perceived regulation of broadcasting as a practical and ethical necessity. Even where constitutions forbade government interference with public communication, the law recognised that broadcasting differed from other media. That difference, policy-makers thought, justified state regulation and government intrusion.

Recently this viewpoint has been questioned by a number of sources from a policy-making perspective; the last decade, in Western Europe, has witnessed the transformation of many industries, including broadcasting, from a regime of pervasive regulation to one of substantial competition. The first challenges to the established order started to rise, as critiques of PSB, pirate stations and the free radio movement, questioned the inevitability of regulation and paternalism on broadcasting. Moreover, the rise of the ideology of neo-liberalism, for business efficiency and consumer choice, aided by the emergence of new but related forms

of communication, such as cable television and satellite relays and the commercial possibilities that these brought about, started to challenge broadcasting regulation.

The traditional pattern of public service in broadcasting has been put in question. The concept of 'public good' and 'interest' has been challenged. At first the challenge was restricted in America, but as the shock waves were felt, European broadcasting systems also came under pressure. The challenge to PSB results from a complex combination of old and new factors which varies in different countries. New factors, such as the emergence of the new media of cable and satellite television as well as VCRs and the rise of a neo-liberal ideology, have combined with the crisis of the ethos and efficiency of public service institutions and opportunities for profitability and investment in the new industry. The rise of a neo-liberal ideology, based on the new technological advances has removed the scarcity of frequencies argument, which had hitherto been one of the main arguments behind state monopoly. The combined revolutions in technology and liberalisation are indeed revolutionary. The regulatory apparatus has indeed been deliberately abolished. Thus, deregulation of broadcasting has a political, an economic and a technological dimension.

Since the late 1970s - early 1980s the relation between government and industry started to change in many sectors. It appears that traditional patterns of regulation have changed and new models and practices have emerged. The public service broadcasting is undergoing a profound change.

The challenge to monopolies and political control came gradually, but it was not really taken seriously until the end of the 1970s when the notion of communication revolution began to gain currency. The arguments behind the 'public interest' in the management of public utilities, particularly telecommunications and broadcasting have been changed in the context of the new technologies; they have been given a new consumerist meaning.

In the 1980s Western European governments were under pressure to ease broadcasting regulation. A new industry had emerged through the new technologies, promising profitability and technological advancement. Governments all over Western Europe and from the whole political spectrum started to view the new business environment as a profitable sector, adopting, thus, deregulatory policies. Western European governments could not afford to miss the 'train of

economic and technological development. Even governments with opposite ideological background to deregulation and privatization, such as the French and Spanish Socialist governments, have adopted deregulatory policies in order to boost their television market as well as their national production and technological innovation.

It is also important to recognize that changes to broadcasting systems also came as a result of partisan ends. France, Italy and Greece are obvious examples where there have been tremendous changes in broadcasting structures, yet not all of these changes have been directly related to the growth of cable and satellite. For example, with the change of the political scene of France in 1981, the Socialists embraced deregulation as a means of ending the state paternalism from which they had suffered, when they were in opposition.

In summary, the monopolistic model of Western European broadcasting has been challenged in Western Europe, however, at the same time, as in the past with regulation, the impetus towards deregulation comes from a number of different sources and with a significant degree of variety between different countries. This variety can be explained in terms of national peculiarities: ideological factors, party incumbency of government, differences of economic structures, differences of cultural and state traditions etc. (Dyson and Humphreys 1988). In short, "Deregulation has emerged as a result of the complex interplay of an array of forces of a technological, ideological, international, political, economic and domestic political nature" (Dyson and Humphreys 1989: 141). Generally, we could classify five main factors which are:

(1) Neo-Liberal Ideology

The neo-liberal ideology (which first started in the US), which developed with the emergence of the new technologies, seeking to establish a 'market model' broadcasting for business efficiency and consumer choice and elimination of bureaucracy. Deregulation has been associated with the neo-liberal strategy for modernisation of the economy by privatization and promotion of a free enterprise culture.

(2) New Technologies

The new communications technologies of cable and satellite, using broadband technology, diminished the scarcity of frequencies factor and offered additional

channels, so greater competition can be afforded. Communications technologies are also playing a major role in restructuring work and administration in pursuit of efficiency and profits.

(3) Crisis of PSB Ethos

A very effective factor leading to deregulation is based on dissatisfaction of society with the status quo and programming policy, due to the failure of the ethos of PSB, mainly because of ideological reasons (paternalism and bias of PSB institutions). Politically opposed forces pressed for an end to broadcasting paternalism.

(4) Commercial Circles and International Market Forces

Pressure from commercial and business circles for an increase in competition and advertising opportunities. Another sector which pressed for deregulation was the film industry¹. The film companies saw an important market share across a wide range of different media. Deregulation, thus, enables the above companies to operate across markets and offer packages involving films, TV series, books records etc.

(5) EC Broadcasting Policy

The EC policy with the Directive Television Without Frontiers is a factor which encourages deregulation trying to establish an unrestricted pan European TV market².

In this chapter, I present a theoretical framework of the new phenomenon of deregulation. I look at the deregulatory trends and process in Western European broadcasting and I uncover and analyse the reasons behind this new phenomenon.

2.2 THE NATURE OF DEREGULATION: A TYPOLOGY

Before proceeding to our analysis, concerning broadcasting deregulation in Western Europe, it is useful to give a brief definition of deregulation and the main deregulatory trends.

¹ In the film industry seven firms control 90% of the US domestic market and 70% of the world market (Garnham 1983: 16).

² Detailed analysis about the internationalisation of television and the role of the EC follows in chapter 4.

According to Dyson and Humphreys (1989: 137-140), broadcasting deregulation in Western Europe has been associated with public service values and has never been simply an administrative affair. However, under the new systemic and ideological pressures, complex changes are taking place. Deregulation like regulation in broadcasting is more than a simple removal of certain rules and involves a range of elements.

Deregulation is a movement away from government regulation; it refers to the relation between government and industry in a process of change between them. Deregulation is the core element of the neo-liberal strategy for modernisation of the economy by privatisation and promotion of free enterprise. It allows new entries into previously monopolistic markets. Advocates of deregulation argue that deregulation is giving competition a chance to show its virtues, allowing private enterprise an opportunity to show that it is indeed superior to state monopoly and control. Deregulation is supported by arguments concerning general business efficiency and consumer's freedom.

Deregulation is a policy to reduce bureaucratic inefficiency and financial profligacy and to increase flexibility. Advocates of deregulation argue that regulation is harmful not only to the economy but also to consumer choice. In contrast deregulation offers diversity and choice in programme provision. Deregulation also opens domestic markets to international forces and gains benefits from investment as well as encourages domestic market forces.

Deregulation does not of course mean that the government will no longer take an active part. Although, deregulation is a movement away from government regulation on certain enterprises, however, it is not the same as depoliticisation. On the contrary as Tunstall (1986: 6) has pointed out:

To deregulate communication is to move it out of the government bureaucracy of regulation and throw it into the twin marketplaces of commerce and politics. The giant new communications field is a political field. Having fewer rules is not the same as having no rules at all. The significance of the rules that remain is all the greater. But the abolition of some rules also makes the surviving rules seem more ambiguous and more vulnerable to alteration or abolition.

Clearly deregulation does not eliminate the political nature of decision-making; it rather shifts the political debate from control of regulation to control of the market. Applying rules to a broadcasting marketplace implies a

strong state to oversee them. This leads to even further politicisation; actually, a process of re-regulation is taking place by the state in order to regulate the competitive structure of the deregulated market. The main types of policies regarding deregulation are: liberalisation and privatisation.

LIBERALISATION (or Demonopolisation) is a policy whereby the *de jure* monopoly of a public institution is abolished with respect to some or all of its tasks by permitting competition (such as the introduction of commercial radio and television in Greece, France etc.). It is the introduction of commercial competition in these sectors of activity, previously defined as public services or 'natural monopolies'. In other words liberalisation is the introduction of competition into a monopolistic market. It is a form of deregulation. What is actually happening is that deregulation leads to liberalisation which opens opportunities for commercial competition in the broadcasting arena and gives more freedom of choice.

Liberalisation of Tasks is another type of liberalisation, which is an initiation of a policy that permits certain assemblances of activities, which were previously prohibited, within the structure of an organisation. For instance the permission of the private TV channels in Italy to broadcast sports, which until recently was monopolised by RAI.

PRIVATIZATION (or Denationalisation) is the transfer of public property (institution) from the state to private hands³. An example of Television deregulation is the **privatization** of TF1, the main public television channel, in France under the Chirac government, in 1987. Privatisation also includes denationalisation or the transfer of at least 50% of the shares in a nationalised industry from public to private hands. Privatization, however, does not alter the need for public control. Another two sub categories of privatization are:

³ However, privatization of a public enterprise is not necessarily always a form of deregulation or liberalisation. The concepts of privatisation and deregulation can be separated both theoretically and empirically. A market may be deregulated with one or more entities within the market remaining in public ownership or a publicly controlled entity may be privatised with little or no ensuing deregulation of the market, thereby creating a private rather than public monopoly. Privatisation per se does nothing to liberalise the market. Thus, It depends on the legal and day to day relationship between the enterprise and government. If monopoly rights are given to the newly privatised company, then the traditional economic arguments for regulation remain.

(a) Organizational privatisation which is the transformation of a public entity into a private company, but with the government as the sole or majority shareholder.

and

(b) Privatisation of tasks which is the transfer of some of the tasks, (but not all) of a public entity, which were previously protected by a *de jure* monopoly, to private enterprise, such as the commissioning of programmes from independent producers by BBC.

2.3 TECHNOLOGICAL CONVERGENCE - DEREGULATION, NEO-LIBERALISM AND MONETARIST ECONOMICS CROSS THE ATLANTIC

Deregulation started first in the US and it started earlier in Communications than in most other sectors; it began with the 1968 Supreme Court Carterfone decision, which broke up the AT&T's monopoly as it allowed other companies to connect telephones and other equipment to the AT&T network (Tunstall: 1986). However, despite those competitive initiatives television deregulation took sometime to arrive in Europe. Communications deregulation begun to achieve ascendancy in the late 1970s first in the US and later in Western Europe, after the introduction of the new technologies.

However, it should be noted here that broadcasting deregulation in the US has a different meaning; it means the removal of restrictions on reselling stations, on rules on children's programmes and the abolition of the fairness doctrine requiring broadcasters to give a balanced average view in any controversial issue. The recent deregulatory trends in the US began during the Carter administration, but were elaborated and promoted by the Republicans becoming dominant during the two Reagan administrations.

During Reagan's office the concept which prevailed was a faith in regulation by the marketplace, which determines new conditions for the functioning of American TV. The Reagan administration determined new conditions for the functioning of American TV, totally based on the 'market place'. Under the chairmanship of Mark Fowler, the FCC has moved some way down the path of deregulation. Gradually the new mood of competitiveness added to the increased intra-industry competition brought about by cable and satellite channels and

accompanied moves to abolish the doctrines which most interfered with the free scheduling needs of networks and channels. Radio and TV stations have been freed from government imposed limits on commercial time, from having to provide minimum amounts of news and public affairs programmes and from having to provide educational programmes. Also programming logs need not be kept for public inspection while annual financial reports are no longer required. Indeed, controls on content were removed, such as minimum requirements for news and objectivity and maximum amounts of advertising and promotion. The power of the FCC to mandate such action, (age specific protection of children etc.) as well as the wisdom of doing so, have been challenged by broadcasters, for their economic interest lies with entertainment programming drawing a wide spectrum of audience as possible. "In America this movement towards deregulation of business has built upon the traditional hostility of businessmen towards their state" (Hills 1986: 24). "The American commercial approach to programming has focused attention on finding out what the mass of the people want - or what they think they want, or what they are most likely to accept (since some critics argue that the people do not really know what they 'want' or merely learn to 'want' what they are given)" (Head 1976: 10).

Clearly, American broadcasting developed relatively unhampered within the permissive framework of the competitive free-enterprise system, without any restrictions. However, the EC as well as European governments disagree with the extreme permissiveness of the American commercial system with its emphasis on what people 'want' rather than what they 'need'. They feel that programming cannot be left entirely to the uncontrolled integration of popular supply and they impose limits and restrictions on content accordingly.

However, it is not possible to discuss deregulation of broadcasting without discussing the technological convergence which has taken place in the communication sector. According to Golding and Murdoch (1986b: 179):

Current moves centre around improvements in computing and telecommunications technology and their convergence to form an integrated system which can transmit all kinds of information - speech, numerical data, written text, and visual images - over the same communications network. Applications include speeding the spread of automation in industry, rationalising clerical work, and replacing cash and cheque transactions with electronic funds transfers.

Technological convergence erodes the boundaries between

telecommunications and television just as telematics combines telecommunications and computing; developments in satellite broadcasting cannot be taken in isolation from the telecommunications services, whose transporter capacity they currently share. Clearly, the 'electronics revolution' has made many former boundaries irrelevant; the increasingly convergence of all communications (broadcasting, telecommunications and information technology) transformed them to interdependent components of the same machine. This convergence had a direct impact on communications policy, as it made possible deregulation to move to the forefront of the debate. For example, "old rules which kept the telephone companies out of selling computers and computing services are generally regarded as no longer viable, because modern telephone systems are built around computer switching systems. Similarly satellites are, via cable, part of the mass media. It is thus widely agreed that communications is moving toward one huge playing field" (Tunstall 1986: 5).

There are now several methods of telecommunication transmission old and new. The first communication satellite, Early Bird, was launched in 1965 and the first production of fibre optic cable took place in the early 1970s. The major threat to public monopolies came from cable and satellites. There was not any deregulatory tendency in Europe, before the arrival of the new technologies. The first deregulatory attempts were made in the 1970s when they tried to permit cable for 'consumer choice'. However, the main deregulatory trend that had an effect on broadcasting took place during 1975-85, with the introduction of space satellites over the Atlantic. By 1985 space had been commercialized for all communications fields (including telecommunications, satellite TV, cable TV, as well as conventional radio and television).

The arrival of the new technologies had an impact on communication deregulation first in the US internal market. However, as Americans realised that the new technologies can extend markets, attempts were made to make deregulation a global phenomenon. The main beneficiaries from deregulation and the new technologies in America have been the aerospace industry, cable TV companies, service industries, financial institutions and of course Hollywood. Those companies sought the export of deregulation ideology as a potential increase of their profits.

According to Hills (1986: 157-182), for many years the FCC has sought

but failed to export deregulation from the domestic American market to the international market. New technology in the form of satellites gave the probability of success. Private satellites would allow cheaper transmission of American cable programming to Europe. And when based on optic fibre networks, as in France, cable TV entities provide possible challengers to PTTs monopolies. Private international satellites bring direct pressure on the PTTs to liberalise their monopolies.

The policy of the US was to export not merely communication goods, services and images, but also communications policies. FCC's communication policy attempted to persuade other governments that deregulation was beneficial to them as well as to the US. It has long been one of the main desires of American deregulators not only to deregulate their own communications, but also to persuade others notably their natural partners (Western European countries) to deregulate their own systems. According to Wirth (1985), quoted in Hills⁴ (1986: 160-1):

European governments plans for DBS and cable TV gave the opportunity for debates in the US, in the American House of Representatives to make clear that the new entrants are expected to facilitate the export of American programming, while Mark Fowler, the chairman of the FCC has argued that the new entrants will open up to American business ability to use new communications links to Europe.

In all cases the US task has been to persuade other nations, mainly the OECD states in Europe and Japan, that deregulation would benefit everyone. "The thought has been expressed publicly in Washington that, given the fragmented nature of US policy-making, general international deregulation will benefit all, but especially the US" (Tunstall 1986: 195). This is obvious because the US has the world's most powerful programme production industry. Thus, "it was actively searching for an expanded overseas market and was able to market low-cost programmes like Dallas and Dynasty having already achieved profitability in a huge domestic market (Dyson and Humphreys 1986: 99).

The impact of changes brought by the new media in America had an effect in Europe generating deregulatory trends. According to Negrine (1989: 210):

⁴ Rep. Timothy Wirth, Congressional Record H.3058, 9 May 1985; Mark Fowler, quoted in: Broadcasting, 29 July 1985, p.29.

The diffusion and popularity of the 'new media', particularly of cable television, in the United States has had both a physical and a psychological effect in Europe generally. Not only did it make Europeans - and their governments - aware of possible new areas for industrial/technological expansion and growth but it also made them aware of impending change: It would only be a matter of time before satellite services would be available across Europe and these were not likely to be hemmed in by national regulatory and cultural considerations.

Europe was not longer able to keep satellite services out: Murdoch's Sky Channel was born in 1982 and Ted Turner's CNN crosses national boundaries. "Domestic regulatory mechanisms would, in the long run, prove inefficient in their efforts to oversee or supervise these new channels" (Negrine 1989: 210).

The deregulatory climate arrived in Western Europe from America, with the approval of European governments and of the business circles although there has been acknowledgement of the fine line, which separates business' liberty from licence to exploit. Deregulation also has coupled with hostility to bureaucratic growth.

Another factor which helped the spread of deregulation and competition was that deregulation and the subsequent liberalisation came to power with the rise of the New Right (neo-liberals). The neo-liberals, influenced by monetarist economics adopted as their slogan the promotion of competition, 'efficiency', 'political freedom' and 'private action'. The less the scope of the state economic activity the less regulation of the markets and the more political freedom. Clearly, the movement towards deregulation of public monopolies is partly the outcome of the ideology of neo-liberalism and monetarist economics. The advent to office of neo-liberal administrations loyal to market mechanisms (mainly Reagan in the US, Thatcher in UK) has accelerated the process towards competition in markets in order to promote and stimulate efficiency. To these governments deregulation is also a matter of political freedom and consumer choice. Those neo-liberal administrations have seen government regulation as an obstacle to personal liberty and choice. The doctrine of these governments is that political and economic freedom is extended as governmental economic activity and interference is eliminated.

But the movement towards deregulation did not happen solely in those states with liberal conservative governments or dominated by liberalism and

individualism. It also spread in other countries with contradictory political beliefs and traditions⁵ such as in Mitterand's Socialist France and in Schmidt's Social-Democratic Germany, where bureaucracy had a higher status than business. And in other countries, such as developing countries, governments have been selling state owned assets to private sector. "The reasons for this seemingly odd movement (developing countries would normally be expected to wish to control larger rather than smaller parts of their economies) rests with the world's economic situation. It is within this world scenario and its relation both to the ideology of liberalism and to that of monetarist economics that the movement towards deregulation and privatisation needs to be seen" (Hills 1986: 24-5).

Advocates of deregulation argued that, given the new programme delivery systems and the consequent broadening of choices for consumers, market competition could serve the 'public interest' better than regulations imposed by governmental fiat. Public interest is now seen differently. Deregulation can make broadcasting more accessible to the people, decentralise it and insulate it from direct government control.

Clearly, the communication revolution meant changes in the traditional European broadcasting system. The traditional pattern, which had been seen as a social instrument to offer a balanced programme and to provide universality of coverage, in order to serve the public interest with no one single or commercial interest is in a state of flux. Now broadcasting is no longer considered as a 'public good', regulated and designed to function as a public service. "Deregulation (also) sought to protect the public interest by commercial competition, rather than by regulatory defence of the public interest." (Tunstall 1986: 3).

2.4 THE NEW TECHNOLOGIES BRING DEREGULATION AND MORE TERRESTRIAL CHANNELS - SCARCITY OF FREQUENCIES IS PROVED A "MYTH"

The new communications technologies, of cable and satellite, are playing a vital role in the expansion of broadcasting scene. The emergence of the new

⁵ Also in Japan where the administration has long and traditional tight relationship with the business, and where there is little regard for individualism, the government has moved towards the direction of privatization of many sectors of the economy.

media (cable and satellite) compounded with political and economic reasons (neo-liberal ideology and business opportunities), as well as the crisis of PSB ethos in conjunction with lobbying from commercial circles (mainly from publishing and advertising) resulted in the deregulation of broadcasting systems. As Humphreys (1988: 36) points out:

These factors for change have been compounded by the growing internationalisation, interpenetration and interdependence of the European broadcasting systems, not least as a spectacular growth in the use of satellites. A recent 'convergence' of technologies and markets has entailed the erosion of boundaries between previously discrete sectors such as telecommunication, consumer electronics, broadcasting and publishing.

The above factors have resulted in the termination of the traditional paternalistic state monopoly in Western European broadcasting. The new technologies have also resulted in another phenomenon, which is the internationalisation of the television market. " 'Deregulation', 'new technologies' and 'internationalisation' have emerged as key words in more and more sectors of policy" (Dyson and Humphreys 1989: 1). Clearly, what we are experiencing now is the termination of the traditional autonomy of media policy and politics as the new technologies have made possible for previously independent sectors such as broadcasting, publishing and information technology to converge.

The new communication technologies offered new means of distribution such as general low-powered communication satellites (Intelsat, Eutelsat), high-powered D.B.S (Direct Broadcasting Satellites), medium-powered satellites like Astra as well as cable systems of 'copper-coaxial' and 'optic fibres'. These technologies in the 1980s brought about a revolution in Western European broadcasting. "Cable systems and satellite broadcasting - and particularly the marriage of these two technologies - have brought about a phenomenal increase in the available channels of television entertainment and video communication" (Negrine 1988: 1). Satellites have straddled national frontiers and made broadcasting policy an international affair. Thus, European broadcasting is becoming multinational and the states interdependent as programmes can be received from abroad with a satellite dish.

Expanding cable systems and satellite relays began to impact on European systems in the early 1980s, severely testing the older monopolistic highly centralised structures of the past. By the Autumn of 1987 the new communication

technologies of 'broadband' cable and satellite had already transformed the economic and political landscape of Western European broadcasting. Cable which increases the number of available channels in a specific area, puts an end to the excuse that few frequencies are available. Satellites also ensure that programmes are transmitted over many different countries and override national boundaries. They can be fixed-service satellites, the signals from which are received by large collective aerials and carried to viewers through the cable networks or direct-broadcast satellites (DBS), the signals from which are received by individual dishes (aerials)⁶.

These new technologies have brought new needs and have made national governments change their regulatory policies over broadcasting. In the last few years television has been considered as a particularly promising area for profit. Thus, governments encourage the development and expansion of cable and satellite systems and programmes.

The developments in broadcasting technologies beyond terrestrial transmission to cable and satellite and the loosening of state control of frequencies have combined with a political climate favourable to deregulation on a broad front to put in question the nature and extent of public accountability in broadcasting. In the past sovereign governments have been able to control their television systems in their countries according to their power, without external interventions. After the technological evolution, however, this sovereignty is not absolutely possible, as TV signals are crossing frontiers. Moreover, the essence of this transformation consists on the fact that affects public policy on television.

The deregulatory climate brought up by the new technologies has also an indirect impact on conventional television. The new liberalised climate, which was created with the development of the new technologies gave also a boost to the 'old media'. As the 'new media' were more or less new ways for bringing the same results as conventional TV did on the screen, inevitably the situation helped the release and multiplication of terrestrial TV channels, making thus, the scarcity factor, which has hitherto been the main excuse of broadcasting regulation, a myth. For example Canal Plus and M6 in France, Mega Channel

⁶ For more details about technical characteristics see Negrine, R. (1988) (ed.), Satellite Broadcasting: The Politics and Implications of the New media. London: Routledge

and Antenna TV in Greece. "Not only has the constraint of 'spectrum shortage' been overcome by cable and satellite; spectrum shortage has been shown to be a myth as additional terrestrial channels are created" (Dyson and Humphreys 1988:1). Clearly, not all the expansion in outlets has been the result of technological change. For instance, the growth of privately controlled radio and television stations in Italy and Greece over the past few years was not a result of technological advancement.

Clearly, although Western European countries increased the number of their TV channels, this happened via different detailed routes. We generally can distinguish two different kinds of broadcasting deregulation: 1) The Northern countries' pattern of deregulation, using the new technologies - such as Britain and Germany, which developed satellite channels or Belgium and Holland which became heavily cabled - and 2) the Southern countries' pattern, which although did not base their deregulation on the new media, within the climate of liberalisation, they have increased dramatically the number of their conventional channels in a short time.

This mainly happened due to the slow development of cable and satellite channels as well as due to newspapers' owners lobbying in order to achieve their own ambitions to involve into television business. New commercial entries have made their appearance into the broadcasting, which was until recently strictly protected, intensifying competition for audiences and advertising revenue. In many countries the latter was also helped with the delay in the launch of satellites (i.e. in France due to the failure of Ariane) as well as due to the slow cabling. The above meant that new terrestrial channels could be released in order to satisfy the audience desire for more television programme choice. "France, for example, went almost nowhere with cable and satellite in the 1980s, but this spectre on the horizon and across the border contributed significantly to a doubling of France's number of conventional TV channels" (Tunstall and Palmer 1991: 5).

Italy led the way in television deregulation with the release of new terrestrial frequencies. "If Italy did not set an example in controlled broadcasting deregulation, it certainly led the way in 1975 when the Constitutional Court allowed experimental private networks to continue locally in barely controlled competition with RAI, the state broadcaster" (Hughes 1988: 57). As Tunstall and

Palmer (1991: 133-4) have argued, other European countries followed the example of Italy, although more hesitantly and have permitted the demonopolisation of television. The closest relations to the Italian deregulation is France, Spain and Greece, with the allocation of new terrestrial frequencies to private sector.

Another effect of the whole climate was the development of specialised channels focusing on specific interests groups at cross-national level such as the French language TV5, the 3-SAT, which is addressed to German speaking audience, Eurosport, MTV etc. Also the development of pay-TV, available through subscription (cable or conventional coded channels like C+ in France and TV+ in Greece. Finally, the new technologies had another effect, which is the application of the system of retransmission of satellite programmes via terrestrial networks (Greece).

In short, the 'new media' had three principal effects; the emergence of new private cable and satellite channels, a change in broadcasting policy which led to the restructuring of broadcasting systems all over Europe, and the release of extra terrestrial frequencies. Clearly, new legislative frameworks have been adopted in most Western European countries as a response of governments to the new situation. New policy issues have emerged with the new broadcasting technologies. The traditional broadcasting regulation has changed. The whole process has changed. The policy actors have changed and their motivations accordingly. This technological change had an impact on the traditional market, political tradition and ideology.

2.5 THE NEO-LIBERAL APPROACH - THE NEW "PUBLIC GOOD" IS AN ECONOMIC ONE

Competition in the field of communication has become international. Protectionism has been abandoned, giving its place to competition of the market. Old more cautious regulatory attitudes have been altered. Deregulation proponents assert that as the scarcity of frequencies argument is no longer valid. Many channel shortages are more artificial than real. Now, through satellite dishes, more countries are able to enjoy the same increase in channel availability. Cable television⁷ allows for virtually unlimited channels. Therefore, the choice

⁷ Cable TV channels are not universally receivable broadcast channels
(Footnote continued)

of viewing is no longer limited to the fare offered by national public broadcasters.

The contemporary debate on broadcasting has a political-ideological and economic dimension as well as a technological one. New policies are formulated and legislation introduced, often quite radical in principle if not always in practice. The traditional cultural rationale for broadcasting has changed due to some basic factors. Technological change has led governments to reconsider the role and potential benefits of broadcasting. Also technological change has led to pressures for a relaxation of controls on advertising and programming in order to stimulate investment in the new high risk broadcasting and new media markets. Communication policies were under pressure to adapt to new commercial strategies for the market place. The idea of the viewer as citizen and programmes as 'public goods' started to be substituted by the view of the viewer as consumer and of programmes as commodities. This represented a challenge to the established model.

The neo-liberals accused broadcasting of being over-regulated at the hands of the state. It is therefore, in their view necessary to have less control and more choice for consumers. They strongly believe in the need for individuals to determine their own needs; consumers' choices should not be guided nor should they be limited by any institution. Consumers should have the choice to buy what they want with producers able to make what they want and offer their products to the public. They have argued that a small elite controls broadcasting and pass judgement on what is and/or is not a 'good' programme with the viewer having no access. What they suggest, therefore, are more channels, fewer controls and vigorous competition that will produce greater variety and greater consumer control in place of bureaucratic regulation. The argument is that "a competitive market is efficient. It is based on free choice and acts to limit the accretion and abuse of power" (Veljanovski 1990: 17,18).

Clearly, this view is supported by the argument of the multiplication of the channels, through the innovation of the new technologies, viewed by the

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(continued)

operating in free space, but closed circuit channels; nevertheless, cable operators can transmit satellite channels via cable. Thus cable abundance undermines the scarcity argument and, consequently, part of the justification for government regulation.

neo-liberals as tools for the breaking-up of state monopoly. The neo-liberals view the introduction of competition in the broadcasting arena as the solution to the crisis. They suggest more channels in order to achieve greater variety and consumer control via competition. They argue that free market mechanisms must be adopted in broadcasting. In economic terms, they are required in order to fulfil two potentially conflicting functions: to produce as 'efficiently' as possible in terms of resource cost, and to produce what consumers want.

The argument is that broadcasting is no different to other commodities. As Veljanovski (1990: 17) argues, "broadcasting is an industry or service which is like any other economic activity, subject to the laws of supply and demand, and it reacts in a predictable fashion to changes in the economic conditions of production and distribution".

The neo-liberals argue that "Pay as you consume" rather than the licence fee must become the standard way of financing broadcasting. They look to the new technology as a tool to be used against the regulatory bodies. The philosophy of the neo-liberals is based on the remodelling of broadcasting along the competitive, private enterprise lines with a large number of Pay-TV channels, like in the US. In 1980s, Western European broadcasting policies have led to a consumer-driven broadcasting market. The 'consumer choice' argument has played a major role in the media policies concerning the reshaping of the audiovisual landscape in the whole of Western Europe.

The concept of 'public interest' has taken a new meaning. Its traditional dimension has changed. The traditional public interest argument, favouring publicly run services in order to ensure that the benefit of the collectivity of individuals, in practice has been met by the attempt to meet needs on a collective basis and also to ensure that people at all levels of income enjoy inexpensive and reliable services. From the beginning of the century until recently, the state has been directly involved in economic activities in all Western European countries in order to protect the 'public interest'. The state had carried out the responsibility and the role assigned to the 'public'.

In the field of broadcasting the traditional view according to Smith (1989: 20) was that:

The individuals comprising a society existed, in effect, in two separate manifestations: firstly they were viewers and listeners and therefore part of the passively receiving mass audience, but secondly they were citizens, members of a 'public' whose 'interest' lay in the preservation and protection of cultural, constitutional and social forms.

In contrast, within the media revolution, the traditional view has changed and the term 'viewer' has been transformed. Now other terms, such as 'participant' or 'consumer', are becoming preferable, indicating a radically different market-oriented view of the media user. Now the citizen is fixed in the role of consumer with no right other than to choose services competing with each other. "Where there existed a century-long evolution of growing government regulation and control in public utilities, a changing wave of opinion has reversed the long trend, impelled by revival of older strands of liberal economic thinking" (Smith 1989: 17).

Today, Western societies have responded to the new environment. Their response according to Dyson and Humphreys (1989: 137) "reflect the impact of the realignment of interests as new ideas and practices are diffused through international markets and as the entry of new actors challenges traditional assumptions, values and styles of the broadcasting sector".

Western societies are considering the argument differently. The discourse of consumerism has replaced the discourse of 'public interest' leading to ownership or regulation. Thus, an important shift is taking place in our whole concept of the public interest in Western European countries, as they pass into a new phase of evolution.

There now comes into place a reverse argument, still a 'public interest' argument to the effect that the same individuals would benefit more from a purely market-based, deregulated system, in which competition offers reduced prices and improved service. The contemporary argument is for a shift from public service to consumer freedom of choice and satisfaction.

In the context of the new broadcasting technologies a new view has come to prevail replacing the key policy in broadcasting which was universality of service. This new view is for the development of new services and is based on the freedom of consumer's choice. This argument is criticising the universal service supplied by government as it eliminates the imagination of the viewer and listener and of

course of the producer.

The fundamental aim of broadcasting policy, according to the neo-liberals is to enlarge the freedom of choice of the consumers and the opportunities for alternative programmes. Consumer's freedom of choice must always be superior to any authority or organisation. The neo-liberal argument focuses the debate on the view that broadcasting is no different from any other commodity, it should, therefore, relate to its audience as individual consumers and give people what they want.

"A new kind of 'public good' has been invoked which reverses the logic of the previous view. The new public good is an economic one" (Smith 1989: 12). In the 1980s a new breed of politicians attempted to articulate the market ideals. We have seen in the Reagan administration chairmen of the FCC who have argued that the 'public interest' is best served by the market system with free choice of channels and programmes.

The Peacock Report in Britain along the same lines has stated that in the future all regulations could be substituted by the pay-per-view system, in which the public would and should simply purchase programmes one at a time or through subscriptions for single strands or channels⁸. All policies, plans and purposes on the part of governments in respect to broadcasting are manifestations of the 'public interest'. "It is in the public interest that private interest are given the opportunity to invest and compete in the new environment" (Smith 1989: 23).

According to the neo-liberals a full market strategy cannot be adopted unless there is full freedom of entry which will ensure an indefinitely large number of facilities and systems available to the viewer. Today they argue with the new

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It is good general principle that any service to the public should be designed to promote its satisfaction. If this principle is to govern the provision of a service, it can be shown that, provided certain conditions are fulfilled, the public are best served if able to buy the amount of the service required from suppliers who compete for custom through price and quality. In addition, the stimulus of competition provides further benefits to the public through the incentive given to offer new and improved services ... The fundamental aim of broadcasting policy should be to increase both the freedom of choice of the consumer and the opportunities available to programme-makers to offer alternative wares to the public. (Peacock Report 1986: 28)

media such facilities are available. It is possible for the viewer now to select amongst a combination of different systems such as Pay-TV, conventional channels, satellite channels, cable TV etc. So, now consumers are able to exercise their individual choices.

Those who support broadcasting deregulation argue that to rationalise spectrum usage, rights to it should be traded on the open market. Only then could a true economic value be assigned to broadcast channels and only then could their use respond fully to competitive market forces. Market economics would determine who among those otherwise eligible would be granted licences to operate commercially valuable stations in any radio service. This privatisation of the spectrum plays a key role in the ideology of deregulation.

Governments all over Western Europe increasingly advocate economically liberal policies. Consumer sovereignty arguments are becoming more acceptable in all political parties. Current broadcasting policy all over Western Europe has strong neo-liberalist implications. Governments are aiming to introduce more private enterprise into the existing television channels and also to add quite a few more channels in the broadcasting arena. For instance the 1988 White Paper on broadcasting in Britain states that the government's aim is to open the doors so that individuals can choose for themselves from a much wider range of programmes and types of broadcasting.

Right wing governments all over Western Europe had a belief in competition and the power of market forces to determine the shape of economic structures. This approach has been applied to broadcasting and it is through the government's pursuit of these broadcasting technologies that the established broadcasting institutions now face some formidable competitors.

According to the neo-liberals with the liberalisation of the existing licensing arrangements true freedom of choice will come to exist and the power to choose will pass from the bureaucrat and programme planner to the viewer and listener. Regulation reduces freedom of choice, whereas free competition frees the individual from governmental control. The free market allows the public to demonstrate their preferences. Monopoly they argue lacks responsiveness to audience demands and is inevitably the negation of freedom, no matter how efficiently it is run, as it denies freedom of employment to speakers, musicians,

writers, actors and all who seek their chance on the air.

Paulu (1981), after analysing the first five years of the competitive structure of the UK broadcasting system, concluded that British TV has been improved by competition. The presence of two separate broadcasting organisations, he argued, has helped or at least has hastened to bring about certain improvements in the environment in which broadcasting is done. Competition has been an incentive to the BBC at the same time that independent television has greatly enriched the country's programmes fare. The change occurred when ITV companies began broadcasting livelier programmes. "Stimulated by the challenge the BBC went through a remarkable rejuvenation in the 1960s. Competition has proved an incentive to the BBC at the same time it enriched the country's programme service. Competition has improved British broadcasting, not only because it provided an alternative channel, but also because the Television Act of 1954 set up a system of controlled commercial television favourable to the regulating agency". (Paulu 1981: 45).

"Deregulators also believe that the marketplace, relying on competition, can standardise a new technology better than a government agency, relying on laboratory tests and a priori judgements". (Head 1986: 133). The important argument is that under deregulation new services, new technologies and innovations are encouraged. The general approach is to get new technologies out of the laboratory and into the market place as soon as possible. New technologies in private hands are to be encouraged. As Veljanovski (1990: 19) points out:

A competitive market is a highly efficient discovery process ... it generates new information by searching for unused opportunities that, when discovered, can be used by others. And the engine of all is the entrepreneur. Competition thus encourages and fosters innovation, risk-taking and entrepreneurship, which could not possibly be centrally planned.

Clearly the neo-liberal approach is based on ideological and industrial considerations and a belief in encouraging private enterprise. This approach aims to exploit the emergence of the new technologies and also to expand old forms of technology, permitting the criterion of profitability to override socially and politically desirable ends.

2.6 THE CRISIS OF THE PSB ETHOS

Another crucial factor which led to the termination of public monopoly in

broadcasting was the crisis of the ethos of the PSB principle. A variety of political changes called into question the traditional broadcasting system in Europe. In this new climate, the public service doctrine proved increasingly inadequate. In practice PSB institutions failed to reflect the political spectrum and tended to exclude or marginalise the opposition and minorities.

When one starts looking at the deregulatory movement one can observe that in Western Europe PSB institutions in the late 1960s and 1970s started to face a wide range of problems; such as failure of the PSB to represent the whole sections of the society, paternalistic and biased coverage and silence of oppositional voices. Additionally PSB started to face financial problems as TV reached saturation levels. Moreover, members of the business circles, opposition parties, the academic world as well as segments of the general public pressed their governments for reforms.

The PSB principle started to be challenged in most Western European states with critiques on PSB institution's ethos. Critiques, mainly from the Left, were developed in the 1970s and were boosted in the 1980s by the New Right (as we have explained in the previous section) with the emergence of the new technologies. The new technologies gave to the critics of PSB the opportunity to press for the removal of the 'bias' and 'arrogance' of PSB institutions. The answer lay in the greater diversity of programming promised by the new media through a greater variety of programmes.

The crisis has its roots in the practice of the PSB institutions. Political control over news and current affairs for partisan political ends, ranging from short-term electoral manipulation to long-term ideological indoctrination have damaged the ethos and credibility of PSB institutions. Kuhn (1988), McQuail (1986) and Blumler (1992), have argued that political control over PSB has not been organized on identical lines throughout Europe, but was exercised in varying degrees and ways in different Western European states, ranging from a very overt, direct way, through ministerial censorship, (for instance in Greece, Spain) to the more usual covert, indirect fashion, by means of appointments or through resource to financial constraints. (like in Britain and Germany). Attempts to control broadcast output by these methods generally contradict the prevailing statutory obligations which call for balance and impartial political coverage.

The Mediterranean countries (France, Italy, Spain and Greece) are obvious examples where PSB institutions were subordinated to a high degree of overt partisan political control. "In these countries, 'state' organs are authorized to intervene in broadcaster decisions" (Kelly 1983, 65-82). In these countries "broadcasting was structurally under many political thumbs, subjected either to ministerial interference in programming matters (as most blatantly in Greece, but also in France), to detailed parliamentary supervision (as in Italy)" (Blumler 1992: 13).

In post dictatorial Greece the Conservative government was accused of using broadcasting to silence opposition parties adopting the doctrine of 'neutrality' in broadcasting news and current affairs programmes. However, governmental activities were exempt from this 'neutrality'.

In Italy as Sassoon (1985) shows, RAI was monopolised by the Christian Democrats (the main party of all coalition governments in Italy). RAI was highly politicised excluding any opposition voice and particularly the voice of the Communists.

Also in France RTF-Radiodiffusion Nationale was placed from the second world war, until the Giscard's reform, under the direct control of the Minister of Information with a direct grant from the Treasury. Thus, a centralised broadcasting system was initially conceived of less as a public service than as strategic arm of the state and it was, in practice, little more than a government department. "Television and radio were kept under the tight control of the Ministry of Information and were often manipulated" (Forbes 1983: 33). De Gaulle took a strategic, quasi-militaristic view of radio and television and has invented legal and administrative structures to suit. De Gaulle saw television as a means of speaking directly to the electorate, without the intervention of intermediaries, as a means for transmitting 'messages' to the population. Even after the Giscard's reform television continued to be manipulated by the government for political ends. Spain also experienced similar kinds of paternalism in its broadcasting system until recently.

Clearly, the ethos of broadcasting as a public service came under threat. According to Tunstall and Palmer (1990), Sassoon (1985), Bustamante (1989) and Papathanassopoulos (1990) the paternalistic model in France, Italy, Spain

and Greece⁹ exempted oppositional voices and therefore, could not reflect the dynamics of society. Criticisms of public broadcasting media became commonplace all over Western Europe. The critics of the media output became more wide-ranging.

In the northern European states, like Britain and Germany, with more tradition of editorial autonomy and political independence, political control over broadcast output appears to be less direct and political coverage less biased. However, even in those states, PSB tradition has been put in question as public broadcasting institutions could not further respond to the increasingly diversified society and its demands.

For example, the British system, characterised by duopoly, heavy regulation, the PSB concept and the 'middle ground' representation, but also by a centralised general output, chronic financial problems was faced with arguments concerning objectivity and independence of the broadcasting media. Although the British broadcasting system appears not to have been directly controlled by the state, it has been associated with minimal legislation. The state has preferred indirect and somewhat 'undercurrent' action. The latter involved pronounced secrecy, privacy, informality and exclusiveness, having a few privileged participants, and was little concerned with public accountability.

BBC's credibility has been damaged after the fragmentation of the British political party system. These changes in the socio-political system proved the inability of PS to respond to the demands of the society, and in many instances was used as a political weapon. In particular, although the SDP became a powerful political force it was not given a fair coverage (Kuhn 1987: 3). The SDP was not, however, alone among the established political forces in registering a complaint. "There were significant omissions which produced a distorted picture of society. Claims to impartiality, objectivity and even fairness were criticised as unjustified since they were not fulfilled in television output" (Negrine 1985: 24).

In Britain the Left has denounced the elitist practice upon which BBC was based demonstrating how broadcasting misrepresented or excluded groups and interests which fell outside the assumed consensus, such as trade unions, women,

⁹ Detailed analysis about France, Italy and Spain follows in chapter 3.

blacks, lesbians and gays. As Garnham (1983: 22) points out "an enlightened political and cultural elite imposed its tastes and views of the world by means of the 'brute force of monopoly' upon a public whose views and tastes were not to be trusted".

Criticisms of Public Service Broadcasting in Western Europe came by two opposite political directions: the Right and the Left, although from a different perspective. Both sides have expressed a preference for the 'opening up' of PSB institutions and for more democratic function. However, there are different opinions on how such an opening up should be organised and what the most important dimensions are. Another source of criticism was from the academic world¹⁰ which began to question the view that regulations were in the public interest.

What matters is that the growing pressure for lessening regulatory activity infected all areas of life and began to represent a reversal of existing practice. The Right and the Left in Europe have called for a wider range of opinions to be allowed media access for the repressed, mediated or merely ignored, and for democratic control over the broadcasting institutions. Also for many the developments of the new technologies and the possibility of the proliferation of channels as Hood (1986: 55-65) notes, appeared to present an unproblematic opportunity to end the paternalism of the public service institutions. This criticism (of the Right and the Left) compounded with the new technological advances and proliferation of channels constitute the major factors that led to the end of paternalism in Western European broadcasting systems and to the introduction of commercial competition in the marketplace.

The neo-liberals have applied largely the argument of free press to broadcasting. The freedom to publish is not restricted and ensures diversity and consumer dominance. Publishers have to respond to consumers demands and satisfy them if they want to survive in the market. Also if the state tries to change this free market structure then it has to change people's way of thinking and their choice accordingly; and that means censorship. This approach has been applied to broadcasting. "They assume that the market will provide appropriate means of public communication to support a democratic polity or that the market can

¹⁰ Indeed, academic research in Britain was very critical, representing the views of the Left.

ensure the necessary freedom from state control and coercion" (Garnham 1986: 46); and finally use the new technologies as a weapon against regulatory state bodies. The neo-liberal approach is an economic approach, based on the principles of effectiveness, efficiency, productivity as well as enlargement in consumer's choice.

The neo-liberals developed their criticism with the emergence of the new technologies, as they saw the emerging opportunities for profitability through free enterprise in technology, advertising and entertainment sector. Their philosophy, however, has little to do with the social dimension of broadcasting, and it is based mainly on economic arguments for efficiency as well as enlargement in consumer choice. They saw monopoly as an obstacle for efficiency, profitability and consumer freedom (see section 2.5).

Another criticism of PSB, however, from a different angle, came from the side of the Left. According to Garnham (1986), Curran (1986), Mazzoleni (1992), Sassoon (1985), Mateo and Corbella (1992) from the 1960s onwards the Left in Western Europe, was critical of the way that PSB function. These criticisms had to do with the hegemonic control of the state over broadcasting. Their argument was based on the way that the state uses PSB as a tool for propaganda; therefore, PSB can not respond to the needs of the society. The Left in Western Europe has criticized governments that have relied on the power of public broadcasting "as the strongest weapon in their armoury, greater of the army or the police as instruments for getting their way" (Benn 1986: 236).

The Left has accused broadcasting of bias which, in their opinion, has become increasingly obvious in all matters, denying people the information they need for democracy to flourish, and also preventing them from hearing their own views presented fairly. The critics of the Left while outlining the negative characteristics of the PSB do not necessarily accept the possibility of a privatised and deregulated national television system¹¹. On the contrary they argue that a

¹¹ However, in Greece, ERT's heavy political patronage by the government of the day, placed the Left recently in a dilemma. How the Left could defend a concept that had long been denounced? How could ERT be defended given its partisan coverage and exclusion of the Left. The above dilemma eventually led the Left to see deregulation as the only way for ending paternalism and opening up of Greek television as well as to establish their own channel for the promotion of their ideas. Influenced also by the political conjuncture as a member of the
(Footnote continued)

private and deregulated television system would probably show more imported material, more light entertainment and even less critical and oppositional programming. Thus, in the face of commercialisation and privatisation, these perspectives may be part of a potential defence of public television.

The Left aims to the increase of diversity of control, the ease of public access, and the degree of democratic accountability. Broadcasting freedom must represent the fullest possible range of opinion and experiences from the whole society. The aims of the Left set out specific policy objectives, either for reform of broadcasting or to provide mechanisms to redress unfair media treatment. The Left wants broadcasting to be far more open to people, and people to use broadcasting to intervene in matters affecting them. The Left would like people to set their own agendas.

The Left tried to challenge the traditional PSB form of ownership and regulation as it is not guaranteed editorial independence, democratic accountability or high programme standards. In order to guarantee the above elements the Left is suggesting other forms of ownership, which will be aware of either state control or domination by business conglomerates and encourage the creation of alternative forms of broadcasting. They suggest mainly community based stations in order to safeguard the public interest and in order to prevent broadcasting of becoming a private commodity for the cash rich and to prevent commercial interests to override public accountability.

The Left looks at technology as a tool with societal dimensions. They argue that the state cannot provide what society needs. Their solution to that problem is democratisation of PSB as well as community-based radio and television for the political, social and cultural development of the community. They campaign also for more openness of broadcasting to minority and marginal groups as well as to resist the neglect and racist portrayal of ethnic groups. Generally the Left suggest more genuine representation of the diversity, plurality and dynamics of

¹¹ (continued)

coalition government with the Conservatives (Summer 1989) they signed for the deregulation of television, although this policy contradicted their traditional Left-wing ideology, concerning broadcasting, which was along the lines of the Left in the rest of Europe, concerning Americanization of TV and erosion of cultural and national identities. (Detailed analysis follows in the relevant chapter on Greek deregulation).

society.

They provide change from vertical to horizontal communication. They largely base their argument upon the idea of broadcasting as a potentially interactive medium for the serving of the community. As Garnham (1986: 37-53) shows the Left has tended to fall back either on idealistic foundations or free communications without organizational substance or material support. They view the development of the new information technology and the possibility of a proliferation of channels appears to present an unproblematic opportunity to end paternalism of the public service institutions. The Left argue that there is no reason to believe that a deregulated television system would cater better for regional local interests, provide more access or grant wider cultural diversity.

The Left's proposals are elements such as 'freedom of broadcasting', 'diversity', 'diversity of access', 'plurality', 'the public interest', 'public accountability', 'fairness', editorial independence', and 'democratic accountability'. The central objective of the Left with respond to broadcasting is to guarantee freedom from either state control or domination by business conglomerates. It has done so in the belief that PSB has got to move from the paternalism of the past, to offer more and recognize that the audience is not a homogeneous mass but a series of differentiated publics, including minorities, with their own specific needs, which are served badly.

Another crucial factor which has damaged PSB is that PSB institutions across Western Europe has faced serious financial problems, since television reached saturation level. However, governments, for political reasons were unwilling to raise the cost of the licence fee since people do not easily accept such increases in the bills of public utilities and there are economic reasons to resist subsidies to broadcasters. Therefore PSB, was faced with increasingly financial problems.

Another element in the crisis of PSB stems from the changing nature of Western European society. The increase in leisure time due to the advancement of working conditions has resulted to the multiplication and differentiation of tastes and choices of the audience. "The traditional public service broadcasting organisations, restricted by statute and hidebound by convention, have often found it difficult in the past to respond to this growing culture and moral

pluralism. These difficulties can only increase in the future as audiences further disperse among the different broadcast outlets" (Kuhn 1985: 13).

Clearly, one of the most crucial factors which has contributed to the challenge of broadcasting monopolies all over Western Europe was the crisis of the ethos of PSB concept. This arose because of political control and the exclusion or misrepresentation of oppositional voices as well as the failure to respond to the needs and dynamics of the whole spectrum of the society. The political patronage of PSB led to the mistrust of the broadcasting ethos and consequently to criticisms and protests, initially from the Left (as it was excluded from broadcasting or biased covered), and later from the Right, (after the emergence of the new technologies and the consequent neo-liberal philosophy for business opportunities and consumer choice) calling for the openness of PSB.

2.7 MEDIA LOBBIES - A DETERMINING FACTOR BEHIND DEREGULATION

Another crucial factor behind deregulation in Western Europe was media lobbying. Besides calls from the audience for more choice in programming, there has for long been strong commercial lobbies demanding deregulation in order to expand their businesses to the new sectors, which promise profitability. A basic strength of industrial lobbies is that they operate on a continuing basis in all spheres of communications. They actually create and fund the technological change in order to increase their profits in the marketplace. "It is also the commercial interests which are redrawing the boundaries and the communications map itself" (Tunstall 1986: 195).

They pursue and achieve their goals through lobbying and negotiating with governments. We have to accept the complexity of many different actors intervening directly or indirectly in media policy. Lobbies in the media field have a specific set of goals and purposes. Given the belief in the power of the new media in relation to the audience as well as profitability, it is natural for the lobbies to seek control of the media.

The main actors behind these policies are, in most instances, hailing from the media industries (film production companies, electronic industries, advertising companies and new moguls from the publishing sector). All these actors having as their main purpose a 'market model' of commercial broadcasting lobby

governments for deregulation.

According to Tunstall and Palmer (1991), Hollywood movie companies are perhaps the strongest media lobby in the world, which over the decades with the assistance of the State Department have engaged in cultural lobbying on a country-to-country basis around the world. Perhaps the most obvious example is the Motion Picture Association of America (MPAA), which has adopted an aggressive, indeed bravura lobbying style, especially in Washington. In Europe, the MPEA (the export wing of MPAA) has been especially active lobbying friendly governments.

Other major lobbies in the new environment are the press and advertising lobbies. Entrepreneurs from the publishing sector have allied with advertising groups, as well as entertainment companies and powerful financial groups seeking to exploit the new opportunities. These new players are 'cash rich' with political links and have ambitions to establish global communications empires. Examples are Rupert Murdoch and Silvio Berlusconi owning enterprises of the press and broadcasting in many different countries.

When household penetration of television became the norm in the 1970s, in Western Europe, newspaper advertising revenue started to be destabilized; this trend was heightened by the emergence of the new media. The increase in advertising slots, while welcomed by advertisers and the commercial channels was inevitably perceived as a threat to the advertising income of the Press. This is therefore, the main reason why publishers got involved in the new industry. Television and the 'new media' were seen as a profitable industry, as advertising expenditure was increased and new technologies gave the opportunity for new markets for TV outputs through cable and satellite as well as extra terrestrial channels. They saw the potential internationalisation of markets which open the national economy to the global market as beneficial. In the era of the 'new media' international issues have become more significant and communication lobbying more prevalent. The new broadcasting field, after the development of high (sophisticated) technology in electronics with the new media of cable and satellite, is measured in hundreds of billions dollars.

Another significant lobby is the advertising industries. During the last decade they have benefited most from deregulation. Advertising lobbies have demanded

more advertising outlets (especially in the light of foreign channels taking advertising revenue out of the domestic market). The most powerful advertising lobby in Europe is perhaps the Brussels advertising lobby which has focused upon one clear long-term target - a Europe with more advertising and with less national regulation.

The publishing and advertising lobbies have often worked together for the deregulation of PSB and for more commercial TV. "All have pressed for the deregulation and have benefited from the growth of television outlets and the advertising revenue accordingly and indeed, from the blurring boundaries between advertising in particular and marketing in general". (Tunstall and Palmer 1991: 93).

Clearly, the media and advertising industries have worked together along the same lines with other sectorial interests, lobbying politicians for the deregulation of national broadcasting systems, as well as for an increase in TV outlets in pan European level and for relaxed measures concerning advertising.

Uncovering the role of the new actors Humphreys (1988: 36-7) has stated that:

Directly or indirectly these new actors have acted as powerful agents for the deregulation of broadcasting. Directly they have lobbied governments for deregulation. In this endeavour, the publishers have been powerfully reinforced by the cable television lobbies, by electronics, satellite and telecommunications manufacturers and by the advertisers. Indirectly, the new actors have exposed the Achilles heel of regulation in the age of transfrontier broadcasting.

Media lobbies tend to be politically involved in politics. National media industries and advertising lobbies in Western Europe, interested in the development of new technology and the promised profitability, have a long history of successful lobbying in their countries. This applies equally to hardware and software. Economic benefit is the main rationale for the media industry. The media industry puts pressure on the governments for decisions to be taken in its own interests. The software industry, traditionally very strong in the United States, has increased its influence on European communication during the last decade. Major newspapers have had quick access to politicians and governments. Governments have responded to the pressures for new investment opportunities, into more deregulated environment.

As Tunstall (1986) argues Congressional committee members in the USA receive money from lobbies over which they supposedly exercise objective legislative oversight. But politicians are also looking for their own fair advantage. Indeed, the thrust of deregulation is to strip public service / public utility / regulated industries of their special status and to put them back into the mainstream of the economy.

Western Europe in the 1980s seemed to be influenced by the American media deregulation. Lobbying became an integral part of the functioning of Western parliamentary democracies. "This is true at the national level. It is developing apace in the various fora and policy-making (and policy influencing) centres of the European Community - of which the Council of Ministers, the Commission and the Assembly are merely the most visible" (Tunstall and Palmer 1991: 93).

At the national level, Press and advertising lobbies have a long and successful history of enjoying good access to politicians. Media lobbies have political connections and give electoral support. For instance "Axel Springer in Germany and Robert Hersant in France were belligerent right-wing partisans of the mass circulation Press in a succession of elections" (Tunstall and Palmer 1991: 107). The same happens with Berlusconi in Italy, using his Socialist friends in the government. Also, Rupert Murdoch is a recent example of partisan coverage of British national elections. In addition to delivering partisan support at national elections, Press lobbies influence the national political agenda through their ownership of newspapers. (Axel Springer (Die Welt), Robert Hersant (Le Figaro), Rupert Murdoch (The Times) etc.. They seek favours from their political friends - in return for electoral and agenda setting support. "There is also the implied threat that if a business favour is not granted, then a less friendly editorial stance could result" (Tunstall and Palmer 1991: 107).

At the European level these lobbies have achieved, through their connections and access with EC officers in Brussels, a diminishing of the importance of PSB (via the Directive TVWF¹²), as well as relaxed measures concerning advertising and sponsorship funded channels, several of which were pan-European.

¹² See chapter 4.

These magnates from the Press sector not only have dominated the new broadcasting environment but have developed cooperation with Hollywood as well as with the most successful advertising groups such as Havas Group in France, Virgin in Britain and Beta Taurus in Germany. Additionally, powerful financial groups such as Group Bruxelles Lambert have become significant players in the multi-media conglomerates seeking a multinational commercial broadcasting success.

Therefore, we are experiencing a widespread invasion of national broadcasting systems by the new multimedia operators. Their desire for new international media investment has led them to press even national governments abroad to relax controls on advertising and programming in their countries (i.e. Berlusconi in France and Spain). Media tycoons have established links throughout Europe. Moreover, such tycoons have pressed governments hard for deregulation of television services. They have established their empires having shares in many projects in a number of different European countries. Murdoch has a share in Astra satellite project, which is based in Luxembourg.

The above phenomenon has encouraged a process of internationalisation of TV deregulation, as administrations of the whole spectrum have adopted liberal strategies in order to attract new media investment. "By 1986-87, the pressure of international markets even appeared to have led French Socialists and West German Social Democrats to submit to the economic logic of deregulation and abandon the priority they had previously given to cultural determinants of policy" (Humphreys 1988: 37). In turn, this has contributed to a growing threat to national cultures.

There is the political and regulatory marketplace, from which for most communications services a licence to operate has to be expected. It is indeed a very strong demand for deregulation and there is an equally strong interdependence between the marketplace and politics. Concentration of economic power through different sectors of the industry is already a reality in the broadcasting field. Television is a highly concentrated activity. Cross-media ownership produces another form of concentration. A high percentage of television stations are owned by publishers, who are the closest competitive sector at least as news are concerned. Joint ownership of radio and television stations is also common phenomenon, and is in many cases accompanied by

newspaper ownership.

As a result, the bastion of public service broadcasting is being breached by a host of new commercial entrants to the field. Particularly disturbing is the developing pattern of concentration and of the cross - ownership of publishing and broadcasting operations. The most remarkable examples of cross-media ownership and concentration are Silvio Berlusconi and Rupert Murdoch being a major forces in the key markets for publishing and TV - delivered entertainment. Silvio Berlusconi controls three national channels in Italy and many channels abroad and Rupert Murdoch is the majority shareholder of the BSkyB satellite Channel and "is one of the pioneers of a new style of mega corporation in the communications field, characterized by a wide spread of interests, integrated operations, and international reach" (Golding and Murdock 1986b: 179).

Other leading actors are the German publishing group of Axel Springer with the SAT 1 Channel, RTL Plus in which the giant German multinational Bertelsman group has a large share. Similarly, Maxwell Communications has important shares in British and European Press (Mirror Group, European etc.) as well as in broadcasting (in the privatised French channel TF1, and the satellite film channel Premiere and the music channel MTV). The above media moguls provide the most obvious examples of the growing links between the publishing sector and new media.

Yet concentration of media ownership is a fairly general Europe-wide phenomenon. The new television industries tend to be highly concentrated, with a handful of firms dominating the key markets. Indeed they are quite often the same firms, as companies with significant stakes in established areas (such as the publishing sector) acquire interests in emerging sectors.

In short, media lobbies have played a significant role in lobbying politicians. Publishers have a long history for lobbying governments. Media lobbying and diplomacy have been developed in all Western European countries pushing for deregulation of broadcasting. They have played a crucial role in the process of broadcasting policy-making, influencing governments to introduce legislation in favour of commercial television, shaping thus the new European broadcasting environment.

2.8 THE ARGUMENTS AGAINST DEREGULATION

According to the neo-liberals markets are the most efficient way of producing goods and services. They apply this argument equally to broadcasting. There is no doubt that private TV and radio can function more efficiently than the state owned, especially as far as administrative and economic aspects are concerned. However, this is not a widely shared belief. "The idea that consumers should determine their exercise of economic choices would not be readily accepted by the 'Left'" (Negrine 1989: 42-3).

The major question that the critics of the market system pose about the current situation is who benefits from deregulation and privatization. It is argued that privatization and deregulation assist the process of innovation by freeing communications from the 'dead hand' of public control. Neo-liberals speak for business interests which wish to exploit the new technology. In the view of the opponents of the market system, however, they do so, "for reasons which have little to do with the social role of broadcasting and much to do with the uninhibited play of market forces in a monetarist economy" (Hood 1986: 60).

The critics of deregulation have based their argument on five fundamental points.

1. Elimination of Quality

Market modelled broadcasting will undermine the social and cultural role of broadcasting as private channels will chase ratings and profitability. Thus, under market conditions consumer choice, will eventually be reduced as 'quality' will be replaced by the 'popular' and commercial. Market forces will lessen diversity as producers chase the same audiences.

The opponents of deregulation argue that the increase in outlets does not necessarily mean greater programme choice. Audience fragmentation may result in breaking certain economies of scale, with the result that some types of programme are less frequently produced because no single channel is guaranteed a large enough audience to cover production costs. Competition between channels may lead to a policy of playing safe rather than taking risks, with channels competing within a very narrow spectrum of output. Deregulation will provide certain types of programmes based on popular and profitable

determinants. Information and education are unlikely to be provided. In this way deregulation will expose PSB to a market-orientated view and will prove to be a departure from PSB ethos. Private TV channels will be socially divisible and they will sacrifice programme standards developed by public service broadcasting.

In the case of the neo-liberals, broadcasting plays less of a social role and more of an inhibited part in market forces within an economy. When television or radio programming is determined by a deregulated market it does not in practice give people the degree of choice they want. The marketplace is not that simple. Other factors are involved, such as the high cost of production and elaborate distribution channels of TV. "They combine so that even a slight slackening of demand for more demanding programmes can mean that they are driven off the screen. Thus, just because less than a 'majority' might watch a programme, viewers would find they were deprived of it altogether. Market forces and competition can be in the consumer's interest, but they are not synonymous". (Ehrenberg and Barwise 1983: 13).

Economists like Lankaster (1978) and Spence (1976) argue that a free market with no entry restrictions often fails to satisfy the criteria of 'efficiency' and 'optimum diversity'. This means that the market may fail to provide goods that contribute more to social welfare than to the marginal social cost of their production, because it may not be profitable to do so. They also claim that the arguments that the quality of programming is higher in the system of competition are not true. They argue that the only economic resources of the stations in the system of competition come from advertising. Thus, private broadcasting firms are interested more in the preferences of the majority of the viewers and listeners and less in the quality of the programmes and the preferences of minorities and other social groups of the society. So radio and television programming is always under the 'tyranny' of the ratings. Hence the result is that minorities' voice tends to be excluded from broadcasting. The new channels (either terrestrial or satellite-to-cable) are in the majority supported by advertising.

The dynamics of advertising have generally been proven to: 1) negatively influence the content of programmes, making them 'non-controversial', 'medium-brow' and 'non political' to create a 'buying mood', 2) Create a homogeneity rather than a variety of opinions; 3) exclude minority positions and 4) ultimately lead to an oligopolistic market situation which generated further

homogeneity. This is a vision of an intensively market-oriented and individualistic society where PS institutions have little or no place. Italy, where the programming and quality of RAI's output have tended to move towards the lowest common denominator of public taste, is an example of this.

The danger of deregulation as Negrine has argued (1985, 1986) is that it will only offer the public new ways of catching up on old material. For many the prospect of new services running American material is worrying. First it exposes the national culture to a vast influx of foreign programmes. It could also draw audiences away from the PSB institutions. Competition for the audience it is argued will certainly sacrifice quality of programming. European television will become Americanized as commercial private channels start their race for ratings and profitability. Programme diversity and quality under the market system will be lessened and commercialism will result to uniformity and low the standards.

2. Creation of a Two-Tier Society

Not all of the consumers have equal purchasing capacity, thus privatization, inevitably, will create a two-tier society, the rich and the poor; with the rich enjoying high and specialized services and with the poor being marginalized and provided with low level homogenized services.

Individual consumers, in deregulated broadcasting as envisaged by liberals will choose what they want and pay for what they get. "But consumers are not all equal in their purchasing power" (Scannel 1989; 139). As Garnham (1986), Scannel (1989) argue, privatization of information, culture and entertainment may well create a two-tier society of those who are rich and poor in such resources and that deregulation will undercut the fundamentally democratic principles upon which public service broadcasting rests. The creation of a two-tier market will provide the information rich with high-cost specialised information and cultural services, and the information poor, with increasingly homogenized entertainment services on a mass scale. They also argue that as private companies are chasing profit, they will invest only in those areas that are promising profitability. "While urban areas will be comparatively profitable terrain for cable, sparsely populated rural areas will not. Consequently, the number of broadcast outlets available will vary from locality to locality" (Kuhn 1985: 13).

3. Concentration

Cross media ownership and concentration will undermine democracy, as a handful of media moguls are gaining possession of the whole spectrum of media. They point out that the modern communications technologies which can physically straddle whole continents and cross frontiers through multinational ownership. That is a source of enormous social and political power which at the moment is held by small groups with little democratic control. The question of what constitutes media freedom cannot then be separated from wider issues about who has power in society and who has not, and about matters of national sovereignty and cultural independence.

Criticising media concentration, Oakley (1986: 216), has pointed out that:

The unconstrained concentration of media power can not be left to market forces alone to harness for the 'public good'. If democracy is to mean anything it must mean that the power to communicate is available equally to all groups and classes, not just the media moguls and the mighty corporations ... More important than the sights of a handful of arrogant media proprietors to own ever more mouthpieces for their views are the rights of the public to have access to the voices of the unheard, those who are currently excluded marginalised or misrepresented.

Also those whose support PSB claim that the broadcasting media must belong to a public organisation (or enterprise) controlled by the state and not to private enterprises that have a profit-making character. They explain this by noting that in the system of the free competition, where private enterprises are operating the broadcasting services, state control is substituted by the control of the big multinational groups.

4. Frangmentation of Audience

The creation of thematic channels fragments the public into particular taste audiences and it consequently destroys the principle of equal access of all citizens to wide ranging information, education and entertainment programmes. Economic and political pressures for deregulation today threaten to fragment television into multiple-channel options provided by cable and satellites services owned by media entrepreneurs and conglomerates. The development of advanced cable and satellite services such as MTV and CNN along with pay per-view channels, that offer mainly thematic fixtures, fragments the general public into

particular taste audiences, whom advertisers are increasingly keen to target. They argue that thematic programming fragments the general public (audience) into particular taste audiences and thus breaking up the 'shared public life'. Broadcasting is redefined as a 'private commodity rather than a 'public good', replacing the general interest by individual interests. Advertisers are increasingly keen to target these fragmented audiences. Moreover, the principle of equality of access for all for information, education and entertainment is eliminated if not completely destroyed.

5. Marginalisation of PSB

The result of the deregulation will be the marginalisation of the public service broadcasting institutions. "What we are seeing is a movement away from protection of the 'public interest' and towards the promotion of corporate interests. This attack on public service principles, coupled with cuts in public expenditure, is also having a powerful effect on the cultural and communication institutions that remain in the public sector" (Golding and Murdoch 1986b: 179).

Another argument against deregulation is that while it is increasingly clear that the argument of 'natural monopoly' is difficult to sustain it is still worth asking whether the concept of 'public service' must inevitably be jettisoned as a result of the campaign for deregulation. This would inevitably lead to the reduction of social control over the media. Therefore, policies and regulation are needed to prevent the concentration of the media in a few hands, a vital point for the function of democracy.

What the critics of deregulation suggest is neither the traditional PSB nor a profit seeking broadcasting system. On the contrary, more local radio stations and more regional television networks to strengthen the diversity of identities of place. Moreover, public access and participation in programmes should be a key feature of decentralised radio and television services. What they actually favour is a decentralised system with more access and openness, however, not deregulated but along the lines of PSB principles, concerning universality and public interests social values. According to Scannell (1989: 164):

Such services should enhance but not display the present system of public service broadcasting... in my view equal access for all to a wide and varied range of common informational, entertainment and cultural services, carried on channels that can be received throughout the

country should be thought of as an important citizenship right in mass democratic societies.

The critics of deregulation view broadcasting as a social good for the whole population and hence, their suggestions focus on universality of service and the maintenance of a shared public life. They suggest a system with a right of access asserted by the broadcasters on behalf of their audiences, to a wide range of political religious, social, cultural, sporting events and to entertainments that will be available only to small, self-selecting and more or less privileged particular publics.

For the current already deregulated market they oppose further deregulation and they think that mechanisms and institutions need to be created to guide both the market and the consumer. Such institutions also need to encourage diversity in output rather than simply encouraging the 'artistic' and the 'worthy'. Only with diversity of output can there be real choice.

In conclusion, according to the opponents of deregulation, liberalisation and privatisation are part of the strategy of the rich to stay rich and of the large to become larger. They are part of the swing in the industrialised countries away from government concern with the poor and disadvantaged. They are also part of the American strategy to reduce controls by sovereign governments over the activities of global business. "The countervailing power of public interventions being steadily weakened both institutionally through the withdrawal of public ownership and subsidy, and philosophically through the aggressive promotion of free market principles" (Golding and Murdoch 1986b: 179).

2.9 PSB IN THE NEW COMPETITIVE ENVIRONMENT

The PSB is now facing its biggest challenge. We are now at an uncertain crossroads in the future and nature of TV. Current trends show us moving towards a 'consumer driven' market in broadcasting with a proliferation of both terrestrial and satellite-to-cable channels. The EC foresees that the current deregulation of European broadcasting systems will have increased the number of TV channels five times by 2000. Liberalisation with private commercial television and commercial radio has already brought a quantitative difference. The popular programme of the commercial channels have won audiences at the expense of state channels. For example in France the commercial radio stations (the so called regional) have 80% of the audience, because of their popular programmes (light

music, competitions, games with audience participation and famous artistic personalities and a lot of advertising).

Deregulation poses a new set of problems to the corporate structures of the existing PSB institutions. First it is the PSB institution which is in the most difficult situation. The PSB institution can not cope with the new situation of increasing costs and inflation. PSB institutions, therefore, are faced with severe financial problems as competition intensifies. For instance, the gap between the income of BBC and the commercial channels "will have grown from a current £676 million to more than £1 billion by the end of 1996 and about £2 billion by 2003, says Zenith Media. By the turn of the century, the BBC could find itself unable to spend as much on original programme making as the satellite channels" (The Times 28/4/1992: 4).

New services, rising costs and competition contribute to instability. At the same time, there has now arisen a very real danger that competition for audience and advertising revenue in the field of broadcasting will become more fierce and that the very concept of public service broadcasting will be gravely imperiled.

This situation faces governments with problems as to whether or not new media channels should compete with the conventional ones and how to control programming content. According to Peacock (1986: 37):

It seems more likely that governments moving towards more freedom in broadcasting, albeit reluctantly, will wish to retain public ownership of one or more stations as a way of protecting the public service element in broadcasting (ensuring minimum degree of access for isolated communities where cabling is not a commercial proposition or for those who are too poor to afford payment).

Governments, however, have generally taken a more critical view of the PSB institutions giving priority to financial rather than to social and cultural matters. The examples of all over Europe demonstrate that.

For instance, in Britain, programme makers also, both inside and outside the BBC fear that the BBC is emasculating itself with market-orientated reforms (The Times 28/4/92: 7). Also in France the Chirac government in 1986 has privatized the main public service and most profitable TV channel TF1. In turn "this raises the fundamental question of what degree of commercialism is compatible with public service broadcasting. Should they seek to compete across the whole range

of programming, including entertainment, films and drama, series, quiz shows, cultural programmes and news and current affairs? should they concentrate instead on quality programming and information - oriented television?" (Humphreys 1988: 37). These questions have arisen especially with the need for greater efficiency and financial stringency.

There are signs that the PSB is planning its reorganisation in order to face the new situation. However, the experience and practice so far indicates that PSB institutions tend to adopt commercial choices in order to anticipate competition with the private channels. The PSB institutions in order to survive in an increasingly competitive environment are obliged to become more market orientated. Faced with competition on the one hand and of maintaining high standards of programming on the other, PSB institutions tend to adopt more commercial strategies. The BBC strategy for instance includes DBS services for national and international distribution. DBS offers the BBC a new lease of life. As Hodgson (1989: 19) has put it:

High standards, like good programmes, make competitive sense. But if we are to afford good programmes, in this new, multi-channel environment, we must also learn to be commercially flexible. If we are to continue to meet audience expectations we need to develop new sources of income.

Some observers fear the 'self commercialisation' of PSB as they seek to counter the competitive challenge from the new channels. A public service broadcasting institution, however, if "reduced to the supply of cultural, educative, informative and experimental; programmes would end up 'ghettoized', like the public broadcasting service in the United States". (Humphreys 1988: 38).

Clearly deregulation of broadcasting has put PSB in a dilemma. Such a situation has made public service broadcasters reconsider their future role and readjust their strategies concerning both direct and indirect competition. Their financial situation has been weak so they have had to adopt a more competitive strategy which seems to consist of a light mass appeal commercial approach for the future. This means that they do not search for the best, but pursue higher ratings. It appears that a ratings war will ensure, rather than competition for better programmes. Competition's impact has been indirect. The PS broadcasters have adopted a kind of self-commercialisation to respond, or to counter, the

competitive challenge from the new commercial broadcasters. PSB institutions seem to have given priority to short-term financial benefits rather than long-term reorganisation for technological infrastructure and social and cultural considerations. "Internal structural development within public-service broadcasting, favouring 'light entertainment', seemed likely to shape strategy rather than vice versa, disposing the corporations to pursue, ratings rather than excellence" (Dyson and Humphreys 1989: 7).

In conclusion, we would argue that, experience so far suggests that public service broadcasters would be foolish to rely on traditional uncertain sources of income in the new highly competitive environment. Faced with a combination of problems, broadcasters need to develop more flexible regulations, institutions and procedures. Similarly, in order to adapt to the challenge, the PS broadcasters need to develop a new openness to a new more diversified structure of production and operation. "Channel Four might become a paradigm in this respect with its praiseworthy openness to experimentation as well as its support of a host of independent producers. With great success some British ITV companies have established their own film making subsidiaries, such as Central's 'Zenith' and 'Thames' TV's 'Euston'. Similarly, the West German public service broadcasters have been sponsoring quality productions by independent film companies" (Humphreys 1989: 38). Apart from cultural benefits, this kind of activity can promote greater cost-efficiency for broadcasters and revive national film industries. Above all PS broadcasters have to show accountability to the audience. This will be an advantage of PSB in comparison with the private channels. Also, improved public relations should now become a very important objective of the public service broadcasters.

Summing up our analysis of chapter two we could argue that the traditional West European public broadcasting system has been abandoned in favour of a commercial model of broadcasting based on the competition of the market. In the words of Dyson and Humphreys (1988: 96):

The archetypal West European model of public-service broadcasting, with its cultural rationale, and stress on a concept of 'public trusteeship' in regulation, has been challenged by a more commercial (and American) model of 'electronic publishing', in which the emphasis is placed on private ownership and 'free' entrepreneurial initiative and on consumer sovereignty and choice.

CHAPTER THREE

CASE EXAMPLES: FRANCE, ITALY, SPAIN

3.1 INTRODUCTION: SOME SIGNIFICANT DIFFERENCES IN STATE-SOCIETY RELATIONS BETWEEN SOUTHERN AND NORTHERN EUROPEAN STATES

This chapter examines the cases of the EC Mediterranean states of Italy, Spain and France, which in contrast to the Northern European states present sufficient similarities with Greece in the development of their broadcasting systems. Their broadcasting systems have common characteristics such as paternalism, centralisation, a high level of bureaucracy and governmental control. These features were inadequate to guarantee independence in broadcasting. Even in the recent case of deregulation, the governments of these countries continued to interfere in broadcasting. These aspects are directly related to the development of the patterns of their respective socio-political systems. The development of their broadcasting systems therefore cannot be separated from their political history and 'civil service tradition'. Although peculiarities exist in these states the core elements of their socio-political systems are comparable.

I would like to substantiate these critical remarks by a closer look at relevant theories concerning state-society relations. The parallels identified in the broadcasting systems of these states are not coincidental but are the outcome of fairly comparable experiences concerning the nature of their socio-political structure, which has its roots in similar historical experiences. "Political institutions and societies in Southern Europe have sufficient common features to justify the systematic comparative study of the evolution of their respective political systems, all of which had different 20th century histories than those political systems typically taken to characterize Europe in an Anglo-Saxon

manner" (Diamandouros 1980: i).

In order to assess the differences between politics in Northern and Southern European states and more specifically in order to account for the persistence of clientelistic politics and incorporate practices even in such highly urbanised, 'modernised' societies as the EC Mediterranean states one should focus on the manner in which these societies were integrated into the political process after the introduction of capitalism. Furthermore, any theory must recognise that the state and society are in a reciprocal relationship. In other words they perform two crucial and complementary roles as both institutional (policy-deciding) and socio-political (mobilising) forces (Pridham 1984: 14). Therefore only by an historical analysis it is possible to understand the formation of the state in terms of its structure, function and legitimacy. In order to understand the origins and characteristics of present-day states in Western Europe, for example, it is necessary to consider the political history of Europe as well as the dynamics of the capitalist mode of production. In addition, conjunctures of various social and political forces that have created national cultures which legitimate the role of the state and stipulate the spheres of social and economic activity within which it is considered appropriate for the state to intervene (Scase 1980: 15-6).

In this sense there are considerable differences between the Northern and the Southern European states. The main feature which is pinpointed by many political theorists from the examination of Mediterranean Europe is that Southern states have an inability in establishing a stable political-institutional structure (Legg 1969; Gellner and Waterbury 1977; Mouzelis 1987; Pridham 1984; Diamandouros 1980). This factor principally differentiates Southern from Northern democracies to 'parliamentary states' and 'liberal democracies' (Kirchheimer 1965).

Mouzelis (1980: 241-75) argues that the characteristic which most clearly distinguishes a 'parliamentary capitalist state' from a 'liberal democracy' is its incapacity to institutionalise in a more or less permanent manner an open mode of political integration. The institutionalisation of an 'open' solution requires the granting of some political autonomy to the dominated classes. In other words such a differentiation is based on the fact that while a 'liberal democracy' is characterised by popular participation, the articulation of pluralism, and above all by political parties performing a vital societal role, the 'parliamentary state' is

really a state structure characterised by 'limited' government and non-autonomous working-class organisations, which are controlled and dependent through clientelistic means (Pridham 1984; Mouzelis 1986; Diamandouros 1984; Lyrinzis 1984).

Some discussions assume that a 'liberal democracy' has the characteristics found in the Western European political system (Legg 1969: 2). A liberal system is characterized by rationalisation of political authority, orderly legal and administrative processes, differentiation of governmental structures, widespread political participation and some degree of governmental responsiveness (Curtis 1968; Scase 1980). Although these are very general attributes, the liberal system is usually an open, constitutional democracy. The relation between state and society in a liberal pluralistic system has a reciprocal response where popular participation and trade unions have a role vis-a-vis the state.

On the question of the formation of democratic institutional structures, Mouzelis (1986, 73-6), argues that within a liberal context a strong and autonomous civil society consists of a variety of interest groups representing all classes and social strata - even non-class interests. Such groups are capable of setting serious limits to state manipulation establishing in such a way a civilian control over the administration.

The establishment of a strong civil society in the Northern European states has its roots in history and has to do with the transitional period from the traditional to the industrial era. The formation of popular participation into the political game, especially the trade unions, in Northern Europe coincided with industrialisation (Apter 1967; Giddens 1990; Mouzelis 1993). *Northern European* states due to their early entry into 'modernity' formulated a politico-administrative structure which originated a more liberal system (Apter 1967; Mouzelis 1993). Such a situation implies that working-class interests were brought into the expanding political arena in an autonomous mode as the state had to consider the already shaped (due to the already established capitalist mode of production) socio-political and economic reality.

The Southern European states examined in the light of these attributes reveal some different features relevant to the fashioning of a 'Mediterranean model'. Corporatism, clientelism, authoritarianism are structural features which

are shared in abundance among the Southern European societies. Pridham (1984: 10) referring to Southern European states characterises them as having inefficient political and bureaucratic structures, extreme government 'overload', socio-economic backwardness and instability in contrast to Northern European states.

The explanation of these different features lies in the formation of early parliamentarism in the European Mediterranean states which predated their industrialisation and the establishment of capitalist modes of production. The above implies that the inclusion of new social strata in politics was not effectuated through autonomous and massive popular participation but through clientelistic means (Mouzelis 1980; 1986). This indicates that the shape of civil society that was established was different to that of the liberal Northern European democracies and had little independence vis-a-vis the state as well as vis-a-vis leaders attempting to undermine or bypass organisational structures and mobilise and lead the masses in paternalistic fashions. The timing and the structure of industrialisation accentuated the paternalistic/authoritarian tendencies of these states.

Thus, today's practices in Southern Europe have their roots in the political history of the respective societies. Therefore although the Southern European states have successfully established today their political-institutional structures they have not established (adequately) their system-supportive political cultures (Pridham 1984: 12). Therefore, governmental structures expand more rapidly than do institutions of political control (Riggs 1964).

The state's tendency to inhibit the formation of autonomous interest groups appears to be a constitutive feature not only of Southern Europe but also of Latin American polity. Common features between Southern Europe and Latin America are highlighted by many political scientists. The many parallels in the Latin American and Southern European experiences during the last century and a half constitute an obvious example of the possible direction of such comparisons. For instance, Rapp (1975) and Shil (1975), specifically deal with Southern Europe as the 'semi-periphery' of the broader world-system and draw many parallels with Latin America concerning structural features of their socio-political systems.

Mouzelis (1986) similarly uses the term 'semi-periphery' in his comparative

study between the Balkans and Latin America. His use of the term 'parliamentary semi-periphery' refers to societies that have experienced persistent parliamentarism and late industrialisation. He identifies problems in governance in these states which have common features with Southern Europe characterised by paternalistic state and military interventions. In 'semi-periphery' the state tends to control the disruptions and challenges of mass mobilisation, generated by underdeveloped capitalism, in two ways: by dependent integration and dictatorial exclusion.

In his analysis Mouzelis (1986: 72), stresses that 'semi-peripheral' societies given the demise of oligarchic parliamentarism occurred in a predominantly pre-industrial context, the opening up of the political system was not as in the Northern European countries, characterised by the active participation in the post-oligarchic political arena of the industrial classes (particularly massive and autonomous working-class organisations). Instead the new participants were brought into the political game in a more dependent/vertical manner, through populist and clientelistic means. This happened because parliamentarism and liberal models that were introduced before capitalism could not fit together easily. Thus, the system that was established created an over-extended and autonomous state.

The over-extended character of the state in 'semi-peripheral' states makes the system less self-regulatory than the Northern states. Thus, the state has to intervene and adopt a dirigist attitude because it has to 'fill the gaps' in various sectors of the society and the economy (Ziemann and Lanzendorfer, 1977). So, in these states the political institutional structure is weak and because of the paternalistic state and patronage politics all interest groups are integrated within the political structure in a clientelistic/personalistic manner. Therefore, the lack of a self-regulatory system makes the state intervene in all spheres of socio-political life. It seems that in 'semi-peripheral' capitalist societies the problem of integration of the masses into politics, which is an inevitable consequence of the development of capitalist modes of production, "tends to be handled either through the dependent integration of the rural and urban working population into the preexisting political organisations of the ruling classes (dependent integration taking the form of the prevalence of vertical/clientelistic organisations or of horizontal dependent ones); or, when such solutions are no longer effective, by dictatorial attempts at excluding the masses from the political

process altogether" (Mouzelis 1978: 480).

The general features explained above concerning state-society relations in the 'semi-periphery' are indicated in many works concerning the analysis of Italy and Spain which are included in our case examples. For instance, in their study concerning Spain, Giner and Sevilla (1980: 197), point out that, "Spain like Italy (and to a lesser extent Greece and Portugal), could only be called a semi-peripheral society" Giner and Sevilla show that old features persisted even after the restoration of democracy in Spain. "The political metamorphosis which took place within the Spanish state from 1975 entailed first and foremost the maintenance of old elements and practices" (Giner and Sevilla 1980: 197). They give examples such as the UCD's control of the media and manipulation of propaganda to their favour and the biased drawing of electoral constituencies.

Donolo (1980: 164), in his analysis concerning change and transformation of the state in Italy, also discovers a similar kind in the relationship between state and society. "Italian society has all the characteristics typical of latterday capitalist development and this can be seen at the level of state institutions". This he stresses is due to uneven internal development; the manner in which, after much delay, the political integration of the subordinate masses was achieved; and finally the clientelistic character of the party political system, especially the Christian Democrats. He also relates state institutions, public bureaucracy and the relationship between political parties and the state to the heavy legacy of the past, in particular to the institutions and regulations of fascism. Additionally Zuckerman (1977: 63-79) points out that although increasing industrialisation altered the particular characteristics of Italian clientelism, it did not extinguish them but substituted them with the control of the government and the political parties. At the local level, clients promise their support, particularly votes, to a patron as a means to gain access to government positions. Traditional clientelism of local notables has been supplanted by party-associated political clienteles while the behavioural patterns and norms of traditional clientelism have persisted.

Clearly it is very important to understand the origins within the historical context (especially fascist regimes in Mediterranean and Latin America) of many of the structures and instruments of state intervention in the economy and in society, instruments which the Democratic transition did not manage to extinguish thoroughly.

In short, different political features exist between Northern and Southern European states concerning state-society relations and the nature of their public administration. The different history and early industrialisation as well as the absence of military intervention in the Northern states helped them to develop a different capitalist structure shaping a political culture and tradition based on greater independence. Their political systems are different as their political institutions are more independent. Moreover, in the relationship between state and society there has always been a mutual trust. In other words the different timing and structure of their capitalist development, free of military intervention, helped them to have a gradual transition to 'modernity' thus shaping a different political culture with more independent political institutions and a mutual trust between the state and the citizen. Furthermore, one could argue that although vertical/clientelistic relations were weakened in the 'semi-periphery' by the introduction of the capitalist mode of production and the inequalities that it generated, they persisted in an uneasy balance with the horizontal organisations which are equally vulnerable. These are features common in Southern Europe and Latin America unlike in the advanced capitalist states where horizontal organisations are well established.

3.2 THE COMMON CHARACTERISTICS OF THE BROADCASTING SYSTEMS OF THE SOUTHERN EUROPEAN STATES

After having examined the common socio-political features of the Southern European states, section 3.2 explores the characteristics of their broadcasting systems. After section 3.2 the chapter presents the case examples of France, Italy and Spain.

Under the pressure of increasing economic competition alongside the innovation of the new communications technologies, the face of the audiovisual environment in EC states is changing. It is generally accepted that all EC states have inaugurated a new politico-ideological era as far as broadcasting is concerned. The climate of neo-liberalism and the new communications technologies have had obvious consequences on governmental policies all over Western Europe as regards communications in general (i.e. privatisation of British Telecom) and on broadcasting in particular; for instance, objections have been made about PSB, while the installation and operation of the cable networks and satellite television has been deliberately left to the private sector in many Western European states. It is obvious that all EC countries have moved towards

greater private control of broadcasting. In all EC states the state's monopoly over the electronic media has been dismantled, while commercial interests are making inroads into the audiovisual sector from which they were previously excluded.

Clearly, the anticipated development of the new technology has already influenced the political debate on broadcasting issues in several EC states. The structures of different national broadcasting systems have altered over the past decade, with deregulation of radio stations and television channels, as well as with the introduction of cable and satellite TV. In the last decade we have experienced a widespread deregulation of national broadcasting systems all over Western Europe and in all EC states. For instance, there has been the de facto establishment of private television networks in Italy, the launching of commercial private channels as well as the privatisation of the main publicly owned TV network (TF1) in France, the beginning of local commercial television in Spain and Greece, the recent introduction of private TV in Portugal, as well as the establishment of private radio stations in France, Italy, Spain and Greece. We also have the introduction of cable networks (in some instances using fibre optics) in several EC states, with Belgium and the Netherlands having the greatest cable penetration, as well as the introduction of direct broadcast by satellites (DBS) in many EC countries, for instance BSkyB and Super Channel in Britain, SAT1 in Germany etc.

Certainly, new policies have been introduced in different EC states, which favour deregulation of broadcasting systems. The main factors behind this alteration, as we have previously explained, are in general as follows:

1. The political factor

Governments in various EC countries have focused attention on broadcasting issues and have formulated and introduced new policies and legislation, influenced by neo-liberal ideals, for market efficiency and consumer's choice.

2. The technological factor

The innovations of the new communications technologies of cable and satellite that enlarged the capabilities of the audiovisual sector and circumvented the argument of scarcity of radio frequencies, which was also proved to be untrue, after the introduction of many over-the-air TV channels.

3. The crisis of the PSB concept

The partisan use of broadcasting in many Western European states that have led to calls for reforms from opposition and other social groups as well as from the academic world.

4. Lobbying of powerful groups

The pressure of powerful economic groups in the private sector, which were seeking their stake in the audiovisual sector, after the emergence of new communications technologies.

5. The EEC policy

The EC as a central policy, which has forced national governments to harmonise their policies towards liberalisation in most sectors and in broadcasting in particular with the TVWF Directive, which member states are bound to implement in their national legislation.

Amongst the EC countries that moved towards deregulation was Greece. In Greece, the broadcasting media have had to accommodate themselves to dictatorships, and paternalistic abuse. However, since the electoral victory of the Socialist party, the audiovisual scene has dramatically changed; during the Socialist administration (1981-89), radio has been deregulated and satellite TV has made its appearance. More recently with the advent to power of coalition governments and the Conservatives, commercial private off-air television channels became a reality. These changes can be seen as a great step in the development of Greek broadcasting as it has traditionally been subordinated to a high degree of frequently overt partisan control.

The reasons which led the Greek governments to move towards deregulation of broadcasting were various and will be explained in the following chapters. However, the factor that we must take into account at this stage of our analysis is that although the Greek example differs from those of the advanced industrialised countries of the EC, it still has some common characteristics and developments with the Mediterranean EC states (France, Italy and Spain) due to their similar socio-political systems.

The Greek economy is based mainly on services, tourism and agriculture, small businesses and self employment, rather than on heavy industry.

Consequently Greece is dependent on imported technology, while advanced EEC industrialised countries' electronic media (mainly Great Britain's and Germany's) are a product of their technological development. They were born out of the pressure from manufacturers of TV and radio sets. An illustrated example is the British case. When the BBC was established in 1922, it was financed by six large radio manufacturers. In 1927 the BBC became a state enterprise and bought all the shares of the previous company. Finally, many years later the government permitted the establishment of a private TV network (ITV) and recently private satellite TV channels and cable TV, responding again to the pressure of the market and manufacturers.

Clearly, it is fundamental that radio and television be regarded as integral parts of the countries and the societies they serve, since they cannot be understood without reference to their historical, political, economic, social, religious, educational and cultural settings. Much that is said about broadcasting overlooks its dependence on the environment. People often mistakenly appraise foreign broadcasting as though it were taking place in their own country. Furthermore, broadcast systems in different EC countries vary amongst themselves, just as much as the countries do.

However, in several cases there are similarities between the broadcasting systems of different EC countries. For instance the Greek broadcasting system has many characteristics in common with the French¹, Italian and Spanish ones. Although there is not any direct connection between the broadcasting policy of the above countries, they represent the closest systems to the Greek model. This principally happens due to the similar socio-political structure of these societies. According to Kuhn (1987: 1):

Greece, France and Spain are obvious examples with in each instance, the recent advent to power of a Socialist government. after a prolonged period of right wing rule (democratic or authoritarian) stimulating political interest in media, as these governments strive not always very valiantly, still successfully to implement reforms and overturn traditional practices of partisan control of news output.

In the late 1970s early 1980s, first Italy and then France took the leadership in the broadcasting initiative. France following Italy was a pacemaker in the

¹ However, French broadcasting is different regarding technology.

commercialisation of broadcasting. Furthermore Spain and Greece followed the same pattern. Clearly, there is a parallel development of common characteristics in the broadcasting systems of these states. Their main common characteristics could be categorized as follows:

1. Tight Governmental control

Broadcasting media in France, Italy, Spain and Greece were born and developed under tight governmental control. Broadcasting is largely fashioned by its relationship with the political system, but it also reflects the character of the national civil service. The political and civil service traditions in the Mediterranean states always differed from the Northern European ones. The political independence of broadcasting which was applied in the Northern European states was not appropriate to the Mediterranean states with their tradition of intervention. The administrative elites in the latter failed to keep broadcasting at a distance from politics. According to tradition in the Mediterranean states, broadcasting was seen as having an interventionist function by the government of the day.

Clearly, there is a fundamental difference between the Mediterranean states and Northern EC states as far as independence of electronic media (mainly in news and information programmes) is concerned. In countries like Britain, Holland and Germany, political and information programmes were always more balanced and open rather than partisan. Traditions of editorial autonomy and political independence are more well-established in these states and the structure of their broadcasting systems allows different political forces to exercise some control over output. However, it would be naive in the extreme to believe that even these countries have found the solution to their problems. For example in Britain in the recent years there are tensions between broadcasters and politicians. Critics of the BBC have increased and have become more strident in their attacks on the corporation's political coverage. Also the BBC has experienced many instances of governmental censorship, like the 'black list' of which songs are not allowed to be broadcast etc. (The Guardian 14/9/1992, Papachristos: interview with the author).

The Mediterranean EC states had a parallel historical development of authoritarian rule. Consequently, their broadcasting systems were developed

along authoritarian lines (strong centralisation, huge bureaucracy and partisan governmental control with no attention to regional needs). Political rather than professional factors determined the broadcasting systems of the above states. As a result authoritarian use of the electronic media was inadequate to guarantee pluralism and independence in the area of public information and consequently there was always unfair treatment of the opposition.

2. Reaction of the Left - Reforms under Socialist administration

The tight governmental control in these countries raised the reaction of the opposition parties against the partisan treatment of the electronic media. The first reaction occurred in Italy where the parties of the Left (mainly the Communist party) as well as other social groups demanded openness and democratisation in radio and television. The result was the de facto establishment of radio and TV stations in the 1970s. The Italian case was the first example of broadcasting deregulation in Europe. Later, France adopted similar moves along the lines of the Italian example, after the electoral victory of the Socialists, who had promised broadcasting reforms. After the French reforms, Spain and Greece followed suit and adopted similar strategies. When the Socialist parties won election victories in France, Greece and Spain in the early 1980s, a new era in broadcasting policy was promised in all these countries. The promises included a democratisation of the respective broadcasting systems and reforms in the audiovisual sector. Although initially they opposed the introduction of commercial broadcasting, the circumstances of the time seemed to demand more than this though; thus, all of them eventually adopted neo-liberal practices and accepted commercial broadcasting.

3. Deregulation based on the 'old media' - Multi-channel competition and commercialisation

During the 1980s, broadcasting policy in the Mediterranean states moved decisively in a new direction, towards more TV channels and much greater acceptance of commercialisation (Italy from the mid- 1970s). In contrast to Northern EC states where broadcasting deregulation was developed with the new technologies of cable and satellite, in the Mediterranean countries, deregulation was based on the 'old' rather than the 'new' technologies². The release of many terrestrial channels is one of their common elements. Italy in the 1980s itself

demonstrated, and to a greater or lesser extent led the other Mediterranean EC states towards a new pattern of broadcasting deregulation. There was a marked tendency for the launching of new commercially-based terrestrial TV channels. Multi-channel competition (of terrestrial private channels) and commercialisation was the key initiative; Italy, however, went further in this and stands as an example where commercialisation reached its apotheosis.

Broadcasting in these states went commercial in several senses. Advertising became the major source of revenue. That led to an expansion of over-the-air channels whose overwhelming goals was entertainment. This led quickly to a much greater emphasis on audience maximization. Increasingly advertising - funded channels achieved audience ratings and leadership. Private commercial channels were scheduled for audience maximization throughout the day and evening. Examples of this kind are Berlusconi's channels in Italy, Mega Channel and Antenna TV in Greece, M6 in France, A3 and Tele-5 in Spain etc.. Commercialisation of broadcasting became a reality in all EC Mediterranean states, as greatly increased emphasis was placed on advertising finance. As a result TV advertising started to get the lion's share of the general media advertising. According to Tunstall and Palmer (1991: 43):

After 1980 examples have appeared of commercially led systems, notably in Italy and then in France. Here we see competition of audiences between a substantial number of channels; direct inter-channel competition for advertising; aggressively competitive programme scheduling; a sharp decline in serious programming in peak hours; aggressive competition for popular talent, leading to star salary inflation; wholesale resort to imported programming; extension of the broadcasting day to include most of the twenty-four hours; aggressive scheduling of repeat programming, including daily 'stripping' of series originally shown weekly ... Most of the above practices were copied from the US.

4. Americanization of programming

The chasing of ratings and commercialisation created another phenomenon: increased imports of programming, mainly from the US (see Table 3.1). Programme schedules were filled by American imports. In addition to direct imports much of the home-made or in-house programming was based on local versions of American game shows and other popular formats as stations strove to

2

Although France attempted to modernise and develop its television using the new technologies and to implement a Cable Plan, it had little success.

be attractive to advertisers. This was a truly market solution - more channels, more advertising and more programming imports.

TABLE 3.1
IMPORTED US PROGRAMMES (%) - JANUARY 1991

	FRANCE	ITALY	SPAIN
PRIVATE	67	56	43
PSB	36	48	43

Source: Siune, K. & Truetzschler, W. (1992) 'Dynamics of Media Politics'. London: Sage (p.90).

5. Politicization of commercial TV

Along with the endurance of state interference in public television and despite objections, the new commercial television also became highly politicized. Politicization is evident in the involvement in the new channels of entrepreneurs linked to politicians. Almost all entrepreneurs are connected with the political system. For example Berlusconi has connections with politicians Craxi, Mitterand etc.. Other examples of this kind are the links of Hersant with the French government and of Minos Kyriacou (Antenna TV) with the Conservative Greek government.

6. Consortia run channels and programming quotas

Another aspect (which, however, is not evident in the Italian case, because of the Berlusconi phenomenon) is the development of the system of channels run by consortia, in which no single interest can have absolute control of a station³. Another policy, which was first introduced by France, is that of programming quotas for the protection of national and European culture against the

³ Although according to Greek legislation no single interest can control more than the 25% of the shares of a channel, Minos Kyriacou through his lobbying and connections to the government has managed to retain control of the 99% of Antenna TV).

Americanization of national broadcasting systems. This policy, that was actually a French initiative, was introduced in the EC Directive and consequently it was implemented in the national legislation of the other EC states.

In short, after a prolonged partisan use of broadcasting the EC Mediterranean states moved towards deregulation. The Mediterranean phenomenon of commercial TV - based neither on satellites nor on cable - had a major commercial and industrial impact. The importance of the Italian case was that France, Spain and Greece introduced the Italian pattern. Most of the aspects of the Italian case appeared later in the other Mediterranean countries, although in a less extreme form (Italy was unique with the Berlusconi phenomenon - one individual dominating on such a large scale the broadcasting share of Italy). In France, Spain and Greece broadcasting deregulation was introduced by Socialist governments⁴.

This chapter looks at the evolutions of the broadcasting systems of France, Italy and Spain throughout their development in order to observe their common characteristics with the Greek case⁵. In order to understand the changes occurring in the broadcasting systems of the EC Mediterranean countries, it is necessary to recall some of the elements which created the system as it exists at present. The broadcasting systems of Italy, France, Spain and Greece were established and developed on traditional monopolistic bases. Additionally, radio and television in these states have traditionally been under excessive political influence and party interference. This traditional paternalism of broadcasting as well as recent developments are not accidental, but they are closely related to the political systems of the above countries.

⁴ Although developments in Greece were completed under the Conservative led coalition government (Summer 1989) and carried on by the Conservative government until today. In France, additional reforms were passed during the cohabitation period of President Mitterrand with the centre-right coalition government of Chirac.

⁵ The analysis of the Greek broadcasting system follows in Part II.

(A) FRANCE

3.3 THE HISTORICAL CONTEXT

The French broadcasting system had elements of a mixed economy at least since the second world war - in France the private audiovisual sector had always had a relationship with the state - however, as far as decision-making is concerned the traditional French broadcasting system was a state monopoly, highly centralised and closely controlled by the government. Before the electoral victory of the Socialists in 1981, French broadcasting had undergone only minor alterations. The general programming output was always dominated and controlled by the central government - France is a country with a traditionally heavy-handed central government - with only minor attention paid to the needs of the periphery. In 1923, a year after regular sound broadcasts began, private radio stations obtained licences. These stations competed with the state network. They were mostly funded by advertising, as were initially some of the state stations. However, from 1933 state stations were funded by licence fees. Radio broadcasting, since its genesis, was controlled by the state. During the war and the occupation period the authorities used radio for propaganda.

In March 1945 all licences previously awarded to private stations were revoked. The Ordinance of 23 March 1945 formalised the state monopoly and assigned it to Radiodiffusion de France, later RTF - Radiodiffusion Television de France. Political responsibility lay directly with the Prime Minister or the Information Minister; the Director General was appointed directly by the government; the ethos of the independence of the BBC was not applied in France. Dissatisfaction with radio was very high and listeners preferred to listen to the peripheral radio stations, the so-called 'peripheriques', which are located in small frontier states such as Luxembourg and Monaco (such as Europe 1, RTL, RMC), which had an audience share of 90%.

Television was developed slowly in France; for instance, in 1958, there was only one television channel and approximately one million receivers in the country. By 1962 it was estimated that only one quarter of the population had access to television and real development only came later in the decade; a second channel in 1963, colour in 1967, increased resources through limited brand advertising from 1968 and the completion of the transmission network by 1970.

Broadcasting in France was reformed by successive laws and decrees. Since the foundation of the fifth republic, all the presidents have sought to reform broadcasting (De Gaulle in 1959 and 1964; Pompidou in 1972; Giscard d'Estaing in 1974); however, it was as late as 1982 thanks to President Mitterand that broadcasting started to be more independent. Television since its establishment was used for partisan ends by the government as a tool for electoral and ideological manipulation of the audience. "Opposition politicians were hardly ever or never seen on TV" (Tunstall and Palmer 1990: 83). Political rather than professional factors determined the appointment of Director Generals, managers, and generally any key persons in the administration hierarchy of the French broadcasting apparatus.

Gaullists alone had controlled the apparatus of PSB for the period between 1958-74. The degree of control over broadcasting is made obvious in the words of Roger Frey, De Gaulle's minister of Information, who, in January 1959 argued that broadcasting was a means of communication between the state and the public. In fact, De Gaulle and the Gaullists took a strategic, quasi-militaristic view of radio and television and invented legal and administrative structures to suit. The French broadcasting organisation, which with the law of 1964 was renamed ORTF, was kept under the tight control of the government and belonged to the Ministry of Information. The Information Minister was a broadcasting minister, who acted as DG of the ORTF.

The structure of French broadcasting was highly centralised, with no regional news programmes until 1963. Opinion polls consistently showed that viewers were dissatisfied with regional coverage. An attempt by the government to introduce regional news bulletins, however, was perceived, by the opposition and the provincial Press as suspect "a blatant electoral move in preparation for a series of elections forthcoming in 1964 and 1965 bidding for the 'peasant vote', traditionally the key for the electoral victory of all right-wing governments" (Forbes 1983: 34).

After De Gaulle's retirement in 1969, French broadcasting seemed to have a period of liberalisation, including the abolition of the Ministry of Information and the declaration by President Pompidou, in his speech in 1972, that television must be the 'voice of France'. This liberalising attempt, however, was once again only a temporary reversion from the Gaullist approach.

In 1974's election victory of Giscard d'Estaing, television saw a reform (radio was also affected, but less significantly). The reform, however, was denounced by the opposition as creeping privatization. ORTF (Office de Radiodiffusion Television Francaise) was divided into three parts TF1, A2 and F3, which became separate companies; Radio France, INA: Institut National del'Audiovisuele (a Research Institute), SFP: Societe Francaise de Production (a production company) and TDF: Telediffusion de France (a technical and engineering organisation). Each channel was given PSB obligations. However, as far as independence and impartiality is concerned, the reforms of President Giscard d'Estaing had done very little to stop partisan use of French electronic media.

Clearly, despite the fact that French broadcasting system had always had elements of mixed economy, the control and influence of the state was predominant. The opposition was covered by radio and TV in such a way that the result would benefit the government. The French audience had actually suffered a great deal and for a very long period from partisan use of the electronic media. In particular the Socialist party itself was treated as an inferior by the right-wing PSB.

3.4 SOCIALIST REFORMS - THE LAW OF JULY 1982

The French Socialists attempted from the very beginning to break radically with the state controlled broadcasting system. Public service broadcasting had proved inadequate to guarantee pluralism and independence in the information of the audience. French audiences had actually suffered a lot and for a very long period from partisan use of the electronic media. In particular the Socialist party itself had experienced partisan treatment from the Right-wing PSB. From the very early period of the Socialist administration the importance of breaking up the state monopoly over electronic media was dominant. The Socialists after their advent to power, sought to locate broadcasting within a greater concept of audiovisual communications. Their aim was to reduce the role of the state and offer more freedom of information, as well as to place broadcasting alongside technological modernisation and decentralisation.

What actually happened with the electoral victory of the Socialists was that on the 29th of July 1982, a new broadcasting Act (No 82,652) was enacted, replacing the previous one (of 1974) and implemented the promised reforms of

the Socialist party. The Audiovisual Communications Act of 1982 abolished the monopoly and established the principle of the freedom of audiovisual communications. The state finally lost its exclusive control over the electronic media. A new Ministry was established, that of Communications. In its report the new Minister stressed the need for the liberalisation of broadcasting with the aim of freeing French creativity and talent from tight governmental control.

However, according to Hughes (1988: 83):

The liberalisation of the French broadcasting scene that began under the Socialist administration, may seem to have contradicted Mitterand's policy of nationalisation, but, this policy was connected with the desire of the Socialists to neutralise the impact of the state TV system falling into the hands of the Right.

The Socialists, having experienced over twenty years of right-wing control, adopted a measure of liberalisation in an effort to calm down the heavily politicized broadcasting.

The new law retained the already existing state owned domestic broadcasting companies: Telediffusion de France (TDF), the central agency, which is responsible for broadcasting; (2) the three PSB TV networks: TF1 (Television Francaise 1), A2 (Antenne 2) and FR3 (France Regions 3), Radio France with three radio networks (France Inter, France Culture and France Musique), SFP (Societe Francaise de Production), the television production company serving all three networks; and (5) INA, the archival training and research unit.

Although the law retained state ownership of the networks, its main feature was the abandonment of the traditional state monopoly of broadcasting. This policy was to be guaranteed by the establishment of the Haute Autorite de la Communication Audiovisuelle (High Authority), an Audiovisual Communications Authority. The creation of this new regulatory institution was actually a depoliticising measure of the Socialists intended to replace direct political patronage of broadcasting. The High Authority was to act as a buffer between the state and broadcasters. The High Authority was to be independent of the state to overview broadcasting and protect broadcasters from pressures exercised by governments, politicians and lobbies of all kind. It was composed of nine members, appointed for nine years by the President, and was to be responsible for appointing the Presidents of the three PSB organisations, for awarding

licences to regional cable and broadcasting services as well as programme supervision. Clearly, the creation of such a body was intended to depoliticise broadcasting from state control as well as to decentralise it.

The High Authority was seen as a move towards a kind of pluralism in state media, but it was not actually given the powers to authorize the nationwide terrestrial channels which were directly awarded by the Ministry of Communications. That became obvious in the case of the decisions concerning TV6 and La Cinq, when the High Authority remained powerless and the licences were awarded directly by the government.

Alongside the High Authority the July law established a National Council for Audiovisual Communications (Conseil National de la Communications Audiovisuelle). It was to have only a consultative function and was to offer advice on all aspects of communications. Another creation of the law, the Regional Committees for Audiovisual Communications, reflected the main focus of the new government towards decentralisation. However these bodies were purely consultative and unlike the Haute Autorite had no substantial powers.

3.5 DEREGULATION OF FRENCH ELECTRONIC MEDIA

The law of 1982 demonstrates the abolition of the state's de jure monopoly. First of all the law of 1982 legalised the de facto situation concerning radio. The Socialists themselves while in opposition had been involved in the free radio movement (Radio Libres). Actually the first attacks on the state broadcasting monopoly came from local private stations in the late 1970s. 'Radio Libres' had been developed as a social reaction from different groups demanding free expression without state control. 'Les radios militantes', 'les radios de combat' and 'les radios vertes', all small scale non-profit radio stations demanded liberalisation. However, they were persecuted and, under the Presidency of Giscard d'Estaing they were condemned of attempting to break the monopoly. In addition to these militant stations some commercial stations were also active. However, "the latter were persecuted less often than their idealistic colleagues" (Bens & Petersen 1992: 156).

As a result of the law of 1982 many different groups gained access to local radio frequencies. The new stations became very popular and challenged the public radio stations as well as the peripherals. Initially the government banned

the stations from transmitting advertising, in an effort to protect the advertising budgets of the public stations and the regional press. However, this decision was abandoned, by the Law of 1st August 1984⁶, as it was controversial and impossible to control.

The state monopoly on TV, in practice, broke up in November 1984 with the launching of a new terrestrial channel, Canal Plus. Since the construction of the cable network was slow⁷ and since the number of the applicants for television channels steadily increased, France decided to grant licences for terrestrial transmission. C+ is a pay TV network. Its signal is scrambled, except for a small period per day when it transmits advertising messages. It was thought up by the Socialists as a way of diversifying the programme supply and thus providing the audience with another choice and point of view, different to that of the public networks. The awarding of C+ to the Havas Group, however, raised a debate about the political character of the decision as Havas is a state-controlled company and its chairman Andre Rousselet was formerly Mitterand's director of cabinet and a key figure in defending Socialist attitudes on broadcasting. Other shareholders of C+ are CGE, CDC, Societe Generale, CCF, the L'Oreal Group and the general public.

Although the first two years of the C+ were characterised by big losses (in 1985 it lost FFr 500m.), in 1987 it became the only profit-making TV channel in France and in 1988 it had a turnover of FFr 4.3 bn. C+ today has more than 2.8 million subscribers and makes substantial profits. According to Miede and Salaun (1989: 61):

C+ is today considered to be an economic and cultural success. An economic success, because, after a very hesitant start, the channel now earns considerable profits which make its shareholders, especially the Havas Group, happy ... a sociocultural success as well, soon to have 3 million subscribers.

In addition, C+ has projects almost everywhere: in Spain, in Francophone Africa, in Belgium (where the chain is a partner on the cable networks), in

⁶ At this point we should note that unlike Italy, Spain and Greece, where deregulation arrived *de facto*, in France deregulation was established *de jure*.

⁷ The implementation of the Cable Plan was characterised by delays and disappointments. The high capital investment costs, the technical problems as well as politico-administrative conflicts have delayed the cabling of France.

Germany where it has launched a scrambled channel 'Canal Plus Deutschland' via the direct broadcasting satellite TDF1 and is also candidate for other projects in Italy, Portugal etc. In order to attract a mass audience, C+ adopted from the very beginning a marketing strategy based on light entertainment programming, without hesitating to violate codes of ethics and general programme obligations. Its programming is dominated by films, sports, serials, chat shows and sex films. Overall, C+ is neither progressive nor a cultural or educational channel.

After the creation of C+ other channels emerged in the French audiovisual scene. A general entertainment channel La Cinq and a specialist music channel TV6, both began transmitting in 1986. La Cinq was initially awarded jointly to Berlusconi (60%) and to Jerome Seydoux (40%), a French businessman and personal friend of President Mitterand. The main shareholders in TV6 were the advertising company Publicis, the film company Gaumont, Gilbert Cross and NRJ. "The choice of Silvio Berlusconi to head La Cinq was attributed to his socialists sympathies, although this seems unlikely given his enormous success as an entrepreneur" (Hughes 1988: 53). The Craxi - Berlusconi connection brought the Italian tycoon a reward of sorts in France. "It appears that it was Craxi who first introduced Berlusconi to the Socialist president of France Francois Mitterand; months later Berlusconi was presented as the 'experienced professional broadcaster' of the consortium to which the French government awarded the franchise for the new commercial channel La Cinq" (Mazzoleni and Palmer 1992: 35). Mitterand seized the opportunity to open up broadcasting to new socioeconomic interests. "The French state has abandoned its monopoly control of broadcasting and opened up the field to a host of a new forces of which commercial media entrepreneurs are only the most evident". (Kuhn 1988: 176).

The government's decision to grant TV channels to its political sympathisers aroused a fierce political debate, confirming once again the close relationship between politics and broadcasting. This decision caused many protests mainly from the Communists. But objections were expressed even within the Socialist party, particularly by the Communications Minister Jack Lang, who perceived the involvement of Berlusconi as a threat to the French culture, given his popular practices of imported light entertainment in Italy. He invoked the spectre of American cultural imperialism, of US domination of information entertainment and cultural industries, especially in the audiovisual sector. Such arguments were

used to plead for minimalistic anti-trust legislation in order to boost domestic multimedia groups threatened by more powerful foreign media groups. However, Mitterand wanted these channels to be granted to pro-Socialist entrepreneurs in case he lost the forthcoming elections, leaving the Socialists without any access to the electronic media.

3.6 THE LAW OF 1986 ON LIBERTY OF COMMUNICATIONS PASSED BY THE CHIRAC GOVERNMENT

As expected the Socialists were defeated in the 1986 elections by the centre-right (UDF-RPR) coalition government led by Chirac. On March the 18th Mitterand invited Chirac to form a government; cohabitation began and it would last until April 1988. The new government created its own reforms in the French audiovisual system. In communications policy as elsewhere, legislative measures encouraged the development of the private sector and competition. In line with its neo-liberal ambitions and in response to the recent political storm created by President's Mitterrand decisions, the new government adopted a broadcasting policy of further deregulation and privatisation.

The major change caused by the law of 1986 was the replacement of Haute Autorite by a new and more powerful regulatory body, the CNCL (Commission Nationale de la Communication et des Libertés - National Commission for Communications and Liberties). Its regulatory powers were to extend beyond broadcasting to the telecommunications sector. Its responsibility covered both the public and private sector. Its initial task though was limited to the re-allocation of new terrestrial and DBS channels, the regulation of cable and satellite markets and the supervision of programming standards.

However, politicization of broadcasting continued although Chirac abolished the High Authority, because its impartiality was suspect; nevertheless "the CNCL from the outset, was itself considered suspect by media professionals and non-government politicians alike" (Tunstall and Palmer 1990: 191). Clearly, the creation of the CNCL provoked criticism from the opposition parties, which alleged that the commission was an instrument for the government to extend its influence over broadcasting. For example the CNCL alienated many when on December the 2nd 1986, it announced a series of three-year appointments to the chairs of television and radio networks replacing all DGs of public service broadcasting with persons friendly to the government.

Additionally, in August 1986 the CNCL rescinded the franchises accorded by Mitterand to La Cinq and TV6. "The CNCL gave control of channels five and six to well known political sympathisers of the Right, with only one of those favoured by the Socialists, Berlusconi, retaining a share in the fifth channel. In a politically controversial move the most important newspaper owner in France, Robert Hersant was given a majority stake in channel five. (Dyson and Humphreys 1988: 122,123).

In practice, in 1987 CNCL granted La Cinq to Hachette (22%) as well as jointly to Robert Hersant and Silvio Berlusconi while Seydoux's share fell to 10%. Hersant took the lion's share and emerged as president of the fifth channel, responsible for the information sector. The CNCL had also aimed to please Chirac in awarding the franchise for the sixth channel (which was renamed M6 - Metropole Television and became a general interest channel) to a consortium led by CLT (Compagnie Luxembourgeoise de Teledifusion) and the French company La Lyonnaise des Eaux.

These re-allocations of La Cinq and M6 coincided with CNCL's decision to privatise TF1, the main French national channel in terms of audience and thus in the future in terms of turnover. TF1 which during the Socialist administration had remained public, was privatised by Chirac, under various pressures stemming from both advertisers and media groups. Alliances therefore were inevitable. After intense pressure from the lobbies, 50% of TF1 was given to a group controlled by Bouygues - another figure close to the government - and to Maxwell SA, Worms Banking Group, Credit Lyonnaise etc. The other 50% of the shares were split such as that 10% went to the employees of the company and 40% to the general public. TF1 thus became the first major state owned television channel in Western Europe, which was passed to the private sector. Since 1989 Berlusconi has acquired a stake in the channel (4.2%) and Maxwell S.A. announced it wishes to sell out its 12% share. Finally the government recently granted the seventh terrestrial channel to Canal Enfants, which is controlled jointly by A2, Hachette-Europe 1 and Bayard Presse.

As far as programming is concerned, La Cinq's schedule was filled by US productions, B movies and quiz variety shows. M6 followed similar practices. La Cinq was not an innovative channel, its programming being old and lowbrow. La Cinq and M6, due to their imported programmes, contributed to the inflation in

the cost of acquiring programme transmission rights, while failing to contribute to the production of French quality programmes. "The French commercial stations M6 broadcast 78 per cent and La Cinq 73 per cent American movies" (Bens et.al 1992: 89). These high percentages of imported material, however, are astonishing given the fact that France has the strongest film industry in Europe. In short, "the increase in the number of channels did not lead to a corresponding increase in the quality of programmes on offer, and programme schedules, indeed tended to a certain uniformity" (Palmer and Sorbets 1992: 70).

Competition has resulted to a poor income and audience share for the PSB channels compared to the private ones. A2⁸ has gradually lost audience despite the fact that it relies on two thirds of its income on advertising and despite following commercial practices. However, the above situation has united A2 and FR3 under the same head and this has resulted in more cooperation in scheduling and sharing resources for competing with the private channels. This cooperation has particularly benefited A3 of late which has increased its audience share to 25%. Thus, competition is now mainly between A2 and TF1.

The central issue in the 1990 was no longer as much governmental interference, but the inability of the advertising market to finance all the channels; as a result La Cinq, due to financial constraints (2.5bn francs deficit) has terminated its operations since April 1992.

The 1986 law fixed the revenue of the public service, the advertising tariffs of PSB channels and imposed programming and production requirements on A2 and FR3. Although Chirac's government envisaged a greater reorganisation of French broadcasting system rather than a mere re-allocation of existing franchises, the granting of channels (especially TF1) to political sympathisers of the Right did little to convince public opinion that a more depoliticised style had taken root. Pressed by the Socialists on the issue of national independence, however, Chirac's government had moved to legislation concerning limits on media concentrations. He had restricted the maximum foreign holding in newly privatised companies to 15%. This stressed the need for restrictions in order to stop a small number of foreign business groups accumulating a dominant position in national television, radio and cable and satellite broadcasting. It was therefore

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A2 was renamed F2 and FR3 became F3.

very important that any control of concentrations should limit in particular the association of undertakings that might threaten pluralism by creating monopolies.

3.7 THE CREATION OF THE CSA

In 1988 following the re-election of Francois Mitterand and with a very slim majority in parliament, the Socialists were not about to revise fundamentally the law of 1986, but they would amend it slightly. The main amendment of the new Act was the replacement once again of the regulatory authority CNCL by the CSA (Conseil Superieur de l'Audiovisuel). The CSA supervises all French broadcasting, allocates concessions for privatised channels, distributes cable networks and frequencies and appoints heads of state-owned radio and television companies, oversees telecommunications sectors and monitors programme standards. Additionally, it can impose penalties (warnings-suspensions) and can bring a case before the Conseil d'Etat or the public prosecutor. The make up of the CSA is once again partisan as the President chooses three of its nine members, including its president and the President of the Senate and the President of National Assembly choose three members each.

The new Act (alongside the market model) retained the old PSB values (universality, information, cultural enrichment, pluralism etc.) for the public service channels and their observance to the CSA. CSA's ethical role, as regulatory body, however, is questionable, given the excessive politicization of its members. The Act of January 1989 includes a number of clauses providing for the application of the rules of competition in the audiovisual media field. This broadcasting Act is highly detailed, containing precise clauses about limits on individual shareholdings and power of decision in undertakings, as well as about limits on cross-media ownership. The Act states that the maximum permitted shareholding by one person natural or juristic, in private television companies is 25% of shares or voting rights for national terrestrial broadcast television, 50% for satellite television and 50% for regional terrestrial broadcast television serving more than 200,000 inhabitants.

The Act also imposes precise limits on the shareholdings of one person either natural or juristic operating a broadcast service in a second or a third regional or national terrestrial or satellite TV company. No single foreign business group (i.e. outside the EEC) was to be allowed to own more than 20% of a national TV channel.

In addition the Act imposes limits on cross-media ownership. The aim of these limits is to ensure that undertakings already licensed for radio or TV service do not gain control of all the media in a given area. Such measures are taken on the grounds that media concentrations will not only restrict competition, but jeopardise the pluralistic expression of opinion which is one of democracy's foundations.

The Act also provides for programme quotas in order to protect domestic and European productions. The quotas required original works for television of EC origin (60% of the time) and works in French language (50% of the time) (art. 26 and 44). The Act also allows private TV channels only one advertising break to interrupt serials and films. There may be no more than six minutes of advertising per hour. The PSB channels are not allowed to have breaks in documentaries and works of fiction. The CSA can also issue directives concerning the legal duties of public and private channels.

(B) ITALY

3.8 THE HISTORICAL CONTEXT

The Italian broadcasting system, like the French broadcasting system, has traditionally been under excessive political influence and party interference. Historically, Italian broadcasting has been a state monopoly conceded to a private company. Italian Radio was established in 1924 by a Royal Decree, which stipulated that radio belonged to the state. But rather than carry out broadcasting itself, Mussolini granted a concession to a private company (URI). The URI (Italian Radio Union) had an absolute right to radio transmissions. This meant that broadcasting operations would be autonomous and free of bureaucratic delays. The first official broadcast occurred on the 6th October, 1924. The state's grip on the new medium, however, tightened in 1926 as the government prohibited the transmission of any public performance without the government's prior approval.

In 1927, URI was replaced by the EIAR (Ente Italiano per le Audizioni Radiofoniche - Italian Radio Audition Corporation), which secured the licence for a period of 25 years. EIAR, which was controlled by the Fascist party for a long time, played a strategic role in the dissemination of Fascist propaganda, especially during the second world war. The government had the power to appoint EIAR's president and other top officials. Moreover, programmes were scrutinized by national and local surveillance councils as well as by the PTT. Finally, after world war II Mussolini nationalised EIAR and replaced it with RAI (Italian Radio Audition).

After the war, the Italian Republic accorded an exclusive concession to RAI. A 1947 decree granted RAI a five year concession and placed it under the control of the PTT and a parliamentary committee, appointed to control the objectivity and political independence of radio broadcasts. The 1952 concession gave RAI considerable financial and operative autonomy; however, governmental control remained over administrative and programming matters. The three national radio networks began broadcasting in 1950.

Italian Television started regular broadcasts in 1954, and RAI was renamed Radio Televisione Italiana. At that time RAI had a coverage of 36% of the

national territory. However, it was as late as 1960 when the Constitutional Court (judgment no59) gave RAI the monopoly over television, establishing in such a way a legal state monopoly over the broadcasting media. The judgment stated that: "The state as monopoly-holder is placed institutionally in a more favourable position of objectivity and impartiality in overcoming the difficulties inherent in the natural limits of the medium and compliance with constitutional rule which provides the individual with the possibility of disseminating through by all media".

In the judgment no 225 in 1960 the Constitutional Court reaffirmed the validity of RAI's monopoly over broadcasting, in view of the scarcity of frequencies. In November 1961 the second television channel was established with 52% coverage. Regular colour TV started in 1975. The government owned the majority of the stock and RAI's budget was mainly financed from a combination of fees and advertising and was subject to review by the Treasury and the PTT.

From 1954 to the mid-1970s broadcasting in Italy was entirely controlled by the Christian Democratic Conservative Party, which has been the base of all Italian coalition governments since 1945. Since the late 1940s, Italy has been governed by coalition governments, mostly led by the Christian Democrats; the opposition had never succeeded in gaining executive power. "The long lasting dominance of the same parties favoured their penetration into almost all sectors of daily life especially in the economic sectors (banks, finance, industry) and the information industry (newspapers, radio and TV, culture)" (Mazzoleni 1992: 123).

Christian Democrats had RAI under tight political control using it for audience manipulation. The government designated seats on RAI's Board of Managers and Board of Auditors. In return many of RAI's executives backed the ruling Christian Democrats often saving the party from difficult situations. Control over RAI was excessive; RAI was required to submit its proposed programme schedule every three months to a PTT advisory committee charged with setting artistic, cultural and educational policies. This control over RAI meant essentially a politicisation of radio and television news and current affairs content. "The voice of the opposition, in particular that of the Communists, was virtually ignored". (Sassoon 1985: 122). As a result viewers did not trust RAI; in

Northern Italy, for instance, viewers turned to Swiss TV for their information during the 'civil divorce' case in 1974.

Gradually this situation reinforced the discontent of an already opposed movement against the administration of the public service. "The state monopoly of the RAI was increasingly viewed as an one-party monopoly by a host of organizations within Italian society". (Grandi 1988: 164). Therefore, many different social groups started to push for a reform of the RAI. Calls for reforms started, particularly from the then considerably strong Communist Party.

In 1972, RAI's concession expired without any agreement on the future of Italian broadcasting. The government extended RAI's license several times to permit a Ministerial Commission to report how broadcasting should be institutionalised. Finally, during the mid-1970s, after several Court rulings that removed RAI's monopoly over broadcasting, deregulation became a reality.

Clearly, the Italian, like the French broadcasting system was developed under tight governmental control. First under the authoritarian control of the Fascist party and from 1945 until the mid 1970s under the partisan control of the Christian Democrats.

3.9 DEREGULATION OF THE ITALIAN BROADCASTING SYSTEM

Italy was the first West-European country that moved towards deregulation. The first challenge to the state monopoly came in 1972 when the idea of local cablecasting spread after a businessman in Beilla started his station. The Court in 1973 banned cable TV, reaffirming RAI's monopoly. After the rapid increase of local cable TV channels, however, the Constitutional Court ruled that although RAI has the monopoly due to the scarcity of frequencies, the state monopoly did not include cable TV and retransmissions of foreign Television. It additionally declared that RAI's monopoly did not guarantee public access and objective programming. After this ruling cable TV channels increased, mainly relaying programmes from foreign television. Moreover, cable TV channels, in an attempt to reach larger audiences, switched to over-the-air broadcasting. Furthermore, due to the lack of regulation pirate radio stations also started broadcasting.

In an effort to protect the state monopoly, the government approved RAI's

long awaited reform Bill in 1975. The Act (no 103) of the 14th April 1975 although upholding RAI's monopoly, brought a series of significant reforms. It established the New Regulations governing Radio and Television Broadcasting. This Act constituted the pinnacle of an extremely wide-ranging debate and aimed at reforming the aspects of excessive homogeneity and paternalism of state broadcasting. According to Mazzoleni (1992b: 81), "the 1975 Reform opened control over RAI to a plurality of political forces, supplementing the Christian Democratic influence with lay and democratic Socialist elements that gradually modernized the public company". It shifted the control of RAI from the executive to the legislature (from the government to a parliamentary commission); it created a Parliamentary Commission of forty members for the management of the PSB. The government also attempted with this reform to accommodate public demands for greater access and decentralisation; moreover it gave participatory control to the regional councils. RAI's programme-making tasks were to become decentralised. The Act divided broadcasting among three nationwide radio networks and two TV channels, each with an independent news service and it also provided for the creation of a third channel for the purpose of decentralising production and information (RAI-3 is a network of regional production centres) as well as to counteract the explosion of private broadcasting.

RAI3 was officially launched on the 15th of December 1979. "The channel was composed of 21 regional centres, each producing its own 30-minute regional news bulletin and several weekly programmes". (Fichera 1989b). RAI was to be funded through a mixture of licence fees and advertising revenue.

Clearly, the reform law of 1975 aimed to democratise the way RAI functioned. According to Fichera (1989: 21):

The reform law...tended to exalt the potential of pluralism and of competition contained in that model (autonomy of networks and journalistic programmes; replacement of control by the government with the control by Parliament, creation of the third television channel for the purpose of decentralising production and information, and so on)

However, the independence of broadcasting was not achieved as politicization of the electronic media continued even after the reform Act. Although, "RAI is formally an independent state-owned company, all the top management are political appointments and decision-making is often dominated

by party political considerations" (Barile and Rao 1992: 262). Additionally, "Political control of the two competing national RAI-TV channels was divided between the Christian Democrats and the Socialists, while the third channel provided regional telecasts⁹" (Eugster 1983: 13).

The new system was, however, shaken by a 1976 Constitutional Court ruling (no202/1976) authorizing private local radio and television stations to compete with RAI. The Court rejected RAI's contention that the 1975 Act gave them the right to persecute and close down private stations and concluded that RAI's monopoly was unconstitutional, (on the basis of art.21 of the Charter of the Republic) on the grounds that RAI failed to guarantee freedom of expression, public access and objective programming and that the frequency spectrum could accommodate new stations. With this ruling the state monopoly over local transmission was removed.

That ruling resulted in the advent of hundreds of local private radio stations and television channels throughout Italy. Many local organisations, social and cultural groups, professional associations, publishers, as well as economic and political forces, came to operate private radio and TV stations, hoping to increase their role in private enterprise. As far as radio is concerned, at the beginning of 1976, 500 local stations were operating in Italy. One year later there were over 3,000 private radio outlets. As for television "in 1976 there were 68 local stations, in 1979 just three years later, there were 375, a nationwide phenomenon...the trend has continued unabated, reaching 941 local channels by 1988" (Fichera 1989b).

The pressure for the reforms originated from a variety of sources. Many groups from different fields (mainly from the publishing and business, as well as from journalism, culture and politics) had been opposed to the state monopoly. Moreover, deregulation was not solely a product of market ideals, but also a necessity of freeing the broadcasting system from authoritarian and partisan use and giving greater access to minority groups.

Deregulatory policies, however, were aided, to a great extent, by large

⁹ RAI 3 however came later under the political control of the Communist party (which is now split into Partito Democratico della Sinistra and Partito Comunista. Today both parties share control of the channel).

powerful economic groups, which were exerting pressures on the government in order to gain a stake in the audiovisual market. The most influential role in deregulation was perhaps played by newspaper and magazines publishers. Although that was in direct contradiction to their own advertising interests, nonetheless they were hoping to enter the new broadcasting market, establishing their own facilities. "The pressure of private interests was so strong that they succeeded in attaining a ruling from the Constitutional Court (n202/1976) that acknowledged their right to broadcast in a limited area" (Mazzoleni 1992: 126).

3.10 'ANARCHIC' DEREGULATION IN THE ITALIAN AUDIOVISUAL SCENE

After 1976 the situation appeared 'anarchic' with unregulated competition. Policy makers were unable to do anything until 1990. Although the Constitutional Court had ruled that only local broadcasting was allowed, many networks were created, taking advantage of the legal gap. In 1981-82 four nationwide private commercial networks were established by private entrepreneurs (Silvio Berlusconi and the publishers Rizzoli, Mondadori and Rusconi). The private channels, initially, were not bound, as RAI was, by regulations on advertising limits. At first the new private sector was widely welcomed by the public. Everyone was hoping that competition in Italian broadcasting would offer more variety and choice to the Italian audience and that it could additionally improve RAI's output.

Until 1978 the development of commercial radio and television stations was 'anarchic', lacking any kind of professionalism. The commercial television stations boom increased the extent of the advertising market (from 475b.lire in 1976 to a current 3,700b.lire). There has been a huge expansion in the advertising market in Italy the last decade. A major effect of Italian deregulation was that advertising has shifted away from the printed media towards the electronic media. According to Grandi (1988,167):

Commercials for the entire radio and television sector increased from 25 percent in 1975 to 53 percent in 1985. During the same ten year period the percentage of newspaper sponsorship declined from 30 to 21 percent and the percentage of magazine endorsements from 31 to 20 percent.

Today there is an abundance of private radio stations (around 2,500) and apart from the local commercial radio there are local community stations. Some

of the most important radio stations are Studio 105, Gamma Radio, Sper, Studio D etc. Most of them broadcast about 10 minutes advertising per hour.

From some 950 private TV channels that are transmitting today in Italy, only about 100 to 120 have regular broadcasts and a stable programme. These stations are connected to networks: Some of the TV networks operate on an inter-regional scale and others throughout the whole Italian territory. The main networks are Canale Cinque, Retequattro, and Italia Uno, which are owned by Berlusconi's Fininvest¹⁰. Other networks are Italia 7, Cinquestelle, Rete A, Odeon TV, Telemontecarlo, Retemia, Videomusic, Junior TV etc.

The Italian audiovisual scene is probably the only example in the world of an entrepreneur owning three national television networks. It is widely known how this situation arose. During the period that RAI had the monopoly over broadcasting, it did not wholly meet the increasing demand for advertising from a rapidly booming economy. Silvio Berlusconi, a businessman in the construction industry was the first to realise the opportunities that the audiovisual market could provide. In a very short time he managed to overtake his rivals, due to their legal and financial problems, buying the three main private TV networks. Canale 5 (which was owned by Rizzoli, a very important Italian publisher), Italia 1 (which was owned by Rusconi, book and magazine publisher), and Rete 4 (which was owned by Mondadori, the major Italian publishing group, operating on an international scale, printing daily newspapers, periodicals and books). These stations have followed only the rules of the market and the conditions of the competition.

Consequently, Berlusconi's networks having no hesitations about cultural factors started from the very beginning to bombard the Italian audience with light entertainment and popular programmes, taking in such a way a big proportion of RAI's audience and advertising revenue. In 1984 the leading commercial channel in Italy - Berlusconi's Canale-5 - claimed that it had for the first time passed the leading public channel (RAI-1) in audience share (Mazzoleni 1991: 18). Fininvest has been able to collect 60% of total television advertising revenue and 90% of the advertising revenue in the private

¹⁰ Recently Fininvest has created, with the participation of other partners, a Pay-TV service (but, not via cable) Tele Piu which controls three networks Tele+1, Tele+2 and Tele+3

broadcasting market, in recent years, with only about 40% of the viewers¹¹. Canale-5 alone commands 20.7% of the prime time national audience; when this is combined with the audience of Berlusconi's other networks Rete-4 and Italia-1, the audience share rises to 39.7 % (the RAI channels total 46.7%)(Auditel data), (Mazzoleni 1991: 170).

Certainly, private TV networks owe their success to commercials. and although there is a restriction not to exceed 14% of total content, however, advertising on private channels often reaches 30% during prime time, while advertising on RAI is transmitted in blocks at fixed times, between and during programmes. There is a ceiling on the RAI's advertising income fixed by Parliament every year, so vast resources are left at the disposal of the competition.

The logic that prevailed among the private stations in Italy was exclusively related to the market and profit. That resulted in the elimination of quality and pluralism and the creation of homogeneity. The standard programming policy adopted by the private networks was the transmission of light entertainment - mainly films bought from abroad - and lacking in any informative, educational or original cultural value and without any response to local needs (Mazzoleni 1992, 1992b).

The main effect of the multiplication of the channels has been a substantial increase in television viewing which in the absence of a corresponding increase in domestic production, has greatly increased the imports of programmes. This has had negative results not only at a cultural, but also at an economic level. The commercial stations in Italy developed their programming policy on productions bought in the market. They prefer to broadcast programmes that have already been tested, and have been amortised so they are less expensive and there is less risk of failure. For this reason, the stations first resorted to domestic cinema stocks, which were rapidly exhausted, and then to the international market. These

¹¹ This has enabled Berlusconi to buy the most popular programmes, as well as film distribution companies, cinema chains and holdings in foreign television companies (i.e. La Cinq in France, Telecinco in Spain and Telefunk in Germany), to invest huge sums in film and TV production and generally to establish himself in the international audiovisual scene. The most successful of all Berlusconi's company is Publica 80; it grew during the expansion of commercial TV in the late 1970s. It controls 32% of Italy's total advertising and 70% of TV advertising expenditure.

types of programmes account for about 70% of the programme of the private networks in Italy. In the 1980s, Italy became the leading world importer of television programmes from the USA.

A clear pattern emerged. In 1981, out of all the programmes broadcast by the private networks, fiction - all of it bought in - amounted to 69%, rising since to 80%. The Italian channels in 1980s were showing virtually the entire Hollywood production (films and series; much of the remaining time was taken up with Italian versions of American television game shows). "With 71% of programmes being imported, Italy was in the mid-1980s the country airing the highest proportion of foreign television programmes" (Mazzoleni 1992: 145). But the US-Italian connection went further still. There was a wholesale reorganisation of Italian Television which involved massive borrowing of American industrial practices. For example "all three of the New York networks were involved in consultancy relationships with Italian networks and were advising on such key issues as scheduling. CBS and ABC were working with commercial networks and NBC with the public service RAI" (Mazzoleni 1991: 173).

3.11 POLITICIZATION OF ITALIAN BROADCASTING

The economy, media and politics are closely linked in Italy. Moreover, the media organizations are connected with the political establishment and the political parties. Media entrepreneurs have associations even with parties in opposition in order to do their business. Political parties in Italy have always been sensitive on communication matters. Consequently, the new commercial television became highly politicized. The wild deregulation of Italian broadcasting since the late 1970s has exposed the sector to *political blackmail*. There developed an interactive relationship between media entrepreneurs and the political establishment.

The political parties in Italy, according to Mazzoleni (1992: 140), have worked three main models of conditioning the media domain: "running their own media, influencing the editors and editorial boards of the press and broadcast media and using the reform bill proposals as pressure tools". All media entrepreneurs are connected with the political establishment. "None of them can operate without paying homage to one or more actors on the complex Italian political scene. The moguls support - sometimes financially - the politicians, and

the latter favour the expansionist strategies of the moguls (Mazzoleni 1991: 168,169).

There are many instances where politicians have favoured the interests of specific media groups. For example, Berlusconi has developed a friendship with a key Italian politician, Bettino Craxi, leader of the Socialist Party and PM between 1983-87. When Berlusconi faced a long succession of court, regulatory, administrative and legislative threats, he overcame all the charges with the help of Craxi. "It was under the Craxi government that 'Mr. Broadcasting's' empire was rescued from various judicial enquiries and legal proceedings (Mazzoleni 1991: 173). Nevertheless, this friendship did not prevent him from recently becoming friendly with other Italian politicians like the Christian Democrat Giulio Andreotti, who was PM in most coalition governments.

3.12 THE IMPACT OF COMPETITION ON PSB CHANNELS

RAI which was based on a traditional programming policy of public service, with informative, cultural and educational programmes counting for 60% of its total programming, soon found itself in a situation losing a substantial part of its audience and consequently advertising revenue, in favour of the private networks. During 1984 audience survey figures (ISTEL) indicated that Canale 5 had overtaken RAI UNO, while Italia 1 had won third place at the expense of RAI DUE. Undoubtedly during that period there was a fall in the market share of the PSB corporation. RAI found itself in an uncertain position, on the one hand obliged to fulfil its public service duties and on the other hand unable to restructure its programming in order to face competitors. The only advantage that RAI had at that time was its exclusive legal privilege of monopoly over live events, mainly news and sports. And when one speaks of sports in Italy the reference is mainly to football, which obtains audience figures that are difficult to achieve with other forms of transmission. For example, RAI had the monopoly to broadcast all of the 52 football games in the world cup 1990. In addition, news bulletins on RAI are about the single most popular programme.

Nevertheless, the private networks reduced RAI's audience share and they also attracted many professional and artistic staff away from it. Another problem that RAI faced because of the competition with the private networks was that all prices increased in the international television market (in some instances by more than 1000%). "The open market has provoked an extraordinary increase in

programming costs (especially major sporting events, foreign films and star-name programmes)" (Barile & Rao 1992: 262).

On the basis of competition RAI began a process of reorganisation of its programming schedule. The RAI channels used their advantages in the areas of news and sport to compete with Berlusconi's series and films and Italian made entertainment. However in this battle RAI itself adopted a number of commercial practices. In an attempt to eliminate falling audiences in favour of the private channels, RAI firstly modified its programming policy with the result that its programmes tended to be more commercial, especially during peak time. Consequently, educational and cultural programmes slipped to secondary viewing hours and although RAI regained some of its audience with the introduction of such a policy, however, the output of the public networks became homogeneous with that of the private channels. However after exhausting the foreign TV market stocks and the consequent increase in prices, RAI modified its policy once again. It started to develop a broadcasting policy based on original television productions as well as co-productions with foreign countries. It worked out a national production strategy in order to reduce its dependence on imports. Undoubtedly, RAI has eventually adopted a strategy to counter competition by means of its own productions. While restructuring its programming, ranging from news and educational programmes to the whole area of entertainment, RAI has boosted the Italian film industry and is preparing Italian TV drama to enter the European market. "RAI acts as a producing company and is also the distributor for films both on television and in the cinemas. Well known directors such as Olhmi, Bertoluci and the Taviani brothers have produced important work through this system". (Sassoon 1985: 148). RAI also has signed agreements for co-operation with foreign networks (ZDF, A2, Channel Four etc.), for co-productions of TV serials.

Clearly, RAI having experienced the effects of high level competition has recently chosen a fresh broadcasting policy which has helped the revival of the Italian audiovisual sector, particularly the domestic production industry. So today prospects have radically changed. As the figures (Auditel, Tunstall and Palmer 1991) indicate, while in 1985 RAI had 37.44% and Fininvest 50% of the audience in prime time, in 1989 the proportion was 49.08% for RAI and 31.08% for Fininvest; in 1990 ratings were further improved for the PSB organisation 52% for RAI and 36.3% for Fininvest. The private networks partially followed the

example of RAI for self productions and co-productions, however they still transmit a high proportion of imported light entertainment. In general, the damage caused by completely uncontrolled competition needs a lot of effort and preparation to repair, and this will take a great deal of time.

3.13 THE BROADCASTING ACT (223/1990)

The need to regulate the chaotic competition of the Italian broadcasting system has been the focus of political debates since 1974. This issue was a source of continual conflict among the government coalition parties, over the most important terms of the law. Legislation, thus, was delayed in parliament. The draft Bill was difficult to establish also because of the pressures originating from different private groups pushing for their own interests. There was an inability on the part of the policy-makers to reach a compromise on the keenest points of dispute. The conflict between the parties was focused on economic and political aspects. The parliamentary debate showed that even the leading coalition party (DC), was divided over many issues, principally ownership.

The situation of non regulation (for more than one decade) allowed the main players in the broadcasting arena to set their own rules of the game for many years resulting in 'anarchic' development in private commercial broadcasting and the establishment of Berlusconi as the major actor of the broadcasting market. Italy's media Bill was finally passed into law (Broadcasting Act 223/1990) on the 5th of August 1990 with its approval by the Senate. The Act, however, has a confusing structure and often contradictory provisions. The Act shows the political acceptance of the market originated revolution. The Act legalised the de facto existence of competition; in practice, it legalised the de facto situation of the Italian broadcasting structure (i.e. ownership - RAI-Fininvest etc.). The most significant reform of the new Act is that it abolished RAI's monopoly on sports, news and live events nationally. This particular change fulfilled private entrepreneurs', and especially Berlusconi's, demand to broadcast live events.

The Act did not, however, free Italian broadcasting from government interference as it conferred the major power to the Minister for the PTT, since he/she has the power to allocate frequencies and to issue or revoke licences. With this measure the power remained in the hands of the government. Additionally, the establishment of a High Authority (Garantor) for both broadcasting and publishing, to monitor the implementation of the Act, was not significant as the

Guarantor was not given clear powers of enforcement and its resources and staff are limited. Its basic responsibility relates to matters of cross-ownership and advertising control.

The Act also created a committee of viewers (National Council of Viewers) which is appointed as a consultative body to the Guarantor; (its members are appointed by the Guarantor). The creation of this body was mainly the achievement of several pressure groups trying to keep attention on issues relating to programming. They had been active in laying down guidelines for family viewing, education and children's television.

As far as ownership is concerned, the new Act permitted private groups to operate a maximum of three networks. However, national broadcasters are not permitted local licences. Cross-ownership of media must meet the following conditions:

1. Nobody controlling over 16% of the total daily newspaper circulation may hold any licence to run a national TV network.
2. Anyone controlling between 8-16% may hold only one.
3. Anyone controlling less than 8% may hold two and
4. Anyone with no shares in the daily press may hold up to three licences.

As far as advertising is concerned, advertising messages can be transmitted between and during programmes, including films, plays, or other similar sort of shows. However the law prohibits the interruption of programmes more than three times for programmes shorter than 110 minutes and four times for programmes longer than 110 minutes. Advertising should not exceed 15% of the daily transmission time and a hourly quota of 18%.

Another important innovation of the law is some restrictions and limitations concerning domestic and EC productions. Art.26 par.1 along the lines of the EC Directive (89/552/EC art.6) provides that at least 20% of films transmitted by any channel must be of domestic production and another 20% of EC origin, with

the proportion to rise to 25% in both cases after three years. This was a very important regulation, if we take into account the experience of foreign imports.

These provisions for quotas have been influenced to a great extent by the Left and other cultural and intellectual circles, which were campaigning for tough measures concerning import quotas. The campaign of the Left was organized on the grounds that private networks' programming schedules were filled by imported material; RAI moreover started to follow the same practices jeopardising the previous high levels of self-production and depriving the domestic broadcasting market financially and the Italian viewers culturally. The Left has accused mainly the commercial broadcasters of being instruments of a cultural neo-colonization of the Italian broadcasting on behalf of Hollywood. "It is significant in this connection that the Communist Party praised the policies of former French Minister of Culture, Socialist Jack Lang, to limit imports of American films" (Mazzoleni 1992b: 89). Finally, the Act introduced a series of penal and administrative sanctions.

3.14 AN ATTEMPT FOR THE IMPLEMENTATION OF THE LAW

In early August 1992, the Italian authorities sought to impose order on the chaotic commercial broadcasting sector by publishing a list of stations to be awarded franchises. The list, which comes 12 years after private television took hold in Italy, excluded 300 stations, many suspected to be fronts for organised crime (The Independent 25/8/1992). At the national level, the decree confirmed the dominant position of the media magnate Silvio Berlusconi, whose Fininvest conglomerate was awarded three of six private channels licensed to operate nationally besides the three state channels. Three more pay TV stations (Tele+1, Tele+2 and Tele+3) in which Berlusconi's Fininvest holds a 10% stake (minority stake) were licensed to operate from next year.

The local stations - even some of those that won franchises - call the list arbitrary and unfair, while left-wing parliamentary parties (mainly the PDS - former Communist party) say it contravenes the 1990 Mammi law limiting concentration of media ownership, by giving too much power to Berlusconi. Both have vowed to take a stand when the decree comes up for ratification in parliament later this year. Some of the TV channels that were banned from broadcasting have begun 24-hour broadcasting in blatant contravention of the latest decree. According to Reuters dozens of Italian local television stations

began broadcasting outside the law on the 24/8/1992, the first defiant shots in what threatens to become a battle in parliament. The rebels are the 150 or so companies that refuse to accept the decree enforcing closure.

(C) SPAIN

3.15 THE HISTORICAL CONTEXT

The Spanish broadcasting system like the French and Italian ones was established and developed on traditional monopolistic bases. Its history goes back to the Spanish civil war, when rebellious army personnel created and operated military radio stations with the assistance of German technicians and equipment (like Radio Nacional de Espana, La Falange etc.). After the Fascist victory in the civil war they took possession of those stations and expanded them to networks. In such a way they established the first state radio network in Spain, which they put under tight political control. The mass media in general and broadcasting in particular in Spain worked on the premises imposed by Franco's regime after the victory in the civil war (1939). After 1939 the conditions for the development of the media were tightly controlled; from Franco's death in 1975 to 1982, they apparently became more liberal, but it was as late as 1982, with the advent of the Socialists to power, when a real wind of change started to blow.

"Although the first radio stations were created as a result of private initiatives, the first laws regulating radio broadcasting in Spain (1908, 1924 and 1932) put the radio spectrum under a total state monopoly". (Bustamante 1989: 67) . From the very beginning the Royal Decree of 24 January 1908 puts broadcasting under state monopoly defining that: "the establishment and operation of all systems and apparatus related to what is called 'wireless telegraphy' or 'radiotelegraphy' and other similar processes already invented or which might be invented in the future are considered to form part of the state's monopoly of all kinds of electrical communications". This concept is repeated in other provisions of a similar nature (i.e. 1924, 1932, 1934, 1936). For instance the Broadcasting Act of 26 June 1934 was designed in the same spirit and set down the organisation of radio. It reaffirmed that: "the national broadcasting service is an essential and exclusive function of the state and it falls to the Government to provide this service".

Radio information services were under strict control following the rules of 1939. These rules implied a reduction in freedom of speech, because of imposed censorship of news. However, from 1952 onwards Franco legalised the existing private radio networks on condition that they were controlled by owners linked to the regime, maintaining a stringent political control through government

intervention in the selection of their Directors. "The main concern of Franco's government was the ideological function of information. Therefore, the state tried to control the mass media through laws and regulatory measures and in many cases through the ownership and management of the media" (Mateo and Corbella 1992: 193). Radio stations were forbidden to broadcast their own news programmes and they were obliged to be connected with the state radio network Radio Nacional de Espana for the official news bulletins. This control was further strengthened when the state took over a great number of radio stations as well as newspapers and magazines. Thus, public and private radio in Spain were characterised by their role as political instruments of the government. They completely lacked any concept of public service.

The first official TV broadcast began on the 28th October 1956. Television was constituted as a public state monopoly dependent on the government; its regulation was based along the lines of the existing legislation for radio. Its management was under a general office of the Ministry of Information and Tourism. Television Espanola (TVE) had its own technical network, while all other European broadcasting systems were under the PTTs. Spanish television, like Spanish radio, from its establishment in 1956 until recently was an instrument of the government. In particular during its expansion in the 1960s, it was systematically used for propaganda of Franco's authoritarian regime. In general, during Franco's term, Spanish television was functioning as an 'arm' of the state for the political persuasion of the viewers.

Since the establishment of democracy in Spain (after Franco's death), the country was ruled by centre-right governments (UCD) until 1982 when the Socialists came to power. Although the centre-right governments passed several decrees giving TVE autonomy, they continued the direct political patronage of TV delaying the passing of the Broadcasting Statute and intervening in the job of the Provisional Council of Broadcasting, appointing and dismissing DGs and key persons according to the political climate of the moment. Five DGs came and went between 1977-82.

The specific legislation concerning television in Spain was passed with the 1980 Statute (No4), which constitutes the Charter of Spanish Broadcasting. In 1980's Statute the state was declared to be the owner of PSB, but while in radio private initiatives were allowed, the only operator in television was the state.

Television was perceived as 'essential public service' forming part of the state's prerogatives. RTVE was formed as a public corporation to provide radio and television services through TVE (Televisión Española) and RNE (Radio Nacional de España). The TV and radio companies monitoring was given to an Administrative Council, separate advisory councils for TV and radio and to a Director General. RTVE was funded until 1987 by state subsidies although its main source of income came from advertising.

The twelve members of the AC were appointed by parliament according to the representation of the political parties in the parliament. That Council had a consultative role and its DG, with extensive powers, was appointed directly by the government. Other consultative bodies with greater representation were almost ineffective. Given these facts it is true to a large extent to say that the government kept control over broadcasting. For this reason the political forces of the Left were highly critical of the government, especially of some of the DGs appointed by the UCD governments.

In short, the Spanish broadcasting system was established and developed under authoritarian rule. The advent of democracy did not actually bring democratisation of the electronic media; it did not open them to the various sectors of society, but it rather put them at the disposal of the government of the day.

3 16 RADIO

The first initiatives for the break-up of the state monopoly, were taken by municipal authorities, establishing illegal radio stations. These stations were legalised with the transitional plan for FM radio distribution after 1979; finally the Radio Municipal Law was passed in April 1991. Meanwhile hundreds of smaller local private stations emerged, but they have not been legalised yet. It is clear that "in Greece and Spain municipal authorities have played an important role in the attempts to break the PSB monopoly" (Bens & Petersen 1992: 158). Since 1983 central government and the regional governments have increased the number of licences for radio stations; this has led to a strong growth in radio programming in Spain.

Radio broadcasting today is regulated by the 1987 law of telecommunications (LOT), which allowed the coexistence of public and private

radio stations (FM and AM). Apart from the private national networks there are regional radio stations in FM connected with the regional government as well as some private regional networks. The LOT of 1987, however, established limits regarding ownership concentration among privately owned stations as well as foreign participation, which is accepted only in limited proportion.

The most important radio networks are integrated in multimedia groups, but there are also some national, regional and local radio stations not connected to multimedia groups. Spanish radio networks are exceptionally complex, with the state, churches, trade unions and private companies operating large facilities. The main networks are:

RNE (Radio Nacional de Espana) which is owned by RTVE. It has one AM and four FM networks, one of which broadcast different programmes in each region.

SER (Sociedad Espanola de Radio diffusion), which is the oldest; it is privately owned and is financed entirely through advertising; the main shareholder is PRISA.

RCE (Radio Cadena Espanola), which is state owned and is funded through licence fees as well as advertising.

COPE (Cadena Ondas Populares), which is owned by the Catholic Church and is funded through a combination of advertising and licence fees as well.

Cadena Iberica.

Onda Cero Radio.

Antena Tres etc.

3.17 THE CREATION OF REGIONAL AUTONOMOUS NETWORKS

PSB in Spain, as in France and Italy is still characterized by strong politicization, although less than in the Franco period or in the period between Franco and the Socialists. The debate has always centred on PSB impartiality and the extent to which it satisfactorily fulfils those tasks assigned to it by the law. Even after the advent of the Socialists to power in 1982, who had promised democratisation of broadcasting, TVE continued to enjoy its monopoly position remaining highly politicized, as the government continued to appoint the DG and the majority of the members of the Administrative Board were representatives of the party in government and showed more interest in the politics of broadcasting than in programming standards. "Television Espanola continued to be government controlled rather than state television and was still fairly politicized,

the hoped - for democratisation which would have characterized a true state television system thus never materialised" (Escobar 1992b, 246)

In 1983, however, the Socialist government of Felipe Gonzalez, with its advent to power, made a major innovation: the Third Channel Law (10th of January), allowing the autonomous communities to create a channel in their region under the same charter as RTVE and accountable to the regional parliaments. Basque Country and Cataluna had started their channels illegally before the law was passed. These communities had also created their own radio stations. The main reasons behind this policy were connected with concerns for the promotion of the special needs of every individual community (culture, language etc.) as well as to stimulate work opportunities. After the Basque Country and Cataluna, other regions followed: Galicia, Madrid, Valencia and the Canary Islands in 1984, the Balearics and Navarra (1985), Aragon and Andalucia (1987) and Murcia (1988). With the Third Channel Law the centralised national monopoly was broken by public alternatives. These regional channels (the so-called Third Channels) were seen to be very important for the cultural politics and programme strategies as well as for their advertising revenues.

These regional corporations were to be governed by the same structure as RTVE; by an Administrative Council, an Advisory Council and the Director General. However, that meant they depended to a great extent on the political parties involved, as the DG is appointed by the regional government and the respective Administrative Board represented the political make-up of the regional parliament. The autonomous channels are financed by state subsidy as well as by advertising revenue which has been substantially increased the last few years. This factor has not led to a cultural service for the regions, but the introduction of severe competition. Thus the television model shaped and moulded by advertising interests is as strong in autonomous television channels as it is in TVE. "The avidity for higher advertising income shown in declarations made by directors of regional television stations who do not hide their aspirations to be totally or almost totally financed in this way". (Bustamante 1989: 74).

The regional networks have already pursued a rapid expansion of broadcasting time and audiences deriving higher advertising income, without hesitating to go even beyond their administrative and cultural limits. The result is that they have lowered their standards and betrayed the purpose on which they

were established, which was to serve the needs of their regions. Surveys show that the autonomous networks have reduced their own productions and that they mainly transmit foreign programmes at peak time (Escobar 1992).

Following this policy they have managed to attract a significant share of the audience; however they have not offered an alternative TV model to the Spanish audience, but the same commercialised pattern as TVE itself. The result of this policy was that strong competition started between central television (TVE) and the autonomous channels, which continued even after the introduction of private TV. In fact the autonomous channels became second-class channels copying the structures of central television due to the fact that TVE had priority for transmitting various types of programmes and events as well as more experienced personnel. The result then was a savage competition which led to homogenisation of programming rather than to a creative decentralisation. The regional channels did not offer a credible alternative to RTVE as expected, but they added to a multiplicity of small scale copies of the original model of the central TV.

3.18 PRIVATE TV

The struggle for the creation of private TV stations began with the democratic transition itself. From 1976 companies started to push for private TV, having the support and the backing of advertisers, press associations and private industry. Pressure for the introduction of private TV in Spain was started mainly by the Press. "The first application for a franchise to operate a private television channel in Spain dates back to 1976 and was made by a company set up by Prensa Espanola - the publisher of a Madrid daily, ABC, and other publications - and the Prensa Castellana SA - the publisher of another Madrid daily, Informaciones". (Fernandez 1988: 32). Also, in May 1981 the Sociedad Espanola de Radiodifusion SA (SER) asked for a franchise. Other groups also submitted applications for a franchise.

There were also several attempts through the courts. The most obvious was the case of Antena 3. The company was composed, amongst others, of the following personalities: Javier Godo, manager of the Barcelona daily La Vanguardia; Antonio Asencio, Chairman of the publishing group 'Z'; Jose Mario Armero, president of the Europa Press news agency; Rafael Jimenez de Parga, a university professor, and Manuel Martin Ferrand, the Director of Antena 3. A3, after failing to persuade the government to grant a national channel, took the

case to the Constitutional Tribunal in 1981. In May 1982 Antena 3 reappealed to the Tribunal Constitucional; the decision was that private TV was not necessarily allowed by the Constitution, although it was also not constitutionally forbidden. Therefore, the Court concluded this was a matter of governmental policy. The same ruling was repeated in January 1983 in the case of local and cable television.

After this historical ruling the PSOE started to abandon its objections to commercial television. The deregulation of Spanish broadcasting was virtually completed when the PSOE put before the Congress of Deputies the Bill which was adopted in December 1987. Subsequently the law passed by the Senate in March 1988 and published in the Official Gazette two months later (May 1988). The Ministry of Transport, Tourism and Communications became responsible for drafting and submitting the National Technical Plan for Private Television to the government. The franchises would be granted through public tender, approved by the Congress of Deputies.

The law authorized the operation of nationwide TV channels. A new era was opened in Spanish audio-visual sector. As in the case of France, the Spanish Socialists' deregulatory policy was in contradiction to their ideology. It is worth noting at this point that the Socialists while in opposition indicated their objections to private television - in 1978 the PSOE regarded television as a public service and did not envisage setting up private TV in Spain; on the contrary it was in favour of a public television service, under parliamentary supervision - however, when they came to government their attitude changed in favour of private TV, under the circumstances. The need for adaptation to a society dominated by market forces led the Socialist party to bow to a neo-liberal ideology and practice.

The law, however, imposed certain conditions, which must be fulfilled by the franchisees. Some of the most important are the following:

1. Restriction of the ownership stake of private stations to 25% to each franchising group.
2. Demand for broadcasting state-related items.

3. Minimum quotas for Spanish and Community productions. The programmes broadcast must respect the following percentages, which are cumulative: a) 15 % own production, b) 40 % of production originated in EC countries. Moreover, 55 % of programming is to have Spanish as the original language. Also, 40 % of the commercial films broadcast per month must be of EC origin and 50 % of these must be original Spanish-language productions.
4. Each franchisee will have to broadcast a minimum of four hours a day and 32 hours a week.
5. Advertising may not exceed 10 % of total annual programming hours, nor more than 10 minutes of any programming hour.
6. Finally, the franchisee must store all the programmes it broadcasts and record all relevant data on them, as well as their source and details of production, for a period of six months after their first transmission, in order to facilitate inspection by the competent authorities and consultation by individuals in accordance with the regulations governing this matter.

However the law did not create an independent regulatory authority to monitor of broadcasting and grant licences and these crucial powers remained in the hands of the government. Thus Spanish broadcasting remained politicized.

The stronger applicants for the franchises mainly had connections with the press and publishing and the vast majority of them had the financial backing of the banking system. According to Mateo and Corbella (1992: 204):

The immediate consequence has been the regrouping of the large Spanish media groups that already present a high degree of concentration; the large radio networks are already linked to the large Press groups. Press companies want to have a powerful position in radio and in television through the creation of multimedia conglomerates.

Concentration and multimedia integration (press- radio - TV) ie. PRISA, ABC etc. became a reality. Another consequence has been the emergence of foreign multimedia groups into the Spanish audio-visual business, of course within the limits set by the law. Names like Berlusconi, the French C+ and

recently Murdoch are getting involved in the new deregulated Spanish TV market.

Of the five private applicants for a television licence, three companies were selected. The licences were awarded in 1990, initially for ten years to Tele-5, A3 and C+. In Tele-5, Berlusconi has a share (25%); other shareholders are ONCE (National Blind Organisation) and the financier J.Dela Rosa. This channel has access to the resources of Fininvest - programming - production facilities and advertising sales. C+ is a subscription channel, whose main shareholders are the French C+ and the PRISA Group (publisher of El Pais, which is also owner of the Radio network SER and also has business in other sectors). A3 and Tele 5 have already reached over half of Spain's receivers. A3 has among its shareholders A3 Radio, the Godo Group (publisher of La Vanguardia) and Prensa Espanola (publisher of ABC); however, Murdoch recently has entered the game.

He has teamed up with leading Spanish publishing group Zeta to take a 22% stake in A3. And the two have joined forces with 18% shareholder Banesto Bank in order to gain a 40% controlling interest in A3" (Broadcast 19/6/1992).

The distribution of the private channels depends on the Retevision network (an organisation established by the government for the management of the public technical television network); a 80% national coverage is planned for 1995. The law does not permit local television, but since 1980 this kind of television has been developed in many areas. Today there are about 150 channels. These channels are in general non-profit institutions and in some cases they receive economic support from the local government. All these channels restrict their programmes to local and cultural information. It is important to note that just as in the case of the local radio, it is the municipal authorities which lend their support to local TV.

Additionally, during the late 1980s a peculiar phenomenon emerged in Spanish audio-visual territory, the so-called 'community video'. This is a system of transmission by cable from a central video-player covering whole neighbourhoods and exclusively broadcasting films. "Spain's notorious 850 'community video' networks are run by around 450 companies and reach about 900,000 subscribers". (Screen Digest Dec.1989). This phenomenon has spread more due to the approval of the Supreme Tribunal, which has resolved that 'community video' is protected by the Constitution.

3.19 INCREASE OF COMPETITION AND IMPORTED ENTERTAINMENT

The new multichannel situation has created a new audience map, and all the networks and stations are increasingly guided by the ratings. As all channels depend on advertising income this fact has forced public and private channels to choose programmes likely to attract a large audience; light entertainment (films, series and sports). "We hardly find cultural programmes and never in prime time. There is no difference between the public or the private programming policies" (Mateo and Corbela 1992: 203).

The two national public channels, which once commanded the attention of all available viewers, have experienced a progressive decline in their audience shares and hence also in their advertising income. Tele 5 and A3 managed to gain 20% of the advertising investment which had previously been destined for TVE and also a share of the audience, although they reach only 70% of the audience.

TABLE 3.2
AUDIENCE SHARE (%) (TOTAL: 26,362,000 VIEWERS)

CHANNELS	OCTOBER 1989	JULY 1990
TVE1	63.75	52.4
TVE2	21.3	19.3
REGIONAL	16.4	14.7
PRIVATE		11.4
OTHERS	0.3	0.5

Source: R.Mateo & M.Corbella (1992) in B.Ostergaard (1992)(ed) 'The Media in Western Europe'. London: Sage.

"With an audience of over 50 per cent in peak time for the two channels combined, they still hold the lead, but their financial situation is weakening" (Escobar 1992: 16). As a result the national public broadcaster was faced with the same dilemma as the French and Italian public service broadcasters: to fight for the ratings or to keep the PSB standards of programming.

It was evident that the economic health of public television would depend on its ability to attract as large audience as possible, and that it could only manage this by showing a popular range of programmes

which could compete with the commercial channels, that is by fighting them on their own ground (Escobar 1992b: 251).

The criterion of commercialisation applies equally to PSB as to the private TV channels, since so much of the state channels' revenue comes from advertising. "Both public and private television companies have increasingly relied on appeals of violence and sex" (Escobar 1992: 179). The appearance of the autonomous as well as of the private channels seems to have led to a certain loss of identity and financial anxiety among the public service channels. Clearly, TVE, a traditional public institution, fully adopted the commercial financing pattern without any previous debate, which could have helped to clarify the consequences of such a decision, both for public television and for the wider Spanish audio-visual scene.

What needs to be highlighted here is how economics take priority over the idea of public service. This priority arises from the growing importance of advertising, both in quantitative as well as qualitative terms. The amount of advertising time on TVE is one of the highest in Europe. "In fact between 1976 and 1986 the number of hours per year used by advertising almost doubled from 267 to 509". (Bustamante 1989: 72). In addition many regional centres for local advertisers opened.

Alongside with a quantitative boom in advertising time, we must consider the sponsoring of programmes, sports, weather forecasts as well as indirect forms of advertising such as in quiz games, where the products shown on the screen are brands selected after very high payment. In the last few years a rapid increase in broadcasting time has taken place in Spanish broadcasting from morning broadcasts to late night transmissions. In 1988 TVE planned to broadcast on both channels uninterruptedly on a basis of 24 hours per day throughout the week. There is a wide range of reasons for this growth. The main reason, however, is the need of the public organisation to meet competition with the private channels. Thus it is opening up new space for advertisers and increasing advertising revenue.

In general, if we look throughout the development of TVE we see a shift to entertainment programmes at the expense of educational and informative ones. State TV applies commercial techniques; the result is the overemphasis on films and series. "In the battle to increase the audience, both the commercial channels

and state television have started to offer programmes which to say the least, border upon the pornographic" (Escobar 1992: 252).

TABLE 3.3
TOTAL AND PRIME TIME PROGRAMMING (%) - JANUARY 1991

	<u>POPULAR</u>		<u>SERIOUS</u>	
	TOTAL	PT	TOTAL	PT
PUBLIC	62	74	38	26
PRIVATE	74	83	26	17

Source: Bens et.al. (1992) in K.Siune & W.Truetzschler (1992), 'Dynamics of Media Politics'. London: Sage p.84.

TABLE 3.4
INFORMATION PROGRAMMES ON SPANISH TV CHANNELS (%)

PUBLIC	TVE1	16
PUBLIC	TVE2	5
COMMERCIAL	A3	9
COMMERCIAL	TELE-5	3

Source: Bens et.al. (1992) in K.Siune & W.Truetzschler (1992), 'Dynamics of Media Politics'. London: Sage (p.86-87).

Moreover, the percentages of foreign productions are increasing in relation to total transmission time. The tendency to increase television imports is certainly an indicator of the degree of internationalisation of media markets as well as of the commercial policy that the Spanish Socialists have adopted since their advent to power. Imports have risen from the level of 31% in 1982 to 39.34% in 1986. "On the Spanish channels half of the series are American: 49% for PSB, 59% for the commercial stations" (Bens et.al 1992: 93). The same happens with the movies (see table 3.5). Consequently TVE's own film production has been

reduced in the last decade.

TABLE 3.5
ORIGIN OF MOVIES (%) - JANUARY 1991

	HOME	TOTAL FOREIGN	EUROPE	US	OTHER
PUBLIC	19	81	32	43	6
PRIVATE	17	83	32	43	8

Source: Bens et.al. (1992) in K.Siune & W.Truetzschler (1992), 'Dynamics of Media Politics'. London: Sage p. 86-87.

3.20 CONCLUSION: ASSESSMENT OF A 'MEDITERRANEAN MODEL' OF SOCIO-POLITICAL TRADITION

French, Italian and Spanish broadcasting systems before the recent deregulatory structural changes had undergone a highly regulated monopolistic tradition. The main common characteristic of these states' broadcasting system was the close relationship between the audiovisual sector and the state. Even the French broadcasting system, which had had elements of a mixed economy since at least the second world war, was different as far as decision-making was concerned. It was until 1981 a state monopoly which was highly centralised and closely controlled by the government.

In the broadcasting systems of all of these states, (like in the Greek case), general programming output was always dominated and controlled by the central government with only minor attention paid to the needs of the periphery. Television was used for partisan ends by the government of the day, as a tool for electoral and ideological manipulation of the audience. Political rather than professional factors determined the appointment of Director Generals, managers, and generally any key persons in the administration hierarchy of the broadcasting apparatus of these states. The control and influence of the state was predominant.

In addition to this similar paternalistic tradition, the deregulatory developments in these states are centred around comparable norms, which are as follows:

1. Disengagement from Governmental Control

In Mediterranean states, because media had to accommodate themselves to authoritarian rule and paternalistic oppression, one of the main reasons behind broadcasting deregulation was tight governmental control and interference. In these countries deregulation resulted less from economic and technological causes than from a political and ideological movement, linked in large part to the heavy paternalism of the past; the discovery of the market came only afterwards.

2. Politicization

Politicization has continued after deregulation in both, public and private channels, as governments retained political control of the public channels and the

private broadcasters became engaged with the political establishment. For instance, broadcasting has long been highly politicized in France with government interference, centralisation and excessive bureaucracy. This pattern seems to continue even today. On each occasion, the opposition suspected that the regulatory body (HA, CNCL and CSA), would be indirectly controlled by the government; they saw each major decision of the regulatory bodies as proof of this suspicion. The degree of liberation of the audiovisual sector in France was doubtful, as the state continued to loom large in the background; examples are the partisan make up of the HA and the CSA as well as the case of awarding the channels to political friends and sympathisers. Politicisation of broadcasting was also continued by the Right during the cohabitation period with the awarding of the channels to political friends as well as the appointment of right-wingers as DGs in the PSB organisations. Politicization also continued in Italy, where the political control of the state channels is shared between the three main political parties. Also in Spain despite agreement in principle, after the restoration of democracy that broadcasting should be democratized, in practice PSB remains dominated by the government of the day.

3. Commercialisation and Americanization of Programming

The new system is directed towards the market model; large communication companies and commercial television dominate the market with increased competition, commercialisation and chasing of the ratings. Inevitably, feature films, repeats and American series fill the schedules. Commercialisation and Americanization of programming is becoming identical on all channels. The proliferation of channels has resulted in similarity and uniformity in the name of ratings; additionally cultural programmes have been ghettoised after 10pm. One of the consequences of this competition was the rapid increase of light entertainment, mainly imported, (particularly in prime time) and a related decline in cultural and educational programmes as well as in the domestic media production industry, which however has started to be revived recently.

Certainly, the broadcasting systems of France, Italy and Spain have similar norms with the Greek broadcasting system. These states like Greece have undergone comparable kinds of development in their broadcasting systems. However, these embodiments of development and change were not accidental, but they were the outcome of the 'Mediterranean model' of political tradition. These common facets of development and the structuration of similar rules should

be seen in the light of congruent historical and traditional norms.

It seems that the cases of France, Italy and Spain are comparable with the Greek case because of their analogous norms of political tradition which had led to similar kind of change. Assessing the existence or possibility of a 'Mediterranean model' of political development there can be no absolute examples, because there are various characteristics which are unique to these countries. In constructing such a model I have not attempted to make precise comparisons but to show that the occurrence of similar development of socio-political features lead to equivalent regimes. Communications policy therefore cannot be divorced from political history and tradition. Although, there are differences between these states, it has to be admitted that, the core elements of their political culture and tradition pivot around similar axes. It is these common axes that caused similar developments and thus it is because of their similar socio-political tradition that these states should be examined together within the same grouping. References so far in the literature to comparative perspectives have suggested there is something intrinsically different about Mediterranean politics despite points of convergence with other Western European democracies.

Political culture in the 'Mediterranean model' is based on common features as these states endured a common background of authoritarianism, clientilism and corporatism with inefficiency of political and bureaucratic structures and extreme government 'overload'. "It is precisely on these same grounds that the 'Northern model' is traditionally contrasted with such a 'Mediterranean model' although the essential differences between the various sub-areas of Western Europe may well have become more relative than absolute" (Pridham 1986: 10).

Certainly, examining the historical dimension we observe a distinction between the political-institutional structure and the formation of political culture between the 'Northern' and the 'Mediterranean model'. The main difference between the political features of the Northern and the Southern European states should be researched in historical terms. It has been argued (see Mouzelis 1993) that the Northern European states, due to their early modernisation and industrialisation, formulated earlier a politico-administrative national structure, which originated a more liberal political system. This difference is very significant because it determines the national culture as well as the national

identification that the individuals have with their nation-state. Indeed, in the Northern European countries the state was obliged to take into the account the already shaped socio-political and economic reality, whereas in the case of the Mediterranean states these kind of obligations/restrictions were not existent and thus the state could emit freely its reign.

To further our argument, one has to look at the issue of rational administration characterising industrialisation from the aspect of mutual availability of trust between the citizen and the state (for more information see Giddens 1990; 1991). In a sense industrialisation and technological development contribute efficiently in creating spaces for situating the differences into a common world with less coercive forms functionalising the segments of the society within the modern nation-state. It is a trust which from the possibility of time space conversion can formulate vulnerability to non conflictual density and harmonious interstices.

The connection between cultural/ideological and politico-economic structures were less strong in the Mediterranean states than they were in the Northern states. More specifically the states that encountered the industrialisation path later have established a different sort of nation-state. In the Mediterranean case the 'modern' elements did not manage to *marginalise the 'traditional' ones*. They simply managed to coexist with them in an unstable balanced reciprocity. Thus, at the political level, the state could not 'possess' empowerment to repress the old liabilities of authoritarianism, taking the form of paternalism, corporatism, clientilism etc., which were the dominant normative rules structuring the resources of dominance in the pre-industrial era. In other words the acknowledgement of civil rights to the whole population was limited and the incorporation of the population to the centre occurred in a vertical and authoritarian mode.

Similar procedures are also observed at the economic and cultural levels. According to Mouzelis (1993: 34):

In the economic level, the development of the capitalist mode of production although it created a unified national-economic area, it did not accomplish to extinguish or rationalise the pre-capitalist production modes, and that resulted in the failure of spread of civil rights to the low strata of the population.

Certainly, the right-wing rule, authoritarian or democratic, which was established during the access of these states into the capitalist era, was tainted by an association with discriminatory and authoritarian practices. There existed a political culture based on the systematic denial of political opponents, clientistic favours and blind adherence to the status quo. Thus, in these states we observe that there has remained a mixture of traditional and modern attitudes.

In summary, in the Mediterranean states, mainly due to their relatively late advent into industrialisation, the economic and political incorporation of the citizen into the nation-state occurred in such a way that it prevented the wide granting of political and socioeconomic rights to the low classes in comparison with the Northern states.

It has to be admitted that France does not fit comfortably within this 'Mediterranean model', as it became industrialised earlier than the other states. However, most of the characteristics of the 'Mediterranean model' (i.e. centralism, bureaucracy, clientilism) also exist in France, although in a lighter form, having their roots in the political history of France. Historically this can be explained by the fact that France traditionally has witnessed a caesarian democracy based on ideological authoritarian fashions, which left its traces strongly in the internal socio-political space (see Tunstall and Palmer 1991, Forbes 1983). Because of this form of Napoleonic rule that is established on an extreme centralised control, France could be fitted within the same grouping of political culture with the rest of the Mediterranean states with control and censorship. Going back historically at the time of Napoleon and Louis Napoleon authoritarianism was achieved via overall control of the dominant 'media' of the era: the press. Their techniques were followed by their successors. Even under the Fifth Republic, control and centralism endured. Traditional mentalities and powers fashioned over a long time period could not change overnight.

Furthermore, although France entered the era of modernity earlier than the other Mediterranean states, most economic historians agree that France industrialised later and less completely than Britain and Germany. The development of communications and transport, for instance, which are significant indicators of the degree of industrial modernisation, remained in stagnation. As Tunstall and Palmer (1990: 92) argue, "Communications were not a high priority in post-war reconstruction: France lagged behind Britain in building TV

transmitters and relay stations or in installing telephone switch exchanges". That contributed to geographical and economic fragmentation. Successive governments therefore invested much in ideological unification in an attempt to counter such fragmentation and regionalism and to create a national identification for the citizens. This was to be achieved through a number of measures and policies (i.e. national primary education, media etc.) in order to achieve loyalty of the citizens to the Republic. This resulted in the reinforcement of authoritarian practices and centralism. Indeed the 1950 saw the nationalisation of political culture. Centralisation was reinforced and provincial elements became remote. Control over political institutions was achieved which is equally true today. In short, the state in France was the driving force in creating channels of control and establishing a civil service tradition and this resembles the 'Mediterranean Model' of political culture. This had also an impact on the media institutions, which came under the control of the central government in a view of reinforcing national identity.

We should note that the earlier industrialisation of France, compared to the rest of the Mediterranean states, did not manage to establish in France the type of the liberal system that was developed in the Northern European states. This was because traditional elements persisted. For instance, in a comparison of France with Britain, Tunstall and Palmer (1990: 315) point out that, "in many aspects of communications and information policy, France and Britain differ sharply. The government apparatus and political traditions are distinctive. In such areas as telecommunications or broadcasting policy, Franco-British contrasts in recent history are quite dramatic". The difference is prominent even in the recent deregulatory policies of Chirac (1986-88), where Chiracian deregulation while accelerating the creation of a popular shareholding democracy in the Thatcherian mould did not reduce state intervention on key sectors. France's earlier industrialisation, however, contributed to the fashioning of a political culture which although containing many elements of the 'Mediterranean model' is more moderate.

Summarising our analysis, in the 'Mediterranean model' due to a late entry into the process of industrialisation the 'traditional' was not marginalised and thus old practices remained in a reciprocal relation with the 'modern' elements. The continuing of old practices cemented a political culture and civil service tradition different to that of the 'Northern model'. This had features of

authoritarianism whereby the state acquired uncontrolled socio-political activities taking the form of intervention and paternalism in all spheres of political life, and was based on a huge centralised bureaucratic apparatus in order to ease control. Arbitrariness and clientilism were also on the agenda as well as appointments in the civil service according to political and clientelistic credentials. Broadcasting was an extension of this civil service tradition. It became therefore obvious that recent developments in the field of broadcasting in the Mediterranean states followed comparable routes, not contingently, but a deterministic result of their socio-political tradition.

CHAPTER FOUR

INTERDEPENDENCE AND INTERNATIONALISATION OF BROADCASTING AND THE EC BROADCASTING POLICY

4 1 INTRODUCTION

Before we proceed to our analysis of the theory of interdependence and the EC broadcasting policy it is essential to stress that the recent deregulatory trends and policies in Greece are part of the new phenomenon of internationalisation. Greece as a member-state of the EC is part of the European integration and its policies and developments are influenced and affected by the whole process as well as by the normative rules and formulations of the EC. Although developments in Greece also resulted from internal factors and causes and from domestic decision-making since the nation-state still exercises independent policy-making, the notion of sovereignty of individual member-states of the EC has been abated, at least concerning the internal/external affairs.

Greece as a member-state has to abide with the general goals and policies of the EC as expressed in regulations and directives. Prominent decisions concerning matters of strategic importance such as the economy in essence are no longer taken by national parliaments since national governments must take into the account the EC strategies for convergence. For instance, although political parties in Greece propagate different economic policies in their electoral programmes, in practice they can only slightly diverge as the essence of the formulation of their policy must take into the account the convergence programme of the EC. Certainly, national policy-making regardless of its political shade is filtered by Brussels and thus the margins for materialising a

totally independent policy are substantially reduced. Sovereignty is increasingly becoming an illusion in many policy aspects. No Greek government, for instance could diverge substantially from the EC lines, risking the future of the economy or isolating the country from European developments.

Broadcasting policy is part of the whole process and today we are witnesses to developments and evolutions that prove the *unchallenged character and superiority* of the EC law. Specifically, although the Greek administration attempted in 1989 to prevent the operation of TV100 (the TV station of the Municipality of Salonika), as according to the national (domestic) law it was violating ERT's monopoly, the ECJ came with its ruling (C-260/1989, Judgement 18/6/1991) to legalise TV100, as it found ERT's monopoly on satellite retransmissions against the Treaty of Rome. *In such a way it acknowledged (the already existing) deregulation in the Greek broadcasting arena.*

Clearly, today we are observers of an increasingly changing environment, where internationalisation and interdependence are becoming the main tendencies of our era. Greece is within this era and process and is experiencing the wave of change and transformation in many socio-political and economic aspects. Broadcasting is one of the activities under focus. It is imperative therefore to give an account and analysis of these new phenomena of internationalisation and interdependence as well as the EC broadcasting policy as the EC is increasingly becoming the core organisation in formulating a wide range of socio-political and economic activities.

4.2 THE CHARACTERISTICS OF INTERDEPENDENCE

Technological progress has resulted in the internationalisation of investment and production, causing national policy, in many sectors, to lose effectiveness. The above fact is also applicable to broadcasting where the new technologies have eroded state boundaries, making state monopoly on broadcasting a thing of the past and the nation state unable to regulate broadcasting matters autonomously. Broadcasting regulation today requires organisation at an interstate level. With the new technological innovations states become more interdependent and a close interdependence occurs today among states in broadcasting matters. An obvious example is the EC, where broadcasting is now regulated at the European level. For instance, EC member states, (in our case

Greece), can no longer regulate their broadcasting system in isolation.

For the above reasons it is appropriate to give a brief analysis of the main characteristics of interdependence theory. The first part of this chapter deals with a framework of interdependence theory and how it fits into communications, whilst the second part gives an account of European intergovernmental broadcasting policy, focusing on EC broadcasting policy.

According to the traditional realist theory states are coherent units which are the dominant actors in world politics. Transnational actors either do not exist or are politically unimportant. The world is characterised by active or potential conflict among states with the use of force possible at any time. In recent years, however, new keywords and expressions have been added to the terminology of politics such as 'interdependence' and 'internationalism'. Interdependence theory is coming to challenge realist theory offering a new theoretical perspective of world politics, in which a clear hierarchy of issues does not exist and in which military force is not an effective policy.

Many reasons can be put forward for the diminishing role of the use of military force in recent times. First of all, the international regime has changed, particularly during the last thirty years, with technological and economic advances; world trade has grown as well as national production in most countries of Europe and North America. Foreign investment and overseas production have grown even faster.

According to Keohane and Nye (1977: 40):

Behind these changes lie remarkable advances in transportation and communications technology, which have reduced the cost of distance. Using communications satellites the cost of telephoning a person 12000 miles away is the same as that of telephoning someone much closer. Supertankers and other innovations in shipping technology have reduced the cost of transporting goods. And over the same period, governments have been drawn into agreements, consultations, and institutions to cope with rapidly expanding transactions.

Governments responding to domestic demands gradually lose autonomy entailed in interdependence. Reluctantly they permit economic interdependence to grow, and they are drawn into cooperating in the construction of new international regimes by creating integrated policies. Clearly, dynamic change,

initiated by technological innovation and sustained by continuing advances in communications and transportation, has brought new associations and organisations into the political arena and the efforts of these new entities to obtain external resources have extended the range and intensified the dynamics of world affairs. Societies are becoming increasingly dependent on each other.

According to Keohane and Nye (1977) (the main representatives of interdependence theory), interdependence has three main characteristics: (1) Multiple Channels, (2) Absence of Hierarchy among Issues and (3) Minor Role of Military Force.

Let us now give a brief analysis of the above characteristics.

1. Multiple channels

Multiple channels connect societies including informal ties between governmental elites as well as formal foreign office arrangements, informal ties between non-governmental elites (face to face) and through telecommunications and transnational organisations (such as multinational corporations, international banks etc.). As the scope of government's domestic activities has broadened and as corporations, banks and trade unions have made decisions that transcend national boundaries, the domestic policies of different countries depend on one another more and more. Transnational communications reinforce these effects. These channels can be summarised as interstate, transgovernmental and transnational relations. These actors are important, not only because of their activities in pursuit of their own interests, but also because they act as transmission belts making government policies in various countries more sensitive to one another.

2. Absence of hierarchy among issues

Military security does not consistently dominate the agenda; the military role, which traditionally dominated the agenda of world politics is no longer the first in the hierarchy. Other important issues have emerged such as economics, energy, resources, environment, commerce, health, education etc., which have ousted military security from the top of the agenda. The extensive consultative arrangements developed by the OECD (Organization for Economic Cooperation

and Development) as well as the GATT (General Agreement on Tariffs and Trade), IMF (International Monetary Fund) and the European Community, indicate how characteristic the overlap of domestic and foreign policy is among developed pluralist states.

3. Minor role of military force

Military force is not used by governments towards other governments within the region or on issues when complex interdependence prevails. Particularly among industrialised pluralist states the perceived margin of safety has widened. Fears of attack in general have declined and fears of attack by one another are virtually nonexistent. During the last few decades economic instruments within the monetary issue area or in related areas have been more useful than force at an international level. Military force could, for instance, be irrelevant to resolving economic issues between members of an alliance (i.e. EC). However, it can be important for the alliance's relations with governments outside the region or in other affairs (i.e. the case of the Gulf crisis). Clearly, in North-South relations, or among Third World countries (as well as until recently in East-West relations) force is often possible. However, the use of *force has costly effects on* nonsecurity goals and in Western democracies popular opposition to prolonged military conflicts is very high. So the use of military force has been reduced.

According to the interdependence theory we are proceeding to the internationalisation of production and investment. For the first time in history, production, marketing and investment are being organised on a global basis. The national economies have become enmeshed in a web of economic interdependence from which they cannot easily escape and from which they derive great economic benefits. The national goals (employment, regional development etc.) can only be achieved through participation in the world economy. The well-being of the governments depend upon the benefits provided by a liberal world economic system.

Governments, in order to improve their chances of success, attempt to form alliances with other governments. An example of transgovernmental organisation is the European Community, where governments as allies try to promote their interests. In a world of multiple issues the potential role of international

organisations in political bargaining is greatly increased. Governments must organise themselves to cope with the flow of business generated by international organisations. By bringing officials together, international organisations help to activate potential coalitions in world politics. Governments are following a process which gradually leads to new regimes and forms of transnational economic activity. Quite evidently, governments continually sacrifice part of their national sovereignty in order to achieve economic efficiency, security and other values in policy decisions. In complex interdependence the outcome of political bargaining is affected by transnational relations.

With the internationalisation of investment and production, the multinational corporations have become the dominant players of the game. "Multinational corporations may be significant both as independent actors and as instruments manipulated by governments". (Keohane and Nye 1977: 34). As Gilpin (1975) explains, in the interest of world efficiency and domestic economic welfare, the nation state's control over economic affairs will continually give way to the multinational corporation, to the Eurodollar market and to the other international institutions better suited to the economic needs of mankind.

Interdependence theory provides us with a useful model concerning politics. Its usefulness, however, is not absolute, because it can not be fitted to every single case of world political affairs. It is though a useful model for many cases where the model of the realist theory is not fitted. Complex interdependence does not always faithfully reflect world political reality. Quite the contrary: both it and the realist model are ideal types. Most situations will fit somewhere between these two models. Sometimes realist assumptions will be accurate, but frequently complex interdependence will provide a better portrayal of reality. Before deciding which explanatory model to apply to a situation or problem, it is necessary to understand the degree to which realist or complex interdependence assumptions correspond to the situation.

In practice, interdependence takes many different forms. In some cases interdependence has been formal while in others informal and partial. Its effectiveness has varied in different places, in different issues and at different times. On more selective issues, or on a more specific regional level, interdependence has been developed; examples are the OECD and the EC respectively.

Yet, although overall global integration is weak, specific international organisations often have important effects on interdependent relationships that involve a few countries or involve many countries on a specific issue. Furthermore, some changes have been rapid and dramatic, whereas others have been gradual. A closer interdependence exists between Western European countries, where each state really depends upon another. Examples are the European Community and the Council of Europe.

4.3 INTERDEPENDENCE AND COMMUNICATIONS

Clearly, the model of interdependence theory can be applied on specific global issues as well as on specific regions. Interdependence theory, for instance, is a quite useful model for communications policy because it explains many of the communications affairs we are dealing with; especially broadcasting policy in the EC.

As far as communications policy is concerned, a relevant state of co-operation exists between countries on a global basis, where international bodies cooperate on specific issues as well as in specific regions, like Western Europe. In communications policy specifically the main international/intergovernmental bodies could be classified, according to McQuail and Siune (1986: 28), under two main headings, depending on the affairs they deal with to: 1) Technological bodies, such as the International Telecommunications Union (ITU) and the European Space Agency (ESA) and 2) Non-technical bodies, such as the European Community, the Council of Europe (CoE), UNESCO, World Intellectual Property (WIPO), European Broadcasting Union (EBU) etc.

As far as global interdependence of communications is concerned, the ITU was the first intergovernmental technical body to deal with matters of the distribution of earth resources and satellite broadcasting at an international level. Developing countries, have recently promoted their demands in the ITU¹ and

¹ The ITU was established in 1865 and today has over 160 member states. Its principal objective is to maintain and extend international cooperation in all areas of telecommunications. In 1947 the ITU became a specialised agency of the UN. One of its most important functions is the Administrative Conferences concerning telecommunications issues. Usual representatives at ITU's WARC's are international bodies such as EBU, ESA, INTELSAT etc. WARC '77 was attended by 600 delegates from 111 states.

have achieved many goals. Indeed in 1977 for first time, a large number of Third World countries attended the WARC (World Administrative Radio Conference) of ITU and brought with them a general demand for equity and long lists of specific requirements for spectrum space.

4.4 INTERNATIONALISATION OF TELEVISION - THE NEED FOR REGULATION AT EUROPEAN LEVEL

Alongside the process of deregulation which is taking place at a domestic level in various European countries, television is also faced with a process of internationalisation. This process became possible, mainly, with the introduction of the new communications technologies of cable and satellite²; communications satellites have made it possible to set up today many transfrontier services in Europe.

The internationalisation of television takes many forms: transfrontier broadcasting, international cooperation, capital investment of large powerful groups in various European broadcasting services; the effort to create a European advertising market and finally the development of EC co-productions.

This developing process of internationalisation of television broadcasting also takes place across the frontiers of the EC member states; the whole of the European Economic Community is gearing up for this integration. "Businesses from all over the world are being encouraged to take a new look at Europe, and assess the opportunities to be had in a market of 320 million people without internal barriers. The television industry, with the additional impetus of technological developments in satellite broadcasting, has shown a particular interest". (Flint and Hart 1989: 14).

According to Negrine and Papathanassopoulos (1990: 44), "the internationalisation of television and the expansion of television markets have intensified the need, and the demand, for certain kinds of coordinated action between countries, particularly in Europe. with regard to broadcasting regulations of both a technical and programming kind". The involvement of international organizations, into the broadcasting field was inevitable for the coordination and cooperation between states. As far as technological

² However, transfrontier broadcasting can also take place through re-transmission of satellite programmes on terrestrial frequencies (Greece).

developments and satellite broadcasting are concerned there is a cooperation and exchange of new technology, information, culture etc. between European states. There are equal opportunities between governments with the exchange of information enabling these states to learn from one another which in itself is very useful.

An obvious example is the European Broadcasting Satellite Service, a communications network in which signals are transmitted and retransmitted by space stations and are intended for direct reception by the public. In the early 1970s ten leading European countries decided, after mixed experiences to set up a new central body called ESA (European Space Agency). It has developed several successful aerospace projects including (1) Spacelab, mainly financed by Germany, (2) the mainly French Ariane launcher and (3) a range of mainly UK communications satellites, providing telecommunications, maritime communications and broadcasting.

Broadcasting is not, however, solely a technical issue; it also has economic and cultural dimensions. With the internationalisation and deregulation of broadcasting, transnational enterprises are coming to play a significant role. Exports of cultural products are dominated by a few countries threatening traditional and local cultures. Consequently the EC deals with the socio-political dimension and attempts to promote European integration and to protect the cultural identity of its member states, imposing restrictions and quotas on imports and encouraging European production and creativeness.

Clearly, "there are very few areas left today which are the preserve of one nation alone. Television, communication more broadly, and international information transfers and telecommunications are caught up in a web of interweaving forces and organizations, which reach all concerns of the globe". (Negrine and Papathanassopoulos 1990: 49). In the EC and generally in Western European countries, the use of satellites and DBS have made the nation state's boundaries very weak; the easy flow of the information from one state to another has raised the question whether or not the nation state is sovereign to decide about broadcasting issues, such as which broadcasts should be received from which countries etc.

As far as broadcasting issues are concerned, states cannot continue to act in

isolation from world evolution. Such policies of broadcasting are now developing in a context of complex interdependence. The European Community and the Council of Europe are becoming increasingly involved in these policies, limiting the sovereignty of the individual nations in these issues. Therefore a new form of bargaining behaviour at the European level is created.

With the development of the new technologies and the advancement of liberal ideology in recent years, as well as with the internationalisation of communications markets, the nation state increasingly loses sovereignty over broadcasting issues. Broadcasting policy is no longer a domestic matter and has to be regulated at the European level. However, the EC can not accrue power independently from its member states. The state, of course, can still take decisions concerning broadcasting, but must always be in cooperation with the other member states. Therefore, there exists a state of interdependence between the EC states. Furthermore, the model of interdependence fits quite well with our analysis of broadcasting policies in Greece and in the EC. Greece could not longer regulate broadcasting in isolation from the new technological developments or from the general climate of deregulation in Western Europe as well as from the EC as a central organisation.

However, the nation state can still exercise control on domestic issues. The unique changes in broadcasting of different EC states is an obvious example. In Greece, for instance, some of the domestic changes in broadcasting are unique and characteristic, as a result of Greece's national peculiarities. However, other changes took place as a requirement of standardisation (harmonisation) with the other EC states. The Greek administration adapted its broadcasting policies, as it was bound to do, within the framework set up by the EC. Indeed with the new Directive 'TVWF' (Television Without Frontiers), the EC is getting involved in the broadcasting issues of its member states.

4.5 THE EUROPEAN COMMUNITY AND THE COUNCIL OF EUROPE - THE MAJOR AGENCIES ON EUROPEAN BROADCASTING POLICY

The main intergovernmental organizations involved in the transfrontier television idea and the regulation of its implementation in Western Europe are the European Community and the Council of Europe. Both organizations attempt to establish coordination in the broadcasting field in Western Europe. However, while the EC's aim is the creation of the Single Market, the CoE is mainly concerned with themes regarding human rights, education and culture. "As the belief that the individual European nation state's sovereignty was no longer tenable gained ground, the resolve of these bodies to create European policies increased ... briefly, these organisations were primarily concerned about the audio-visual sector either as economic or cultural entities". (Negrine and Papathanassopoulos 1990: 60).

However, a conflict recently arose between the two bodies, about which one is more competent to deal with concepts such as broadcasting. Given its cultural dimension the CoE³ assumed that it was exclusively within its competence to deal with broadcasting matters. Although the CoE's Convention, like the EC's Directive, also recognises the right for private broadcasting to play a significant role in European audio-visual environment, its strict protectionist policies on themes such as quotas and copyright made it incompatible with the Directive resulting in an endless wrangle between the two bodies. The difficulties of extracting an agreed policy from all of these conflicting pressures were very considerable.

Towards the end of the 1980s there was much evidence of rivalry between the EC and the CoE in seeking to establish a European broadcasting policy. Initially, the wrangle between the Brussels-based Commission of the EC and the Strasbourg-based CoE, on the question of which body is more competent to deal with broadcasting affairs, looked to be balanced in favour of the Council of Europe. The Commission's draft Directive was, from the beginning, threatened

3

Since the 1960s the CoE had dealt mainly with matters concerning culture, film and television. The CoE's involvement on broadcasting issues is based on Article 10 of the European Convention on Human Rights (The Article 10 provides for the right of the freedom "to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers"), in order to safeguard freedom of expression and information as well as pluralism. The CoE is concerned on questions of content, copyright, piracy and the like.

by the rival Convention of the Council of Europe. The most surprising fact was that a majority of EC member states had initially expressed opinions in favour of the Convention. The reason behind this preference could be explained by the fact that the Council of Europe has a greater geographical scope as well as by the fact that the Convention has a greater respect for existing national broadcasting systems.

The Convention is not in favour of the mercantile approach adopted by the EC and also it does not contain rules that would expose national broadcasters to an extreme competition from transnational commercial operators. The Convention's aim is to facilitate transfrontier broadcasting in accordance with the principle of the free flow of information. However, the EC Directive, unlike the Convention, contains rather vague provisions for European programming standards and content. The Directive is liberally worded and is neither restrictive nor exclusive.

After the emergence of the Convention it seemed that many EC states wanted to see the Directive adjusted on the lines of the Convention. It was evident that the Convention of the Council of Europe would emerge as the clear winner. However, the EC's stronger legislative format⁴ allowed it to establish itself as the main European organisation, able to take decisions for member states and specifically in the audio-visual sector following the adoption of the Directive 'TVWF' by the 12 member states, in 1989. After the heads of the EC governments met at Rhodes in December 1988, they paid much attention to the lead of the Convention over the Directive and have concluded that the Convention of the Council of Europe is contradictory to the objectives of the EC; consequently the Community should accelerate its procedures on the Directive 'Television without Frontiers'.

After very protracted discussions within and between the CoE and the EC, the Directive 'TVWF' emerged as the final winner, as it was adopted by the Council of Ministers of the European Community on 3 October 1989, whereas

⁴ The EC Directives become laws in the member states after their approval from the Council of Ministers, whereas the resolutions of the CoE are not compulsory for its members; consequently it is in the discretion of the member states of the CoE to adopt its decisions into their legislative system. At this point the EC is, obviously, more powerful body than the CoE, as it plays a more significant role in the legislative process of its member states.

the Convention of the Council of Europe was not fully approved by all its member states.

4.6 THE EUROPEAN COMMUNITY

In 1987 the EC member states amended the Treaty of Rome (by which it was established in 1957) with the Single European Act (SEA) in order to achieve the single market by the end of 1992, in which the free movement of goods, persons, services and capital is ensured. The SEA represents a new approach to the achievement of a fully common market. Unlike the Treaty of Rome, which tried to remove barriers between member states, harmonising national laws and standards, the SEA, on the contrary, tries to achieve the common market through the principle of mutual recognition of standards, adopting the principle of minimum standards.

With the amendments of the Treaty, a member state does not give up its own law in favour of a Community standard, but must recognise the national standards of the other states, provided that minimum standards are complied with. "These minimum standards will apply in areas as diverse as pharmaceuticals and financial services, transport and television". (Flint and Hart 1989: 16).

The EC's concern about broadcasting started in the early 1980s with its consideration of the creation of a European Common Market, particularly with the emergence of the 'new media'. "In the 1980s, and with the convergence of the new technologies, broadcasting has once again taken on an industrial and economic dimension as it had done in the first stages of its development. For the Community these matters were also linked to the economic, technological and cultural developments of the EC and the completion of the internal market in 1992". (Negrine and Papathanassopoulos 1990: 67).

In order to make our understanding of EC's audio-visual policy easier, we must locate it within the context of the overall Community objectives and policy, which is European integration, the creation of a Single Market and the boosting of EC industry and economy. The fact that the Commission of the EC started to deal with broadcasting issues signifies the importance of broadcasting for cultural and economic affairs of the Community.

To aid our analysis we must separate EC audio-visual policy into two categories:

(1) Content Policy (including culture)

and

(2) Industrial policy (including economics and technology)

However, we must note here that because the EC, according to the Treaty of Rome, cannot exercise cultural policy it therefore has to view broadcasting issues from an economic angle. Consequently the EC was devoid of a direct cultural policy on broadcasting; however, the fact that the EC regards broadcasting as a service - under the provisions of the Treaty of Rome⁵ - gives the EC the opportunity to view broadcasting within a greater range of parameters (including culture) which are vital for the completion of the single market as well as for the closer link between the member states.

To sum up, according to EC objectives, broadcasting can have a dual purpose: (1) The closer union of the Community and (2) The revival and development of the European audio-visual industry. For this purpose the EC favours liberal policies on broadcasting systems with substantial involvement of private investments.

Before proceeding to a detailed study of EC's broadcasting policy, it would be helpful to look at its main bodies. These are the European Commission, the Council of Ministers, the European Parliament and the European Court of Justice.

1. The European Commission

This operates as the initiator of Community action. All the important decisions made by the Council of Ministers must be made on the basis of proposals from the Commission. The Commission's duty is to seek out and to bring to an end

⁵ Before policy was enacted at the EC level, the ECJ had already paved the way for the business-oriented approach in the early 1980s by developing case law on transborder broadcasting, stipulating that broadcasts were to be considered 'services' falling under the free circulation provisions of the EC Treaty.

any infringements of the EC law by member states, if necessary, by proceedings before the Court of Justice. Once a policy decision is taken by the Council of Ministers, detailed implementation of the policy falls to the Commission. The Commission while "in theory is the EC's administrative arm; in practice it is the Community's watchdog as well as the initiator of most policies". (Negrine and Papathanassopoulos 1990: 62).

2. The Council of Ministers

Its function is to ensure the implementation of the objectives of the Treaty of Rome. It must ensure co-ordination of the general economic policies of the member states. *In most cases, it acts only on the basis of the Commission's proposals.* Political co-operation by the member states is through the Council.

3. The European Parliament

The EP is concerned with influencing legislation, in drawing up budgets, in scrutinizing the executive, in making appointments and in providing a forum for discussions of political importance.

4. The European Court of Justice

The ECJ duty is to oversee the proper implementation of Community laws in all member states.

The initial interest of the EC towards media policy was expressed when in 1983 the Commission issued the report 'Realities and Tendencies in European Television' concerning legal aspects of broadcasting. The European level efforts to regulate transfrontier television entered the public debate officially in 1984 through the publication of the EC Commission's Green Paper 'Television without Frontiers', which was introduced by Karl Heinz Narjes, the Commissioner for the internal market, in May 1984.

The main EC activity was focused on television across borders as an economic and trading activity, which fell within the Treaty of Rome. The Green Paper 'TVWF' was directed towards the question of how a television common market could be achieved. "The basic premise stated in the document is that the Treaty of Rome applies to broadcasting, as to other services, and that there

should therefore be no restriction on receipt of cross- border broadcasting". (Pragnel 1985: 19).

The Green Paper emphasised the importance of broadcasting for European integration and for the free democratic structure of the EC. It highlighted the significance of the EC Treaty for producers, broadcasters, distributors and audiences of radio and television programmes as well as standardization of certain aspects of member states' broadcasting laws in respect of issues such as copyright, advertising, sponsorship, protection of children etc. "The EC Commission document Television without Frontiers published in May 1984, reflected both, seven years of DBS debate since WARC 1977 and two years of satellite-to-cable since Sky's European launch in April 1982" (Tunstall and Palmer 1991: 14).

4.7 THE WAY TO THE 'TVWF' DIRECTIVE

On 5 October 1985, the European parliament adopted a resolution calling for a regulatory framework for an EC media policy, and subsequently the Commission issued its draft Directive on the co-ordination of certain regulations among member states, which it then transmitted to the Council of Ministers and the European Parliament on 16 March 1986.

The emergence of the draft Directive on broadcasting was followed by a warning by Jacques Delors, the Commission's president, that delays in the adoption of the Directive would seriously inhibit the European satellite and cable market. Delors greeted the advent of a new era in television for Europe, characterised by vanishing frontiers and the obsolescence of territorial regulations. These developments Delors stressed, meant that the draft Directive had to be adopted without further delay in order to set up a legal framework appropriate to the changes in transmission technology.

According to Delors the fact that the Directive puts the onus on the law of the transmitting country is the only way to ensure unhindered transfrontier circulation of programmes, provided that thorough coordination of individual national regulations has occurred (Cable and Satellite Europe Jan.1988). This approach differs fundamentally from the one adopted by the Council of Europe, which effectively puts the onus on the country of reception. The EC position

aims to comply with a fundamental principle in the Treaty of Rome which demands the free flow of goods and services within the Community. It also meets its target of opening up the internal market by 1992.

The central theme of the Directive on broadcasting is to ensure that broadcasts from any one EC country are allowed free access into other member states. Before the Directive was enacted any of the 12 member states could prevent incoming broadcasts except in frontier regions of natural terrestrial overspill. There are plenty of subtle protectionist barriers which are put in the way of incoming broadcasts. This state of affairs, says the EC, is contrary to the ideals of Europe and to the basic principle of free movement of services within the Common Market.

Yet over the last two years the Commission went through the normal advisory stages; it held a hearing for relevant European interest groups, took opinions from advisory committees and set up working parties of governments experts. The Directive for Television without Frontiers on the establishment of the Common Market for broadcasting was approved by the Council of Ministers on 3 October 1989 at Luxembourg. Member states had a period of two years up to 3 October 1991 to bring into force the legislative, regulatory and administrative measures required for compliance with the Directive, in order to ensure the realisation of the objectives of the Community concerning broadcasting in the common market by 1992.

The Directive consists of a basis of institutional orders for coordinated action between member states as far as transfrontier broadcasting is concerned. However, the EC tries to establish minimum standards which will apply to a wide range of broadcasting areas. The preparation of *minimum standards for television* broadcasting involves a degree of complexity. Generally, the internal market cannot be achieved until minimum standards have been agreed.

The standards related to content cover four basic areas: protection of children; regulation of advertising; a right of reply for persons damaged by an assertion of incorrect facts and use of European production. None of these provisions, however, have been without controversy; laying down the minimum requirements at a European level has proved a major obstacle. "While some issues like minimum advertising time and breaks passed easily through the

political barriers, other trickier issues such as quotas, copyright, right of reply and moral standards have got impaled along the way" (Hirsch 1989: 49).

Advertising in particular has been a major source of dissent. The restrictions on insertion of advertisements in programmes have been particularly hard fought. The Directive finally permitted advertising to be screened during a programme provided that certain guidelines followed. Another example of the discontent caused by the original draft Directive in 1986 is the call for programme quotas for EC productions for broadcasters to take a percentage of their programmes from independent producers and for statutory licences on copyright. This was a package that made no one happy.

The EC's intervention in broadcasting matters, therefore, was often criticised as incompetent; but if one looks to the Treaty of Rome one can easily ascertain that article 235 states that the EC can expand its area of responsibility to other sectors according to changing circumstances. Also the EC believes that it is within its sphere of competence to be involved in media matters, in order to safeguard peace and freedom and to promote European integration, according to the European Convention on Human Rights, which all EC member states have signed.

4.8 EC AUDIOVISUAL - INDUSTRIAL POLICY

However, the Directive on broadcasting is only one part of the EC's overall approach to the audio-visual sector. The industrial part of EC's communications policy was expressed by other Directives such as the HDTV Directive and a series of programmes such as MEDIA, SCRIPT BABEL, EFDO, ESPRIT, RACE etc. In order to achieve its audiovisual policy, the EC provides for the establishment of an action plan for the introduction of HDTV (High Definition Television) to be prepared in close coordination at Community level between the EC Commission and the member states. This is to be via national mechanisms and particularly via terrestrial broadcasters, satellite broadcasters and distributors, cable operators, professional and consumer electronic equipment manufacturers, TV and film producers etc.

The aim of the EC is the development of the technology components and equipment required for the launch of HDTV services in Europe. The EC position as regards new technologies tries to optimise the exploitation of the new

broadcasting facilities and to fully implement a co-ordinated strategy for the gradual introduction of European HDTV over the period between 1992-1995. The EC also aims to promote the European HDTV system throughout the world.

The first step towards this direction was taken by the Directive on Technical Standards, which was adopted by the Council of Ministers in November 1986; this Directive is largely motivated by the desire to strengthen European cultural and economic identities in a market increasingly dominated by the US and Japan. This Directive addressed to member states, called for the necessary legislative and administrative action to be taken to ensure the use of certain systems. The Directive obliges all member states to adopt standardisation on broadcasting technology. Specifically all member states should adopt the Mac-packet family of transmission standards for direct broadcast satellites (1250 lines, 50 frames per second progressive scanning, as the single standard for the production and the exchange of HDTV programme material) in order to avoid a repeat performance of the situation which led to the adoption of incompatible Pal and Secam standards in the early seventies. This Directive also paves the way for the gradual development of High Definition Television (HDTV). The expiry date of this Directive was the end of 1991.

The EC belief was until recently that the best path towards wide-screen HDTV services in Europe was the adoption of the D2-Mac standard by the industry as an intermediate step. The EC thus proposed to compulsorily introduce the D2-Mac in the HDTV directive. The EC, however, did not arrive at a complete agreement neither with the member-states nor with the industry due to financial and technical objections. For example, governments have expressed objections in subsidising the Community's HDTV strategy. In addition, there are objections from the industry. On the one side are the electronics groups such as Thomson of France, which has invested heavily in HDTV technology and are concerned that simultaneous broadcasting (in Pal and D2-Mac) may lead to technical problems with satellite capacity (Financial Times 8/5/1991). On the other side there are some commercial broadcasters and satellite groups, which prefer the option of simultaneous broadcasting in Pal and D2-Mac leading to the eventual introduction of a full HDTV standard known as HD-Mac. This occurred because broadcasters and satellite companies (i.e. Astra) are already using the Pal system and their concern is that should it be phased out in favour of the intermediate HDTV, D2-Mac, the effects would be disastrous for

their business.

Those opposing the MAC as the compulsory route leading to HDTV argue that this policy prevents the exploration of other more promising technologies leading to HDTV, such as the digital HDTV standard. They argue that Digital systems can process and distribute a greater volume of information more rapidly than analogue systems and unlike analogue, can be used for terrestrial as well as satellite broadcasting. One of the supporters of the digital HDTV is the UK government, which in late 1992 vetoed the EC plan arguing that the spending was not justified. The British objections were made based on the grounds that digital television technology could soon overtake the analogue standards on which the EC's HDTV strategy has been based. Digital HDTV standard has been promoted by the US and after the recent objections and problems regarding the EC standard, it is the US system which is likely to become the international HDTV standard (Financial Times 9/2/1993). Industry analysts believe the EC and Japan, which also backed an analogue system, will eventually be forced to adopt the US standard. Such a development would not necessarily damage European industry - Philips and Thompson are also involved in one of the consortia bidding to produce the US standard (Financial Times 9/2/1993). As a result the EC recently has called for action on digital HDTV in order to initiate plans for development of a single digital television standard, or a 'family of standards' (Financial Times 12/3/1993). The EC also proposes to extend the existing MAC packet Directive to low-and medium-power satellites.

It is clear that as far as television programmes and electronics are concerned, the EC is dependent on US and Japanese imports, thus economic and technological developments are very significant factors for the EC's audio-visual policy and development. Disagreements aside, it is evident that there is a strong and justified fear in European political and professional circles that the benefits of a single market will be endangered by the US and Japanese industries unless a boost is given to European audiovisual production. The issue is not just economic, but also cultural.

EC regulations on competition, media concentration and subsidies are also on the agenda, as are measures designed to assist the media industries in smaller countries. Thus, a number of initiatives were taken in the late 1980s. The European Community has developed some special programmes in order to boost

the European audio-visual industry such as MEDIA (Measures to Encourage the Development of the Audiovisual Industry), which is a programme to support European cinema and TV industry and to promote national industries to be benefited by the opportunities of the Single Market and to encourage cooperation between them. MEDIA began its existence in pilot form during 1988 as a programme within Directorate - General X. At the experimental stage, however, MEDIA did not have the formal status of a Council Decision. However, in February 1990, the EC Commission brought to an end the experimental phase of MEDIA and transferred it to a full-scale action programme of its audio-visual policy. The Commission put forward to the EC Council and the European Parliament a proposal for an action programme, MEDIA 1991-95, which was unanimously adopted on 21 December 1990.

MEDIA consisted of several separate projects to support training, R&D, script-writing, independent production, distribution of cinema films and video cassettes, multilingualism, new technology etc. The programme gives emphasis to small and medium sized enterprises and is thus aiming at assisting the audiovisual industry in the small member states. These measures are not meant to replace but to complement what is being done by the authorities in the Member States. Two hundred million Ecus will be allocated to the programme over a period of five years. "The primary aim of the financial input from the Community is to stimulate complementary financial contributions from interested parties, thereby having a multiplier effect on the development of the audiovisual industry. This provision is also a guarantee for feasible and sound management" (Goldberg and Wallace 1991: 198).

Another programme working in the same direction is the Audiovisual Eureka. The idea of launching an Audiovisual Eureka on the lines of what is being done in the technological field was prompted by a realisation of the existence of structural weaknesses in the production and distribution of European programmes. It was launched as an effort to provide a response to the challenge facing Europe in audiovisual production by America. This programme was first presented by the French president Francois Mitterrand in the EC at the European Council in Hanover in June 1988 and confirmed by the latter at the European Council in Rhodes in December 1988.

The first stage of this mobilization was the European Audiovisual

Conference, held in Paris from 30 September to 2 October at the invitation of the French government and the Commission of the EC. This Conference gave consideration to the possibilities of improvement of European competitiveness through co-production, co-distribution, the promotion of European technology, etc. These were to be achieved through the circulation of information, professional training, development of marketing strategies and funding. The programme is not limited to the borders of the EC, but includes the whole of Europe. In the proposals for production oriented measures, the Eureka programme plays a major role as a complement to the MEDIA programme. "Both the Community's MEDIA programme and Audiovisual Eureka should contribute to the process of building up European HDTV production" (Goldberg and Wallace 1991: 73).

Other programmes of this kind are the London-based SCRIPT, the BABEL programme, for dubbing and subtitling and the EFDO, which aims to support the distribution of low budget films. The EC also works closely with other European audio-visual programmes such as ESPRIT, RACE etc.

In short the EC's broadcasting policy aims at achieving the following objectives:

- (1) Removal of anything that obstructs the free flow of broadcasts in EC member states.
- (2) Adoption of European HDTV standard and its promotion and introduction as soon as possible in Europe and throughout the world.
- (3) Creation and co-operation between EC firms.
- (4) Preparation of the market and the accumulation of expertise in programme production.
- (5) Modernisation and development of technology industries in order to ensure that the European film and TV production industry achieves the capability, experience and dimension required to occupy a competitive position on the HDTV world market and to allow the member states to make their own cultural contributions.

Most of the above EC objectives were included in the proposal which the EC Commission submitted to the Council on 2 December 1988 and was adopted as a Council Decision. Clearly, the EC favours liberalised policies which permit the free function of the single market; the development of a communications infrastructure, which will lead to an unrestricted competition in the EC market. Also the industrial sector is given high priority by the Community, given the dominant position of the US and Japan⁶. There is a clear need for the restructuring of the European market and for the creation of a competitive EC audio-visual industry with export potential. It is also evident that the development of a strong EC audio-visual industry in software and hardware against the US and Japan will accelerate the integration process.

4.9 EC DIRECTIVE 'TVWF' AND CoE CONVENTION

The Directive became binding for the twelve EC members-states from October 1991. The major areas to be regulated by the Directive were advertising, protection of juveniles, moral standards, European programming quotas etc. The issue of copyright was initially included, but eventually had to be dropped because of disagreements and as national interests diverged and compromises had to be found. There was strong opposition from several states. "A long battle between authors' associations in the various Member States and the European institutions brought the issue to a standstill" (Maggiore 1990: 36). The copyright issue was just put aside and became the object of a new separate Directive⁷.

⁶ The television industry is dominated by US images whereas the electronic sector is dominated by Japan. In 1984 30% of EC imports in electronics came from Japan.

⁷ The new stance of the EC Commission was, however, expressed through the publication of a discussion paper on copyright questions concerning cable and satellite broadcasters, in November 1990. This paper outlined its new views on the matter and became a separate Directive in late 1992. The Commission introduced supporting measures in order to safeguard and supplement the acquisition of rights to simultaneous, unaltered and unabridged retransmission of programmes via cable (secondary broadcasting), which in practice has been up to now largely organised through collective agreements.

Concerning copyright aspects of satellite transmissions, the directive proposes that the relevant copyright law for satellite transmissions would be the state's in which the broadcaster carries on business in a real and substantial manner and additionally the right owners should be left free to exercise their rights on a contractual basis either through individual contracts, through collective contracts, or through an extension collective agreements to non-represented right owners.

(Footnote continued)

Let us now examine the EC Directive on broadcasting 'TVWF'. This analysis sets out to consider the main points of the Directive. However, because the texts of the Directive and Convention are identical as far as a number of articles are concerned, we shall give a parallel examination, where it is necessary. The two documents differ in that the CoE's Convention aims at a free flow of information in all Western European states and the Directive is more concerned with securing the free flow of services in the internal market. The main areas that both documents deal with are:

1 Freedom of Reception of TV Programmes

Article 4 of the Convention and article 2(2) of the Directive both impose a duty on states to guarantee freedom of reception and not to restrict the retransmission on their territories of programme services from other member states. Channels which are authorised by the country of origin and which comply with the minimum standards laid out in these documents cannot be blocked for ownership, content or commercial reasons. Article 2 of the Directive and article 24 of the Convention set conditions under which a member state can suspend the re-transmission of a broadcast coming from another state. In fact, only the repeated violation of the article forbidding the transmission of programmes 'bringing serious harm to the physical, mental or moral development of minors' (violence, racism and pornography), (article 22) is considered legitimate grounds for the suspension of broadcast reception from another member state. Suspension, however, can take place only after warning.

2. European works (Majority proportion)

The local content provision of the Directive is aiming to boost the emergence of a European film and television programme production industry that can compete with the US industry, as European Community films seldom enjoy the necessary economy of scales and penetrate only with difficulty into other member-states. The EC has calculated that 80% of the films never leave the country of origin.

At the beginning of 1988, as a result of the pressure expressed by France

⁷(continued)

(French MEPs demanded a 60 per cent local content provision) in order to protect European culture from American 'cultural imperialism', the Commission introduced the 60 per cent quota in the Directive proposal. Several countries, however, rejected the proposal. The final provision of the Directive states that 'Member states shall ensure, where practicable and by appropriate means that broadcasters reserve for European works ... a **majority proportion** of their transmission time ... combined with the declaration that this article is not compulsory but **voluntary**.

This final clause is the result of a process in which several parties exerted different influences and pursued different objectives. This article was influenced to a great extent by American lobbying. This last minute declaration that the quota article was not compulsory, was made in order "to calm American fears and to weaken the legal teeth of the Directive" (Hirsch and Petersen 1992: 46). The American lobbying was mainly expressed by the MPAA as well as by the American government. "The MPAA lobbying in the US proved to be very successful. It seems to have spurred the Bush administration to toughen its stance on the Directive" (Hirsch and Petersen 1992: 50). The opposition of the American government to the Directive was based on the view that it was an economic measure designed to protect the European industry from external competition. As American media groups dominate distribution in Europe by owning some 60 per cent of the networks, US film producers are directly affected by the Directive's economic implications. Mr. J.Valenti of the MPAA played the most vigorous part in the US-EC negotiations over the Brussels Directive. As Tunstall and Palmer (1990: 41) argue:

Mr. Valenti made a number of typically flamboyant appearances both in Washington and in Europe in a last minute attempt in 1989 to remove the import quota provisions from the Directive. The MPAA's interventions were at least partly responsible for the final decision that the quotas, while included, should be voluntary.

Apart from the American lobbying national and Europe-wide trade associations also played their role in the final EC decision.

Article 4(1) of the Directive and article 1 of the Convention are identical. They pursue the same aim, to encourage and ensure the production and distribution of European works. Article 4 and 5 of the Directive and article 10 of the Convention refer to European works excluding the time appointed to news,

sports, events, games, advertising and teletext services⁸.

The Directive is more precise in defining the term European. Article 6(1) covers the 12 EC member states. Works from other European states are counted only in the case of coproductions and if a reciprocity agreement has been signed with the EC. Coproductions with third countries will also be counted in proportion with the EC producers' share in total production costs. Under the Directive (article 4.2) the proportion of European programmes must remain at least what it was in 1988. For Greece and Portugal the reference year is 1990.

Article 8 also provides that member states must establish language-based quotas, as part of cultural policy. Member states must also provide the Commission with a report on the achievement of the proportion referred to in article 4 and 5 (including a statistical statement) for each of the television programmes falling within the jurisdiction of the member state concerned, together with the reasons for these results and the measures proposed to achieve the majority proportion.

Moreover the Commission shall inform the other member states and the European Parliament of the reports, which shall be accompanied where appropriate by an opinion. The Commission shall ensure the application of this article 4 and the article 5 in accordance with the provisions of the Treaty.

However, the duty of the Commission's monitoring may well prove difficult to achieve since the concepts of European works, co-productions, contracts and classification of programmes are complex. Although advertising and teletext are fairly clear concepts, news, sports, events and games are more complex and need to be precisely defined. Also statistical data is difficult to precisely calculate.

3. Independent works

Article 5 of the Directive states that broadcasters must reserve at least 10% of their transmission time, excluding the time appointed to news, sports, events, games, advertising and teletext services, or alternatively at the discretion of the member state, at least 10% of their programming budget, for European works

⁸ This article enables channels as CNN to operate in the EC, which otherwise would be banned.

created by producers who are independent of broadcasters.

4. Cinema films

An appropriate quota of recent works (less than five years old) would be established. This provision poses the same restrictions as article 4 with regard to programme classification and how far a producer can be regarded as independent of broadcasters and vice versa. Article 10(4) of the Convention and article 7 of the Directive provide that "unless otherwise agreed between its rights holders and the broadcaster a film may be shown on television, only two years after its first cinema showing". This period is shortened to one year where the broadcaster co-produced the film. The starting point is cinema release in EC countries.

5. Right of reply

The Directive limits the right of reply to cases of damage to legitimate interests (honoured reputation of individuals) by assertion of incorrect facts. A right of reply or equivalent remedies shall exist in relation to all broadcasters under the jurisdiction of a member state. Member states shall adopt the measures needed to establish the right of reply or the equivalent remedies and shall determine the procedure for the exercise thereof. However the Convention refers to remedies over and above the right of reply in the strict sense, e.g. the right of rectification or the right of recourse to special bodies or procedures.

6. Protection of minors

Article 22 of the Directive concerns the protection of minors and is almost identical to Article 7 in the Convention. Article 22 of the Directive states that "member states shall take appropriate measures to ensure that television broadcasts by broadcasters under their jurisdiction do not include programmes which might seriously impair the physical, mental or moral development of minors, in particular those that involve pornography or gratuitous violence". Member states shall also ensure that broadcasts do not contain any incitement to hatred on grounds of race, sex, religion or nationality.

7. Advertising

The Directive (art.12) lays down general rules on advertising in line with concepts such as respect for human dignity, fair and honest advertising, the interests of consumers, respect for religious and political beliefs, race, sex, nationality etc. As far as duration of advertising is concerned, article 18 par.2 of the Directive provides that the amount of advertising shall not exceed 15% of the daily transmission time. However this percentage may be increased to 20% to include forms of advertisements such as direct offers to the public for the sale, purchase or rental of products or for the provision of services, provided the amount of spot advertising does not exceed 15%. Article 18 par2 provides for a maximum of 20% of advertising in any one-hour period, but provides no details on how this is to be calculated. In that hour there must never be a total of more than 12 minutes advertising. The Convention seems to be more flexible in this matter allowing 15% of advertising in daily transmissions, but allowing up to 20% per hour.

The separation between programmes and advertising is a well known principle. According to the Directive (article 11) television advertising must be readily recognizable from other parts of the programme service by optical and/or acoustic means. Broadcasting advertising shall not interrupt coherent programme items except where the interruption does not constitute an unreasonable interference. The Commission is known to be under pressure from the UK and various other states to accept the concept of the 'natural break', and from the other side is facing the demands from the German and Dutch governments to impose rigid blocks of commercials. However, the concept which was finally adopted was the 'natural break'. Article 11 states that "advertisements shall be inserted between programmes. Advertisements may also inserted during programmes ... in such a way that the integrity and value of the programme, taking into account natural breaks in and the duration and nature of the programme, and the rights of the right holders, are not prejudiced".

This limitation is designed to preclude unexpected breaks at inopportune moments (i.e. a break that would destroy the sequence of a film, a documentary, a game etc.). No break is permitted in films lasting less than 45 minutes. For films between 45 and 89 minutes only one interruption is allowed. For durations of more than 90 minutes a second break is permitted and where the duration exceeds 110 minutes three breaks are possible. The breaks must also comply with par.1 about the 'respect for integrity' and par.4 about 'a minimum of 20 minutes

between two breaks’.

Article 11 par.3 states that advertisements shall not be inserted in any broadcast of a religious service. Also news and current affairs programmes, documentaries, religious programmes and children’s programmes, when their duration is less than 30 minutes shall not interrupted by advertisements.

Article 13 of the Directive and article 15(1) of the Convention prohibit advertising for tobacco products. However, neither the Directive nor the Convention prohibit advertising for alcoholic beverages as well as for medical products and medical treatment.

8. Sponsorship

The Directive article 17(1) and the Convention article 17 deal with sponsorship in similar ways. They distinguish advertising from sponsorship because in sponsorship it is the name of the sponsor that is publicized, while in advertising it is a particular product. According to the Directive the sponsor can be presented by its name or by its logo, but not by one of its products or services.

Article 17(1)(a) of the Directive and 17(2) of the Convention guarantee broadcasters’ independence, prohibiting the sponsor from influencing the content of sponsored programmes.

News and current affairs programmes may not be sponsored. Also article 17(2) of the Directive and article 18(1) of the Convention provide for a ban on sponsorship for companies whose products or services are prohibited to be advertised. The Directive provides that member states can also apply stricter or more detailed rules to broadcasters within their jurisdiction than those stated in the Directive (art.3,8 and 9). This provision enables countries like Greece to retain a stricter quota system for its national broadcasters in order to protect their own culture and language.

Finally the Directive states that the Commission is responsible for monitoring the implementation of the Directive. It has to prepare a report every two years. The Commission is the most responsible body for the promotion,

distribution and production of television programmes in the EC. Articles 169 and 170 of the Treaty of Rome allow the EC Commission to refer member states to the Court of Justice, should they fail to meet their obligations under the Treaty, after delivering a reasoned opinion to the state concerned. Article 171 provides that if the Court of Justice finds that a member state has failed to fulfil an obligation under the Treaty, the state shall be required to take the necessary measures to comply with the judgement of the ECJ.

The issue of **cross-ownership** was considered, in the early stages of the process of the Directive TVWF development but, along with many other issues it was dropped on the way to the final Directive. The EC now seems to be aware of adopting anti-trust legislation to deal with European media conglomerates. Neither the Directive nor the Convention deals with the problem of cross-media ownership.

Broadcasting is becoming a European affair, particularly following the introduction of satellite technology, which increasingly requires the monitoring of the European Community. Above all, the European Community has made an effort in the internal European Market to standardise broadcasting law. The Directive 'TVWF' co-ordinates certain provisions laid down by the law, regulation or administrative action in states to adjust their broadcasting laws by 3 October 1991 - a deadline that was, however, ignored by many states. Its aims at standardising measures relating to support of television production (art.4), advertising rules (art.10), protection of minors (art.22), the right of reply (art.23) as well as rules concerning reciprocal controls on the observance of the regulations (art.2). The EC states can still adopt individual measures, however, these measures should be compatible with the minimum standards of the Directive.

In conclusion, the European Community, as outlined in our analysis, has become the main intergovernmental organisation dealing with broadcasting issues. Its audio-visual policy covers a great sphere of issues ranging from technological to cultural monitoring. The nation-state can no longer deal with broadcasting affairs with complete sovereignty, because the advent of internationalisation and deregulation means that broadcasting requires regulation interdependently and at an interstate level. Individual states can still surely deal with many matters internally, but the internal/ external considerations are now

important.

4.10 CONCLUSION

Internationalisation of investment and production, created by technological advancements, has become the new phenomenon of our era, diminishing national sovereignty in many policy aspects. This phenomenon has also implications in the broadcasting field, where satellites straddle national frontiers abolishing de facto the traditional state monopoly and making the nation state less sovereign. Due to the emergence of the new technologies states become more interdependent and a significant degree of cooperation occurs between them. An obvious example is broadcasting interdependence at a European level.

The new technological 'inevitability' did not go unnoticed in Brussels. Throughout the 1980s, EC policy-makers experienced an unstoppable wave of new developments in technology and consequently a dramatic multiplication of TV channels. Obviously the new situation needed regulation at an interstate level. The main objectives of the EC policy became:

- 1) The endorsement of the creation of new channels (domestic and transfrontier), with the aim of increasing and boosting the European production industry, co-productions as well as trade within the Community.
- 2) The endorsement of advertising as the main source of funding for new television channels, encouraging in such a way the increase and expansion of total advertising expenditure across the Community.
- 3) The imposition of barriers on US programming imports.
- 4) The promotion of a European standardisation in satellite technology.

In an attempt to prevent an Americanisation of European broadcasting through programming imports from Hollywood, the Commission issued in 1984 the Green Paper 'TVWF' in order to boost European production and to develop a European consciousness among the nation states. However, it was as late as 1989, when the EC completed its broadcasting policy. It took many years and a

good deal of debate and controversy between the EC and the CoE, as well as US lobbying, before the EC Directive was accomplished.

Certainly, the Brussels objective is to achieve a European television audience and industry. The Directive 'TVWF' attempted to by-pass the national public service systems in favour of Eurocommercial broadcasting and the boosting of European cooperation and development in the broadcasting field.

Having outlined the new phenomena of internationalisation and interdependence as well as the EC broadcasting policy, it is essential to understand that the recent deregulatory trends and policies in Greece are part of this process. Greece as an EC member-state is influenced by the EC policies and has to adopt policies aimed at European integration. This analysis helps us understand the role and the influence that the Community's broadcasting policy has played in the Greek case (although developments in Greece have also resulted from internal factors).

The notion of sovereignty of individual member-states of the EC has been abated in many facets of policy-making. Greece as a Community member is bound to adapt the EC regulations and directives into its national legislation. Crucial policies such as economic policies should aim at convergence, thus the domestic policy-makers must take into account Community's objectives and thus abide with rules and decisions. For instance, Greece as a poor Community state is obliged to frequently demonstrate progress in the direction of deregulation policies in many sectors in order to receive subsidies aiming at convergence with the rest of its EC partners. Regularly, EC commissioners inspect and make comments as regards to the progress of the state of the economy in order to give financial aid (i.e. the recent inspection of Commissioner Mr.Christofersen of the privatisation plan of the Conservative government in order to grant to Greece the Second Delors' Packet of financial aid aimed at convergence with the rest of the Community members).

Broadcasting policy is part of the overall EC strategy. The influence and role of the EC was significant in the developments and evolutions in the Greek broadcasting arena. Although the EC policy was not the prominent factor for the Greek broadcasting having only a general influence, (deregulation in Greece occurred de facto) later (1991) it confirmed deregulation with the ruling of the

ECJ. We can therefore see in part II how Greece fits in the whole deregulatory environment and to see analytically how the Greek case was affected by the European Community.

Part II

The Deregulation of the Greek Broadcasting System

INTRODUCTION TO PART II

Part I of the thesis highlighted the causes and factors which have brought about a significant change in broadcasting arrangements in Western Europe. The first two chapters dealt with a general theoretical framework concerning broadcasting policies in Western Europe, identifying the concepts of regulation and public service broadcasting as well as deregulation. This was followed by a case study concerning the broadcasting systems of the EC Mediterranean states (France, Italy and Spain) as well as an analysis of interdependence theory and the EC broadcasting policy given that the internationalisation of investment and transfrontier broadcasting have altered the traditional modes of policies between sovereign states. Today all states are engaged in a web of interdependent relations. Particularly in the broadcasting field the EC has become the main intergovernmental body dealing with broadcasting matters.

Regulation and PSB have been common characteristics throughout Western Europe. We have presented an analysis and explanation as regards the main factors for this creed. PSB was seen as a 'public good', which should be accessible to all and cater for all interests and tastes and be provided on national channels by the state due to the 'scarcity of radio frequencies'. The main reason behind broadcasting regulation, however, has been seen to be political, concerned with the control of the audience. We have revealed in our analysis that the scarcity of frequencies factor, which was propagated by European governments, in practice was an excuse. This was to justify broadcasting regulation in such a way as to ensure the exploitation of the privileges of a state controlled broadcasting system functioning as an 'arm' of the state. Furthermore, the frequency factor was demonstrated to be a myth as many previously unused terrestrial frequencies were released in many Western European states, especially in the EC Mediterranean states.

Throughout the 1980s a new phenomenon of deregulation sprung up in broadcasting policy in almost all Western European states. The traditional broadcasting order of public service, which appeared to have been secured, was broken up. The public sector monopoly which was paramount in the broadcasting domain in all Western European states was recently bypassed by the new phenomenon of deregulation. New factors transformed the traditional public

monopolies. PSB started to be challenged by a wide range of aspects. The core element of this challenge was political. A neo-liberal ideology has appeared, which aims to establish the creed of the free-market in the broadcasting field aided by the emergence of the new technologies. Governments throughout Western Europe have viewed deregulation as a vital policy for business efficiency and effectiveness, as well as for enlargement of consumer's choice.

Additionally an important part of our analysis was the presentation of case examples of the EC Mediterranean states (France, Italy and Spain), as they resemble the Greek case. All of these states have experienced similar socio-political traditions and have developed a similar civil service tradition with a highly centralised bureaucracy and clientele relationships. The main reason behind this Mediterranean tradition, which is discernible from the more liberal tradition of the Northern European states, derives from the relatively late modernisation of the Mediterranean states. As a result the modern elements did not manage to marginalise the traditional ones, which persisted in coexistence. This had its influence on the broadcasting systems of these states. Thus, it is suggestive to note that similar political traditions might lead to comparable attitudes, practices and policies.

Finally, the last chapter of Part I dealt with the theory of interdependence and the phenomenon of internationalisation as well as the EC broadcasting policy given that the EC is becoming the most important intergovernmental body to deal with broadcasting. The policies of the European Community, as I have explained, although they were encouraging and influential towards deregulation, they were not initially decisive. The EC role became decisive in the case of Greece, however, recently with the ECJ ruling (C-260/1989, Judgement 18/6/1991) that removed ERT's monopoly and confirmed deregulation.

So, after having explained and analysed the deregulatory trends in Western European broadcasting and having uncovered the reasons behind this new phenomenon, the thesis in Part II looks at the developments in Greece. Particularly chapter 5 gives an historical account of Greek broadcasting. It looks at the monopolistic tradition of Greek broadcasting system from its birth until the advent to power of the Socialists (1981). This analysis stresses the impact and influence that authoritarianism and state intervention had on broadcasting, which was so strong that its affects remain evident. The chapter takes a look at the use

of broadcasting as an extension of the government.

Furthermore, our argument identifies the similarities of the Greek case with the other EC Mediterranean states and discusses the characteristics and peculiarities of the Greek broadcasting system. Indeed our analysis concentrates on the new evolutions in Greek broadcasting scene. In particular, chapters six and seven are looking at the recent broadcasting developments. They describe and analyse the recent deregulatory evolutions, first of radio and the introduction of satellite television under the Socialists and second the introduction of private TV under the Conservatives. Particular attention is paid to the determining factors behind broadcasting deregulation and particular emphasis is given to the fact that deregulation in Greece as in Italy and Spain occurred *de facto*. Our analysis focuses on the main factors behind the deregulation of Greek broadcasting.

Clearly, the second part of the thesis looks at the deregulatory evolution in the Greek broadcasting arena and identifies the internal and external factors behind it. It looks at how the Western European broadcasting scene, which was presented in the first part of the thesis has had an impact on Greece. It also looks at the internal factors that led the Greek administration to change its highly protectionist policies and to move towards the liberalisation of the Greek broadcasting system. Finally, our analysis takes a look at the first effects of deregulation in the Greek broadcasting scene and its impact on PSB. It reveals the general trends and arrangements for the ending of the old broadcasting order in Greece. Indeed it shows that Greece along with the other EC Mediterranean states is experiencing high level of competition and commercialisation.

CHAPTER FIVE

THE HISTORY OF GREEK BROADCASTING (1929-81)

5.1 INTRODUCTION: STATE-SOCIETY RELATIONS IN GREECE

This chapter deals with the history and organisation of broadcasting in Greece, providing an essential background guide for the reader as well as an analysis of the interesting post-dictatorship period between 1974-1981.

Before we proceed to the examination of the Greek broadcasting system it is essential to present a theoretical framework concerning state-society relations as well as 'civil service tradition' in Greece. The problematic relationship between state and society in Greece has its roots in the political history of the Greek state. In the case of Greece, the clientelistic tendencies which were inherited by 400 years of Ottoman occupation continued after independence. The tactics of the state did not change as Greece slowly industrialised and as the structure of capitalism that developed in Greece did not marginalise the old tendencies (Tsoucalas 1981). These tendencies were even further reinforced by the interference of the military in political life (Mouzelis 1986). The rapid industrialisation in the 1930s, which in Greece considerably increased the ranks of the industrial proletariat, did not lead to the formation of autonomous trade-union organisations able to put an effective check on the state's incorporative tendencies. With few exceptions, the working class movements as in the rest of the 'semi-periphery' were suppressed or manipulated/controlled from above through a variety of means (Mouzelis 1978, 1986). Even after the transition to democracy in 1974, although new elements were introduced old practices persisted (Lyrintzis 1984)

In order to understand today's features and practices of the Greek state

concerning broadcasting as well as the functioning of democratic institutions, one should consider the state-civil society relationship and its usefulness to issues of democratic public administration as well as democratic representation and control. For this reason, I give a brief account of the political history to show where today's state attitudes originated.

In the 19th century despite Greece's entry into the world liberal system, the mode of production was still pre-capitalist. In the Greek case Tsoucalas (1981) identifies a systematic effort of monopolisation of state apparatus and authority by an oligarchic minority in a clientelistic way. The nature of Greek public administration is not easily understandable without reference to the pre-capitalist period, when it was established. During this period there existed a social and economic fragmentation related to a political and administrative centralisation structured on liberal models. Explaining further, Tsoucalas (1977; 1981), points out that the failure in capital accumulation in pre-industrial Greece led the private interests (the dominant oligarchic families after independence, the so-called tzakia) to seek their vested interests in the state apparatus. Thus, although Greece adopted Western liberal models for administration, the separation between economic and political authority did not occur. Therefore, the development and functionalisation of public authority was structured and articulated by the same people. There was a coincidence in economic and political authority. "Political power was the monopoly of a handful of oligarchic families (the so-called tzakia)" (Mouzelis 1978: 482). Thus, the economically powerful monopolised the state apparatus. Therefore, the structure of the political system in Greece and the nature of public administration started to develop on clientelistic lines, mainly on the relationship between patrons and clients - members of parliament and civil servants (Weingrod 1968: 376-400; 1977: 48). Given the pre-capitalist mode of production in Greece in the 19th century the articulation between the state apparatus and civil society did not operate so much in terms of class organisations as in terms of clientelistic networks. The tzakia families were heading clientistic networks with practices inherited by the Ottoman occupation. Local oligarchic patrons had such a degree of control over their voters and enjoyed such an autonomy vis-a-vis the national party leaders (Mouzelis 1978: 487).

The state lacked any effective policy for development. Thus, it started to provide employment for those who were leaving the countryside and could not

be absorbed by the non-existent Greek industry. So, Greece developed a much larger and more controlled civil service in comparison to the advanced capitalist states. The civil-service sector became a place where political authority was used to employ political sympathisers in a clientelistic manner. This is clearly "a characteristic of the political system which was established during the 19th century" (Tsoucalas 1981: 323)¹

According to Tsoucalas (1981: 19) the political behaviours of today's Greek state are determined to a high degree by the 'overloaded' civil service which has had not only quantitative but also qualitative consequences in the development of social process. The monstrous administrative expansion, in combination with the imported political institutions, not fitting the pre-capitalist infrastructure of 19th century Greece, explains to some extent the relative autonomy of the political authority in relation to civil-society.

The main difference between Greece and Northern European states (although there are many differences between them) is that the advanced states developed the institutions needed for social relations and developed a system within which state and society were articulated through their institutional and ideological distinctions. The establishment of capitalism in 'peripheral states' however occurred in a different way. These states adopted liberal institutional and ideological models in a pre-capitalist context as a need for their incorporation into the international capitalist system. Therefore, the adoption of liberal ideals was not the result of their gradual development of capitalist production relations. Consequently, underdeveloped capitalism produced a fragmented and weak working class dominated by the state. The same happened in Greece. The institutions that constituted the Greek state were based and directed towards the liberal model of the advanced Western societies. However, the mode of production remained pre-industrial, private interests remained weak and fragmented and the development of social relations, unlike in Northern Europe where they were developing parallel to the state institutions while functioning separately, in Greece were either non-existent or remained hypotonic and did not manage to function independently each from the other. These factors determined the mode of function of the state apparatus and its relation to society. In other

¹ For more about clientelism in Greece see Tsoucalas (1977) 'Political Clientelism in Greece of the 19th Century' in G.Contogiorgis Social and Political Forces in Greece. Athens (73-112)(in Greek)

words as (Legg 1969: 1) puts it, Greece lagged behind Western Europe and the US in economic development and in the ability to cope with social change and the development of strong representative institutions.

The late entry of Greece into industrialisation and the delay in the development of a capitalist mode of production and accumulation of capital led to the 'overload' of state apparatus, particularly of the civil service. Therefore, according to Tsoucalas (1981), this quantitative expansion of the state apparatus determined the vertical relationship between state and society. He stresses that the nature of public administration and political authority in Greece are directly correlated to the size of the state apparatus - the over-extended state machine which is based on the creation of a large and dominant civil service. These phenomena are common throughout Southern Europe. The Mediterranean political history and experience signifies the expansion of the state into a political system and the immersion of the state apparatuses in civil society. The flood of Southerners into state employment is a result of the relationship between economic liberalism and the 'occupation' of the state which has been practiced in Southern Europe in various forms over the last 100 years on a clientelistic basis (Legg 1969; Gellner and Waterbury 1977).

Summarizing our analysis of the 19th century legacy we can argue in the words of Mouzelis (1987: 279) that "given the pre-independence Ottoman/patrimonial legacy the relatively early expansion of the state and the fact that large-scale industrialisation occurred after rather than before the demise of oligarchic parliamentarism, in Greece the lower classes were brought into the political arena in a vertical/dependent manner". This means that organisations and other interest groups did not manage to organise themselves into autonomous centres that could be in a reciprocal balance with the state. Thus, the state established itself as an autonomous factor with incorporate and paternalistic tendencies.

This problematic relationship concerning the high autonomy of political practices from civil society continued even after the transition of the Greek state into capitalism, although it seemed to diminish when Greece saw the first influx of foreign capital and the introduction of the capitalist mode of production (1880-1920). The introduction of capitalism created a new middle class which started to challenge the oligarchic pattern. The above changes resulted in the

strengthening of the national political parties, that in the pre-capitalist phase were a loose coalition of provincial political barons, and in the emergence of the middle classes. These developments indicate a shift from 'oligarchic' to 'bureaucratic', 'party orientated' patronage (Mouzelis 1978: 487). These changes contributed remarkably to the transformation of Greek society. In this new context the relationship between state and society ceased to be merely a clientelistic relationship between the oligarchic patrons and clients. Although clientelism by no means ceased to exist it began to take on another shape.

The reasons behind this change were:

(1) The introduction of capitalism generated an expansion of the state, development of infrastructure and communications and development of a national market. These new developments led to the emergence of a national 'public opinion'.

(2) The rise of new middle classes generated by the capitalist transformation although not forming autonomous horizontal organisations began to challenge the old political oligarchy and helped in the 1910 electoral victory of the bourgeois liberal party of Venizelos. This victory changed fundamentally the composition of the oligarchy and put an end to its dominance. Thus, although the social strata did not manage to organise themselves politically² in an autonomous manner they started to vote not merely on clientelistic lines but to a great extent according to their socioeconomic situation and this had an impact on the shape of political life. Venizelos' rise thus marked the transition from oligarchic/decentralised forms of clientelism.

One could argue therefore that the introduction of capitalism had a decisive impact not only on the economic but also on the political and ideological spheres. Although politics took a new shape with a more pronounced class character the incorporate practices of the state did not cease but took different forms. The greater involvement of the society into political life did change the structure and manner of patronage and its articulation. New patterns of patronage started to be associated with the development of the dominant bourgeois parties.

² Venizelos attempted several times to create modern party structures but faced the opposition of strong clientelistic elements. Venizelos always had the ambition to go beyond the existing parties of notables and create a modern party based on bureaucratic, universalistic principles of recruitment and functioning.

According to Lyrantzis (1984: 102), the state emerged as a powerful entity whose mechanisms were extensively employed by the parties in power and helped to expand their clientelistic networks. Owing to the country's belated and limited scope of industrial development, the state played a dominant role not only in the economy but also in every aspect of social and political life.

The ever increasing involvement of the state in socioeconomic and political development became even more evident during the post-war years. By allocating huge economic resources, received in foreign aid, and by playing a central role in the rapid economic development of the 1950s and 1960s, the state controlled agencies acquired a significant role in the Greek political system. Unable therefore to become autonomous and well organised forces the bourgeois parties remained attached to the state mechanisms in order to maintain their electoral bases and secure their power. What simply changed was the manner of the old practices which took the form of 'bureaucratic clientelism'. This is a form of clientelism that "consists of systematic infiltration of the state machine by party devotees and the allocation of favours through it. It is characterised by an organised expansion of existing posts and departments in the public sector and the addition of new ones in an attempt to *secure power*" (Lyrantzis 1984: 103). The political parties thus became collective patrons with clientelistic networks based on and directed through party mechanisms and the state apparatus. In a system such as this the public bureaucracy is not orientated towards the effectiveness of public administration but functions as a provider of parasitic employment to political clients in exchange for their vote.

The system that emerged in post-war Greece was a three-block party system - the Right (ERE), the Centre Union and the Communist Party - in which the Communist Party had no real chance of getting to power due to the dominant anti-Communist ideology, the authoritarianism of the Right-wing governments and the repressive mechanisms at the disposal of the state. The main features of the Right and the Centre Union were their organisational weakness and clientelistic networks whereas unity was based on their leaders and the effectiveness of their networks.

However, the rapid post-war economic development and the mass rural exodus combined with the inequalities that they generated as well as with authoritarianism - although the new middle class was easily drawn into the

clientelistic networks of the Right (Lyrintzis 1984: 103) - made 'old liabilities' more fragile and unstable as the masses started to get organised and mobilized. Yet, even the emergence of autonomous horizontal articulations became fragile not only because they were persecuted³ by the state as a threat to bourgeois interests, but also because the state invented new ways to erode them from within and with the reinforcement of the 'bureaucratic clientelism'. We notice as Lyrintzis (1984: 103) points out that the state in Greece controlled from above every social and political development that could lead to social and political change. These are aspects of what has been described as a system of restrictive 'parliamentarism' or 'guided democracy'. This also occurred as Greece's underdeveloped capitalism had to operate under the shadow of foreign interference (see next section: 5.2).

Additionally, when the state felt that the status quo was directly threatened by the process of social and political mass mobilisation in the 1960s it attempted to reverse it with dictatorial means in 1967. That meant that the relationship between class structure and politics became more direct and at the same time more fragile and unstable.

In summary, those who controlled the means of domination from post-independent Greece until 1974 when Parliament was restored had established their dominance on clientelistic lines. They systematically attempted to create a controlled public administration by making sure that political friends occupied all key positions. They also attempted to incorporate in a vertical/dependent manner such important groups or institutions as trade unions, the Church, the universities and the media.

After the restoration of Parliament in 1974 despite attempts to eliminate traditional administrative norms by the new democratic administrations (New Democracy and PASOK), 'old liabilities' did not cease. Although democratic transition brought new elements old practices persisted (Lyrintzis 1984). Despite new personnel in the political establishment and despite attempts for full integration of the civil-society into the political system traditional practices endured although they were reduced due to the effort of the new administrations

³ The latter is evident in the case of organisations such as the Greek Communist Party which started to gain ascendancy and was organised along non clientelistic lines (Mouzelis 1978).

to consolidate democracy. However, at the political level even the new governments appeared to 'possess' limited empowerment to repress old liabilities such as paternalism, corporatism, clientelism etc., which were the predominant features of the past. In the present-day, the state's incorporate patterns however are more fragile and unstable in the sense that they are counterbalanced by horizontal organisations that have gained more autonomy since the restoration of democracy in 1974.

Diamandouros in his works (1981; 1983; 1984), concerning regime transition and consolidation of democratic politics in Greece after 1974, assigns greater emphasis to the weakness in the evolution of the Greek democratic regime. His theoretical debate about Greece, concerns the requisite conditions for a successful transition and consolidation to competitive politics namely the decisions affecting the distribution of power, institutionalisation as well as the formation of formal and quasi-formal arrangements and practices which are likely to legitimise democracy. He identifies three factors responsible for the weak consolidation and persistence of traditional tactics. These are the uneven economic development and weakness of Greek capitalism, the weakness of Greek industrial classes and the apparent failure of the Greek Right to modernise, despite Karamanlis's attempts at reform after 1974.

Explaining the persistence of old tactics in Greek politics, Diamandouros (1984) places stress on the weakness of the Greek industrial classes, a phenomenon intrinsically linked to the historical occurrences of underdevelopment. He identifies a lack of significant experience and familiarity with the type of social and political struggles and long term mobilisation associated with the birth, institutionalisation and defence of competitive politics. Hence, there is an absence of the political culture which characterises liberal democracies and competitive politics. State paternalism and overt or covert control from the above created a numerically small and organisationally weak industrial working class unable to check effectively the activities of the state.

Diamandouros (1981, 1984) also argues that today's incorporate tactics of the state have their roots in the postwar history of Greece. After World War II, the Right managed in coalition with the Monarchy and the Army to dominate Greek politics. The Right was profoundly tainted by association with discriminatory and authoritarian practices, improperly schooled for a generation

in a political culture based on the systematic denial of political opponents' civil liberties and deeply mired in a morass of particularistic politics, clientelistic favours and blind adherence to the status quo. "Clientelistic functionalism and ingrained past habits and mentalities were pushed merely below the surface but hardly eliminated" (Diamandouros 1984: 67).

Even after the restoration of Parliament, the Right (ND), although it played an important role in launching and consolidating democracy, continued incorporate tactics. This mainly happened according to Lyrantzis (1984: 106-109), because New Democracy failed to organise itself as an effective and well-institutionalised political and social force and remained basically a party of notables which relied on MPs and their clientelistic networks for communicating with the electorate and rallying mass support. The efforts of Karamanlis and a small progressive group within ND to reorganise and modernise the party were not elaborated as most of the party's prominent personalities and MPs prevented such reorganisation that would put an end to their vested interests. Thus, ND essentially failed to transform itself into a modern mass organisation similar to its Western European counterparts and relied on traditional practices of 'bureaucratic clientelism'. *This continued to exist and in many instances was further reinforced even during its recent office (1989-93).*

The advent to power of the Panhellenic Socialist Movement in 1981, although it brought a fundamental transformation in the political system reshaping the polity's basic organisational structures (Mouzelis 1987), did not manage to eliminate traditional practices. PASOK brought many novel practices and ideas aiming at the establishment of a welfare state and the democratisation of the state apparatus. "It seems more arguable to treat the party (PASOK) as essentially a new force in Greek politics, which both achieved an extensive renewal of political personnel and brought new ideas and practices to the Greek party-political arena" (Lyrantzis 1984: 110). PASOK, for the first time in the political history of Greece, marked, if not the disappearance, at least the rapid decline, of the typically clientelistic Greek parties structure as it achieved massive membership and organisational strength (Mouzelis 1978; 1987). Thus, although old tactics persisted, they started to decline as PASOK ended the monopolisation of old political elites (the Right and the Centre Union) and, for the first time in Greek political history, attempted to create modern party structures and to acknowledge more rights to society.

However, traditional practices did not cease to exist due to PASOK's ambiguous and incoherent policy - which was at times confusing and subject to change according to the political circumstances (Featherstone 1983; 1987). Thus, the Socialists followed most of the typical incorporate tactics that Greek parties in power usually adopt (Mouzelis 1987: 280-1). It seems that in the Greek case, the deeply paternalistic attitude of the state persisted. New policies are constrained by past choices and preferences (Krasner 1988:71; Hogwood and Peters 1982: 225-6).

Clearly if one looks at PASOK's attitude in respect to state-civil society relations one finds both positive and negative elements. On the one hand PASOK has contributed determinedly to the encouraging of democratic fixtures such as the strengthening of trade union movement and increase of political awareness by bringing back issues into the sphere of public discourse. However, these have been done in many instances in a partisan manner. In other words to use Mouzelis's phraseology, PASOK encouraged "a type of political awareness which strengthens further the polity's already over-developed 'patrocratic' features at the expense of civil-society's fragile autonomy" (Mouzelis 1987: 282). Of course given Greece's political history and the shaped socio-political structures, PASOK could not overnight transform Greek polity into a model of democratic organisation. Clearly, it has been argued (by Mouzelis, Diamandouros, Lyrantzis) that although many novel ideas were introduced, a lot can and must be done towards the direction of the advancement of the civil society as an equal force vis-a-vis the state.

In summary, party politics since the transition to democracy in Greece continued to be dependent on the "familiar interplay between the state machine and party figures in the form of clientelism" (Lyrantzis 1984: 116). The political Right has failed to modernise itself striving between renewal and traditional practices. The rise of PASOK could be viewed as a turning-point in Greek political life bringing signs of decline in clientelism and giving a boost to mass politics. However, PASOK due to its dependence on its charismatic leader, its populism and its at times incoherent tactics, did not manage to put an end to traditional personalistic and clientelistic elements.

In conclusion, in the Greek case, early parliamentarism combined with a lack of industrialisation and a limited private market with equally limited

potential resulted in a system where the private interests linked their vested interests to state activities. The state thus acquired an over-extended and autonomous role. This created an over-expanded state apparatus and a controlled civil service in a vertical/clientelistic manner. Thus, the state became the employer of the Greek society and used the civil service for its own ends. This kind of public administration explains the state-society relations in Greece based on an over-extended state interfering in all activities and a weak and controlled civil society. Of course the shape of this vertical incorporation has changed from one period to the next following particular historical circumstances. However, it has remained one of the most crucial parameters of Greece's political life.

Thus, the vertical and dependent relationship between state and society, more than any other factor explains the heavy paternalistic legacy over public broadcasting and government interference in administrative and programming (mainly news and current affairs) matters in Greece as in the rest of the EC Mediterranean states. PSB philosophy has always fitted less well into the political systems of these countries where direct embroilment of the state was the norm.

5.2 GREECE: NATIONAL PROFILE - A MEDITERRANEAN 'CIVIL SERVICE TRADITION'

Greece is one of the so-called small EC states, located in the south-east of Europe. Its population is just over ten million people and most of the population lives in the metropolitan area of Athens (3.5 million); its area is 132,000 square kms. The Greek population is a homogenous population speaking the same language (Greek language) and some 98% are affiliated to the same, Christian Orthodox religion.

Broadcasting in Greece has a symbiotic relationship with the general political life and controversies of the country's political history. Both radio and television were established and developed under authoritarian regimes. Thus, both were from the beginning regarded as an extension of the government. Even after parliament was restored (1974), the situation of state interference in PSB has continued, although to a lesser degree, until today.

The view of broadcasting as an 'arm of the state' and as a governmental department is associated with the general authoritarian post-war history of the

country. The troubled post-war history of Greece combined with the lack of a strong civil society resulted in the rise of an authoritarian state intervening in all activities of society. The absence of a strong civil society has its roots in a long established civic behaviour of personal and clientele politics, inherited from 400 years of Turkish occupation. Additionally this civic behaviour reached a point where it was forced to coexist in strenuous, if not in violent, mode with the late country's entrance into modernity. As we have explained in chapter 3, Greece has features in common with the other EC Mediterranean states (France, Italy and Spain), caused by the relatively late industrialisation.

Furthermore, due to its mode of expansion and the timing of industrial capitalism, Greece has failed to tackle successfully either economic or political distribution. This double failure is relevant to understanding the long term disruption of parliamentary rule in Greece in the post war period. On the contrary in the Northern European states, *development is characterized by a double success in both as a bulwark against state arbitrariness, and by a strong source of legitimization of bourgeois rule.* The Greek and more generally the Mediterranean countries' development is characterized by state authoritarianism and the failure to deal effectively with the problem of political participation. This failure is a source of crisis. In the Northern European states, although they were developed as the Mediterranean states within the capitalist model, the political bourgeoisie managed to keep control, whereas in the Mediterranean states, it was the army that emerged as a dominant factor in the post-war history of those states. The fact that Greece had authoritarian administrations meant that the state played a decisive role in all spheres of public life. Thus, the Greek state has always had an 'over extended' character. As Mouzelis (1980: 261-264) points out "this situation has been associated with a weak atrophied civil society where the state has to take on additional politico-ideological functions".

The post-war history of Greece was marked by the frequent imposition of authoritarian rule (dictatorships) as well by the institution of a regime of guided democracy after the second world war. This post-war regime was established by the Americans in collaboration with the victors of the civil war (the Right). "The Americans, who in March 1947 had taken over from the British the task of defending Greece against Communism, played a decisive role in shaping Greece's post war system of guided democracy" (Mouzelis 1986: 135). The American influence of shaping Greek polity until 1974 was considerable⁴. This

regime, similar to the Spanish case and to a lesser degree to the Italian and French ones, systematically persecuted and excluded its opponents from power. Apart from the banning of the Communist Party and the persecution of its sympathisers a whole series of repressive practices were developed in post war Greece shaping an authoritarian state and tradition and further weakening and dividing the already atrophied Greek civil society. Thus, the state emerged as an autonomous and determining factor in Greek society.

The guided authoritarian regimes in the post-war Greece were based on the maintenance of a huge military machine organised by the Americans which composed the major force within the Greek state. This military apparatus through its extensive intelligence and security, its considerable hold on the mass media (particularly broadcasting) and its control of quasi and paramilitary groups was exercising enormous power in Greek society.

A weak civil society and constant authoritarian rule as well as personalistic and clientele politics kept Greece for a long time in a state of underdeveloped capitalism, where the 'modern' did not manage to marginalise the 'traditional'. Furthermore, the political tradition which was shaped in Greece was based on patronage politics and paternalistic norms. The lack of a traditional civil society made the system less self-regulatory and that resulted in a repressive state intervening in the whole politico-ideological sphere.

This tradition extended into broadcasting. According to Papathanassopoulos (1990: 388):

The fact that the state plays a decisive role in the formation of the Greek economy and polity illustrates the state's relative autonomy from its society. It is not accidental therefore that there has been such strict control over the broadcasting media in Greece.

Since their establishment, the Greek electronic media have been regarded as 'arms' of the state. Tight governmental control was existent throughout the history of Greek broadcasting media. Looking at broadcasting, the strong authoritarian state, not only in Greece, but also in the rest of the EC

⁴ Particularly with the Truman Doctrine, when Greece received economic and military aid. For a detailed analysis see Mouzelis, P.N. (1986) 'Politics in the Semi-Periphery: Early Parliamentarism and late industrialisation in the Balkans and Latin America': London, Macmillan.

Mediterranean countries (as we have seen) had created until recently a paternalistic model of broadcasting different to the traditional independent broadcasting of the Northern European states.

Greek broadcasting was established, as in most European states, as a state monopoly. This was inevitable since both radio and television were established during dictatorial periods of modern Greek history (radio during the Metaxas dictatorship and television during the Colonels' regime). In practice the state understood, as in the case of France, Italy and Spain, that broadcasting was its exclusive affair. Therefore the state became the sole agent of the broadcast media. The government manipulation of news output is a suitable example of the paternalistic role of the state. "In Greece broadcasting, especially television has traditionally reflected and reinforced government views and policies" (Papathanassopoulos 1989: 33). As a result censorship has been a common practice and state control predominant.

An additional arm at the disposal of the government has always been the appointment and dismissal of personnel according to their political credentials. Broadcasting appointees have always been political associates of the government of the day. Even since the restoration of parliament the key posts in the broadcasting hierarchy have changed occupants with a great frequency. The above fact is more obvious in the case of the DGs who have frequently come under the wrath of the government as well as press criticism. Particularly, in cases of anti-government broadcasts (which in most cases happens accidentally), dismissal of the DG is the standard practice.

Clearly, the issue of government control over broadcasting has remained even after Parliament was re-established (1974). The modern political life of the country, after the transition to democracy, is dominated by the two main political parties (the New Democratic Conservative Party (ND) and the Panhellenic Socialist Movement (PASOK), (ND, 1974-81 and from 1990-93 and PASOK, 1981-89). "The main characteristics of the policy-making of the above parties is the dependence of the party on its leader as well as the traditional clientele relations with their voters" (Dimitras 1992: 96). The consequence is that there exists a general public mistrust towards the state.

Greek broadcasting after the restoration of democracy could function with

flexibility and modern methods without the handicaps of a civil service which existed up to 1974. However, the newly democratically elected 'New Democracy' Conservative government did not resist the temptation of retaining broadcasting as a branch of the civil service in order to control it. Although promises and commitments for broadcasting reforms had been expressed and foreign advisors had been asked to make feasibility studies on the restructuring of Greek broadcasting, the new government forgot its promises and ignored most of the structural advice of the experts, continuing the traditional Greek paternalistic model of broadcasting. The 'New Democracy' government during the period between 1974-81 followed the so-called doctrine of 'neutrality', which although it excluded 'party politics' from broadcasting, over-emphasised governmental activities and policies.

The Socialists (PASOK), while in opposition (1974-81) were criticising the Conservatives for biased news output and were promising vital reforms. When they came to office they forgot the principles of 'objectivity' and 'impartiality' for which they were campaigning, and although they brought some reforms such as the abolition of the doctrine of 'neutrality' and allowed 'party politics' to be aired, they did it frequently in such a way and to the extent that it was safe for their policies and helpful for their image. "This was mainly because Socialists followed most of the typical incorporate tactics, that Greek parties in power usual adopt" (Mouzelis 1987: 280-1).

The re-election of the Conservatives in 1989, although speeding up the deregulatory trends (allowing private TV), which had already started under the Socialists (with the liberalisation of radio and the introduction of satellite TV) did nothing to change the traditional paternalistic tactics over state broadcasting. Clearly, since the restoration of democracy, neither ND nor PASOK has had a well-organised plan for broadcasting. Even in the case of the recent deregulation of radio and television, government politics were directly involved despite the firm opposition expressed by the public towards direct state interference in the electronic media.

Clearly, the history and development of the Greek broadcasting system has been strongly influenced and determined by a similar kind of 'civil service tradition', as in the other EC Mediterranean states, which in summary could be described as being composed of 1) A huge centralised dysfunctioning bureaucracy

with consequent inefficiencies, ineffectiveness and delays; 2) A predominance of traditional politicians with a clientele relationship between them and the voters and 3) Political intervention in all spheres of public life and development of repressive and authoritarian mechanisms. The history and development of electronic media in these states have been shaped and determined by the fact that they were born and have grown within this kind of tradition.

5.3 THE GENESIS OF GREEK RADIO UNDER AUTHORITARIAN RULE

One of the main characteristics of the Greek electronic media, which has influenced their development is their genesis during authoritarian regimes. There is a clear parallel between the development of the Greek broadcasting media and the broadcasting media of France, Italy and Spain concerning authoritarian use and state interference. As in the above countries (see chapter 3), Greece's broadcasting media were also born and developed under extreme right-wing rule. Radio and television programming in Greece has been influenced to a high degree by this fact.

Regular radio broadcasts, in Greece, started in 1936, when General Ioannis Metaxas (with the approval of King Georgios II) established a dictatorship. Radio was put under the direct jurisdiction of the Ministry to the Prime Minister, in the Secretariat of Press. Regular television services also started very late, when television was dominant in other countries. It started during another dictatorship (that of the Colonels) in 1967. So the picture which emerges is of broadcasting being used and abused for partisan purposes by successive authoritarian elites. A blanket of authoritarianism covered Greek radio broadcasting from the beginning, not merely during the Metaxas dictatorship of 1936-40, but also throughout the civil war and for a considerable part of the post-war period. We can see a direct relationship between the legislation regarding the media and the prevailing political climate. Indeed, the way in which Metaxas made use of radio for propaganda purposes resembled the Nazi broadcasting practices during their occupation of Greece.

Although regular radio services started in 1936, when the dictator took over broadcasting, radio had existed in Greece since 1928. The first radio stations in Greece were private. The very first radio station (Radio Tsigiridis) was established by an individual (H.Tsigiridis) in Salonika in September 1928. But the first law that regulated Greek radio broadcasting was the law 4551 in 1930.

With the introduction of this law the government established the first legislation on radio broadcasting that ratified a convention between the state and a private citizen (E.Marcoglou), authorising the latter to install and operate radio stations in Greece. However, the above convention was ended by another Act in 1935. The following year (1936), the government took over radio broadcasting. At the time it signed a convention with the German company Telefunken for the operation of its radio stations. The German involvement finished in 1945, when another Constitutional Act (54 of 14th/15th June 1945) established the National Radio Foundation (EIR).

However, mainly because of the civil war, it took eight years for the government to give EIR its legal status. With the law 2312/1953, EIR became a legal entity of public law and acquired the monopoly over all electronic media. The legal status of EIR was regulated by this law until 1975 with only minor alterations. According to this law the National Radio Foundation (EIR) had the sole right to establish and operate radio stations in the whole country and also the exclusive right to monopolise all the electronic media. The income of EIR was from licence fees as well as from advertising revenue. It is noteworthy, however, that the operation of private broadcasting stations was not prohibited, but was only allowed after special permit, a condition which was in practice very difficult to fulfil. Thus, the law 2312/1953 established a state broadcasting monopoly, which remained until recently.

From the start the Greek broadcasting system has been affected by the armed forces. Indeed in 1951 (during the civil war), the obligatory law 1663/1951 legalised the de facto existence of the military stations. This was a recognition of the military's role in Greek life, a factor which laid the foundations for a troubled subsequent history. This law in effect allowed the army to operate radio and television stations for information, education, entertainment and the general improvement of the cultural level of the armed forces and furthermore, during war periods to support the armed forces as well as the general population. However, the above military stations were not only transmitting to the soldiers, but also to the general public. This service consisted of, an additional propaganda service for the government (other than EIR) against the Communists, not only during the civil war, but also for a long time afterwards. As Katsoudas (1986) points out:

EIR's monopoly was none the less seriously challenged and in fact

jeopardised by the existence of the Armed Forces Radio Stations. The paramount importance of the military, particularly after the successful subjugation of the Communist revolt in 1949, could not be ignored, especially as the media were considered to possess obvious significance for the fight against Communism.

The armed forces played an important part in broadcasting both during the civil war and in its wake. The military radio network expanded to become a fully-equipped disseminator of anti-Communist propaganda broadcasting in competition with EIR (and later EIRT). Yet, this was contrary to the principles of Greek broadcasting. The right-wing movement had no large body of popular support at this time (support was stronger mainly among the peasant and middle classes), but working class radicalism was on the increase. Radio was used as a means of controlling radicalism, and of encouraging pro-right wing feeling.

The EIR found its income from advertising revenue diminishing as the military stations began to offer popular programmes in competition with EIR. This provoked a funding shortage, and re-organization was undertaken to cope with the problem. EIR was now made up of three stations, the third broadcasting from the 1950s as a local cultural station, which could initially be received only in Athens and the surrounding district. According to Katsoudas (1986: 139):

The first station, not unjustifiably, was called National and was solemn and serious. Its broadcasts were plays, music of all but the most trivial kinds, presenting the most extensive news bulletins etc. The second station which also has nationwide coverage, was an altogether trivial affair. It allowed a large amount of advertising daily, had a large number of programmes sponsored by commercial companies and broadcasted much popular music. The third station is an equivalent of Radio 3 in Britain. It has a kind of elitism. Its lack of resources and consequently of personnel caused it to broadcast classical music and opera.

The legal status of Greek Radio Broadcasting was changed by the New Democratic Conservative government in 1975, with the law 230/1975.

Clearly, the genesis of radio during a dictatorship as well as the supremacy of the Right in Greece after the civil war, signified that broadcasting remained an instrument of the government's propaganda against Communism, particularly in the news and information programmes. Thus, we can observe that the monopoly of the state broadcasting media in Greece was actually a 'duopoly' composed of two networks, (one civilian and one military), both controlled by successive authoritarian regimes for their own political ends.

5.4 THE GENESIS OF TELEVISION UNDER THE COLONELS

Greece introduced television very late in comparison with other European countries. The first regular television service in the world made available to the public, a low definition system, began in Berlin in 1935. But the service generally conceded as the first to use modern high definition standards, that of the British Broadcasting Corporation (BBC), started regular public telecasting in 1936 (Alexandra Palace / London). The Soviets followed in 1938; however, the United States delayed public sale of receivers, until it achieved somewhat higher picture standard, which it did in 1941. Also during the 1950s, fifty more countries inaugurated television. However, Greece delayed the introduction of television for a very long time, until 1966.

Katsoudas (1986) points out some factors that can account for this delay in the Greek case. The National Radio Foundation (EIR) itself took a very long time to complete and the establishment of a television network required a considerable amount of preparation and planning. Also Greece possessed a very large number of cinemas at that time (about 500 only in Athens) and it was such a large area of employment that it would have taken courageous political will to deflate such a prosperous sector. Another problem that delayed the establishing of television in Greece was that all the governments had problem in choosing the company and its nationality, which would be responsible for installing the television network, because Greece in that period was very careful in its relations with various European countries, due to its application for EC membership. In any case none of the elected governments before the dictatorship seriously undertook the establishment of a television network. Another reason was the geography of Greece and the shaping of the ground. Greece is mainly a mountainous country and it was very difficult to construct a television network that would cover the whole territory. A very large number of transmitters were required on many of its hundreds of mountains and also for the isolated islands. On the other hand, the establishment of a TV network for only Athens, the big cities and the flat part of the country (which could have been done quickly) might be at the expense of others' equal right to have access. However, "the most important reason, perhaps, for the delay was the press lobby, loath to see such a powerful new competitor when it had previously only had to compete with radio" (Papathanassopoulos 1989: 31).

Television came, officially, into Greece on the 25th of February 1966, a

period when television was dominant in other European countries. A tentative move towards the start of a television service, however, began with experimental television transmissions at the Salonika Trade Fair in 1960, 1961 and 1962 and was operated by DEI (the National Electricity Company), Philips and RCA. The first broadcasts were received in Salonika by an advertising company 'Panentsios-Papazachariou' in 1960. Their purpose was the better advertising of products at the Fair, and thus, for this reason there were only 46 television sets, the only TV sets available to receive broadcasts in Greece in 1960. This experimental TV station was the first station in Greece.

In 1960 visitors to the Fair watched colour TV for the first time in Greece. That was a great step for the country's broadcasting development. The programme had been watched by 36,000 people. "Every year since 1960, 'Panentsios Papazachariou Company' was signing an agreement with EIR to broadcast at the International Fair. The last agreement signed was in 1968, but the station continued its broadcasts illegally until the 28th/8/1969" (Dulkeri 1979: 75).

In 1961 the technical staff of EIR started research that established the bases for the function of Greek television. Meanwhile some individual technicians managed to receive broadcast receptions from foreign television stations. For example in Corfu broadcasts were received from Italian television, in Salonika Yugoslavian programmes were seen and Crete (Heraklion) received broadcasts from a small US military station. Also in 1961 Athens received television. The first television station was established by DEI, but newspapers reported that DEI had ceased transmitting. This was a legal matter due to the Constitutional Act 54/15.6.45, which entrusted television broadcasting to EIR. In 1963 the government made an interesting announcement which was to establish a complete national television network with 17 stations. According to Carter (1979: 13,14), "This was to cover the whole country and would reach 80-85% of the Greek population. EIR was to finance the operation of this national television network from its own resources. On 18th September 1964 the Royal Wedding was transmitted from the Eurovision in Europe and central Athens by Italian and Danish television workshops".

On 10th April 1965 the Greek government decided to initiate an international competition in order to find a company to build the national

television network and consequently to solve the problem. The first experimental programme of EIR was broadcast in Athens on the 25th of September 1965. This programme lasted for one and a half hours. The following year (1966), a new transmitter was introduced. This transmitter replaced the previous one and was six times more powerful and could cover a greater area. At this time Athens had 1,500 television receivers.

One year later, Greece came under dictatorship (21st April 1967). The colonels took possession of the station. That was two months before it had completed its first year of operation. Three years later the dictators decided to merge radio and television organisations in order to control them more easily, for their propaganda. In 1970 they introduced a new law (745/1970), which changed the state broadcasting authority (EIR) to National Radio and Television Foundation (EIRT) and provided the framework for the operation of the first TV station. The 1970 legislation (722/1970) also recognised and provided a legal framework to the Armed Forces Information Service (YENED), which also had installed an initially primitive television station in 1965, with limited trained personnel, located in the Armed Forces Geographical Department⁵. The situation of the nationwide Armed Forces broadcasting network, which is unique in the recent European experience, ended in 1982, when YENED was transformed into a civilian state broadcasting service (ERT 2 - Greek Radio and Television-2), by the Socialist government (PASOK).

Clearly, the Junta with the Act 722/1970 created YENED (the Armed Forces Information Service). YENED was to be under the command of the chief of staff of the armed forces, and its purpose was national, moral and social education as well as the training, information and entertainment of the army and the general public. So, Greece had two broadcasting organisations at that time, EIRT and YENED, both controlled by the military regime.

ERT was using OTE (the State Telecommunications Organisation) to transmit its signals. (YENED also used OTE, but that was never legalised by the government). EIRT and YENED followed similar patterns of development. EIRT began broadcasts of music quizzes and theatre in 1968, but both channels

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The limited programme that YENED offered, before it got its legal status, consisted primarily of foreign TV programmes and films as well as a Greek news service.

remained on a trial basis until 1969. The major source of income for both channels came from advertising revenue, but while EIRT gained some of its income from a small fixed percentage added to the bimonthly electricity bill of every consumer of DEI⁶, YENED was receiving hidden subsidies from the Ministry of Defence.

EIRT from the beginning started to employ enormous numbers of people, creating thus a huge financial and administrative bureaucracy. The personnel had all the privileges of the civil service status and thus EIRT became another place of the civil service, where the Junta could put its supporters to 'find' a job, in order better to control the organisation as well as to become popular. Control over broadcasting was prominent and EIR's employees had to be officially approved by the government. Although recruitment into the civil service at some levels of hierarchy depended, officially, on educational qualifications, it was however a general practice of the government to employ its political associates. For instance a major part of EIRT's employees were people transferred from the radio service (1967-74).

During the dictatorship, senior television executives found there was much instability as far as their employment was concerned. For example, from 1967-1975, the posts of DG, Assistant DG and Director of EIRT were changed almost yearly. A policy of employing inexperienced staff in television commenced. The changes among senior executives bred instability elsewhere. Broadcasting lost its sense of direction, as a huge bureaucracy of underqualified staff struggled to cope with frequent change and disruption. This huge bureaucracy of relatively unqualified personnel and the constant changes meant that few policies could be developed for broadcasting. The only TV production undertaken internally were the news services, manned by Press journalists.

Thus, although EIR was supposed to be a corporation with PSB duties, in practice its orientation was undoubtedly the backing of the government and the promotion of its interests. PSB ideals for political impartiality and independence of broadcasting had no meaning in Greece. It was generally known that

⁶ This system of finance replaced the previous one of the licence fee. When EIR began its services, it was deriving its income by licence fee, however, because the system was uneconomic and cheating was easy this system was abolished.

broadcasting in Greece was an institution which disseminated the policies of the dictatorship and was staffed by people who were supporters of the regime, willing to support every policy of the military government. Additionally, YENED as a branch of the Armed Forces was responsible directly to the Minister of Defence and it was stipulated that the administrative head of the channel should be an army officer. Civilian governments had never achieved complete control of the military services. History shows the role that the military has played in Greece's political life. The administration of YENED has served predominantly the interests of the military government, while governments did not directly interfere with the operation and decision-making of YENED. This is in marked contrast to the operation of EIRT, where governmental intervention in the decision-making of the channel was predominant.

5.5 HEAVY PATERNALISM OVER GREEK ELECTRONIC MEDIA

From the very beginning of broadcasting in Greece, government control was always in place, and this was particularly evident in the case of news programmes. Under the terms of the Royal Decree 3778/1957, the Minister to the Prime Minister can ask for any programme to be submitted to him for approval. The dependence of the broadcasting media on the state was absolute. During the dictatorship, the Council of Ministers also legislated to create a council to co-ordinate and control radio broadcasts. The Board of Governors had a purely administrative function, whereas the Director General had true power over programming and schedules, which gave him the potential to act in an autocratic way. The dictatorships then had total control over broadcasting media. Board members were appointed by Royal Decree for two years, and these appointments were made at the discretion of the Minister to the Prime Minister. The Minister had the power to sack any members of the Board of Governors. This arrangement meant that in practice censorship operated both retrospectively and in the form of self-censorship on the part of the serving governors. This established not only censorship in general but a preventive *a priori* one in particular.

Clearly, the anti-Communist dynamics of the civil war as well as the dictatorships and the guided democracy regimes affected the development of the Greek broadcasting media and the rapidly developing post war Greek society. In a period of strong anti-Communism and repressive parliament, it was impossible for the broadcasting media to escape the constant forms of news and information

propaganda. The administrative structure of the broadcasting media was carefully designed to ensure absolute governmental control, from the birth of the radio until the fall of the colonels in 1974.

Since the establishment of the radio, absolute power rested in the hands of the Director General. In fact the post of DG has always been a political appointment. The DG was hired and fired like any other board member. Nevertheless, an advisory board was also in existence to monitor the views of the press and general public. Though, for all practical purposes this body became totally inactive and was eventually abolished in 1964.

It is clear that a structure such as this provided little ground for developing further legal restrictions under the dictatorship (which was established in April 1967). The system was so repressive, that the junta did not have to make many alterations in order to enforce its image and strength across the country. The Colonels simply made use of an already existent and efficient administrative and legal machine, perfectly suited to safeguard their authoritarian regime by use of propaganda. During the dictatorship (1967-74) the military government, based on officers of the armed services, had control over both stations and those who wished to enter into production had to meet with the approval of the stations' administrators, appointees of the military government. This tight governmental control has ruled Greek broadcasting and doomed even the most capable and good-willed to failure. Under the Junta, the Prime Minister could expel any member of the personnel at his own discretion.

With the introduction of television, the Armed Forces Information Service (YENED) expanded and became an effective competitor for EIRT and an instrument of efficient propaganda for the Colonels and the Military in general. At this time, as both EIRT and YENED were under military control (direct and indirect), there was no choice for the viewers in any real sense of the word. In fact, as Manthoulis (1981: 63-5) points out:

YENED was less burdened than EIRT, which as an inheritance of the civil service, possessed an excessively large bureaucratic apparatus. Therefore YENED was more efficient administratively and had a high degree of success. YENED's secret was the 'quantitative programming policy'; without any social consciousness and responsibility, YENED was offering populist and often vulgar widely viewed programmes. YENED generally had at least a 'quantitative popular programme', while ERT had a lack of programming policy

Thus, we can see very clearly that the dictatorships seriously affected the development of the Greek broadcasting media. Indeed broadcasting during the dictatorial periods created a certain type of populist audience. The programming policy was 'quantitative' with 'safe' programmes as well as propaganda. Hence, culturally, popular taste was not improved. The broadcasting media could be largely ignored as agents of information offering acceptable entertainment. The censorship imposed and sustained by the Colonels prevented any opposition voice from being broadcast, even in the area of entertainment. This situation was accompanied by the fact that many left-wing intellectuals were in prison or in exile, and the position of right-wing politicians was not much more secure. 'During this period the Greek people started listening to foreign broadcasts, mainly the BBC and Deutsche Welle for news and information. The Turkish invasion of Cyprus, as well as the juntas coup against Makarios that led to it, were characteristically first made know to the Greek people through foreign broadcasts. This is perhaps an excellent illustration of the authoritarian regime's information strategy" (Katsoudas 1986: 140-1).

Clearly, much of what was broadcast at this time may be called anti-Communist propaganda, which adopted a populist style combined with the sub-culture of Capitalism. Broadcast football reached a peak at this point, and in terms of music both Greek and Western popular music received a substantial quantity of air-time. Once the dictatorship had been removed, it became clear that the present climate of populism had in fact begun to take root under the dictators, and the consequences of the policy developed at this time are still being felt today.

5.6 BROADCASTING DURING THE CONSERVATIVE ADMINISTRATION (1974-81)

State intervention and control and the general traditional bureaucratic structure and organisation of PSB were the legacy of seven years' dictatorship. Most of the political and personal influences could be found operating in all

⁷ YENED in 1972 began a more successful programming policy by commissioning some programmes and also selling advertising directly. This broke with the previous system (during the period between 1968-72 some advertisers began to make and produce programmes for TV) of sponsorship by advertisers, and enabled the station to exert influence over the financing and content of the broadcast programme. It was also possible for non advertisers to enter the field of external TV production after 1973, since the two channels could and did directly commission programmes.

areas of the country's public life. Such national factors and traditions, similar to the political traditions of Italy, France and Spain, had a crucial impact on the electronic media. During the transition of Greece from dictatorship to Parliamentary democracy in 1974, the country was ruled for some months by a government of National Unity. As was expected, this government started an immediate reorganisation in the administrative hierarchy of EIRT and the personnel of the information programmes. The government of National Unity, led by Constantine Karamanlis, brought some innovations such as a more liberal and independent news service as well as the introduction of some progressive people into the broadcasting service, which brought a new wind of change (these people, however, did not have any fundamental impact on the corporation, but only in some programmes). However, this liberal openness of broadcasting, which was in line with the general post-dictatorial spirit, was short-lived. The election of the 'New Democracy' Conservative party in November 1974 resulted in the termination of this liberal policy of the National Unity government, although promises for broadcasting democratisation had been made.

Many assumed that the re-establishment of democracy would give an independence to the Greek electronic media and an improvement in programming. Unfortunately, significant structural changes were not achieved since the government continued to control the corporation as a department of the civil service. The independence and autonomy of the broadcasting media were never achieved. This was particularly the case in the news and current affairs services where the public broadcaster was not given the independence of the Northern European states, since it was expected to take the government's line. The lack of experience of the senior administrators did not allow them to control the employees and civil servants of EIRT, who continued in their old practices. In addition, YENED continued to operate as a military channel.

The 'New Democracy' government changed, within its first days of office many of the personnel of the corporation, appointed by the National Unity government, especially those in the key posts, including the DG. According to Manthulis (1981: 199):

The basic reason behind this conflict was the contradiction between the wind of change, which blew after the fall of the dictatorship and the spirit of restraint of this change, which dominated the policy-making of the new government. This restraint of the change originated from any potential commitments that the new government had undertaken in negotiating the peaceful transition of power from the military to

civilian administrators.

The new government, however, expressed its commitment to reform broadcasting, which during the seven years of dictatorship had become the mouthpiece of the government, lacking any real PSB status and reliability. There was a general public dissatisfaction and mistrust towards broadcasting. Thus, the new government needed to achieve a structural reorganisation of the corporation before it could gain any credibility.

5.7 "THE HUGH GREENE REPORT"

After the fall of the dictatorship (1974), the 'New Democracy' Conservative Party, won the general elections in November 1974 and became the government. Greek Broadcasting faced the prospect for the first time of a degree of independence. On its inception the new government needed to change the country's broadcasting system. In order to formulate a new Constitutional article on broadcasting the new government asked many foreign broadcasting and communications experts for their recommendations in order to construct a new broadcasting system. The most important amongst them was Sir Hugh Greene, former Director General of the BBC (1960-69). His reputation was based, not only on his experience of broadcasting, but also on his declared opposition to the Greek dictatorship. Additionally, because he was a firm supporter of the independence of PSB from the state, his advice was, at that time, of great importance, given the commitment and promise of the Greek government to free broadcasting from direct governmental control. Other experts consulted were Alan Protheroe, Deputy Director of the BBC news service in 1975, Joan Spicer from the British Television Institute and formerly involved in BBC programming, Felix Haydenberger from Bavarian Television and Roviros Manthoulis a Greek national, who was working in the French PS Television (ORTF).

The Greek government asked all the experts to submit their own reports on the reshaping of the Greek Broadcasting system, in order to facilitate democratic effectiveness and efficiency. All advisors stressed the benefits of the autonomy of PSB from the government, views which appeared to be in line with the government's promised statements at the time. Joan's Spicer report, which was complementary to Sir Hugh Greene's report, emphasised the need for an overall reform in terms of programming, which should concern the advertising policy and provide for a balance between imported and home produced programmes, as well as between external and internal production.

All the reports were carefully examined by the Greek government, but particular emphasis was given to Sir Hugh Greene's report. Sir Hugh examined the Greek case very carefully and discovered the structural weaknesses of the broadcasting apparatus. His observation was that the whole broadcasting system of the country was based on undemocratic methods and structures and was dependent on a huge bureaucracy. He also examined the poor financial situation and the incompetent administrative structure, the out-of-date technology and the shortage of specialised and professional personnel. At that time everything in Greece was in a state of paralysis after seven years of military administration. The country had floundering administrative, political and economic systems, and consequently ineffective electronic media.

Certainly, the country had to re-build its political system and consequently a democratic and well functioning broadcasting system. Sir Hugh was very careful in his examination of the Greek broadcasting situation and suggested that the Greek government establish a democratic and pluralistic administration, a new institution free from state control and intervention, where this was practical. Sir Hugh recommended a reconstitution of EIRT from a state enterprise to an organisation under private law, which would be managed by the state, but would function as a private limited company. He also recommended a new flexible and effective employment strategy. The above suggestions would have the advantage that the personnel would cease being civil servants or bound by civil law regulations, with a potential improvement of their psychology and therefore of their productivity, efficiency and effectiveness. He also advised a reduction in the number of personnel as well as the abolition of the civil servant's job permanency.

One other key recommendation was that the departments of the broadcasting network be decentralised in order to make budget management for minor or urgent matters more efficient, and to allow more decisions to be made at a lower level. ERT should also, it was proposed, be subject to advisory and controlling bodies to ensure that radio and television could occupy their rightful place at the heart of democracy.

The existence of YENED was described by the report as an obvious anomaly and he suggested the merging of EIRT with YENED. According to his advice "the information, education and training of the armed forces could be covered in

a short daily programme, broadcasted either simultaneously or individually by both television networks as well as from radio. This programme could be prepared by the Ministry of Defence, but under the control of the Director General of the broadcasting and the Administration Assembly" (Karzis 1981: 51-2).

Amongst Sir Hugh's suggestions there were some very important observations on the content of news bulletins and current affairs programmes, where he found a complete absence of discussion and arguments. He suggested a reorganisation of the structure and the personnel of the whole information service of the broadcasting organisation. He also found the television studio inadequate and stressed the need for better financing and more internal productions. In relation to entertainment programmes, Sir Hugh found too much inferior US material. Also the introduction of more educational and cultural programmes in order to develop the level and improve the cultural taste of the Greek audience, which had suffered for many years under the cultural and educational propaganda of the military regime. He also discovered that there was no board to inspect advertisements. There was also a lack of an advertising regulatory code. The advertisers were simply picking the programmes with the highest viewing ratings.

The Greene Report was submitted on the 22nd of January 1975. According to Sir Hugh Greene's Report, the Greek government should establish:

1. A fifty member advisory body, consisting of representatives from political parties, local authorities, the Greek Church, the Press, the Unions etc. This body would check the activities of the broadcasting system and guarantee pluralism, because of its diverse membership. Thus, all voices and opinions could be heard and consequently objectivity would result.
2. A Board of Governors, consisting of a chairman and six members to be appointed after prior consultation with the leader of the opposition.
3. The appointment of a Director General by the Board of Governors, and not by the government.

4. The gradual merging of both broadcasting networks (EIRT and YENED) into a single organisation. (Sir Hugh Greene's Report for the Greek Radio and Television, Kathimerini ed.1975).

Sir Hugh's report was of great value for the restructuring of the Greek broadcasting system and was enthusiastically received by the Greek press and the public.

5.8 THE LAW 230/1975 ON THE REORGANISATION OF GREEK PSB

The government decided to push for a speedy reorganisation of the broadcasting apparatus. One year after the restoration of parliamentary democracy in Greece, the newly elected government expressed its commitment to democratisation and reform in major areas of public life, including broadcasting. The existing work of the team within the Secretariat of Press and the recommendations of Sir Hugh Greene formed the basis of the initial Bill schedule, which proposed that ERT would become a semi-autonomous government organisation, continuing to be financed by its electricity levy and advertising revenue.

In the final Bill schedule submitted to Parliament in December 1975, EIRT was officially designated as Greek Radio and Television (ERT), a public enterprise with the status of a public company or corporation. It was to have administrative and fiscal autonomy, enabling it to operate along the lines of a private corporation with the implied notion that it would be self-supporting in its finance for running costs and development. In this it was to copy existing Greek public utilities such as electricity (DEI) and telecommunications (OTE).

The third of December 1975 saw the publication of the Law 230/1975, which abolished EIRT and in its place established a new company, ERT (Greek Radio and Television). ERT became a public entity of private law in the form of a joint stock limited company, whose only shareholder was the Greek state. According to the article 1 paragraph 1 of the law, "the main aim of ERT is the information the education and the entertainment of the Greek people with radio and television transmissions".

Moreover, ERT was given the monopoly over radio and television, except YENED, which would merge with ERT within two years (by 1977), if the

necessary financial, technical and organisational conditions prevailed. However, regardless of this statement of the law, YENED continued to operate as a military channel until 1982, when the Socialists transformed it into a civilian channel. There were many interests which sought to retain YENED as it was. It was hard for YENED to make the transition from military to civilian broadcasting. The problem was exacerbated by the reluctance of the Armed Forces to relinquish this important tool of persuasion. Besides YENED was now more popular than ERT, and the channel wished to maintain this position. Other vested interests existed in the relationships between YENED and external producers, who favoured autonomy on political and commercial grounds. Finally, within the government were extreme right-wing elements connected with the Military and commerce, who were obstructing the implementation of this policy.

The new law included several of Sir Hugh's proposals, but to a limited extent so that they did not affect governmental decision-making. The law stipulated the general directions for ERT and the new administration concerning restructuring of the public broadcaster as well as for the structure and responsibilities of the personnel. The law established the three basic administrative elements suggested by Sir Hugh Greene: A Director General, a Board of Governors and a General Assembly. The government, though, ignored the most important suggestions of Sir Hugh. For instance, executive management was to be in the hands of the DG, an appointment which, however, contrary to Sir Hugh's advice, would be made directly by the Cabinet as well as its two associate DGs (posts which were not recommended by Sir Greene), without any prior consultation of either the Board of Governors or the General Assembly. Additionally, instead of a 50 member advisory body (General Assembly), representing the whole nation, the law created a 20 member General Assembly with a clear overpowering government majority, in which very little expertise was involved. This body was given limited, almost formal, power and it was deliberately designed to be innocuous. Additionally, whereas Sir Greene suggested that the Board of Governors should have six members the government established it with seven (its members were to be appointed by the government for three years) and it did not give them the power to elect their president and vice-president, who were both nominated by the government. The power of the Board was limited as its only knowledge of ERT's affairs was acquired through the DG's reports. Also, most Board chairmen disappeared from the public eye soon after their appointment.

Clearly, the key person in the administration of ERT was the DG. Among the powers that the DG was given was his prerogative to stop or postpone any programmes in exceptional circumstances and, furthermore directly to assume ERT's full administration in national emergencies. There was, however, a contradiction in the DG's role. The DG was a position that was both powerful and precarious at the same time. The law and the regulations of ERT allowed him to appoint and dismiss staff, deal with the expenses involving large sums of money, and in effect to control the Board of Directors. But his actual powers were limited by the fact of his political appointment while his tenure of the post of DG depended on the whims of the Cabinet and the Prime Minister.

Though, both the original law proposal and the recommendations of the advisors had emphasised the need for greater media independence and freedom, the government appeared to fear any loss of control. Thus, the government limited innovation and continued to retain the power for appointment and dismissals of the top executives of ERT. Therefore, the government could choose already known political sympathisers, who had previously served the government for senior administrative posts. The period of post-dictatorship Conservative administration saw three changes in ERT's administration.

Absolute government control was not at all diminished, since the law made the Ministry of Transport and Communications responsible for the technical side of ERT. The Prime Minister and General Assembly controlled financial operations and general control was in the hands of the Minister to the Prime Minister.

The publication of the law caused protests from the foreign experts such as Protheroe's reaction to the clause of the law that "ERT broadcasts should be permeated by a democratic spirit and a feeling of cultural responsibility, humanism and objectivity and then should be adjusted to the **Greek reality**" (art.3). Protheroe stated

I sincerely hope that at this point I shall not be misunderstood or be considered arrogant - that these words **Greek reality**, may in many cases be transformed into something like an excuse, a reason for not reaching decisions and for the postponement of much needed change" (Protheroe 1975 quoted in Karzis 1981: 52).

The provision of the law that ERT could operate as a semi-autonomous

organisation provided the first real opportunity for systematic reform of the corporation, but the constant governmental interference in the corporation's affairs made the provision a dead letter. While experts were calling for broadcasting to be made more democratic, many potential employees, who possessed a high degree of creativity or management ability were driven away due to the presence of political control. The result of this was that the staff in fact tended to lack the experience and ability that better qualified people might have brought to the job. Meanwhile there were many professionals and academics in public office, who had returned from exile when the dictatorship ended. These people were employed to assist in the democratisation process, but it soon became evident that the new government favoured only limited reform. Indeed, government interference extended far beyond political matters. A good example of this was the official decision to adopt the French SECAM system for colour TV, whereas the technical staff of ERT favoured the German PAL system.

The government's ability to intervene in matters concerning appointments and dismissals as well as financial allocation was routine. Thus, despite its supposed semi-autonomous status, the corporation, in fact, remained under firm state control, used by the government as another branch of the civil service. Television was obviously a powerful propaganda tool. Though it was democratic, the new government still succumbed to the temptation to interfere with broadcasting. As Katsoudas (1987: 144) points out:

Besides the long tradition of state control of broadcasting made submission to this particular temptation easier. Nevertheless it was impossible to ignore completely either the public outcry or Sir Hugh Greene's ideas. The government tried therefore to make the best of both worlds

Essentially the great opportunity to install a legitimate and infinitely more pluralistic and democratic media was lost.

In effect, ERT has always been a branch of the civil service whose personnel and operations were bound by the rules of government bureaucracy. Similar to the other EC Mediterranean states' political tradition, the Greek civil service had little autonomy from the government. Consequently, in Greece the government has always interfered directly in broadcasting. A crucial factor in the development of Greek broadcasting was the direct involvement of the government in the appointment and dismissal of personnel, especially in the

highest administrative positions, for political ends. ERT had the drawback that it operated as a branch of the civil service with all the associated bureaucratic delays and inefficiencies typical of the Mediterranean civil service tradition. This fact caused delays in all operations of broadcasting, adding to the lack of credibility of the organisation as a public service.

Once the dictators had fallen in 1974, there was a popular demand, initiated by the press, for the broadcasting system to be reformed. This change was deemed necessary to reflect the dawn of a new age in Greek history. Although there was an excellent opportunity for reform along democratic and independent lines, the government failed to take this opportunity seriously. What in fact happened was that the broadcasting media entered a new phase of state manipulation.

Clearly, the Conservative government, influenced by the bad habits of the past, the fears of the present, and the uncertainty of the future, did not understand the free lesson that the history had offered. When the Greek policy-makers commissioned Sir Hugh Greene's report, they thought that the report would favour their political preferences and therefore be useful as an alibi for their own purposes. So, although the opportunity arose for the government to establish a pluralistic broadcasting system, it purposely omitted the most vital suggestions of Sir Hugh Greene's and other experts' reports and only used those recommendations that did not have an unpalatable impact on their political decision making.

5.9 A CONSTITUTIONAL ANALYSIS

But let us have a brief look at the Constitution of 1975 which was the basis for the emergence of the broadcasting law 230/75. The Constitution of 1975 declares the freedom of the Press from political and governmental control (art.14, par.1). It does not, however, ensure the same freedom for the broadcasting media. While press is free from any state control, the broadcasting media are still under the immediate control of the state (art.15, par.2).

Article 15 of the Constitution emphasises the issue of state control over broadcasting by saying:

Radio and television shall be under direct state control and shall aim at the objective transmission on equal basis of information and news reports, as well as works of literature and art. The qualitative level of

programmes shall be assured in consideration of their social mission and the cultural development of the country. Also the broadcasts of ERT and YENED must be influenced by a democratic spirit, consciousness of educational responsibility, humanism and objectivity and to be adjusted to the Greek reality.

Explaining further the issue of state control, the Constitution (art.15, par.2) states:

State control is imposed on broadcasting in order to protect its reliability and objectivity. State control guarantees impartiality as the responsibility falls on the government and its appropriate Minister who are responsible to parliament which is elected by the majority of the Greek people.

The state monopoly, as defined by the constitution is vague. Because of this, there is considerable latitude for interpretation. Although the Constitution of 1975 denies the autonomous private right to establish and control broadcasting media, it does not proceed to forbid it, leaving this to the discretion of the legislature, if it so wishes. "That means that the state has the absolute power to define by official law if individuals and under which conditions shall be given the privilege of broadcasting". (Dagtolou 1986: 38)

According to Dagtolou (1986)(a Constitutional expert and former president of the NCB), the direct nature of the state control does not necessarily mean that the state must possess the monopoly of broadcasting (not even the machinery). Radio and television must come under state monitoring but not under state manipulation. That means that the Constitution gives the opportunity to the National broadcaster (ERT) to function as an independent public enterprise like the British ITC Independent Television Commission). The notion of the state control does not mean that the state must be the sole owner of broadcasting. The Constitution provides the opportunity to private individuals to broadcast, but on condition that this will be directly monitored by the state. On the other hand the Constitution does not restrict the state monopoly of broadcasting, so it gives the legislature the power to do what it wishes.

Other Constitutional experts as well as political scientists agree with the above interpretation. For instance, Professor Koumantos (1991) and Katsoudas (1991) have stressed that the term 'direct state control' allows the state to define whether or not, and under what circumstances private enterprises could be allowed to operate. As Katsoudas has pointed out "the most correct interpretation

is that the constitution with the term 'direct state control' does not mean that the state must be the sole owner of broadcasting, because if the constitutional legislator wanted to say something like this, there are words in the Greek language that could define it precisely".

The Constitution provides a general framework including the guideline for programming output. The Constitutional aim of Greek broadcasting media is to transmit:

(1) Information; (2) News; (3) Art and (4) Literature

However, the Constitution *does not exclude other kinds of programmes*, such as scientific or entertainment; but it only gives priority and mentions the above four kinds, because it views them as the most important topics. The state therefore devotes a bigger share of broadcast time and funding to these four. Programming guidelines stress the principles of impartiality and equal use over news output as well as quantity.

From the government's point of view, however, the principles of impartiality and equal use of broadcasting meant 'neutrality'. Consequently the government adopted the principle of 'neutrality' in its broadcasting policy. According to P.Lambrias (then the Broadcasting Minister) neutrality means that broadcasting is national and does not favour political parties or propagate ideologies. It never attacks opposition parties and refuses to advertise the Conservative party's activities. Also Constantine Karamanlis (then the Prime Minister), expressed the view that party politics on TV divides the nation. But as a political analyst observed (interview with the author), "the New Democratic Conservative party did not include in 'party politics' the ND's governmental activities; as various Ministers explained extensively their aims and the effect of their policies".

5.10 PROGRAMMING

The highly individualistic, personal forms of decision-making of the top administrators were partially resolved by the establishment of a Programming Committee. However, the functioning of this Committee became difficult due to the lack of sufficient and representative statistical mechanisms, measuring audience preferences and reactions at the time. As a result the programming committee was dependent on insufficient data and furthermore on the tastes of

the political and artistic elites of Athens. There was a general suspicion at the time that ERT's programming was reflecting bourgeois tastes and ideology. This suspicion was further reinforced, as a broadcasting expert explained (interview with the author) by the fact that

the key posts of ERT were held by government appointees belonging to the bourgeoisie (their families had occupations in arts, commerce, business, the military etc.). Those people did not necessarily had the expertise and familiarity needed for broadcasting. Regularly these people were drawn from other branches of the civil service, so their recruitment was decided upon their political ideology rather than on their expertise.

Therefore their attitude was directed towards the general improvement of the cultural taste of the audience, which they treated as homogeneous, without considering the opinions of the people living in rural areas and of people with different social backgrounds.

All the producers at the time (external and internal) were working within a set of limitations regarding social and political acceptability. Although censorship of particular actors, writers and personnel was abandoned after the restoration of democracy, it was, however, obvious that there had remained a form of censorship in many aspects of the public life, regarding criticism of the government, violence, sex, political satire etc. The producers tried to be sympathetic to the government, using personalistic and political support in their programmes. Their goals were to make popular programmes, big profits and not to upset the government. These tactics, however, generated problems for the Greek broadcasting concerning legitimacy and reliability⁸.

As far as YENED was concerned, the direct political and administrative controls over the channel continued and were manifested in the general philosophy of the channel. The programming schedule was designed on safe 'puritan' line to serve safe and acceptable programmes. Any programme of a Communist or Socialist nature was unlikely to be broadcast. Apart from the governmental interference with the station, the commitment to the Armed Forces was predominant, since certain programmes of a military nature were broadcast. Additionally, there were also programmes designed to meet the interests of the

⁸ The 'oligopoly' of the government controlled external producers was broken with the election of PASOK in 1981. Only few of the above producers survived the political reforms of the Socialists.

army and police servicemen, such as 'American War Stories', 'Canadian Forest Fighters' as well as many Greek programmes of the same or similar nature.

After the restoration of democracy, however, YENED had to argue and provide reasons for its existence. The channel within a parliamentary democracy obviously had to cut its connections with the Military. Consequently it had to become financially independent and viable. Thus, in order to survive, YENED had to adopt popular programming. The programming strategy, which was followed by the channel was a popular programming schedule in competition with ERT. But while this strategy gave YENED a relative autonomy from the Military, it made it more dependent on advertising revenue. This fact led the channel to depend heavily on light entertainment, mainly long running serials commissioned from external producers as well as amortised US series, which were cheap on the international market and had a secure popularity (i.e. 'I love Lucy' etc.). YENED was unable to produce any of its own entertainment because of lack of production facilities.

However, despite the lack of facilities YENED was more popular than ERT in terms of ratings (in 1975 for instance it had 55% of the audience share with 75% coverage while ERT with 95% coverage had only 45%). Clearly, the formula adopted by YENED after the restoration of democracy was a reorganisation of personnel and an attempt to develop a programming policy for audience maximization. Although the national broadcaster ERT had a bigger coverage with more transmitters in Greek space, it was an inheritance from the civil service and it was administratively disorganised and its programming did not satisfy the public. So, the public turned to watch YENED, which in comparison with ERT, (which had no policy), had a 'popular quantitative policy'.

Clearly, the fall of the dictatorship led to a change in the field of broadcasting as was expected. However, the law 230/75, while adhering to the principle of objective and impartial information, was in fact a conscious attempt to manipulate the broadcasting media.

5.11 CONCLUSION

The transition of the country to parliamentary democracy, after seven years of authoritarian rule, though efforts were made towards the democratisation and

reform of the Greek broadcasting, did not have any substantial impact on traditional and established patterns of direct and indirect governmental interference. Greece's recent experience of authoritarian rule as well as traditional political intervention by the state was difficult to abolish completely. The new government had inherited a traditional civil service practice and bureaucracy which was politically difficult to break up suddenly.

The new law remained, as previous laws had done, true to the spirit of the Greek political tradition. The state disguised its interference and control beneath a cloak of liberal rhetoric, although the anti-Communist element had now disappeared from the propaganda. "Indeed some of this was even honest, since the restrictions as they were then applied though betraying a profound conservatism, could not easily be labelled 'authoritarian'" (Katsoudas 1986: 11). It must also be taken into consideration that the all powerful opposition press was probably causing the government considerable anxiety and television was seen as a means of counter attack.

As we have seen, the government did not have the political courage and will to break with the tradition of established patterns. These patterns remained unchanged. The political cost of breaking such patterns would have been enormous and the government tried to keep a balance between tradition and 'safe' reforms, as it was not willing to sacrifice political support and patronage in the name of a potential structural reorganisation and improvement of Greek broadcasting. Thus, the traditional civil service bureaucracy and practices remained unchanged and together maintained the resistance of Greek broadcasting to progress.

The government's structural inability to resist the temptation to interfere with public broadcasting deprived ERT of the status of a professional autonomous organisation along the lines of the BBC. Additionally, the political inability and unwillingness of the government to annoy the military, resulted in the continuation of YENED as a military channel, out of date and opposed to the real needs of the Greek audience and the era.

In conclusion, the reasons that led the government to adopt tight state control over broadcasting were the bad habits of the past, tradition, political objectives, centralism and technical reasons as well as economic factors. The

government tried to show a legitimate image, but in fact continued the broadcasting policy of the past. The post-dictatorship government, although democratic, did not treat the broadcasting media as media for information and for the cultural development of the Greek people, but as its absolute instruments of propaganda and false democratic legitimisation.

Clearly, the newly democratically elected government did not bring the change Greek broadcasting needed. Its broadcasting policy was along puritan conservative lines, lacking any substantial structure of development and pluralism. It did not free the broadcasting media from state intervention and did not allow much space for pluralistic development. The new government's philosophy excluded other voices from being aired. It is characteristic that when the opposition asked for the establishment of an all party committee, that would monitor broadcasting as well as its democratic function, this was instantly rejected by the government.

As dismissals and appointments were part of a governmental business, the administration of the public broadcaster was controlled and thus there was limited opportunity for ERT to become a professional corporation with PSB duties. On the contrary ERT was viewed as a secured branch of civil service employment. The politically controllable administration of ERT, the lack of clarity in the duties between different departments of the public broadcaster and the direct political appointment of the Director of the new services were some of the confusions that the new law brought, keeping Greek broadcasting in a state of underdevelopment as well as governmental dependence.

The new organisation of the Greek broadcasting service reflected the traditional economic and class structure. Although, healthy forces for the reformation and democratisation of broadcasting existed, the importance of the traditional clientele relations between the political establishment and the voters fundamentally reduced the potential for improvement and development of PSB. As a result, after the restoration of democracy, the opportunity for real democratisation and development of Greek broadcasting was lost, as it remained in the hands of the government. This situation could be compared with the Spanish situation where broadcasting, after the transition from dictatorship to democracy was not truly freed. Nevertheless, similar commitments had been expressed by the Spanish centre-right (UCD) governments from the restoration of

democracy until 1982 (when the Socialists came to power).

In conclusion when the Constitution stipulates that broadcasting must be controlled by the state for the protection of Democracy, it does not advocate the government as the sole owner. But if the government proposes only its norms, it demonstrates a possessiveness and paternalism over broadcasting. That possessiveness causes problems and asks questions about the role of the citizen in society, as well as about the government's responsibility.

During the post-dictatorial era a political silence prevailed in Greece. From the government's point of view the argument was very simple: Only government decisions produce results and hence create the rights of and their obligations to citizens. The presentation of the activities of political parties through broadcasting provokes passion and disturbs the 'social peace'. In this sense, the 'New Democracy' government, during its office (1974-81), followed the doctrine of 'neutrality' and excluded party politics from broadcasting. The government instead of heeding the examples of other Western democratic broadcasting systems, like the British one, which had many years of experience, allowing healthy discussion, preferred to restrict other voices from being aired through broadcasting, thereby depriving the opposition of its voice.

CHAPTER SIX

THE SOCIALISTS AND BROADCASTING (1981-89): THE DEREGULATION OF RADIO BROADCASTING AND THE INTRODUCTION OF SATELLITE TV

6.1 INTRODUCTION

The notion of PSB monopolies in Western Europe has been largely associated with the fulfilment of social tasks and functions including access of different voices as well as universality of transmission "reaching the whole public with information, education and culture" (McQuail 1986: 10). The driving forces behind broadcasting policies in most Western European countries until recently were mainly political or cultural. In Greece as in other European countries there were legal regulations until recently governing the activities of radio and television and there was a close relationship between the political system and broadcasting. After the recent deregulatory trends in Western Europe, however, the political scene, as far as broadcasting media are concerned, has dramatically changed in Greece as well. In the last five years the whole broadcasting system has been reorganised.

Internal pressures from the opposition and commercial circles and external influences from the new communications technologies and the deregulation of broadcasting in many Western European countries, demanded a different stance from the Greek state. Thus, the Greek administration could not resist the demands of the new era and its social dynamics.

Firstly, the law 1730/1987 passed by the Socialist government established a fundamental evolution and brought some innovations. "The Minister to the Prime Minister can convey the right of establishing local radio stations for a certain period of two years, unless it is renewed" (Law 1730, art.2,4). Secondly, in

1988, the government with the supplementary Presidential Decree 25/1988 provided for the establishment of a third public television channel (ET-3) and introduced satellite TV with the method of retransmissions of satellite programmes via terrestrial frequencies; this was to be carried on by the national broadcasting company, ERT. Finally, the introduction of private TV channels into the Greek audio-visual landscape, by the Conservatives, was the policy which completed the process of broadcasting deregulation in Greece. Thus, we have a fundamental change as far as Greek broadcasting media are concerned. We have the breaking up of state monopoly in radio and television.

In this chapter we give an account of the period of the Socialist administration (1981-89), giving particular emphasis to the main factors which led to the deregulation of Greek broadcasting. Most of the factors which are identified and analysed in this chapter (concerning the deregulation of radio and the introduction of satellite TV) are also applicable to the introduction of private television by the Conservatives (which is analysed in the next chapter). The new period of Greek broadcasting coincided with the coming to power of the Panhellenic Socialist Movement (PASOK) in October 1981¹. The period of Socialist administration as far as broadcasting is concerned is marked by the following events:

- The transformation of YENED into a civil service corporation (ERT-2), in 1982 (Law 1288/1982).
- The restructuring of ERT, with the merging of ERT-1 and ERT-2 into a public company under private law (ERT-S.A.), composed of two TV channels (ET1 and ET2) and the Greek Radio Broadcasting (ERA). ERT was put under a common administration (Law 1730/1987).
- The **de facto** establishment and operation of radio stations (1986).
- The **de jure** legalisation of the so-called 'free radio' stations (Law 1730/1987 and PD25/1988).

¹ During the same period we have the election of Socialists also in France and Spain, expressing desires for change. Also, in Italy the Socialist party experienced an overwhelming rise in its popularity and held the balance of power in Italian politics.

- The **de facto** retransmission of satellite programmes by the Conservative mayor of Salonika and Piraeus (December 1988).
- The beginning of satellite TV, as an ERT experiment retransmitting satellite channels over-the-air (January 1989).

In the 1981 pre-election campaign the Socialists had adopted the political slogan **alaghi** (change). That slogan expressed the desire of the Greek people for political change, after a long period of right wing rule. October 1981 was the first time in Greek political history that a Socialist party had come to power. PASOK, in its electoral campaign, had expressed strong commitments to a general political reform of the Greek society along similar lines to the French, Italian and Spanish Socialists².

The general characteristic of the Socialist government's policy-making was, however, its discrepancy and lack of coherence as the policies did not correspond to the promises. Although several social reforms were achieved for first time in modern Greek history and genuine moves were made towards democratisation in all spheres of political life (and although PASOK had the overwhelming support of the public), it did not however achieve the structural political change that was needed for Greece. The already bad economic situation of the country and the cost of popular spending policies resulted in an increase in the state's public deficit. The consequence was a U-turn in the Socialist government's policy during its second term in office (1985-89). Furthermore, after 1985, PASOK abandoned its initial popular Socialist policy 'for even better days' and replaced it with a tough austerity policy aiming at economic recovery. This action had a high political cost and the government tried to counterbalance it with a partisan use of broadcasting in order to save its image, which had also deteriorated as the Socialists were accused of corruption and involvement in financial scandals, at the end of their second term. Thus, after an initial period of impartiality and openness in state broadcasting media, in line with the reforms promised in the election campaign, the general incoherence and contradictions of government policies extended into broadcasting.

² It is worth noting here that the leader of PASOK, Andreas Papandreou, in his pre-election speech in Athens in October 1981, had presented Senor Gonzales (the leader of the Socialist party in Spain) to the public and had also mentioned the French and Italian leaders for a Socialist movement in Europe.

It would not be fair, however, to argue that the Socialist reforms were insignificant. Indeed, some of the reforms were vital for the democratisation of the country as well as for its development. Indeed as far as broadcasting is concerned the policy of the transforming of YENED into a civilian organisation was achieved, which was essential, not only for the Greek public, but also for a modern parliamentary democracy; the channel finally cut its connections with the army and ceased to be a military organisation. Also other reforms were introduced such as the introduction of full political coverage in state broadcasting (although most of the time presenting a favourable image of the government), general codes of programming and advertising, monitoring bodies etc.

The apparent outcome of eight years of Socialist administration was a series of short-lived and frequently superficial reforms during the first term (1981-85), while at the end of the second term (1985-89) there was the deregulation of radio and the introduction of satellite TV. These were not an organised response to the requirements of the information era but a result of a combination of internal and external pressures, constraints and realities. Thus, the deregulation of Greek broadcasting seems to have been "the outcome of the internationalisation of broadcasting in relation to pressures from domestic forces" (Papathanassopoulos 1990: 391).

It could be argued that deregulation in Greece occurred in response to external pressures operating in conjunction with internal constraints. Greece in common with other EC Mediterranean states, suffered from strong paternalism within the public broadcasting monopoly. Apart from widespread social unease, other related factors which contributed to eventual deregulation were the new advances in broadcasting technology, which demanded a lifting of restrictions and control, the influence of the publishing lobby, and the EC policies on unrestricted services. It was due as much to political considerations and pressures as to demands from within the industry that deregulation was ultimately accomplished.

The actual implementation of broadcasting deregulation in Greece was caused by direct action; i.e. by internal pressures made, mainly, by the three conservative mayors of Athens, Piraeus and Salonika. The mayors, who were elected in 1986 under the flag of the New Democratic Conservative party (then in opposition) and encouraged by the public dissatisfaction towards state media decided to open, initially, their own radio stations (1987) and later their TV

stations (1988). Thus, although many reasons lay behind the deregulation of Greek broadcasting, it seems that party politics played a significant role towards deregulation of Greek broadcasting (specifically the battle between the Socialist government and the Conservative municipalities). As Papathanassopoulos (1990) argues, the break-up of the state broadcasting monopoly came only after **direct action**. Deregulation in Greece occurred **de facto**, with some similarities to what happened in Italy; the state came afterwards to compromise, as it could not resist the social dynamics of the situation.

6.2 THE TRANSFORMATION OF YENED TO A CIVIL SERVICE ORGANISATION (LAW 1288/1982)

Until 1982, YENED operated as a military channel. Public opinion and the press as well as many intellectuals and left-wing politicians always perceived YENED as a dangerous anomaly within a democratic civilian state. Also from the legal point of view, as Dagtoglou (a Constitution expert) (1986, 32) points out, "YENED was an instrument of the armed forces, in opposition to its social mission, illegal and ill suited to the constitution and the democratic parliamentary nature of the state and indeed against the EC spirit".

The stable situation of YENED as a military channel, however, started to crumble in 1981 when the Socialists came to power. The Socialists, when they were in opposition made a firm demand that YENED be disengaged from the Military. Thus, one of the main issues of their electoral campaign in 1981 was the transformation of YENED to a civil service organisation. YENED was functioning contrary to the principles of the EC, and as Greece became a member of the EC, it was self evident that YENED could no longer continue to be under military control. Another factor, which contributed to the abolition of YENED was the reaction of its personnel. With the development of the trade union movement, after the restoration of democracy, the personnel of YENED found it difficult to agree to work under military rule while their colleagues in ERT were working under civil rule. so they declared that it was time for the network to sever its military links.

With the introduction of the law 1288/1982, YENED became a civilian channel, but it did not merge with ERT until 1987. It was transformed into a civilian, autonomous public service. Thus, with the change of government in 1981, YENED was finally abolished (in 1982) and it was renamed ERT-2. It was

transferred to civilian administrators, under the secretary for the Press in the Prime Minister's Office and was given the same organisational status as ERT. This change of YENED from a military channel to an organisation with civilian status eventually removed a constitutional anomaly, as it terminated the division of Greek broadcasting media into civilian and military (an obvious contradiction in a parliamentary democracy) and simultaneously ensured the role and prestige of the armed forces as a peace keeper and not an authoritarian force intervening in the country's political affairs.

The law 1288/1982 (art.1, par.1) was disadvantageous for democracy because, although it created an autonomous civil service, it gave control of it to the Minister to the Prime Minister. The control of the channel, which had hitherto been the responsibility of the Commander and Deputy Commander of the Armed Forces, was transferred to a five member Governing Board. This Governing Board, as well as its president and its two vice-presidents were directly appointed by the Minister to the Prime Minister. Thus, all the administrators of ERT-2 were directly controlled by the government.

6.3 THE SOCIALIST GOVERNMENT AND STATE BROADCASTING

While in their election campaign the Socialists adopted the popular slogan of impartiality for the broadcasting media, in practice they changed little.

It seems that in the Greek case, the deeply paternalistic attitude of the state, especially when it is not threatened by internal pressures and external realities, makes it increasingly difficult to adopt 'relative neutrality' (and of meritocratic criteria in public appointments) in the state media and other public institutions (Papathanassopoulos 1990: 390-1).

However, one of the structural changes made by the Socialists was the abandonment of the principle of 'neutrality' and the introduction of politics in state broadcast media. According to Dimitras and Doukeri (1986: 144-5)

Opposition statements were aired (although not always in their complete form) and party congresses and party rallies televised. Opposition leader Averoff (ND) spoke twice to the nation. Representatives of local government and youth movements as well as people in remote villages were frequent guests, while under ND there was a virtually complete absence of all political news stories and there was only basic coverage of governmental action.

Clearly, when they came to power in 1981, the Socialists introduced politics

in the information programmes, including news about other parties; now opposite voices were aired, whereas during almost all previous regimes only the governing party could be heard through the electronic media. But, although this fundamental change was achieved for the first time in the history of Greek broadcasting, "it was aimed at providing greater publicity for the government and the Socialist party" (Papathanassopoulos 1990: 391). Although the Socialists introduced politics into state broadcasting media they often did it to the extent that it could help represent their own views. Additionally broadcast news was run under similar lines to broadcast journalism in the third world. News stories were not considered on their own merits, but were instead evaluated according to how favourable towards the government the news was. There is evidence to suggest that criticism of the government was suppressed in the news at this time. So the principle which underlay the newsmaking process was one of ideological orthodoxy (Dimitras and Doulkeri 1986, Papathanassopoulos 1990).

The government endeavoured to reinforce its control through successive changes in the PSB administration hierarchy. From the time the Socialists came to power, there were frequent changes in the management of ERT-1 and ERT-2. ERT-1 has had five chairmen and the same number of directors; ERT-2 has had six governors, each of whom has served for an average period of about eight months. The reasons for these changes are related to the ability of these individuals to reflect government thinking. Even overseas news was subject to questions of ideology, since it had to be reported in accordance with the current government foreign policy.

In comparison with other countries, Greek broadcast journalism tends to involve more official broadcast statements than actual commentary and reporting of events. There is also an imbalance, which favoured government spokesmen over impartial analysis. For instance Greek public television is probably unique in presenting ambassadors' credentials to the President of the Republic!

At only one point did the Socialists make an exception to their policy of appointing their political sympathisers to a position of authority. This was in September 1985, when they appointed a new management to ERT-1, which was generally agreed to be non-partisan. This experiment in unrestricted reporting (which was known as the 'spring' of state broadcasting) was successful in its aim of bringing a sense of impartiality to current affairs journalism. Costas Laliotis,

Undersecretary for Press and Information, a leading Socialist was responsible for this initiative. However, the initiative collapsed after two months, during which "government ministers and deputies made frequent complaints to the Prime Minister about what they saw as 'anti-government' propaganda' in ERT" (Ta Nea 24/11/1985). Faced with a barrage of opposition, the Undersecretary resigned, and the administration of ERT-1 was replaced yet again, this time by less progressive candidates.

The result of the experiment was to persuade the government that pluralism was unsuitable within the framework of PSB, as it was likely to misrepresent official policy. This new thinking on pluralism went against everything the Socialists had claimed during their years in opposition. The failure of this experiment also demonstrated the government's reluctance to give up its traditional control over PSB. In fact the absence of a coherent broadcasting policy led the Conservative opposition to argue that the electronic media had lost all credibility. The Socialists paid dearly for their political blunders in this area. In particular their continued manipulation of broadcasting cast serious doubt on their apparently Socialist principles. The Conservatives were able to accuse them of authoritarianism, and to stage demonstrations against 'fascist' TV, in spite of the fact that the Socialists were merely carrying on a tradition of bias and control which they had inherited from the Right. All this could have been avoided if the government had had the courage of its convictions in 1985, and allowed the experiment to continue indefinitely. The idea of state broadcasting as a national possession has been misinterpreted by both Left and Right as meaning that it should be a propaganda tool to be abused by whoever happens to be in power.

In spite of the 1985 experiment, the old practices of state interference were allowed to continue. Indeed, these practices continued, contrary to what everyone was expecting even after radio was deregulated. This situation should be viewed in the context of the unpopular policies which were pursued after 1985, as the government strove to achieve economic recovery, and also the political crisis which surrounded the financial scandals of 1988-9. The government desperately tried to save its image with the public through its only weapon, the news bulletins, as most of the radio stations and all the Press (even the traditional Socialist affiliated newspapers) became hostile to the Socialists. An instance of governmental interference after broadcasting deregulation is that when Greece held the Presidency of the EC (July - December 1988), the government forced

ERT's management to resign because they did not broadcast the whole speech of Jacques Delors, given at that time in Athens, with the result that it was distorted.

In field of programming, the Socialists took steps which altered the provenance of TV programmes. The proportion of Greek programmes increased, while overseas programming became more varied, and no longer dependent so heavily on American imports. While New Democracy adopted a pro-Western approach to programming, PASOK became contrastingly hostile to the West. The reason behind this policy, as conceived by the Socialists, was the protection of Greek culture. At this point comparisons may be made to the example of France, where Mitterand's Communication Minister Jack Lang invoked the spectre of US cultural imperialism and took measures to protect French culture from 'coca colanisation' as well as to safeguard the domestic production industry from the foreign giants (see the section on France in chapter 3). Along similar lines, the Socialist Prime Minister Andreas Papandreou argued in January 1984 (*Eleftherotypia* 31/01/1984) that:

A levelling consumerist model has invaded our country and threatens to transform us into a cultural colony. The main vehicle of that invasion is the mass media. They have created the well known culture: the culture of exhibition and of leisure pleasure, based on a passive acceptance and not on critical processes. It threatens our identity, our inheritance, our tradition, our existence and our popular culture with its fighting resisting character, our aggressive confrontation with the imported capitalist model.

Another instance of the government's protectionist cultural policy is that in 1984, ERT-2's Governing Board advised against the purchase of new episodes of 'Dynasty', in order to protect the culturally less developed audience. Nevertheless, the diversity of foreign productions greatly increased due to the increase in the number of movies from different sources, and this contributed to the general improvement of programming.

In conclusion we could argue that the intention of the government was to perpetuate and reinforce the mechanisms of its control on state broadcasting. However, this tactic had negative results for the government as it diminished its credibility and prevented state media from becoming democratised. On the other hand, although the Socialists did not bring the 'spring' into state broadcasting that they had promised to the public, they still made some vital reforms. We could say that some steps were taken towards allowing openness and

diversification such as allowing politics, for the first time, on the Greek PSB. As Christodoulidis (Ta Nea: Britain's Hellenic newspaper 17/3/1988: 2) (the first president of ERT-S.A. under PASOK) admits, "Although the Socialists did not bring the change that the people desired, they made some changes for the better", but he draws attention to the fact that the opposition voice was effectively stifled under the previous government". Although, some observers - particularly from the Conservative side - have argued that broadcasting lost its credibility during the Socialist administration, this is not true. Broadcasting has never had any credibility among the Greek public. As Papathanassopoulos (1989, 34) put it "credibility was neither in existence during the dictatorship nor during the previous Conservative government".

6.4 THE RESTRUCTURING OF PSB - THE CREATION OF ERT-S.A. (LAW 1730/1987)

On the 18th August 1987 a new broadcasting law (1730/1987) was passed by the Socialist government aiming at changing the structure of Greek broadcasting. This law abolished the previous laws 230/1975 and 1288/1982. The law 1730/1987, apart from the fact that it brought about the deregulation of radio (which will examine in the next section) established the merging of the two PSB channels ERT-1 and ERT-2 into a new public entity under private law as a joint-stock company, which was named Greek Radio and Television (ERT-S.A.).

As we have explained earlier two thirds of ERT-1's income came from the special fee paid with the bimonthly electricity bill, and one third from advertising revenue. After its transformation to a civil service organisation, however, YENED (ERT-2) was left to receive income only from advertising as subsidies from the Defence Ministry were stopped. So, ERT-2 was left in financial stagnation. Therefore, this law was mainly designed to solve the complex financial problems and lack of coordination between the two PSB organisations. Additionally, the new law (art.1, par.6) provided for the establishment of a third public channel (ET3). "ET3 can be established by a Presidential Decree issued with a proposal from the Minister to the Prime Minister after consultation with the Administrative Council of ERT-S.A. as well as by ASKE".

According to the law 1730/1987, the new public company, ERT-S.A., comprises:

- (1) ET1 (Greek Television One)
- (2) ET2 (Greek Television Two)
- (3) ERA (Greek Radio Broadcasting), consisting of five radio services.
- (4) An Audio-Visual Institute for media research, and
- (5) A Television Production and Trade Company (itself as a joint-stock company), for producing and commercialising programming material.

According to the law 1730/1987, ERT-S.A. became an enterprise in the public sector, owned and supervised by the state. It became administratively and financially autonomous and was put under social control, which was given to a fifty member representative assembly of social control (ASKE). ASKE is composed of 6 deputies of the government, 10 deputies of the political parties, 3 of the local authorities, 6 of the ERT personnel, 15 from several social and scientific bodies as well as 10 personalities from the fields of the Arts and the Sciences (art.4, par.1).

The seven member Administrative Council of ERT-S.A. is made up by the President, vice-president, three members from the Arts, Sciences and Journalism, who due to their specific knowledge and experience can contribute to the mission of ERT-S.A. as a PSB corporation (art.6, par.1), who are appointed by the Minister to the Prime Minister (par.2). The other two members are one representative of ASKE and one member of ERT's personnel, who are appointed by their bodies (par.1d and par.1e). The Administrative Council was to be very important as it was given responsibility for administration, finance and technical control, as well as shaping basic guidelines for programming. Thus, it was given the power to shape the general policies of ERT-S.A. regarding financial and administrative functions. It was also given the responsibility of co-operating with foreign broadcasting networks (art.7).

Another result of the law was the creation of a Broadcasting Council, a new institution (art.9) to monitor the democratic functioning of state broadcasting media. Its membership is unpaid and is composed of: (1) One deputy of every political party (art.9b), (2) An equal number of members appointed by the Minister to the Prime Minister (art.9b) all of whom are of 'recognised prestige' (art.9, par3), (thus in effect of abstract capabilities). The president of the Broadcasting Council is appointed by the deputies of the political parties. One of the duties of the Broadcasting Council is the monitoring of the coverage

of election campaigns by the electronic media. Additionally every six months it gives advice and makes recommendations about ERT-S.A. (art.9)³. Finally at the end of every calendar year it is bound to issue a report on its work.

An additional body created by this law was the Audio-Visual Institute for Media Research, which was given administrative and financial autonomy. Its main responsibility is theoretical and applied research into the audio-visual media (art.11, par.1). In practice, this body became totally ineffective. By contrast the Television Production and Trade Company, which has a five member administration, became relatively successful, particularly as regards co-productions with foreign networks. Finally, the law established, within the Ministry to the Prime Minister, a National Audiovisual Archive with the purpose of watching and researching the new technologies.

The law also changed the general organisation of ERT-S.A.. It divided the corporation into four Directorates:

- (1) ET-1
- (2) ET-2
- 3) ERA
- and
- (4) Directorate of Administration and Operation

The Directorates were given administrative autonomy, each managed by a Director General (art.2), appointed by the Administrative Council of ERT-S.A.. The Directorates apply the basic principles, which are shaped by the Administrative Council, concerning their area of responsibility. According to art.10, par.1, the Minister to the Prime Minister can establish more Directorates within ERT-S.A. as these are proposed by the Administrative Council subject to the approval of ASKE.

Although the law meant that certain innovations were implemented for the first time in Greek broadcasting, such as the ASKE and the Broadcasting

³ However, after the passing of the law 1866/1989 part of the responsibilities of the Broadcasting Council were given to the newly established NCB (National Council of Broadcasting), which is supposed to be an independent broadcasting authority along the lines of the Broadcasting authorities of the Northern European states (i.e. ITC, CSA, etc.), and in effect replaced the Broadcasting Council.

Council, in effect control of the broadcast media remained in the hands of the government, as the appointment of the heads of the Administrative Council were made directly by the government, and the monitoring and control of ERT-S.A. were undertaken by the Minister to the Prime Minister (art.8).

However, the law 1730/1987 brought some innovations. For instance, a code of practice was introduced which outlined general principles for programming and advertising for the first time in the history of Greek broadcasting. Article 3, par.1, for instance states that, "The programme of state broadcasting must be influenced by the principles of freedom, democracy, national independence and peace". Also the broadcasts of ERT-S.A. must be influenced by the principles of objectivity, accuracy, pluralism, up to date information, quality, protection of the purity of the Greek language, respect of human dignity and privacy of the citizen as well as promotion and diffusion of the Greek culture and civilization. Furthermore, ERT must transmit the activities of parliament as well as the activities of the political parties. Coverage of the political parties' activities should be proportional to their representation in Parliament. With these guidelines the Socialist government tried to give a more liberal tone - at least in theory - regarding openness and pluralism and respect of dignity and privacy, as well as the preservation of Greek culture.

The law also brought some new guidelines concerning advertising, which appeared to be in line with the spirit of the EC Green Paper TVWF. For instance, "Transmission of advertising should not exceed the 8% of the daily overall programme and also must not be more than ten minutes per hour of programme. Interposition of advertising messages during the transmission of programmes was also prohibited" (art.3, par.7). The law also prohibited advertisements which are against the general principles of human dignity and the tradition and cultural inheritance of the country. Similarly, advertisements which depict unfair competition between firms, attempt to cheat the consumer, are clumsy, contain violence or advertise children's toys and tobacco products are prohibited. Additionally indirect advertising is prohibited. If a viewer is damaged by a programme or an advertisement he can ask for compensation by applying to the DG of ERT-AE, within a month of the broadcast (art.3, par.12).

According to Efthimiou (1987), overall, the law did not seem to solve the long-lasting problems of the Greek PSB. Co-ordination, which was the immediate

priority to be solved was not achieved and also financial problems continued to exist. The law could be characterised as transitional as on the one hand it did not solve the problems of PSB, and on the other hand it did not correspond to the needs of the times. Apart from the fact that it deregulated radio broadcasting (see next section), the law did not fulfil the public demand for democratisation of PSB, as the government retained control. Furthermore, there was a widespread public demand for private television to be set up. The positive elements of the law, however, were the introduction of some new principles concerning programming and advertising for the first time as well as the creation of some new institutions, such as ASKE for social control of broadcasting, the Broadcasting Council for monitoring, the National Research Institute and the TV Production and Trade Company.

6.5 PARTY POLITICS AND THE 'BATTLE OF THE ANTENNAE': THE IMMEDIATE CAUSE FOR THE DEREGULATION OF GREEK RADIO BROADCASTING

The factors which led to the break-up of broadcasting monopoly in Greece were various (and similar for both, radio and TV) such as the long lasting paternalism of the state over electronic media, the Western European scene and influence, which acted as a model for the domestic social and economic forces, the potentiality for investment etc. (detailed analysis of the determining factors of Greek broadcasting deregulation is made in the next section). However, most of the experts on Greek broadcasting agree that the immediate cause of broadcasting deregulation in Greece did not occur as a result of an organised plan but rather as a result of party politics and especially of the so-called 'battle of the antennae'.

As control of broadcasting in Greece, has always been bound up with political power, for a long time both Conservatives and Socialists interpreted the constitutional provision for 'direct state control' (art.15) to signify exclusive state ownership of broadcast media. As (Papachristos: interview with the author) explains

The Greek governments regarded PSB as a dowry, which they could use for their own political ends. For them the constitutional clause about freedom of information was a dead letter. The Socialist government and its predecessor both used the state broadcasting as a dowry of power. According to this principle every attempt to eliminate the dowry was regarded with suspicion.

This situation had created a state of patronage over the media. The obvious bias

in state media towards the government of the day led to social pressure for deregulation in Greece.

This social pressure against the state's broadcasting media was initially expressed and led by a pressure group, composed of 37 intellectuals and named KANALI 15 after the constitutional article 15⁴. According to this pressure group, article 15 does not imply the imposition of state ownership on the electronic media, but simply state monitoring. "KANALI 15 started 'illegal' transmissions which played a significant role as they paved the way for the deregulation of the state monopoly over broadcasting. The interruption of its first programme (6/1986) was given publicity in the press. It really functioned as a catalyst for the mayors of the opposition, and also the high social standing of the members of Kanali 15 also had a positive impact on evolution" (Dimitras: interview with the author). Through a series of legal proceedings, the Conseil d'Etat, finally, decided in favour of KANALI 15 (Conseil d'Etat 1144/1988, 1145/1988 and 835/1988). Until the new stations were introduced it was the voice of the so-called 'free radio' in Greece. Clearly, "KANALI 15 was the first attempt at breaking-up the state monopoly. Its target was the liberalisation of the electronic media. It set an example for the mayors" (Democratic Renewal Party, interview with the author).

The big change towards deregulation, however, really came in the aftermath of the 1986 municipal elections, when New Democracy won the three most important municipalities of the country (Athens, Salonika and Piraeus). The newly elected mayors of these three cities (who also regard themselves as future party leaders), armed with their popularity as well as with the favourable reaction of public opinion (social consensus) to the previous pressure exerted by KANALI 15, stated in the aftermath of the Municipal elections that they would launch first

⁴ We should note here, however, that the very first attempts in the breaking up of the state monopoly in radio broadcasting were made by the radio pirates. The radio pirates, however, did not manage to break up the state monopoly, as they were persecuted and suppressed by the police. According to Netas (1992: interview with the author) "the radio pirates had created for years a tradition in infringing ERT's monopoly on radio and they were the only honest expression of the social dynamics of the Greek society". Another attempt was also made, after the 1985 general elections, by the Undersecretary of Culture, George Papandreou (son of the then PM), "who probably representing the younger members of the Socialist party discussed the possibility of opening up the radio frequencies. His views, however, were strongly criticised by senior Socialist ministers" (Pretenderis 1986: To Vima 7/12/1986).

radio, and then television stations in their respective cities. So they started their 'illegal' radio stations in 1987. As Papachristos, (interview with the author) points out "The breaking up of the state monopoly in broadcasting was signalled by the establishment of the first municipal station on 31st May 1987 by the Municipality of Athens, and the other two mayors also followed". The mayors led the way for the liberalisation of radio in Greece with their stations, Athena 98.4FM, Thessaloniki 100 and Kanali 1.

However, as most of the experts on Greek broadcasting argue, this move was an act of defiance towards the Socialist government rather than a revolutionary innovation. After six years of Socialist administration, this was the first opportunity for the Conservatives to exercise some power. It is very important to note here that the action of the opposition was well calculated. It was not fortuitous that the initiative for private radio and TV started as a pressure from the Conservative opposition through its mayors. As the mayors are elected directly by the electorate, they play a very significant role in the political process, particularly as an indication of the latest preferences of the electoral body. Therefore as Papachristos (interview with the author) argues:

It is rather naive one to think that the aim of the mayors was to serve freedom and objectivity of information. It was rather a matter of political opportunism. At that time the opposition (Conservatives) was seeking the widest possible support in its contest with the government. This point is proved by the fact that when ND came to office (1989) they did not implement their promises for freedom in public broadcasting as the government kept PSB as its political weapon.

The example of the three Conservative mayors was quickly followed and copied by other municipalities and communities. There is now a large number of municipal, community as well as private local stations. At this point it should be emphasised that although the contribution of KANALI 15 was significant as it was the starting point for the liberalisation of broadcasting and it functioned as an example as well as an expression of the public reaction the major part of the deregulatory process took place in the arena of party politics, specifically in the so-called 'battle of the antennae' between the Socialist government and the Conservative regions.

Before this de facto liberalisation had actually taken place, Prime Minister Andreas Papandreou tried to defuse the situation by announcing that his government would establish an all party committee to examine the feasibility of

radio deregulation. The response of the Conservatives to this governmental manoeuvre was an announcement that the Socialists were attempting to mislead the public; the Left also became sceptical over the government's U-turn. Thus, the government went on the defensive and started to yield to social and political pressures. The action of the three mayors forced the Socialist government to accept the principle of radio liberalisation in the law 1730/1987, which was implemented with the Presidential Decree 25/1988. Furthermore, the success of those 'free' radio stations paved the way for further developments in private and municipal TV stations.

Clearly, radio deregulation in Greece did not happen as an organised initiative on the part of the government. Policy reacted to the prevailing forces. "The Socialist government was forced to liberalise radio broadcasting, after the initiative of the then elected mayors of the opposition (Athens, Piraeus and Salonika) to establish radio stations" (Democratic Renewal Party, interview with the author). The deregulation of Greek broadcasting has become rather a political game, in which each side (Conservatives and Socialists) could argue that deregulation came as result of their initiatives. The deregulation of Greek broadcasting has been marked by the so-called 'battle of the antennae' between municipalities setting up their own stations and the Socialist government trying to keep its control of the airwaves. As media control in Greece always equals political power nobody wants to give it up. The state did not have any model or organised plan. What actually happened was a political game; "the sharp political contest between the government and the opposition and the attempt of the latter to conquer the former and to wrest power was one of the main reasons which led to broadcasting deregulation in Greece" (Democratic Renewal Party, interview with the author). The paternalistic operation of political authority derived purely and simply from the traditional approach to politics. Social dynamics were the force that brought about the abolition of the state monopoly in broadcasting, and not the state. In other words, deregulation did not come as a result of governmental policy-making with legal procedures. On the contrary, the government was forced to abide by the *de facto* situation in order to defuse social pressure.

The state seems to be vulnerable to direct action when conditions are ripe, because the state cannot determine the outcome of policy by using its tactical advantage. Tactical advantages, according to Wilsford (1988, 132) "are methods

and procedures and the capacity to employ them which the state may use for short-term objectives". As in any state, the Greek state's tactical advantage was used to cut its opponents off from access to broadcast media. The government having absolute control excluded its opponents from access and thus it deprived them of access to normal politics. In doing that, however, the state effectively removed pluralism from broadcasting. Therefore, using its tactical advantage in order to gain short-term benefits, the government deprived the public of objective information.

The Socialist government failed to recognize the demand within the Greek society for democratisation and the independence of state media. The result was social reaction, expressed with direct action especially concentrated and co-ordinated to reduce the effectiveness of the state. Additionally there were other equally strong reasons behind the deregulation of Greek broadcasting. Although the government did not have the political will to bring liberalisation (because it was using its tactical advantage in order to control PSB), it was compelled to deregulate broadcasting under the weight of already existing social dynamics.

Because of this unexpected direct action, the state could not find any additional tactical advantage to save its vulnerable position. Thus the state was proved too weak, in this instance, to react to the extremely effective action of the opposition. The state, therefore, did not move towards deregulation as a result of its own initiative, but was compelled to recognise a *de facto* situation. The result of this weakness of the state to understand and to respond to the signs of the times, was that deregulation was perceived by the public as a victory for the opposition. This was not in fact the case, since the opposition was also engaged in using its weapons in order to try to obtain political power.

The government did not respond to the demand of the public for democratisation of PSB. While the government tried to keep PSB under its control, it excluded it from democratisation. In doing that, however, it reneged on promises of reforms made prior to the election. As a result, the steady public demand for democratisation, which so far had been expressed through the press, intellectual circles and unions, was not realised. The public, therefore, pursued new ways of expression and it found them in the potential of the non-public broadcasting sector. This pursuit of the social dynamics of liberalism found its

representatives in the shape of KANALI 15 and the Conservative mayors.

Finally, instead of understanding this lesson and to counterbalance it with the introduction of private TV, the government continued to resist. In so doing it placed itself on the defensive until its eventual fall. The situation is "an illustrative indicator of the degree of resistance on the part of political authority to accept and understand the modern dynamics of society and of the general environment" (Contogeorgis: Interview with the author).

6.6 THE LEGISLATION ON THE LIBERALISATION OF RADIO BROADCASTING: LAW 1730/1987 AND PD 25/1988

The Law 1730/1987 (art.2, par.7-13) and the relevant Presidential Decree 25/1988⁵, broke up the state monopoly in broadcasting. The law 1730/1987 and the PD 25/1988, put an end to the state monopoly in radio broadcasting, allowing the establishment of local radio stations; "licences may be given to individuals of Greek nationality as well as to local authorities (municipalities and communities). The establishment and function of radio stations has local character". (art.4, par.4). Radio stations are allowed to broadcast in the frequencies between 87,5 MHz and 107,7 MHz (FM), only if they have been awarded a licence (PD 25/1988, art.1, par.1). Licences are granted in the public interest. A licence is granted by the Minister to the Prime Minister following a proposal from the Commission for Local Radio Broadcasting (an innovation of the law, which is given major responsibilities for the monitoring of radio) (PD 25/1988, art.1, par.2). The law prohibited the establishment of radio networks (par.6), and of private television stations. However, the law 1730/1987 and the supplementary Presidential decree 25/1988 were the first step towards deregulation and the most important evolution in the area of broadcasting in Greek legislation since 1974.

After those legal changes, therefore, local radio suddenly passed from the illegality of several pirates (which were transmitting with little power in a limited area), to legal and organised local radio stations. Every local radio station can transmit in a defined area after being granted a licence (art.2, par.5), however,

⁵ The law 1730/1987 and the PD 25/1988 have been modified by the law 1866/1989. Thus, here we include the basic principles that are still valid. Where abolished clauses are included this is mentioned. Article numbers are from the original.

the granting of more than one frequency (that would allow the transmission and organisation of two or more different programmes) to the same person natural or legal was prohibited (art.2, par.4). On the other hand the law allowed the common use of the same frequency by two different stations, if they are transmitting at different times. A licence is awarded for a defined period, which can not exceed two years and which is renewable (art.2, par.7).

The legislation differentiated local radio stations into two categories. Thus, two different kinds of licence are awarded (PD 25/1988, art.3). The first category of licence can be given to local authorities (municipalities and communities) and private companies. The second category of the licences are given to individual amateurs who have the appropriate technical knowledge to develop and operate a radio station. The main aim of this category is experimentation and innovation in radio broadcasting, as well as development of communication between the specific people of an area who share common interests.

The most innovative element of the law, as we have already mentioned, was the establishment of the Commission for the Local Radio Broadcasting⁶. This body was an independent administrative authority set up to monitor the democratic function of radio broadcasting. "At this point the Greek legislation resembled the conditions prevailing in most West European legislation on broadcasting, that involves independent administrative authorities who grant licences, as well as supervising and monitoring the private stations; like IBA (now ITC) in Great Britain, CNCL (now CSA) in France etc." (Venizelos 1988,25). The most important characteristic of this authority is that it was composed of high-ranking judicial civil servants and communications experts and its responsibilities were fundamental to the democratic function of radio broadcasting. It was composed of the presidents of the Supreme Courts (AP and STE)⁷, as well as the president of ESIEA (journalist trade union) and two members of the teaching staff of universities with appropriate knowledge and experience in the field of the electronic media (art.2, par.10). The main responsibilities that were given to the Commission were: (1) Granting, renewal,

⁶ The Commission for Local Radio Broadcasting was abolished by the law 1866/1989 (art.3, par.7,1). The licences are now awarded after the opinion of the NCB (art.3, par.7).

⁷ AP: Arios Pagos
STE: Symvoulío tis Epikrateias [Counseil d'Etat]

reprieve and recalling of licences⁸, (2) Holding enquiries into any affairs relevant to the operation of a station and particularly those elements relevant to programming and advertising. Furthermore, the jurisdiction of the Commission could be extended to the whole sphere of radio broadcasting monitoring (technical, economic or functional). In effect, it was the central body of the legal framework of radio broadcasting (PD 25/1988, art.16, par.9).

Criteria for Awarding Licences to Radio Stations

The criteria for granting a licence to a radio station, according to PD 25/1988, art.5 are:

- (1) The technical standards of the station.
- (2) The quality of programming and standards of journalistic ethics
- (3) The most important criterion for granting a licence to local authorities is how effectively the community is represented in their programming.
- (4) Access to local spiritual, cultural and social forces and particularly to youth.
- (5) Experience and tradition in the field of mass media.

Concerning the last clause, the legislation gave an opportunity to publishing enterprises to become involved and extend their enterprises to all sorts of mass media. In such a way the legislation did not restrict cross-ownership. Thus, radio stations can fall into the hands of press entrepreneurs. This clause reveals the pressure that was exercised on the government by the powerful publishing lobby.

Nevertheless, the licences are granted with first priority to local authorities. The preferential treatment given to local authorities is shown by the article 4, par. 4 of the PD 25/1988, which additionally foresees the possibility of the national broadcaster ERT-S.A. providing them with technological expertise and any other assistance for the creation and operation of their stations as well as for

⁸ The licences are, officially, granted by the Minister to the Premier's Office, however, after the suggestion of the Commission for the Local Radio Broadcasting (now of the NCB), which is binding for the Minister.

training of their staff and production of programmes. The PD 25/1988 makes provision for local authority stations to broadcast all sorts of news programmes, even those of national importance, whereas this is forbidden by private stations. The latter are allowed to transmit only local news, unless they have a specialized department of information composed of professional journalists.

The Limitations of the Legislation

Although the legislation allows concentration of different media, it restricts the granting of more than one licence to the same person or enterprise as well as the creation of networks of radio stations (PD25/1988, art.4, par.1). The principles of the government in making this restriction were pluralism, decentralisation and diversification. Broadcasting presupposes the granting of licences to the greatest possible number of candidates and on the other hand the maintenance of the local character and specific style of every station. The same article restricts the technical networks of radio stations as well as the networks of programming. This prohibition seeks to ensure the specific and unique character of every station and thus the maintenance of political and cultural diversity and hence plurality. Moreover, it restricts the concentration of radio stations in the hands of the same economic and political interests.

From the government's point of view, every station must organise and shape its programming and style giving attention to the particular area and audience that it serves. Also none of the stations are allowed to retransmit or repeat any content, programmes or signs of other stations in the same or any other area. The law also restricts retransmissions of foreign radio stations and generally any kind of re-transmissions, regardless of whether they are broadcast at the same or at different times.

6.7 THE MAIN DETERMINANTS BEHIND THE DEREGULATION OF THE GREEK BROADCASTING MONOPOLY

Most experts on Greek broadcasting (Contogeorgis, Papathanassopoulos, Dimitras, Papachristos, and others) agree that the deregulation of Greek broadcasting did not happen as a result of an organised plan but rather as a result of party politics and political expediency. However, all of them have identified fundamental determinants behind the break-up of Greek PSB.

Summarizing the classification of the factors, which led to the break-up of

the broadcasting monopoly in Greece, we could say that they were: 1) The long lasting paternalistic model imposed on the state media since their establishment and the public mistrust they caused, which led to direct action and the termination of state monopoly, 2) the potential and possibilities of the new technologies, 3) the possibilities that were created for investment in the new market, 4) the Western European scene and influence, which functioned as a model for the internal dynamics (social and economic) of Greek society, that could not be ignored by successive Greek administrations and 5) finally, the EC institutional framework, though not a decisive factor, which first eased the process of breaking-up national broadcasting monopolies and later came, with the judgement of 18 June 1991 of the ECJ, to pave the way for further developments in television deregulation, as it found that the monopoly of ERT over retransmissions of satellite programmes contravened the Treaty of Rome as it created discrimination.

Let us now analyse (examine) these interrelated external and internal determinants which led to the recent deregulation of Greek broadcasting (first radio and later TV). Most of the arguments developed here also apply to private TV.

(1) The first determining factor was the **heavy paternalism** over state broadcasting and the consequent public dissatisfaction and mistrust that it caused over the years. This led to **direct action** to end the paternalistic use of public service broadcasting. "Although the outcome came only after **direct action**", in effect, this direct action "was caused by the long-lasting manipulation of state media by the government of the day. This embezzlement was the main factor that caused the reaction" (Democratic Renewal Party, interview with the author). The inability of the state to democratise PSB caused over many years social dissatisfaction and mistrust. "The governments' inability and unwillingness to bring true democratisation in state media generated a social dynamic to search for other ways of expression" (Contogeorgis, interview with the author). The heavy paternalism of the state over PSB (which we have analysed extensively in the previous chapters), led for political reasons to a wide social consensus in favour of deregulation in broadcasting. The social perception of a lack of credibility in PSB was frequently expressed in the Press and in several intellectual circles. However, the final break-up came after direct action as a result of party politics. The process by which social dynamics gave **consensus**

(legitimacy) to the mayors' initiatives led to "a decline in the resistance of the political authority to maintaining the monopoly of information and of the electronic media" (Contogeorgis, interview with the author). Clearly, one of the fundamental factors, which led to the deregulation of Greek broadcasting was the paternalistic attitude of the authority against the democratic request of the Greek society.

(2) The second determinant was the **new developments in technology** and the tremendous increase they brought in transmission capacity as well as the entry of Greece into this communication and technological environment. The technical possibilities are almost unlimited. "The technological progress and limitless potential of satellite television could not be prevented in any way" (New Democracy, interview with the author).

The new technologies and their associated investment opportunities generated an enormous impetus. According to Contogeorgis, (interview with the author):

The Greek case is similar to the cases of the other Western European states. As in the other states, also in Greece, the new technologies simply gave an opportunity to social forces, which were already ripe for change, but did not have the appropriate means to achieve it.

The new technologies challenged the national political system as they opened up new lines of communication. New technologies thus demand a political response at a national level, and it is usually met with doubt and ambivalence. However, governments more than any other part of the political system are expected to take a decisive communication policy, since there will be a state of uncertainty until this has been accomplished.

Like all modern states, Greece is feeling the impact of wider communication and the new technological scene. After the technological advances, political rhetoric favouring the old concepts of broadcasting monopoly (in order to keep control over information) could not be sustained. As technology crossed national frontiers "the isolation of national media systems was, in any event, no longer possible because of new technological developments, particularly satellite transmission" (Hoffmann-Riem 1992: 152). In Greece, "the increasing installation of satellite dishes by individuals⁹ as well as the high penetration of VCRs was one crucial determinant which made it difficult for the state to retain a

monopoly in broadcasting" (New Democracy, interview with the author). Furthermore, firstly the Socialists were forced by the circumstances to do a U-turn in their broadcasting policy and to replace their initial philosophy "we'll shoot down any satellite that flies over our territory" and "we'll use tanks if necessary" with the more liberal and progressive "we must not miss the train of the new technology". And secondly the Conservatives came to complete the deregulatory procedure. The Greek state's strong cultural nationalism became influenced by the shock wave of technological changes in many sectors of communications. The advances in micro-electronics and the convergence of computing and communications, standing at the heart of these changes, as well as cable and D.B.S could no longer be ignored.

(3) In countries with market economies like the Western European countries the above developments automatically involve another factor i.e. **business interests**, which were attracted in Greece by the potential of the new communication technologies in order to be involved in the new area of economic investment and profitability. Technological change created new opportunities for investment in the media market and business interests were attracted. Therefore "law had to step aside or be modified when it was seen as hindrance to the expansion of this market" (Hoffmann-Riem 1992: 153). Thus, technological and economic changes led to changes in media law. In this respect, media law was not the driving force, but it rather followed developments in the media field. An extreme case of this kind maybe seen in Italy, which is similar to the Greek example, where broadcasting laws came in the aftermath of the broadcasting developments. The government did not initiate liberalisation as a political initiative but action came later to legalise *de jure*¹⁰ a *de facto* situation, which had been created by the dynamics of Greek society. As Contogeorgis, (interview with the author) argues:

The entry of Greek society into the technological and communication

⁹ Law 1730/1987 (art.16, par.1b as it has been modified by the law 1772/1988, art.3, par.5) permits the installation of satellite dishes and reception of satellite programmes, as a right of the citizen in information according to art.10 of the ECHR. Thus, the monopoly of ERT had been already broken *de facto*.

¹⁰ In the case of private TV, although the Conservative government passed legislation permitting private television (Law 1866/1989), in practice it has not formally legalised *de jure* the *de facto* existence of private TV channels as it has not awarded any licences yet.

era and the shaping, within industrialised Greek society, of strong lobbies with strong interests (social, political and economic) for involvement in the electronic media played, a significant role in Greek deregulation.

In the Greek case, as in the other European states, the involvement and lobbying of the publishers played a significant role towards the deregulation of broadcasting (particularly prominent in the case of lobbying for the introduction of private TV and bidding for a television stake (franchise).

(4) The international communication scene and its influence on Greece and the incorporation of Greece into it was another factor. "The deregulatory trends in Greece were further reinforced by the Western European deregulatory scene and influence" (Papathanassopoulos, interview with the author). The Western European broadcasting scene acted as a model for Greece as 1) it gave ideological arguments to the internal forces and 2) it acted as a model for business development and investment. "Yet, broadcasting deregulation in other European countries has strengthened Greek domestic forces with neo-liberal ideologies to press for the removal of obstacles to the introduction of market forces in broadcasting" (Dimitras: Interview with the author). Prominent political actors, such as one of the protagonists (front-runners) of the 'battle of the antennae' and a firm supporter of deregulation, the then Mayor of Salonika had demanded that "the government (Socialists) should not close its eyes and should look at what is happening in the US and Western Europe" (Ethnos 11/1/1989). Additionally, it was seen as a model by businessmen and investors. "The climate of deregulation in Western Europe, clearly acted as a model for investment in the field" (Democratic Renewal Party, interview with the author).

(5) Finally, another determining factor in broadcasting deregulation in Greece was the EC policy, supporting a commercial use of broadcasting capacity for unrestricted services, especially with the Directive 'TVWF' in conjunction with the CoE' Convention and the new interpretation of article 10 of the CoE's ECHR¹¹, (which has been ratified by Greece).

¹¹ Although, the ECHR (European Convention for Human Rights) is not EC law, but rather an international agreement applying to many European states, because of a lack of provision of any rules regarding human rights at the EC level, the ECHR is used by the EC to compensate for this lack of provision. Indeed, the ECJ has in many instances referred to the ECHR. As a result, Article 10 of the ECHR is considered to be a binding basic rights norm. Its substance
(Footnote continued)

The Directive seeks to standardize broadcasting law in the internal European market and laid down certain provisions that had to be in operation in all member states by 3rd October 1991 (a deadline that was however ignored by many member states). This Directive was made to conform to the CoE's Convention of transfrontier television, though this is not as legally binding as the Directive.

The EC Treaty ensures market freedom, and broadcasting is viewed by the Directive primarily as an economic matter. The EC Directive 'TVWF' is a vehicle for transforming the new technical advances in broadcasting "creating 1) the market scale which is necessary for economic profitability and 2) to pave the way for (further) commercialisation of broadcasting, which is another necessary condition for economic exploitation of the broadcast capacity created by information technology" (Sepstrup 1989: 29). "The Directive supports the general trend towards market-oriented reregulation and thus speeds the retreat from the public service philosophy" (Hoffmann-Riem, 1990 49-77). However, due to the fact that the Directive also covers transborder broadcasting, i.e. the reception and retransmission of TV programmes from other member states, the EC further reinforces the economic dimension of broadcasting with reference to regulations regarding EC competition law, particularly the rules on monopolies (see Treaty of Rome art. 86 and 90) aiming at covering the whole spectrum of broadcasting activities.

Clearly, as Hoffmann-Riem (1992: 147) points out:

The recent interpretation of Article 10 of the ECHR and the harmonization of broadcasting law by the EC's Television Directive have led to a reduction of the state's regulatory responsibility. It is becoming increasingly difficult to ensure a public service orientation in broadcasting.

¹¹ (continued)

has therefore been used in solving broadcasting disputes as the recent interpretation of article 10 provides 'to ensure pluralism, in particular, of information, by allowing a fair allocation of frequencies internationally and nationally' (No69 of the Groppera judgement - European Court of Human Rights).

In the case of ERT-S.A. v Dimotiki Etairia, Article 10 of the CoE's ECHR was used by the ECJ in its ruling (C-260/1989, Judgement 18/6/1991) that ERT-AE can not have the monopoly of retransmission of satellite channels as well as by the MPs of the majority party in the discussion of introduction of private TV in Greece.

This situation also had an impact in Greece, in three ways 1) Greece as an EC state is influenced by the Community's policies and since the publication of TVWF it has adopted a liberal and mercantilist policy towards broadcasting in its Directive. Greece, eventually, as an EC state, had to harmonize its policies and to be in line with EC political goals for unrestricted movement of services in the shape of private ownership, advertising finance, sponsoring, and deregulation in general. The EC Directive and policies were encouraging market-oriented broadcasting and thus Greece eventually had to alter its institutional framework, (which favoured a public service monopoly in broadcasting¹²). 2) The views of the EC on unrestricted services reinforced the social dynamics of Greek society in pressing for deregulation, and 3) Finally, with the ECJ judgement, on 18 June 1991, concerning the dispute between ERT and the Municipal TV station of Salonika, that ERT's monopoly on retransmissions of satellite programmes was discriminatory, thereby paving the way for private TV.

According to Antonopoulos, (interview with the author):

The EC policy is clear enough as regards the creation of a strong and competitive European broadcasting policy... and since the Greek reality, like all monopolies, was a constraint on formulation of a common European policy in broadcasting as regards the institutional framework.

The Greek administrations according to Avdelas (1989:7)

knew that they must eventually (sooner or later) "change the legal and institutional framework, regarding the protection of public service broadcasting monopoly in view of the creation of the Common Market after 1992, when the free movement of services, which include the transmission and retransmission of television programmes will take place.

At the time when broadcasting deregulation took place in Greece, the EC did not play any direct role (other than the issue of its Directive for unrestricted movement of services and a Television without frontiers). The fact, however, that Greece entered the wider industrial environment reinforced the internal dynamics as well as meaning that Greece, as a Community country, could no longer make

¹² Although public monopoly is not directly forbidden by the Treaty of Rome, (a member state can organise its broadcasting system as a PSB, for reasons of public interest), PSB is difficult to sustain within the environment of the common market as it creates discrimination for the reception and retransmission of television programmes.

decisions without considering the EC goals. Although there was not any obvious direct EC pressure on the Greek administrations and "the influence of the EC on Greek policy-making concerning deregulation of public service broadcasting was relatively small" (New Democracy, interview with the author) at the time when deregulation took place, nevertheless, "the stance and the views of the European Community were encouraging for this evolution" (New Democracy, interview with the author) because they "gave arguments to the supporters of market-oriented broadcasting to pursue deregulation" (Dimitras, interview with the author).

Clearly the EC's Television Directive for harmonisation of broadcasting law combined with the new interpretation of article 10 of the ECHR have led to a reduction in the state's regulatory responsibility. It is becoming increasingly difficult to ensure a public service monopoly in broadcasting. In Greece at national level, attempts by the socialist government (1989) to protect the public broadcasting monopoly from the infringement of the Municipal TV channel of Salonika, which was retransmitting satellite programmes, ended with the ECJ, which ruled in favour of the municipal channel, as ERT's monopoly on satellite retransmissions was discriminatory and thus against the Treaty of Rome and art.10 of the CoE's ECHR and consequently against the goals of the EC (C-260/1989, ECJ Judgement 18/6/1991)¹³.

In conclusion all these determinants had an impact on Greek broadcasting policies, which finally altered from their anti-European and greatly protectionist character to become pro-European and more open to the new broadcasting deregulation philosophy. The result, therefore, was the emergence of the law 1730/1987 and the supplementary Presidential Decree 25/1988, which liberalised Radio and led to the establishment of a third TV channel (ERT-3) and to the introduction of satellite TV into Greek broadcasting territory. All those changes reveal the pressures that had been exercised on the Greek government by internal pressure, communications advances and future possibilities as well as the evolution in Europe.

6.8 THE MAGIC WORLD OF HERTZIANS - THE RESULTS OF RADIO DEREGULATION

¹³ A more extensive analysis of the case follows in the section on the introduction of satellite TV.

Although radio liberalisation started to open the way for improvement and pluralism, however, there were no feasibility studies into the establishment of an infrastructure, which could lead to the development of Greek broadcasting on a healthy basis, and to meet future needs. The Greek government did not follow any organised plan in its policy making, nor did it take into account the experience of other countries, "it was (rather) coerced by political expediency, in the face of an accomplished fact and so deregulation was the outcome of party politics. The lack of a plan led to a state of 'anarchy'" (Democratic Renewal Party, interview with the author). The term 'anarchy' more or less implied by the various interviewees to the ambiguity arising from the incapability of the authority, as a result of failure to reproduce the sovereignty of its status. This implies an inability to create a legislative order.

For instance, as the policies emerged under pressure and without design, "both, the law 1370/1987 and the PD 25/1988 restricted radio networks as they did not take into account the possibilities of the radio stations' boom as well as their political and economic expansion. The result was that the number of radio stations quickly rose to as many as 617¹⁴" (Eleftherotypia 3/12/1989), and as there was not any elaborated strategy and plan we arrived in a situation similar to that in Italy, of complete 'anarchy' in the airwaves where amateurism and unfair competition between the stations (in terms of audience ratings, advertising revenue as there are stations which violate copyright rules, occupy many frequencies etc.) was on the agenda.

As (Lakopoulos 1989: 31), argues:

The radio scene was developed rapidly, in a country with a lack of appropriate entrepreneurs, business executives and awareness of the potential of the medium. Shipowners, political parties and investors with unknown motives entered the area and imposed irrelevant tactics.

The results of the lack of an organised policy soon became clear. The number of legal stations is estimated today at around 70 professional and 200 amateur. However, there are still an unknown number of illegal stations as well as a number of stations with a licence which do not operate. Additionally, there are a number of stations, associated with MPs and political parties, whose main purpose is the support and promotion of their respective political parties and

¹⁴ However, not all of them broadcast legally.

candidates. It is obvious that for this kind of station radio has been treated as a means for applying political pressure like newspapers, rather than as business-oriented enterprise. "As with the printed press, radio can apply pressure for political and business ends" (Papathanassopoulos 1990: 395).

The 'anarchy' and amateurism also have other dimensions ranging from the violation of copyright rules (most of the time through ignorance) to the phenomenon of many stations broadcasting on two frequencies although their licence is for one, i.e. Antenna 97.1 and 102.4, Athena 98.4 and 98.7 etc. Also FM100 of the municipality of Salonika, which has one licence has established two different stations (FM100.5 and FM101). So, other stations which broadcast only in one frequency are deprived of a clear signal. Additionally, the practice of unfair competition has also affected ratings as some of the stations can be heard by more people, because they use more frequencies, which has an impact on advertising revenue.

The results of this 'anarchic' development were revealed very quickly in the case of radio stations. The de facto establishment of many stations led to the phenomenon of stations emerging without any planning, aims or knowledge of the needs of their society and market structure. Therefore they are in danger of closing down. Thus, a radio industry was created without study or careful planning and above all without any respect for the legal position and in pale imitation of foreign radio stations. So there are many stations whose design is similar. The style which prevails is a domestic version of the US commercialised system without imagination (market dominated stations, i.e. games, 'open lines' with listeners, talk shows etc.).

It seems that only radio stations which employ experienced staff will survive. In order to be successful and to have widespread appeal stations must first commission a detailed technical study that will determine all of their needs, ranging from the geographical elements of the area where they are transmitting to technological needs, programming policy, creation of a competitive structure, marketing, advertising, finance, etc. Another factor that determines the progress of a station is its mission and the aims that it must fulfil, as well as, the cost of its establishment and operation. Stations without clearly defined aims and careful planning can not meet the competition of their market, and it is possible for them to close down in a short space of time.

Three early examples of successful stations were the three municipal stations. For instance, the municipal station of Athens (Athena 98.4), was the first municipal radio station that opened in Greece (May 31st 1987) and was also the first which contributed to radio deregulation. This station employs more than one hundred people (producers, journalists, etc.). Its expenditure is more than 100m drs per year in salaries alone. The estimated annual cost of the whole operation (equipment, spare parts, records, etc.) is probably double this figure.

Of course this station transmits in areas where the advertising market is relatively fruitful, thus it is no surprise that it re-covered its expenditure from the very beginning, deriving wealth from advertising revenue. Of course, its profits have been decreased after the encroachment of many private commercial radio stations into their areas of transmission¹⁵ (particularly successful radio stations which currently lead the ratings are Sky, Antenna, Flash, Klik FM, etc.), which are very competitive and successful and have consequently attracted part of the advertising revenue. Sky 100.4FM has regularly topped the ratings for the last two years. It started with 20.9% in September 1990, in May 1991 reached 31.3% (Nielsen figures) and recently reached daily average audience share ratings of 35.9% in the period between 10/6-7/7/1992 and 38.8% in the period between 30/3-19/4 and 4-10/5/1992 (Bari-Focus figures). The second position in the ratings has been steadily held by Radio Antenna, which was removed from the top by Sky in 1990. The third and fourth positions are shared alternately by Flash FM (specializing in information programmes) and Galaxy FM, which plays non stop music around the clock. The audience share of the public radio stations fell drastically (see tables 6.1, 6.2, 6.3).

The first effect of the liberalisation of radio frequencies has been the break-up of government control over radio, but not over the state-run radio stations. Nevertheless, state radio, which has been relatively more independent than television has become more liberal and is trying to find ways to compete with the new stations. The positive effect of radio liberalisation, despite the lack

¹⁵ Athena 98.4FM went into a decreasing orbit after other commercial stations emerged in the market. For example, while at the beginning of radio liberalisation - according to Nielsen figures - it led the ratings, in September 1990 it went from the top to the third position (8.4%) in May 1991 to seventh position (4.4%) and the decreasing trend continues until today (an average of 2.9% for the period between 30/3-19/4 and 4-10/5/199 - Bari-Focus figure)

TABLE 6.1
AVERAGE DAILY AUDIENCE RATINGS (15/1-11/2/1990)

Antenna	23.3 %
SkY	14.9 %
Flash	4.0 %
Athena 98.4	9.9 %
ERA 1	3.5 %
ERA 2	4.7 %
ERA 4	3.8 %

Source: BARI-FOCUS

TABLE 6.2
AVERAGE DAILY AUDIENCE RATINGS (10/6-7/7 1991)

Sky	35.9 %
Antenna	14.0 %
Flash	6.1 %
Athena 98.4	5.5 %
POP FM	5.5 %
Galaxy	5.5 %
Klik FM	5.0 %

Source: BARI-FOCUS

of imagination and the generally poor results, was that it offered the audience a different dimension to the state radio stations, offering a wide range of political views. Radio liberalisation has certainly contributed to pluralism in information with the arrival of more reliable news in the political scene with the new stations who also contribute to the needs of the areas they serve. Clearly, they have offered an alternative to state radio.

Another effect of radio liberalisation in Greece was that advertising revenue was diverted from the press to radio. However, after the liberalisation of TV, an accelerating fall in radio advertising revenue occurred. "Advertising revenue of radio decreased by 400 million drs between January-April 1991 in comparison

TABLE 6.3
AVERAGE DAILY AUDIENCE RATINGS (30/3-19/4 and 4-10/5/1992)

Sky	38.8%
Antenna	17.7%
Flash	6.2%
Galaxy	6.5%
Athena 98.4	2.9%
ERA 4	2.7%
ERA 2	2.5%
ERA 1	2.0%

Source: BARI-FOCUS

with the same period of 1990" (TO VIMA 30/6/1991). This decrease in advertising income affects more the provincial radio stations, "which due to their financial constraints and lack of appropriate information departments buy the national and international news from Athenian stations" (Eleftherotypia 3/9/1989: 38).

6.9 THE INTRODUCTION OF SATELLITE TV

After the liberalisation of radio broadcasting, pressure for reforms started to be expressed at all levels, mainly by the opposition. The procedure that led to the legal acceptance and recognition of local radio broadcasting has been repeated in the sphere of TV. As with the case of radio in 1987 the liberalisation of the television market was inspired at a local level by the mayors of the three larger cities, this time retransmitting satellite channels. This time, the 'power of the dish' helped the opposition to organise its direct action against the government via 'satellite TV'. The government's response to this initiative has been an ERT experiment of retransmission of a number of satellite channels over-the-air¹⁶. The initial official decision was that this would be carried out for an experimental period of ten months in ten cities, but this experiment continues.

¹⁶ "Before the introduction of satellite TV, only limited attempts were made such as the cabling of Plaka (the old Athens area near Acropolis) for historical reasons as well as the cabling of some neighbourhoods by ERT within an experimental plan" (Antenna 12.1988 vol.1)

On the 30th December 1988, the mayor of Salonika, S.Kouvelas initiated retransmissions of satellite channels from the municipal TV channel TV-100. The transmission hours were initially 18.30 - 00.30. Three days later the mayor of Piraeus A.Andreanopoulos started his channel TV Plus. The response of the government was to start legal action against the mayors as well as starting a 'war of frequencies' covering the frequency of TV Plus (24 UHF) with satellite channels. For this reason TV Plus established a system of coded over-the-air pay-TV, so it could be received in the future only by subscribers who will be equipped with the appropriate decoders. Additionally to cease the operation of the mayor of Salonika, the government did not hesitate even to use the riot police (M.A.T) to evacuate the facilities and to end the operation of the station. "Almost all political parties and leaders reacted with statements in favour of the Municipal stations, including the leader of New Democracy, Mr.Mitsotakis and the Secretary General of the Communist Party Mr.Florakis" (Diamandacou 1989: 8).

"The government initially characterised the action of the mayors as 'piracy', through statements issued from the deputy Minister to the Premier's Office, Mr.Maroudas and the president of ERT-S.A., Mr.Koveos" (Antenna Dec 1988 vol1). After the initiatives of the mayors of Salonika and Piraeus, the mayor of Athens expressed an intention to start his own station. This time the government reacted quickly with a tactical political manoeuvre. Lack of time as well as the previous fiasco with the radio stations meant there could be no delay. The government changed its attitude and ceased threats that they would shoot down the satellites that transmitted programmes to Greece (statement of Maroudas the deputy Minister to the Prime Minister) and discovered "the necessity that Greek broadcasting should adapt to the new evolutions" and "the exploitation of the European experience". Therefore, it conceded the "important decision" to introduce satellite television in Greece. On the 2nd of January 1989, the Socialist government announced the establishment of an all party committee to examine the possibility of introducing satellite TV. At the same time it activated the Broadcasting Council, an innovation established by the law 1730/1987 though with a pro-government majority.

The government's U-turn, however, was imperative, as "both the need for harmonization with the EC and pressures from the opposition mayors did not permit any more delays" (Floros 1988: 9). In order to avoid a 'defeat' similar to

that of the 'free radio stations' the government this time acted with logic and speed, trying to avoid the radio experience and any political damage. With this move the government used its tactical advantage in order to defuse the situation and additionally to benefit from it, claiming that the introduction of satellite TV was its own policy and not an achievement of the opposition. This move was in fact a clever political manoeuvre.

The decision, however, came quickly and did not allow for adequate preparation or the creation of a firm infrastructure. The lack of an overall governmental strategy meant that the electronic media and specifically satellite and Municipal TV became a major political issue, and one of the basic debates in the election campaign in 1989. The problem is that the lack of an overall strategy on broadcasting was not only a characteristic of the governing party, but a more general problem of all Greek political parties. Even New Democracy, which initially, through its mayors acted dynamically did not propose any overall plan for broadcasting apart from its general 'neo-liberal' declarations concerning the institutional framework of the audio-visual media. This national inability to shape overall policy on audio-visual media resulted in a situation which was characterised by arbitrariness and amateurism. The lack of an organised strategy led to the lack of infrastructure that had caused problems in compatibility with EC standards on transmission, frequencies, copyright etc.

Eventually, the government inaugurated satellite television in January 1989. The method chosen by the government was for ERT to relay satellite TV channels via terrestrial frequencies (UHF). However, this method of transmission is not used in Western Europe¹⁷.

The government initially announced that satellite retransmission would be carried on an experimental basis in nine cities (Athens, Piraeus, Salonika, Corfu, Jannina, Komotini, Heraclion, Florina and Rhodes), but this method still continues. With this method the number of channels that can be received on Greek soil has dramatically multiplied¹⁸. The satellite channels which initially were transmitted by ERT were Sky Channel, Eurosport, Super Channel, TV5,

¹⁷ Spain and Portugal expressed an interest in this system, to offset the cost of cabling, and also due to their geographical locations at the edge of the satellite footprint. As in Greece, viewers require large dishes to obtain satisfactory DBS reception.

RAI 1, HORIZONT, RTL, ARTS, MTV, CNN and SAT-1¹⁹ etc.. "The monitoring of satellite TV during the trial period was performed by a Committee which checked if there were any problems in the national network besides its cost and the feasibility" (Vassilacou 1988: 132). The nine-city plan of the government provided coverage for a third of Greek households - about 1.5 million - (today the plan has been extended to cover more areas) and was considered as an experiment for future developments.

From the Socialist government's point of view, this system has been chosen first of all because it implements the Constitutional orders and principles of pluralism, and the right of all people to receive satellite programmes, (this system enables all people with a conventional aerial to receive satellite broadcasts). On the other hand the law does not restrict DBS reception (direct reception of satellite programmes, by satellite dishes - personal or collective - that are transmitted via satellite), provided that it does not violate the national and international regulations about distribution and management of the terrestrial spectrum, which is available for radio and TV broadcasts or other uses, such as military etc. (law 1730/1987 art.16, par.1b as it has been modified by the law 1772/1988, art.3, par.5).

However, as Koveos, then the DG of ERT-S.A., (quoted in Ethnos 21/8/1988) has stated "after the experimental stage, in which the programmes of the satellite channels are offered to ERT free of charge by the satellite channels, ERT-S.A. must pay the channels for transmitting their programmes. This cost will be covered by ERT's resources, but if the cost is extremely high, ERT will introduce an additional fee that will be paid by the audience".

¹⁸ The number of satellite channels transmitted by ERT has decreased recently after the emergence of Greek private television channels.

¹⁹ Nevertheless, it has to be admitted that ERT-S.A. in using this method, has occasionally faced problems with some of the satellite channels and producers concerning copyright, as the satellite channels are bound with contracts with the producers. So, in some instances some of the channels stopped their cooperation with ERT-S.A. and others threatened to take legal action accusing ERT of retransmitting their signals without authorization (i.e. Sky, see Cable & Satellite Express 22/8/1988 Vol.5, Issue 16, p.3). Additionally, US film producers have warned ERT about the copyright issue. However, due to loopholes in EC legislation ERT has managed until today to retransmit a number of satellite channels - some of which carry Greek advertising (i.e. MTV).

From the government's point of view, this method was within the national legislative framework as well as within the principles of the Constitution, the EC and international law, unlike the municipal stations, which were set up in violation of the art.2, par.2 and art.16, par.1 of the law 1730/1987, which give the monopoly of television programmes to the state and prohibit any natural or legal persons to operate stations. However, in the legal battle between ERT-S.A. and the Municipality of Salonika, when the ERT-AE brought the mayor of Salonika to court (Protodikeio Thessalonikis=Court of First Instance of Salonika), because he was operating his local TV channel, the government was proved wrong as it lost the case. The court ruled that ERT's monopoly was contrary to the Treaty of Rome.

Additionally, the Conseil d'Etat with the judgement of 16/11/1988 ruled that the law 1730/1987, which gives the monopoly for retransmission of satellite programmes to ERT was unconstitutional, therefore removing ERT's monopoly on television and opening the way for further developments.

Finally, the ECJ in its judgement of 18 June 1991 (Case C-260/89 Reference for a preliminary ruling by the Monomeles Protodikeio Thessalonikis [Court of First Instance of Salonika] between ERT-S.A. and the Dimotiki Etairia [the Municipal TV station of Salonika]), ruled that Community law does not prevent the establishment of a monopoly, for reasons involving the public interest, of a non-economic nature. However, the arrangements for organising and operating such a monopoly must not infringe the provisions of the Treaty of Rome (art.86 and 90) on the free movement of goods and services or the competition rules (1). Also the articles of the EEC Treaty on the free movement do not prevent the granting to a single undertaking of exclusive rights relating to televised announcements and the granting for that purpose of exclusive authority to import, hire or distribute materials and products necessary for broadcasting provided that no discrimination is thereby created between domestic and imported products to the detriment of the latter (2) and as Art.90 of the Treaty prohibits the vesting of an exclusive right to retransmit television rights in a single undertaking where those rights are liable to create discriminatory results (4). Finally, the ECJ discussed the arguments based on art.10 of the ECHR and noted that the provisions of the Convention come into the sphere of EC law. Thus, ERT-AE is not entitled to have a monopoly over retransmission of satellite programmes as this creates discriminatory results. Thus, this ECJ judgement

paved the way for further developments concerning private television in Greece.

It is clear that behind the social dimension of the government's justification of its decision, there were reasons that were connected with political interest. In that period the pressure for democratisation of ERT had reached its peak. Thus, at that time the government was examining the possibility of introducing private television in order to defuse the pressures on state TV. However, "it was ascertained that at that time the introduction of satellite channels was preferable to private channels. The government's position was helped by the fact that the majority of the people, apart from desiring for change in the traditional broadcasting system, did not have any particular knowledge about broadcasting policies. So, the government preferred to introduce satellite TV, because in this way control over information would remain in its hands"²⁰ (Contogeorgis, interview with the author). At the same time the government was implementing a popular and safe policy that could help it to gain significant benefits in the forthcoming elections. Additionally, the government had prevented the introduction of private TV, which could have had damaging consequences for it, as at that time it was involved in financial scandals.

The government refused to allow private TV on the grounds that radio and TV are not comparable, since television is likely to have a wider-reaching cultural impact. They also argued that the expense involved in establishing a successful TV operation would lead to power in the TV market being concentrated in a few private hands which might be contrary to the public interest. Furthermore, it was said that Greece could not cope with more than three national channels and, as a third channel had recently been announced, there was no possibility of introducing private television.

The basis of this objection was that the topography of Greece would give rise to a need for too many transmitters, and further that the market would not support more than three channels. Cost was used as a means of justifying the

²⁰ According to Contogeorgis estimations, this internationally unique experiment cost ERT around 3.5 billion drs., (and contrary to what usually happens - satellite TV channels charge the carriers) he suggested that ERT should have charged the satellite channels for the retransmissions and the machinery as the introduction of satellite TV in Greece had established an audience of 10 million for the satellite channels. Nevertheless, the government did not ask for it as political expediency demanded a fast defusion of public pressure rather than the safeguarding the interests of ERT.

government position, although officials have since revised their opinion on the issue.

The different nature between TV and radio raises issues of contradiction and representation of all social strata with regard to private TV. The huge costs involved in establishing and operating a TV channel (quite apart from the production of programmes) begs questions about the pluralistic function of TV. The issue really boils down to the questions of representation and diversity. Which people or social groups should be awarded licences? Should the awarding body aim to represent the broadest possible spectrum of population or run the risk of TV being dominated by a handful of economically powerful interest groups who might use the information network for their own purposes? There are many international examples of this phenomenon - witness Murdoch and Berlusconi. In this case Greece's technological and legislative delay could enable the government to see the situation from a different point of view exploiting the European experience. However, the question of the media being controlled by a powerful few is only half the argument. We also need to consider the exploitation of new technology in the field of communications. Although technology is evolving at a rapid pace, there is still time for adaptation.

6.10 CONCLUSION

In general, apart from slight reforms such as the introduction of politics into public broadcasting, the Socialist government continued to practice the traditional approach of state control on broadcasting. However, the strong monolithic broadcasting policy could no longer be sustained as it did not have the capacity to continue using traditional tactical advantages and adopting effective strategies. Many factors lay behind this break-up of the traditional system.

First of all, the failure and unwillingness of the Socialists to fulfil their promises for democratisation and independence of state broadcasting led to social pressure, as the public would no longer tolerate state paternalism, and demanded change. This public dissatisfaction in conjunction with other factors such as the accession of the country into the technological and communication environment and into the EC resulted in the break-up of the state monopoly over broadcasting. The final outcome of deregulation policy, however, came only after direct action.

The state's regulatory responsibility began increasingly to decrease under the weight of the power of social forces and the evolution of the general communication and technological environment. Thus, the new technological and economic possibilities that arrived presupposed deregulation. "In this respect broadcasting law was not the driving force, but rather a driven object" (Hoffmann-Riem 1992, 147). However, deregulation in Greece was a result not only of technological evolution and economic possibilities, but also a result of severe internal pressures.

Given these pressures, the traditional protectionist tactics of the government changed. The Greek Socialists finally declared that "Greece must not miss the train of technology", which contrasts with their initial declarations to oppose any form of broadcasting deregulation and keeping broadcasting under tight control for their political ends. Thus, the recent situation paved the way for modernization and reveals the simultaneous trends towards pluralism and freedom of broadcasting as well as the new opportunity for Greek participation in new technologies. An absence of policy was followed by a liberal policy. The influence of the new technologies, the revolution in Western European broadcasting systems and the EC policies in conjunction with internal pressures, forced the Socialist government to accept broadcasting deregulation.

Clearly deregulation in Greece did not occur as a consequence of organised policy-making, but rather as a result of internal pressures and external influences. The pressure that was exercised by the opposition was substantial. The organising of public protests, by the opposition, against the 'Fascist TV', where the protesters smashed television sets in order to show their discontent is an illustrative example. Additionally, the most crucial impact on the Socialist government's decision making was made by the immediate initiatives of the Conservative mayors.

The U-turn in the broadcasting policy of the government was expressed as a tactical advantage of the Socialist government in the face of an avalanche of changes. As deregulation came de facto, after direct action, the Socialists were compelled to recognize it. However, "the fact that the state was compelled to tolerate a de facto situation, reveals that the social dynamics (pressure) have adequate power to impose its will on authority" (Contogeorgis, interview with the author).

The deregulation of radio and the introduction of satellite TV, however, was not enough. The period in which we live and the communication revolutions and technology required more open policies towards innovation and pluralism. All these advances required the Greek government (Socialists) to establish private television and to begin the modernization of the entire infrastructure of Greek broadcasting. However, the method used for retransmitting satellite channels blocked all the terrestrial frequencies, frequencies which could have been used for the introduction of private television: a structure of television which could contribute to the modernisation, decentralisation and democratisation of the Greek broadcasting system. Private television could also offer job opportunities, and, more importantly, diversity of content and contrasting political viewpoint from that of the public corporation. But there are dangers of oligopolies, so certain guidelines may be needed for the protection of the public right to be informed.

Also, innovation, efficiency and productivity could be boosted, as a result of freeing more social and working forces. All this energy then, could be channelled and could possibly give more prestige and development to Greek broadcasting in the international arena, creating and promoting more domestic productions, participating in EC and other European co-productions and creating structures to promote Greek culture and ideals as well as new ideas at the European and international levels, exploiting the opportunity which is offered by the EC single market.

CHAPTER SEVEN

COALITION GOVERNMENTS AND CONSERVATIVE ADMINISTRATION (1989-93): THE DEREGULATION OF TELEVISION

7.1 INTRODUCTION

The next period of Greek broadcasting commences with the electoral defeat of the Socialists and the emergence of coalition governments to power. During this period, after a year of political instability, in which the country had two coalition governments, the Conservatives finally managed to achieve a workable majority in the 1990 elections, and to become government. This period, as far as broadcasting is concerned is marked by the introduction of private television, which completed the cycle of broadcasting deregulation.

This period was initially characterized by political instability as the country had three elections within a year - because of a proportional electoral law introduced by the Socialists neither of the two major parties could manage to win an absolute majority and form a government. Thus, Greece had two coalition governments between June 1989 and April 1990 - the coalition of the Right and the Left (June 1989 - November 1989) and the Ecumenical (All Party Government) composed by Conservatives, Socialists and Communists (November 1989 - April 1990).

During this period of coalition governments (June 1989-April 1990), which saw the deregulation of television (under the coalition of the Right and the Left), the paternalistic attitude of the state towards PSB seemed to ease and to give rise to a more liberal approach on news and information programmes. The independence of PSB seemed to have materialised for the first time in the history of Greek broadcasting. The fact that none of the parties had absolute control, and

that responsibility was shared in all departments of ERT resulted in a balanced outcome. "The end result was the most balanced newscasts state television and radio had ever produced" (Dimitras 1992, 105). However, when New Democracy managed to become the government in April 1990, although with a marginal victory of only two seats, the tight control on state broadcasting returned to its usual level, if not even tighter. As in the case of the Socialist government, the New Democracy government despite neo-liberal electoral tones, followed the same methods in order to manipulate information. As broadcasting was always perceived by the political authority as a state possession the ND government attempted with its advent to power not only to manipulate PSB through tight control, but to move even further, disturbing the operation of the non-public opposition stations. According to Papachristos, (interview with the author).

Every attempt for the elimination of the 'dowry' (under PASOK with the 'free radio', under ND with the introduction of private TV) was confronted initially with suspicion and later with hostility. There are many case and unfortunately disappointing, similarly between the two main political parties which rotate the power in Greece, that every attempt to distinguish them in 'good' and 'bad' policies is superfluous.

For instance, whereas PASOK used the M.A.T (riot police) in Salonika to stop the operation of the municipal station, the New Democracy government lined up "the M.A.T, who were sent to prevent the installation of the transmitter of Sky, which was aiming to establishing a TV channel" (Ethnos, Ta Nea 29/1/92) as well as the interference of Sky FM through the creation of a para state radio network (which was operating under the government's cover)" (Kathimerini 22/2/1992). This action, however, was condemned by all political parties, even by politicians within the governing party, who characterized it as authoritarian, reminding the Greek public of old practices. The case was also brought to the European Parliament by the Greek Socialists and the action was condemned by many MEPs.

However, during this period private TV made its appearance. The developments in radio and satellite TV as well as the general public pressures for deregulation opened an extensive debate concerning the deregulation of television. As a result a great number of opinions were raised concerning this specific matter. Opinions, which did not however represent the outcome of any analyses of a social or economic nature, but reflected the political desires of certain politicians. As television and politics are inextricably linked in Greece,

politicians bluntly admit that control over TV equals political power, the situation of the liberalisation of TV - as the liberalisation of the radio - became haphazard. All the characteristics of the de facto deregulation of the Italian example appeared on the Greek audiovisual landscape. Confusion, uncertainty, hype and speculative profit seem to be the precise description of the television deregulation in Greece. The deregulation of Greek television, as the deregulation of radio, emerged as a result of party politics. Although all the reasons that we have analysed in the previous chapter are equally applicable in the case of television deregulation, it seems that this time deregulation emerged as the outcome of political bargaining between the Conservatives and the powerful publishing lobby.

The Conservatives took advantage of the public consensus concerning deregulation as well as the favourable political climate which prevailed during the coalition government (Conservatives-Communists) in summer 1989 and gave in to the lobbying of the publishers and radio stations owners who were bidding for a stake. Thus, it seems that the deregulation game was determined in this case by intense lobbying from commercial circles in conjunction with tactical bargaining moves by the Conservatives, in order to be favoured (supported) by the potential TV channels and the newspapers of the publishers. Additionally, by introducing private television, the government was moving with public demand.

7.2 THE CONSERVATIVES AND STATE BROADCASTING

When New Democracy won the elections in April 1990, although with a marginal majority, it quickly did away with the short-lived 'spring' of state broadcasting, which had been established under the coalition governments. Using Ministerial decisions, whose doubtful legality was challenged in the courts, ERT's Boards were changed (broadened) in such a way as to give a Conservative majority. Clearly the first reforms of the Conservative government in state broadcasting were changes in the key posts of the administration and in particular within the information departments. Consequently, in all ERT managerial positions loyal ND journalists replaced the ones chosen by the Ecumenical government. As a result, as Papachristos (interview with the author) points out:

public television still remains a tool of the government. An obvious example of the governmental stance towards state media is the statement of the Prime Minister in parliament, during the 1992 by-election in B periphery of Athens, to refuse to give to PASOK broadcasting time on the public TV, giving absolutely no explanation about his decision.

The government extended its paternalistic attitude further. The government's traditional approach of regarding itself as the natural proprietor of the electronic media was continued, and the mechanisms of tight control, it could be argued, were further reinforced. The reforms implemented by the Conservatives follow the traditional paternalistic model with state broadcasting being the 'arms' of the government of the day. This approach is firmly surrogated by the Prime Minister and governmental circles' conviction that "ERT does not sufficiently present the 'richness' of the governmental policies and activities, resulting thus to 'misinforming' the public and causing therefore the public to object the implementation of the governmental policies" (To Vima 17/5/1992).

An additional fact in the whole case is the firm belief of the government that the state TV, in order to play this role, needs to be administrated by people with deep loyalty to the Prime Minister and to the Conservative party. Consequently the government cultivates mechanisms which strengthen its influence and control on ERT. The most important mechanism in achieving this control is the appointment, into key posts of ERT's administration, of people, not only affiliated to the government, but closely associated and faithful to the narrow circle of the Prime Minister. In fact this tactic due to infighting within the governing party has reflected different views concerning the norms and the kind of governmental propaganda that should be presented through the state broadcaster. An illustrated example of this conflict is the dismissal of the DG of ET1 Mr.M.Dimitriou. As Mr.Dimitriou explained, he was not sacked because of anti-government activity, but because he was seen by the new president of ERT (a government appointment, who is a close associate of the Conservative party's political office and whose profession is shipping engineer) as resisting his new policy. A policy, which seems to impose oppressive control in the news bulletins and information programmes)" (To Vima 17/5/1992). This dismissal is only the start of the long catalogue of realignment in ERT, particularly in the information sectors.

The government additionally attempted to impose its influence on ERT by using another method "trying to unify the news and information departments of all channels and radio stations in order that all they present the same news bulletins" (To Vima 1/12/1991). Nevertheless, Greek public opinion is less concerned with ERT's partiality than it was in the past, as the private stations filled the gap in information.

7.3 THE DEREGULATION OF TELEVISION

The political pressures of the Conservatives (during the Socialist administration) for the deregulation of broadcasting were extremely effective as they not only managed to achieve the deregulation of radio, but in the end they resulted in a proposal, made by the Socialist government (before the elections June 1989), for the creation of an interparliamentary commission, which would examine the opportunity and feasibility of deregulating TV. Prime Minister Andreas Papandreou announced in Spring 1989 that he would take many of the satellite channels off the air and allow private TV. This was a result of intense pressure. The Socialist government therefore realised its responsibilities and the probable political cost, and altered its protectionist policies once again this time towards private TV. The Socialists began speaking of a private channel of national coverage in May 1989. Over a hundred applications were submitted in response to this announcement. However, the Socialist government never got the chance to award licences and neither did its successor the coalition of the Right and the Left.

After the general elections in June 1989 in Greece, the Socialists who had been in office since 1981 uninterruptedly, lost power. As the elections resulted in a hung parliament the country, thus, was ruled by a coalition government composed of the New Democratic Conservative Party and the Alliance of the Left Party. In fact this government was formed, provisionally, for the purpose of clearing up the state of corruption, (during the last two years of the Socialist's term of office, some members of the government were involved in economic scandals) until another election was set. However, the coalition government lasted only a short while, due to the fundamental differences between the ideological status and the mistrust of the two parties. However, this government passed the broadcasting law 1866/1989, which deregulated television and permitted the establishment and operation of local private and municipal channels.

When the coalition government came to power, it put deregulation of television at the top of the agenda. However, the deregulation of television, like the deregulation of radio, was not the outcome of an overall broadcasting strategy, but the outcome of political expediency. The most important factor which determined the deregulation of television was the lobbying of commercial circles, which had been influenced by the Western European deregulation and who viewed private television as a new area for investment and profitability.

Thus, seeking (vying for) a stake in the potential TV market, they intensely lobbied the government, which seemed to give in to the pressures. "The Conservative-Communist coalition government in 1989 gave in to the intense lobbying of the newspaper publishers and radio station owners and allowed private and municipal local television, including cable, pay-TV and satellite retransmission stations" (Dimitras 1992: 100).

However, in fact, as in the case of radio deregulation, television deregulation arrived *de facto*. After the deregulation of radio and the debate that followed, concerning private TV, many projects started to be prepared in order to bid for a stake. The governmental announcement by the coalition government that it was willing to permit private TV and to award two provisional licences resulted in projects moving quickly to occupy frequencies. The projects did not wait to be granted a franchise, they exploited the political instability of the time, to start *de facto* television channels in the hope they could obtain a TV franchise once they were operating. Most of the projects were established by publishers as also happened in the case of radio.

Once again the deregulation policy was not the implementation of an organised plan or model. On the contrary it seems that "the coalition government assigned (surrendered) the private TV, with the law 1866/1989 that passed, to the publishers in order to acquire their political support (favour)" (Democratic Renewal Party, interview with the author). The publishing lobby exercised pressure with its self-evident power in influencing politics. These publishing groups have a clear political orientation and close party affiliations whilst the political parties themselves have developed relations with the above groups. The fact that the government accepted this pressure, shows that it used its tactical advantage, first in order to gain the favour of the newspapers and second, in order to get the political support of the new channels.

Breaking the broadcasting monopolies is very often a major goal behind activities and policy initiatives from the printed press. Associations of publishers, advertisers or news agencies often refer to their responsibility for public service. Commercialisation is a logic predominantly associated with advertisers, but because of their traditional market orientation it is also often used by publishers. Publishers have two main aims: to gain a position in any new markets and to be able to supply software (media content) (McQuail and Siune 1986).

As the area of media policy attracts increasing attention, it is necessary to stress the dynamic of a growing involvement of new actors in the process of conception and implementation of policies. According to the editor of a leading Athenian newspaper "Publishers were very close behind the decision for deregulation policy and very active in the lobby. The policy of deregulation long before it was taken in the parliament had been taken at the table of the publishers" (interview with the author). Clearly, the government gave in to the pressure of the newspaper publishers, who were the first that moved to occupy the area and to invest. Their aims included profit, as well as the reinforcement of their political influence" (Democratic Renewal Party, interview with the author)

Due to the new evolution the governing elite did not have any latitude for political manoeuvring, thus, it had to compromise its traditional monopolistic control over information in favour of corporate economic interests. The government, however, sought to counterbalance this weakness (compromise) (loss of monopolistic control over information) using its tactical advantage trying to invent new ways in controlling information, i.e. through bargaining in the awarding of the licences in order to get political support from the stations.

The whole deregulatory process was also helped by the Alliance of the Left Party, the partner of the Conservatives in the coalition government, which gave its consensus for television deregulation. This stance of the Left, which contradicted the traditional Leftist approach concerning broadcasting could be explained by the fact that at that time the Left - after the fall of Communism in Eastern Europe - was in a state of confusion. Therefore, the Left "did not have control of its action" (Netas, interview with the author) and it was acting in response to the circumstances. After all its president Harilaos Florakis had repeatedly stated that he preferred deregulation to the permanent tight state control of PSB. This is an excellent illustration of the instability and ambiguity of the Left at that time. Its political moves were characterized by contradiction, discrepancies and lack of coherence. Indeed many members of the Left regretted afterwards their political decision to sustain the coalition government with the Conservatives - a move which was characterised by many as the betraying of the working class struggle.

In conclusion, as far as television deregulation is concerned, the state once again did not follow any model. It was rather compelled by the facts and the

general trends of the time and moved by political expediency. This is proved by the fact that the government has not yet legalised *de jure* the operating *de facto* private TV channels, as it has not awarded licences, leaving the television landscape in complete 'anarchy'.

7.4 THE CHRONICLE OF TELEVISION DEREGULATION

In a climate of general consensus as well as party intention - in conformity with the 'best' traditions of the Greek nation - the first step towards the establishment for private TV in Greece was taken. On Monday 24th July 1989, the coalition government of the Right and the Left announced its intention to award licences to two private TV channels; and by some miracle all have agreed on principle, even those that had appeared to remonstrate about the specific initiative (Pretenderis 1989).

In fact the governmental decision was to award provisional licences for one year to two TV channels, for the Athens area until legislation was passed in the parliament. The rest of the country was excluded temporarily from the liberalisation of TV!

According to the governmental decision the provisional licences were granted to 'Tyletypos-S.A' and to 'Antenna TV'.

1. Tyletypos-S.A.

'Tyletypos-S.A.', a group of newspaper publishers, had been formed four months before the governmental announcement. 'Tyletypos' is composed of well known publishers - Christos Lambrakis (Ta Nea and the Sunday paper To Vima), George Bobolas (Ethnos), Christos Tegopoulos (Eleftherotypia) as well as Nikos Alafouzou (Kathimerini) and Vardis Vardinogianis (Mesimvrini), who are also an entrepreneur and shipowner respectively.

The preparation of the publishers and the formation of their consortium (joined venture) had started in January 1989 when the then mayor of Athens Miltiades Evert made a peculiar proposal. "He addressed himself to the union of the publishers (EIHEA) and asked them to cooperate with the municipality for the operation of the existing network in order to establish the basis for television 'liberalization' in Greece" (Ta Nea 10/2/1989). The argument behind his decision was that "the liberalised TV must come from those that have the

responsibility for the every day information of the citizen. The free television must be the creation of the publishers and generally all those that are serving the press" (Eleftherotypia 30th of July 1989). However, after the failure of the creation of such a municipal-private venture, due to peculiar difficulties, the municipality of Athens abandoned the plan and the publishers started to organize independently.

2. 'Antenna TV'

'Antenna TV', was initially formed as a joint venture, whose main shareholders were to be the publishers A.Voudouris and G.Karagianis of the right wing papers 'Eleftheros Typos' and 'Apogevmatini' and the entrepreneur Minos Kyriacou, the owner of one of the most successful commercial radio stations in Athens, 'Antenna 97.1FM'. The two other publishers Kalogritsas and Siamandas from the left wing dailies 'Proti' and 'Epikerotita', who were initially part of the project were excluded. Instead two more right-wing shareholders were added to Antenna TV, Cocalis and Pournaras. The joint action of the above group was in a way coercive, as the government was not willing initially to award more than two licences for the Athens greater area (Attica), so the members of the second group had to cooperate, although they had prepared separate projects before the governmental announcement (in order to bid for two different licences).

As expected, the manner in which the government planned its decision caused a storm of protests, particularly from the Socialist opposition (PASOK). The Socialists had also favoured the licences being awarded to publishers¹, however, admittedly, none of these specific publishers was pro-PASOK. In fact, the reaction of PASOK could be explained by the fact that its close supporting newspaper 'Avriani' (which, according to press speculations, would be nominated for the second licence, if PASOK won the elections) was not awarded any licence, instead the licence was given to right wing affiliates. Consequently, the reaction of the Socialists to the governmental announcement was critical. PASOK issued indignant announcements stating that "there is a plan to exclude PASOK

¹ However, that was a curious accusation, given the negotiations that took place earlier (in April 1989) - when PASOK was in power - between the Socialists and the publishers of Tyletypos for the creation of a TV channel of national coverage. Indeed the Socialists had cooperated, for this purpose, with the publishers and had initiated the procedure in this direction, which was simply postponed for fear that the new channel might become 'politicized' before the elections.

and its respective leader Andreas Papandreou from the TV networks". The Socialists accused the government of backstage lobbying activities. "PASOK spoke about 'coup d'etat' and 'scandal', while Mr. Papandreou referred to unacceptable plans" (Pretenderis 1989).

Reaction also came from the publishers of the newspapers 'Proti' and 'Epikerotita', who expressed their discontent about the way that they were excluded from the second project and expressed their desire to be included in one of the groups that were awarded licences.

Contrary to the reaction of PASOK the leader of the Alliance of the Left Party (part of the coalition government) Mr. Harilaos Florakis stated that he was not opposed to the establishment of private TV, with the precondition that its adoption should be accompanied with a legal framework that would ensure objectivity in information.

Additionally, the practical adoption of the governmental decision to grant provisional licences without introducing respective legislation also caused several objections from intellectuals and media experts. For instance the ex-president (under the Socialists) of ERT-S.A., Andreas Christodoulidis stated that:

the only measure, concerning broadcasting, that should have been taken by this provisional government, was the establishment of an **ad hoc** committee, composed by experts who would examine the feasibility for the establishment of private TV and would submit its proposals to the government". In his view, he continued "the establishment of private TV is an essential adjustment; however, the legal framework should not be shaped by an apriori anarchic imposition as it happened in Italy, but from above, with legal and normative adjustments, which will be proceeded to the granting of licences" (Eleftherotypia 30 July 1989).

Similar sort of objections were expressed by trade unionists of ERT-S.A., protesting for 'pluralism'! They claimed that pluralism was in danger because of the introduction of the private channels (and not from the tight governmental control exercised over the public broadcaster (ERT) until recently!). Obviously they were, primarily, concerned about the effects that the emergence of private TV could have on their jobs as well as about the government subsidies to ERT-S.A., because of probable reduction of profits due to the competition with private TV.

Apart from the protests and objections from the opposition, disagreements also started to be expressed within the second consortium, which had been awarded a provisional licence (Kyriacou, Voudouris, Karagiannis). These eventually led to the break-up of the group. "The two publishers Voudouris (Eleftheros Typos) and Karagiannis (Apogevmatini) stated that one of the reasons that they could not cooperate with Mr. Kyriacou (Antenna 97.1 FM) was that the radio station of Mr. Kyriacou was extremely right-wing and thus it was impossible for relative objectivity to be achieved in the TV channel. Big words from two 'independent' and 'objective' newspapers (!) (Thireos, Antenna 1989: 6-7). However, as argued by a journalist (interview with the author), "the main cause of the disagreement was the desire of Minos Kyriacou to acquire a 60% majority of the shares in the group and also to name the television channel 'Antenna TV' after his radio station for obvious reasons".

The argument resulted in the break-up of the venture. Kyriacou continued on his own with 'Antenna TV' (which however was not granted a licence) and the rest of the shareholders set up the NTV (New Television) project, which, although granted a franchise has never yet broadcasted.

The above facts in relation to the profound interests of other bidders have forced the government to go back on its initial decision regarding the number of the licences that should be awarded showing instability in its broadcasting policy-making. The government recently (February 1993) announced its intention to award six television franchises for national coverage and many for local transmission. The number of interested bidders vying for a broadcasting stake has increased. The most significant projects, amongst the interested parties in the race for licences are (apart from the Mega Channel, Antenna TV and NTV, which have been already promised licences) Sky TV, Kanali 29, Seven X, TV Plus and Telecity.

7.5 THE LEGISLATION: BROADCASTING LAW 1866/1989

The debate in the voting of the new broadcasting law 1866/1989 took place in parliament on the 14th, 18th, 21th and 25th of September 1989 and focused on the need for the introduction of private TV as well as the disengagement of the public corporation from tight governmental control. The government after referring to the situation of Greek broadcasting over the years stressed that the proposed law was a fundamental step forward. The government's speakers pointed

out that the new law was in line with public demand for better broadcasting services, more choice and information without the interference of the government of the day.

The Minister to the Prime Minister also stressed that the new law was confirming the faith of Greece in Article 10 of the European Convention (which has been ratified by Greece) for the Human Rights concerning **freedom of expression**. He also argued that television is such an important issue that it can not be given away to the highest bidder, as if it was a common good, therefore certain conditions and precautions have to be taken by the government.

Clearly, "the majority of the clauses of the EC directive 89/552 of the Council of Ministers have seriously been taken into account in the new law 1866/1989 as it had also happened in the previous law 1730/1987" (Dagtolou 1990,7). The new law 1866/1989 (including the supplementary presidential decrees 572/1989 and 573/1989) amended the law 1730/1987 significantly and brought two basic reforms to the public life of the country, in line with the EC Directives, the European Convention for the Human Rights and the European experience.

The main aims of the law were

- 1) **Independence** of broadcasting.
- and
- 2) The legalisation of **private television**.

The first legal reform of the law 1866/1989 was enacted with the establishment of the National Council of Broadcasting (NCB), as an independent body (art.1), which was given the authority for the monitoring of broadcasting (public and private); thus control was to become 'decentralised'. This innovation of the law aimed (at least in theory) at freeing the public channels from governmental dependence and censorship and giving them functional and administrative autonomy. Broadcasting monitoring was supposed to be exercised now by an independent authority (the NCB) and not by the government as it was formerly.

The second legal reform foresaw, for the first time in Greece, the

establishment and operation of private television channels for local transmission (art.4). This reform was made on the grounds that it would ensure pluralism in information and competition between the TV channels and democratization of Greek TV in general. So for the first time the public monopoly on television information came to an end, giving, thus, the opportunity for a variety of forms of information.

The legalisation of private television consists of the recognition of the need for 'decentralisation' of the information authority, which reflects the basic principle of the article 10 of the European Convention for the Human Rights and is the basis for the 'objectivity' and 'accountability' of information in a modern society. This is emphasised in the preamble of the law which is also concerned with competition in broadcasting and points out that "nothing can oppose the huge strength of one station like another station and competition will improve quality, eliminate propaganda and liberate the listener and the viewer, giving more chance of choice and selection".

According to the law 1866/1989 private TV channels are allowed to transmit at local level only (art.4). However, the practical significance of this decision and its application was challenged, given the high investment needed for the proper function of a TV channel. The restriction of private TV national coverage has been proved economically ineffective as a policy, as far as investment is concerned. As a result Mega Channel and Antenna TV extended their coverage (with the backing of the government) and today reach 80% of Greek households².

7.5.1 THE ESTABLISHMENT OF THE NATIONAL COUNCIL OF BROADCASTING (NCB)

The first innovation of the law 1866/1989, as we have previously mentioned, is the establishment of the National Council of Broadcasting (NCB) for broadcasting monitoring which was to function as an independent body with its own secretariat and budget. The NCB is housed within the Ministry to the Prime Minister and according to art.1, par.2, it is not subject to any administrative control and its members enjoy personal and functional independence. Its purpose is ensuring freedom of expression, pluralism and the

² The government seems to have done a U-Turn on this matter as it announced recently its intention to award licences for national coverage.

maintenance of journalistic ethics as well as the promotion of objectivity, equity and quality in broadcasting in line with the constitutional principles (art.1, par.3). Additionally, "the NCB must ensure the good quality of the Greek language, respect of human dignity and private life, as well as the preservation and promotion of Greek civilization and tradition" (art.9 par.4 of the law 1730/1987 as it was amended by the art.3 par.9 of the law 1866/1989).

The functional independence of the NCB members meant that they should be subject only to the Constitution and the laws and not to any other authority, regardless if this authority is the Prime Minister, the Minister to the Prime Minister, the Cabinet or the body that has nominated them. Consequently the legality of its acts is examined, only, by the Conseil d'Etat, according to the Constitutional articles 20 par.1 and 95 par.1.

The NCB was established to be the first independent administrative authority in Greece³ and to represent a new type of democratic institution. The government adopted a practice that is already established in the legislation of most European countries, which is indeed in accord with EC law, concerning the establishment of independent authorities to monitor the democratic function of broadcasting (e.g. ITC, CSA et.).

The NCB, initially, according to the law 1866/1989 was composed of eleven members⁴, all of them personalities of recognised prestige in the fields of science, arts, technology, and politics (art.2, par.2). However, when New

³ "The independent administrative authorities appeared for the first time in France in 1950 and they are called 'Autorites Administratifs Independantes'. In the USA they are called independent administrative agencies and in Britain QUANGOS (Quasi Autonomous non Governmental Organisations)...the NBC constitutes the pilot scheme of the new institution in Greece and its success will be the first step towards the founding of any new independent administrative authorities". (M.Antonopoulos, Eleftherotypia 27th of August 1990).

⁴ According to law 1866/1989 the members of the NCB are appointed by the Minister to the Prime Minister with the following procedure: 1) The first political party or bloc of parties in the parliament nominate three members and amongst them the president, 2) The second party or blocs of parties nominate two members, 3) The third party or bloc of parties nominate one member. The five remaining members are nominated by the journalistic unions (of Athens and of Northern Greece), the Local Authorities' Confederation, the Technical Chamber and the Union of Artists. Two of the members are journalists, one is representative of the local authorities, one is technical expert and one is representative of artists' union.

Democracy came to office, it altered the original status of the NCB, increasing its membership to 19 so as to give it a governmental majority.

The NCB as created by the coalition government was fulfilling the public demand for independence in PSB as it was meant to institute the first real independent authority or 'haute autorite' in Greece with a multiparty make up and consequently a wide political base. The fact that its members are nominated by the three strongest political parties of the parliament was meant to ensure its independence, as the opposition was given the possibility to express its opinion and exert some power on broadcasting matters, not only through its parliamentary oppositional task, but also through the NCB. Its multiparty make up was supposed to give it a relative prestige and autonomy as well as to prevent continuous governmental interference in broadcasting matters. However, the Conservative government with Ministerial decisions changed its institutional framework and enlarged its membership from 11 to 19 members in order to achieve a governmental majority, transforming this body into a decorative organisation as its president and the majority of the members are nominated by the government and are Conservative affiliates. "Additionally, the Minister to the Prime Minister (after the resignation of the first president of the NCB, Dagtoglou) appointed his personal lawyer in the post of the president of the NCB" (To Vima 23/2/1992).

However, as Contogeorgis (ex-president of ERT⁵, interview with the author) explains that

even its initial multiparty composition could not guarantee its autonomy. Its multiparty composition by definition does not allow it to function independently as it is not connected with the (needs) will and the dynamics of the society, but with the political expediency of the parties that it represent. In effect the political parties were not willing to create an independent autonomous body, but a body that they could control.

The members' tenure of office is six years and its make up is partially replenished every two years. Although the members of the NCB can not be removed from their posts before the end of their term they can not remain in their posts after the end of their term, if the parties or the bodies that have

⁵ When Contogeorgis was president of ERT he had suggested a composition of the NCB that would ensure its autonomy and had objected to the creation of an interparty body.

nominated them express any disagreement over the renewal of their term.

The official status of the NCB member is incompatible with the status of the member of the government, minister, member of parliament or of member of a broadcasting enterprise (art.3, par.5). The presidential decree 573/1989 (art.1), also insists that NCB members must be Greek nationals and be free of convictions for some offences.

The NCB is an innovation of legislation in order to exercise the direct state control over broadcasting (public and private), aiming to preserve the Constitutional rules of objectivity, impartiality and quality of programming and more broadly the democratic function of the electronic media (article 15.par2).

The role of the NCB is not limited only to inspections and examinations, but takes various forms. Its responsibilities are wide ranging and cover the whole sphere of radio and television. It issues codes of practice concerning basic principles of journalistic ethics, programming and advertising (art.3, par.2). These are published in the Newspaper of the Government of the Greek Republic, without the intervention of the government. The violation of these codes is an offence and sanctions can be levied on the companies subsequently by the NCB. It also issues suggestions and recommendations to public and private bodies for the maintenance of these democratic codes.

It arranges the terms of the transmission of the election campaign and it can suggest to the Minister to the Prime Minister the prohibition of transmission of any information programmes that can influence directly or indirectly the election campaign. It also grants licences to traditional villages and towns for the instalment and operation of terrestrial or cable TV networks.

It can impose penalties for any violation of the provisions of the law (art.3, par.3), or of technical standards that have been determined by the Ministry of Transport & Communications as well as any violation concerning the principles of ethics or the terms of the licence. The NCB can also impose penalties to private and municipal radio stations.

The penalties that the NCB can impose are:

- 1) Suggestions and warnings.
- 2) Financial penalties from one hundred thousand (100,000) to fifty million (50,000,000) Drachmas.
- 3) Temporary restrains of particular licences of up to three months.

Another innovation of the new law is the attempt to disengage ERT-S.A. from governmental control. The NCB now has the authority to propose candidates for the new administration of ERT-S.A. (president, vice president and members of the administrative council) as well as to give concurrent opinion before the removal of the old administration (art.3, par.4). The number of the persons proposed by the NCB is always three times larger than the number of the positions to be held. The minister has the obligation to select only within these persons and is not able to appoint anyone else.

It can hold administrative investigations concerning violations of laws and ethics that govern the function of the broadcasting companies (art.3, par.5). Every public authority and every broadcasting body has to supply the NCB with any records relevant to its inspection. Also, at the end of every year, the NCB submits its annual report concerning its work, which is published in the Newspaper of the Government of the Greek Republic.

In relation to local radio broadcasting the Minister to the Prime Minister needs the concurrent opinion of the NCB (art.3, par.7). "The **concurrent opinion** is equal to the right of veto for the granting, withdrawal or renewal of a licence for local radio stations" (Dagtolou 1990, 19). The concurrent opinion means that the Minister to the Prime Minister not only is obliged (with the penalty of cancellation of his decision) to ask the opinion of the NCB, but he is bound by any negative opinion.

However, concurrent opinion is not needed in the case of the awarding television franchises. In this case the law deprived the NCB of becoming a real 'haute autorite' because according to art.4 "the licences are granted by joint decision of the Ministries to the Premier's Office, the Interior, Economics and Transport & Communications whereas the NCB gives only simple opinion". That means that the government is not bound by the NBC's opinion and

consequently it can by-pass it, granting the franchises directly. They are, however, obliged to submit causative rationale of their decision, if it is opposite. Concurrent opinion of the NCB is, however, needed for the **withdrawal** of a television licence.

Although the NCB is the first independent authority in Greece and has been given more powers than previous broadcasting authorities, it was not given equivalent status with other European broadcasting authorities such as the ITC in Britain or the CSA in France, in order to work as a buffer between the partisan interest of the government of the day and the private interests. The new law deprived the NCB of the decisive power to grant TV licences (which would be an indication of real liberalization and democratization in Greek broadcasting). Its power was limited to an advisory role with the Ministers able to ignore its opinions and nominate licences according to political expediency. The political authority never had the intention to assign decisive powers of control (not even to a politically controlled - although not totally - body) and kept the responsibility to award television franchises to itself.

However, according to the government (New Democracy, interview with the author), the government kept this responsibility to itself for the reason that

the number of available frequencies is by the facts (due to technical and economic peculiarities) limited, whereas the significance of television for the development of modern societies is very crucial. Thus, the awarding of television franchises is a crucial decision which needs the widest possible support. For this reason there has been selected a process which includes awarding of licences with governmental decision after advice of the NCB. This process ensures the compliance with social, economic and technical criteria which are laid [set] by the law and at the same time it ensures the undertaking of the political responsibility (of the decision).

The opposition parties reacted to this clause of the law by focusing their argument on the fact that the licences should be awarded by the NCB and not directly by the government. They stressed that the frequencies constitute **national wealth** and therefore they should be awarded by the NCB, which is an independent body with public representativeness and there should also be strict restrictions for their distribution. The opposition parties accused the government of transforming the NCB in order to control information. "PASOK accused the government of 'downgrading the role of the NCB' and the Alliance of the Left demanded that the government 'reinstate the NCB to its original institutional

status, which it had during the coalition governments'. They also threatened that they would not accept any potential decisions that would be taken under the current membership of the NCB" (To Vima 9/2/1992: 44).

7.5.2 LAW 1866/1989 ON THE DEREGULATION OF TELEVISION AND THE ISSUE OF CONCENTRATION AND CROSS OWNERSHIP

According to law 1866/1989 (art.4):

After the **simple opinion** of the NCB, the Ministers to the Prime Minister, Home Affairs, Economics and Transport & Communications can award licences, for the establishment and operation of television channels of local transmission, only to limited liability companies (Ltds) (or S.A.s Societe Anonyme) and to local authorities - including terrestrial, cable, satellite and coded pay-TV channels.

Contrary to the case of radio where licences can be awarded to natural and legal persons, in the case of TV, licences can be awarded only to Limited liability companies and local authorities (law 1866/1989, art.4).

The conditions of a licence are:

1) The shares of the limited companies are always nominal. No one shareholder (or his relatives) of a television channel can control more than 25% of the company's seed capital (art.4, par.1a). Also potential participation of foreign capital in a TV channel is also restricted to 25%. Additionally, the law prohibits concentration of more than one licence to the same person (natural or juristic). This means that the same person can not be a shareholder in two or more different television channels. At this point the legislation seems to follow the French practice concerning the awarding of licences to consortia in order to avoid concentration.

2) The companies must be reliable and trustworthy and the shareholders must not have been sentenced to offences of the art.22 of the Presidential Decree 611/1977 related to crime or of the art.3 of the law for the press related to abuses of the freedom of press (art.4, par.1b).

3) The frequencies are determined by a joint Ministerial decision of the Ministers to the Prime Minister, Transport & Communications, Public Order and Home Affairs (art.4, par.1c).

4) The licences are awarded preferably to local authorities and to candidates with experience and tradition in the field of mass media (art.4, par.1d).

5) The licence is renewable and non transferable and its duration is seven years; however it can be withdrawn before its expiry date in cases of violation of the law (art.5, par.2).

Additional criteria for the granting of a licence are the competitive promotion of ERT-S.A. and the exchange rate situation of the country (art.4, par.1c).

The condition which gives preference to candidates with experience in the field of mass media (art.4, par.1d) is obviously favourable to publishers and media companies, encouraging concentration of media and cross-media-ownership. This clause of the law gives publishers the opportunity to have **vertical domination** of the whole information sector of the country.

However, marginal political parties have criticized this arrangement as a threat to real freedom in information, in vain, since the three main political parties appeared satisfied with it.

"This condition of the law caused the leader of the Democratic Renewal Party Mr.C.Stefanopoulos, during the voting of the law in parliament, to complain intensely about the concentration of information in the hands of the same category of people (mainly newspaper publishers)" (Protogirou, interview with the author). Although the Democratic Renewal Party favoured the introduction of private TV, during the voting of the law it argued against the concentration of information in the hands of an oligopoly of publishers. It is worth noting that publishers in Greece are closely associated with political parties and thus cross-media-ownership and concentration of power and influence in their hands contradicts pluralism and democracy. "Democracy does not accept the concentration of power or influence in the hands of an oligopoly" (Democratic Renewal Party, interview with the author).

However, Democratic Renewal only managed to force the addition of a supplementary condition in the law⁶, concerning the completeness and quality of

⁶ The phraseology of article 4 of the Bill was changed after a great deal of
(Footnote continued)

the programming of a TV channel for the granting of a licence, a criterion that can only be proved after the channel has been in operation and can only be used as condition of renewal of a licence.

However, the repetition of Stephanopoulos' accusation that with this law the government gave in to pressures from the publishers and that the alterations to the law were only minor and linguistic without affecting the substance of the law, caused great concern (Antenna, October 1989).

The above concern was due to the fact that there was not any other truthful reaction from any other political parties, as the Left was part of the coalition government and the Socialists were not actually concerned about cross media ownership. As a journalist said "they were rather concerned about the political colour of the publishers that were going to be awarded the licences, taking into account only their own political benefit" (interview with the author).

However, according to the government's explanation the decision to award these licences to publishers was made on the grounds that in the US as in Western Europe, where broadcasting is already deregulated, the publishing enterprises have priority to be awarded a licence for a radio station or a television channel. The criteria which were taken into account for the granting of these two licences to the particular enterprises - without, of course, to exclude the accession of others to these groups - were the seriousness of their proposals, representativeness, reliability as well as their experience in the daily and periodical press. Additional criteria were the financial capability of the candidates to support their ventures as well as the EC law.

In conclusion, the preference of the law to award licences to people with experience and tradition in the field of mass media has two aspects. The first and positive element is the achievement of a relevant objectivity and quality in information and the second but negative element is the concentration of full

⁶
(continued)

discussion as it was regarded anti-constitutional. It was interpreted by the Democratic Renewal, in the parliament, as a sell off deal of the major governmental party (New Democracy) in order to obtain the maximum of press support in the forthcoming elections. "DI.ANA today believes that information went about in the hands of an oligopoly, which exploits the power that it acquired" (Democratic Renewal Party, interview with the author).

authority of information in the same category.

7.5.3 OBLIGATIONS OF THE PRIVATE TV CHANNELS

Unlike the case of the granting of a television franchise to private companies, where the law (art.5) states that a contract is needed to be drawn between the company and the state, in the case of granting a licence to local authorities the licence itself is sufficient. The rationale of this decision is not clear as it is more reasonable for the state to make a contract with the local authorities as well.

The contract is drawn up by the NCB and is signed by the Ministers to the Prime Minister, Home Affairs, Economics, Transport & Communications and is published in the Newspaper of the Government of the Greek Republic. The duration of a contract between the state and a Ltd. company is seven years and contains the specific terms and obligations of the specific licence. The private companies can only apply for a licence if they give a guarantee of 1billion drs.

According to the law the awarding of licences to private TV channels is subject to the following conditions:

(1) The content of news programmes as well as the content of other broadcasts, must be in accord with the specific requirements of the article 15 of the Constitution of 1975, which declares that broadcasting must be influenced by social responsibility. These conditions compose the fundamental basis of the function of a television channel (art.6, par.1).

(2) As far as the content of the programme and advertising as well as labour relations are concerned, the private channels are under the same obligations as ERT-S.A. is. The advertising time and the time per hour of programming are determined according to the category and the type of the contract of every licence (art.6, par.2).

(3) The channels are not allowed to transmit any programmes protected by international copyright laws and regulations, unless they have obtained the rights for the transmission of the specific programme from the creator or his respective company, which has the rights for the protection of the specific production (art.6, par.6).

(4) As far as the 'right of reply' is concerned, the private TV channels and radio stations are subject to the same obligations that the law 1730/1987 had imposed on ERT-S.A. (law 1866/1989, art.6, par.5)).

(5) The contract of the licence of the private channels contains specific arrangements for the assurance of transmission of a satisfactory proportion of programme of European production, which can not be less than 50% of the whole programming of the private channel, excluding the information programmes (art.6, par.7). The law, however, exempts ERT-S.A. from this obligation and this could be characterised as unfair.

This clause of the law appears to be more 'European' than the EC Directive, which only states the simple recommendation that 'the channels must broadcast the same amount of European programmes that was in 1988 and for Greece and Portugal as it was in 1990, only when it is possible' ... This clause that will cause problems in practice; these problems will be intensified by the fact that the law imposes an extra oppressive financial charge to the private channels from which ERT-S.A. is exempted, while the EC law does not proceed to such a differentiation" (Dagtolou 1990: 35).

(6) Specific concern is also raised about the programmes of domestic production. The law states that a satisfactory proportion of national production must be broadcast (art.6, par.7). The proportion of the domestic production that must be broadcast, however, is not determined by the law but depends on the contract of every individual channel; obviously "the European production is 'protected' more than the Greek production" (Dagtolou 1990, 35).

(7) The private company also undertakes the obligation to assign a proportion of its gross income to the state annually, the level of which is fixed by the contract and is proportional to the size and the income of each channel. The amount can be altered if tax inspection shows that the fixed profit of the company has subsequently changed (art.9).

(8) The television companies (public, local authority, private) have to allocate 1.5% of their annual gross income for domestic cinema productions. The companies have all their rights on these productions, depending on their financial participation in the production (art.7). That condition was a step towards the development of the domestic film industry.

(9) Additionally, the law imposes the obligation on private channels to pay to the state the same charge as ERT-S.A. for the transmission of advertisements (art.6, par.4). "It is much doubtful if the imposition is in harmony with the EC law concerning VAT" (Dagloglou 1990,36).

(10) Finally, the stations are also obliged to keep the tapes of their broadcasts for a period of at least six months after the transmission of the programme, in case of disputes about illegal transmissions (art.5, par.8).

The new channels can transmit in the specific frequencies that are determined by the Ministry of Transport & Communications, which also specifies the further technical obligations of the channels. The maintenance of these obligations composes fundamental basis of the functioning of a TV channel.

The licence of a radio station or a television channel can be withdrawn with the decision of the Minister to the Prime Minister after the **concurrent** opinion of the NCB (art.10).

The most important cases for the withdrawal of a licence are the following:

1) Violation of the clauses of the law concerning the technical specifications and obligations of the channel which have been determined by the Ministry of Transport & Communications.

2) Violation of the journalistic ethics, based on the Constitutional principles and the international regulations, (which are consolidated by art.11), particularly in cases where this violation was repeated in the past by the channel and was the cause for the temporary withdrawal of its licence.

However, the withdrawal of the licence does not exempt the channel from the rest of its obligations to the state or any third party. Also the licence of a private TV channel is withdrawn **ipso jure** if the company does not make the contract for its licence with the state within nine months from the official awarding of the licence.

7.6 A NEW 'ITALY' IS EMERGING ON THE EUROPEAN BROADCASTING MAP

Deregulation in Greece started **de facto** because the government has not legalised **de jure** the situation as it has not awarded any television franchises yet. Thus, "no formal (de jure) deregulation has taken place in Greece yet as the only channels that have a licence are only the public channels" (Johnson & Hart, interview with the author). As a result private channels started and still transmit without a licence (only Mega channel and NTV, had been given provisional licences for one year), but with the backing of the government because the official state is involved in a complex maze of **non-decision** in the distribution of frequencies, therefore uncertainty continues as long as no decisions are taken.

The first private television channel which appeared on the screens in the Athens area was **Kanali 29** just a few days before the general elections of the 5th of November 1989. That was the channel of the publishing group of 'Avriani', which is closely associated with the Socialists and was broadcasting the elections speeches of the leader of PASOK.

At the same time another channel appeared in Salonika with the name **Argo TV** of the municipality of Kalamaria (held by the Socialists), which, as it was revealed afterwards, belongs to the publishing group of **Avriani**. Another channel which emerged in Salonika is **Macedonia TV**, of the publisher of the newspaper Macedonia. However, **TV-100** of the municipality of Salonika was the first TV channel, which emerged in Salonika and paved the way for the development of private TV.

The evening of the general elections (November 1989), **Antenna TV** appeared on the screen, in Athens, transmitting the results of the elections. However, the above channel had its formal inauguration on the 23rd of December 1989.

Today there are more than ten channels transmitting without a licence in the greater Athens area vying for a TV stake. Some channels actually broadcast a short programme, with some of them confined to the transmission of just their logo or advertisements.

The most important channels (apart from Mega Channel and Antenna TV) that broadcast in the Athens area are TV-Plus⁷, the pay-TV venture of the municipality of Piraeus and Invest Plus, New Channel, a venture developed along

the same lines as TV-100, TeleCity, Seven X etc. In addition '902 Broadcasting Ltd.' is a new project, which is preparing to bid for a licence and is backed by the Alliance of the Left Party. Other local TV projects have also been developed all over the country. Also recently two other projects are being prepared and are favourite to get a television franchise: New Television and Sky TV. NTV is the channel which had been created by the publishers of the right wing papers 'Eleftheros Typos' and 'Apogevmatini', and the owner of the radio station Flash, S.Cocalis and had been awarded one of the two initial provisional licences, but it has not broadcast yet. The other TV channel that is in preparation is Sky TV, owned by the owner of the radio station Sky. Both of these channels have satisfied the technical and economic requirements and have been proposed by the NCB to the government for the awarding of television franchises for national coverage.

The most important private channels, however, which have topped the ratings since their establishment are Mega Channel and Antenna TV. Mega Channel was the first private channel, which started to broadcast, officially, in the Athens area on the 20th of November 1989. Mega Channel has its own production studio. The cost of its establishment was \$23,5b. The channel transmits in PAL contrary to ERT which transmits in SECAM.

The second private channel, which started transmissions on the 23rd of December 1989, was Antenna TV (ANT1), which is now run by a group led by the tycoon Minos Kyriacou and furthermore "there is some speculation that Leo Kirch and Rupert Murdoch are also involved" (Papathanassopoulos 1990c).

On the 29th of December 1989, legal action was taken against the illegal TV channels which were violating the law. However due to lack of evidence the legal procedure was postponed.

Based on that fact, 'Tyletypos', the proprietor company of Mega Channel,

⁷ TV Plus is a joint venture of the municipality of Piraeus and the Invest Plus enterprise, a company with great experience on television broadcasting (its director has worked for many years with Silvio Berlusconi). "The investment for this project is very high and its equipment and machinery are of high technology. It broadcasts only films" (TV Plus, interview with the author). The channel operates in the Greater Athens area in the frequency of 33 UHF and is one of the highest bidders for a licence.

accused 'Antenna TV', its main competitor, of transmitting without a licence, infringing, thus, the clauses of the law. It also claimed that the composition of Antenna TV's shareholders was illegal as Kyriacou possesses up to 25% of the shares of the company, which is against art.4 of the law 1866/1989. Simultaneously, all the newspapers of 'Tyletypos' and the NTV group proclaimed, in their articles, that the only channels with licence are Mega Channel and NTV (regardless if their licences were only provisional).

The result was that Minos Kyriacou (the owner of Antenna) turned to the Supreme Court. He complained about the legal action that was being taken against him and protested intensely about the fact that he had not be awarded a licence yet, although, he was promised a licence, by the government - the government when it had announced its plans to award two licences referred to the 'Antenna TV' venture and not NTV. So, he stated that from the 5th of January 1989 he had submitted many applications, which were not replied to, whereas Mega Channel and NTV were awarded (provisional) licences the day of the submission of their applications, and indeed before the validation of the law 1866/1989. However, according to Thireos (1990: 17), "the weak point of Kyriacou is the composition of the shareholders of 'Antenna TV' as far as ownership is concerned".

The situation in Greek television landscape is 'anarchic' resembling the Italian example with the numerous TV channels operating without a licence for many years, and with the government doing nothing to implement the legislation. Therefore, the government was involved in a political game of non-decision using tactical advantages for political expediency. The non-decision process has continued for three years since the Conservatives assumed power. The New Democracy government instead of implementing the institutional framework, which was created during the coalition governments, preferred to be involved in a non-decision making process, which resulted in the prevailing broadcasting jungle, where practices of arbitrariness and amateurism are on the agenda. Until now the government because of its non-decision policy, has failed to draft any results. Thus, today some 1800 local radio stations and a score of mostly local television stations are operating illegally, while awaiting the processing of their applications. Moreover, all private and municipal radio and TV stations operate without licences as the NCB has failed, due to government interference⁸ and its consequent failure to act upon their applications for licences

and renewals. The NCB has additionally failed to fulfil its other responsibilities as many private TV stations are owned by one owner, whereas the law limits each shareholder to a maximum 25% share. Furthermore, the 50% European production quota was not observed and the TV stations did not invest in Greek production, nor did they keep to their limit of advertisements. Advertisements often run for more than ten minutes per hour during prime time programmes and many interrupt the programmes.

The reason for the inadequacy of the legal framework on broadcasting was political expediency and the rush for deregulation under the pressure exerted by commercial circles. According to Dimitras (1992: 104):

(although) the legislators (during the coalition of the Right and the Left) felt ideologically compelled to limit private and municipal broadcasting, no subsequent government was willing to enforce this legislation in order to avoid conflict with the powerful media. By the end of 1990, however, the ND government announced its intention to legalize national private TV.

The NCB convened, for first time during the All Party Government's office, on the 1st of March 1990, in Athens, to examine the candidates. Initially, with the announcement of the coalition government (of the Right and Left), for the granting of licences to private sector, over 110 applications were submitted. However, the NCB had ruled that only twelve of them met the conditions. These are: Mega Channel, Antenna TV, NTV, New Channel, Kanali 29, Seven X, TV Plus, 902 Broadcasting Ltd., Argo TV, TeleCity, TV Kyklos and TRT. All the representatives of the interested parts were invited to be examined, however, due to politico-economic reasons, the outcome of the meeting was the postponement of the awarding of the licences for the foreseeable future, leaving the private TV situation in a state of 'chaos'.

The main excuse used for the continuing non-decision policy, was contradiction between the two ministries responsible for the granting of licences (Ministry to the Prime Minister and Ministry of Transport & Communications).

⁸ The phenomenon of the NCB making decisions and the government postponing the awarding of the licences remains a regular occurrence. "Unfortunately although the NCB was established to be an independent authority it has come under the government control and acts under orders. In practice its operation was disturbed resulting to the prevailing anarchy" (Democratic Renewal Party, interview with the author).

The conflict concerned the number of licences that should be awarded. As a result the procedure was dragged out allowing illegal private channel broadcasting without any control until the elections. The reasons for these unjustified delays by the government are not clear. However, it seems likely that the reasons are a combination of political and economic conflicts between ministries, political parties and pressure groups.

Clearly, the main reason behind the non-decision process and the downgrading of the NCB is political expediency. These policies enable the government, which seems to forget its 'pluralistic' perceptions, to use its tactical advantages under the circumstances and according to political means.

"The government does not give the NCB decisive responsibilities in order to control this powerful 'political' weapon" (Dimitras, interview with the author). It is clear that the government uses the NCB to postpone critical policies "in order to use its tactical advantage" (Papathanassopoulos, interview with the author) and "to control the situation [media] directly" (Netas, interview with the author). According to Antonopoulos (interview with the author), "the extended illegality (on the airwaves) gives the government space and time for political manoeuvring and at the same time it gives it political gains such as moderate criticisms and perhaps economic gains for some officials". For instance, "the Minister to the Prime Minister did not deny press statements that presented him as the 'real' owner of a television channel - favourite in the race for the licences" (To Vima 23/2/1992).

The opposition parties have repeatedly blamed the government for this non-decision process. For example on the 20th of February 1992, the leader of the Alliance of the Left characterized the broadcasting policy of the government as chaotic, aimed at controlling the electronic media. As Maria Damanaki (the leader of the Alliance of the Left) stated, "there is an uncontrolled situation and the laws and the EC Directives are not implemented. The government exploits this situation in order to use selective moves in the area of media against those (stations) that annoy the government in an attempt to manipulate information" (Damanaki quoted in Ta Nea 22/2/1992).

If one takes into account the unjustified delays by the governments over the last three years one can easily ascertain that the private television companies are

not the only ones responsible for the prevailing 'anarchy' on the airwaves. Three years after the law for the introduction of private TV was passed in Parliament no official decision about the licences has been taken. It is obvious that some of the television ventures have invested heavily in their projects and that they want to operate their businesses.

This unregulated situation also raises the fear of potentially illegal undemocratic projects taking advantage of the confusion. "Of course we are not afraid of responsible and reliable professionals, with tradition in the field of mass media, but who can guarantee that we will not see in the future, for instance, any fascist channels on the air, broadcasting anything they like or channels that would interfere between the frequencies of other channels or even of ERT" (Antenna Vol14, Apr.1990).

The non-decision policy of the government has also caused a reaction from the NCB, which stated that under the circumstances it can not go on with its work. Obviously the role of the NCB has been downgraded as it has met many times and examined over 140 applications yet its opinion has not been taken into account by the government. The NCB indeed from the beginning issued a statement (28/3/1990) that amongst other things, "the NCB shares the common ascertainment that 'anarchy' prevails in the area of Greek broadcasting. However, this 'anarchy' was not created by the NCB, but it has always existed" (Ta Nea 29/3/1990). It is noteworthy that this was the first time that public authority had accepted the fact that there is a state of 'chaos' in the area of its responsibility.

As Vgontzas (a member of the NCB) (quoted in Ta Nea 29/3/1990) had stated "we arrived from anarchy to chaos". "The validity of this statement was revealed very quickly as the 'chaotic' Greek public life was spread on the airwaves, where the war of the frequencies has reached its highest point. A grim struggle, without rules and laws. as nobody in this country is responsible for imposing them" (Ta Nea 29/3/1990).

Recently the NCB examined one hundred and twenty four applications (24 for the Athens area) and according to the latest decisions of the NCB, it suggested to the government that it award 6 television licences for national coverage. The channels that were proposed were, Mega Channel, Antenna, New

Television, Sky, Kanali 29 and Seven X. The applications of those candidates that were not awarded a franchise for national coverage will be re-examined for the granting of a local coverage licence. However, the shaping up of the 'television map' of Greece is still uncertain as the decisions of the NCB are regarded, according to law 1866/1989 as non-binding on the government. According to *To Vima* (31/1/1993), "the awarding of the licences according to governmental sources is going to be further delayed as the issue has not yet been put to the Cabinet and the time of the final decisions has not yet been set". The government's non-decision policy indicates that this is not a purely technical reason and that the government links its broadcasting policy with its general policy. Because, "according to feasibility studies and to international standards there is the possibility of establishing 16 stations in the greater Athens area, each of which needs three frequencies. Nine are already in use, so there is space for seven more stations" (*To Vima* 2/8/1992).

In conclusion, when ND came to power on its own, in practice, it interfered in broadcasting as it had formerly. First of all it altered the institutional framework of the NCB in order to gain absolute control and lately it has even by-passed the law after the declaration of the Prime Minister in the Parliament in the 20th February 1992 "that the government will award the licences directly and not the NCB" (PM quoted in *Ta Nea* 22/2/1992, p7). The above means that the state still maintains a determining influence over who will get licences. Therefore, although the entry of private channels may help the democratization of television the above fact may lead to another version of state intervention. This intervention, although not total, would leave the government with the power to award licences to its political associates, thus influencing the TV networks and consequently information in general.

7.7 CONCLUSION

After the electoral defeat of the Socialists, Greece had two coalition governments and one Conservative government (until today). Under these administrations the country experienced two major periods: firstly, a short period of independence in PSB, under the coalition governments, when the public saw the most objective information broadcasts since the establishment of Greek broadcasting and secondly a period of deregulation of television.

The demand of the Greek public for pluralism seemed to have been

implemented due to the fact that the coalition governments, of the Left and the Right as well as its successor the all party government, were not dependent on one political party. This situation seemed to have helped towards democratization of state media at least for a short period. However, the stability of this short-lived established liberalism ended when the New Democratic Conservative Party secured a workable majority and formed a government itself.

During this period the deregulatory process was also completed when the coalition of the Right and the Left passed legislation permitting private television. Although, private television was allowed by the law 1866/1989, formal de jure deregulation has not yet taken place in Greece as the Conservative government, which came to office after the coalition governments [in April 1990] has been involved in a complex non-decision process concerning the implementation of the legal framework and the nomination of television franchises. This mainly happens because the government exploits its tactical advantage through bargaining in the awarding of the licences in such a way as to yield political gains.

The government focused on the political benefits from the deregulatory process. It has transformed the already ineffective National Council of Broadcasting (due to the fact that it was not given by law decisive power to award itself the licences) into a decorative and controlled organisation in order to cancel and postpone crucial decisions. As the decisions of the NCB are not binding, the government can by-pass the advice of the NCB and directly award TV licences. This phenomenon reminds one of the case of France, where the Socialist government and then the Conservatives awarded TV franchises directly, by-passing the Haute Autorite and CNCL respectively.

Another problem is the unwillingness of the government to implement the institutional framework of the law (restrictions imposed by the law) concerning ownership and other obligations of the stations, such as copyright, advertising and European and domestic production quotas. The government does not seem willing to confront the powerful media lobbies.

This unplanned deregulation has resulted in a broadcasting 'jungle' where many private TV channels (about 150) and radio stations (about 1,800) operate without a licence and where arbitrariness and unfair competition prevail. The

legal inadequacy is a by-product of the rush for deregulation. This has been compounded by pressure exerted by the publishing lobby. Although, a legal framework had been established by the coalition governments, the Conservatives do not seem inclined to implement it, in order to retain power in the bargaining arena.

CHAPTER EIGHT

THE RESULTS OF BROADCASTING DEREGULATION AND THE IMPACT ON THE STATE BROADCASTER (ERT-S.A.)

8.1 INTRODUCTION

In this chapter I give an account of the first results of television deregulation in Greece as well as the impact of the competition on the public broadcaster. I also highlight the most important private television channels with reference to programming and advertising. Finally, I reveal the new era, which ERT has entered, is characterized by high level of competition and a drop in its ratings and advertising revenue, as by the attempted re-organisation in order to cope with the new environment.

The fact that the government has not yet given the NCB the decisive authority to grant licences and to work as a buffer between the partisan interests of the government of the day and the private enterprises reveals the political expediency of the government. This has resulted in an unjustified non-decision policy that has created a maze in the Greek audio-visual arena. Since the deregulation of television in Greece, (end of 1989), the number of TV channels that have emerged has increased dramatically. However, the common acceptable surveys indicate that the advertising market at regional or even at national level can support, apart from the public channels, one private channel with certainty, a second with difficulty and perhaps a third one.

The feasibility of the channels cannot be assessed. All the audio-visual confusion that prevails in Greece today has placed the public channels, as well as well-armed private channels like Mega Channel and ANT1, in a very difficult situation. These channels entered a limited advertising market of a creaking economy and are now faced with the unfair situation in which they must share the advertising market with other channels without any particular infrastructure,

and must face anti competitive practices. Inflation of programming costs seems to be inevitable. Quality programmes, such as art programmes, regarded as less popular than entertainment do not attract advertising revenue, which is vital for the survival of the new channels in the tough reality of advertising and ratings competition. Therefore, these types of programmes are not included in the programming of the new channels.

As a result, Greek television has been flooded with serials, soap operas and films¹. This trend has been accelerated recently.

8.2 THE NEW DEREGULATED ENVIRONMENT

The official inauguration of private television in Greece was on the 20th of November 1989, when Mega Channel started its broadcasts in the frequency 7 VHF. "The main characteristic of Mega Channel is the obvious attempt of its contributors to refresh the viewers with successful series and to inform them objectively" (Protogirou and Petroutsou 1989: 34).

The case of Mega Channel is different from that of the public TV; Mega Channel is a commercial model television, which is looking for the highest possible ratings and aiming to attract advertising in order to survive and compete in the broadcasting arena. Mega Channel, for instance, does not follow the model of the British ITV, as educational programmes and documentaries are missing from its programming. It is banking on mixed, easily digested, programmes of entertainment (serials, soap operas, talk shows and sports) as well as information programmes of short duration, trying to cover every taste and age. Its policy is to attract the average viewer and to cover a wide spectrum of different tastes. Its main weapon is primarily the soap opera. "There is not any American soap opera that has not been broadcast from Mega Channel" (Antenna May 1990). It also relies on serials with independent episodes as well as recent films and short news bulletins at regular intervals.

Clearly, Mega channel has adopted a programme schedule heavily flavoured by entertainment. From the 50 top rating American programmes it has secured

¹ Initially, with the introduction of private TV, the serials and soap operas broadcasted by the channels were: 27 on Mega Channel, 14 on ET1, 7 on ET2. Films within a week also increased: 7 on Mega Channel, 10 on ET1 and 8 on ET2.

42 and from the 100 top rating programmes 74. Its initial schedule was based on repetitions of old series (27 series in the beginning), already broadcast by ERT in the past, such as Lou Grant, The Hotel, Falcon Crest, Sledge Hammer, Voyager, Hawaii 5-0, as well as many old Greek series and quiz games. However, after it covered its initial expenditure, Mega Channel then broadcasts more recent productions, such as 'Cheers' etc.

The programme format of Mega Channel is separated into three zones. It starts with programmes for children and youth. The second zone has programmes for all the family and the final zone is purely entertainment and information, with quizzes, news programmes, films and series. The political and athletic information as well as the musical content of the channel is disseminated through specific programmes such as Mega Hits, Mega Super Sport etc. (most of them imitation formats of foreign programmes of famous networks such as MTV, Sky, Eurosport etc.).

According to its owners, the aim of Mega Channel is entertainment and objective information. However, educational programmes of the type that the public service channels are obliged to screen are missing from Mega Channel. As Nikos Skoulas (the first manager of Mega Channel)(interviewed by Yiobazolias in Eleftherotypia 19/11/1989) stated:

We must achieve high audience ratings because our only profit is coming from advertising. We shall reach our aim by offering quality in entertainment as well as objectivity in information. We do not accept the de facto perception that television must shape the citizen from the above (as an expert). To the contrary we believe that you must leave the viewers to shape their television, of course, within the frame of social acceptability. We want to create a television of public accountability. On the other hand the fact that everyone of the shareholders has a different political stance can guarantee pluralism and respect of different opinions ... The channel is based on the principle of objectivity and it does not pass the views of any of the publishers, newspapers or political parties. The decision of its owners is to prevent the channel from being enslaved to their newspapers or vice versa.

The information programmes on Mega Channel are: one main news bulletin half an hour long, two five minute bulletins and some one or two minute bulletins daily, as well as current affairs programmes with the participation of a wide range of social and political segments of the public, trying to give a different dimension in information. As far as the coverage of foreign news is concerned, "Mega Channel uses four sources: The Athenian News Agency, the

Associated Press, the VISNEWS and its own correspondents abroad. As far as visual material is concerned it has cooperation with the international news agency WTN, which sends the visual material to Mega Channel via satellite" (Mega Channel, interview with the author).

As the owners of Mega Channel have declared, the channel wants to become competitive not only at national, but also at European level. The channel has established a well organised and effective team with different ideological backgrounds in order to contribute to the objectivity in information.

Clearly, Mega Channel is a popular entertainment channel, which although not an excellent model of private TV, respects the viewer and keeps a level of quality, as well as impartiality on information. It also provides the audience with an alternative choice. The competition will be beneficial not only for the viewer, but also for the public broadcaster, which will try to improve accordingly.

As far as finance is concerned, the initial investment in Mega Channel was 250 million drs. However, it is expected that this will increase to exceed 2 billion drs. Its functional cost is lower in comparison to that of the public corporation. ERT-S.A. spends 65-70% of its revenue in salaries, while this amount of money is spent by the private channels for the purchase of their programmes. Mega Channel has 200-250 permanent staff, whereas ERT-S.A. has more than 6,000. It is estimated that the functional cost of a private channel is 300-350 million drs. (for electricity, raw materials, service of machinery etc.), 500 million for salaries, 1,200.000 million for the purchase and production of programmes and 300 for copyright.

As far as ratings and advertising is concerned, private TV has taken the lion's share in viewing ratings. Heavy losses in viewers to the public channels occurred after the introduction of private TV particularly on the first day. The losses of viewers by ERT (ET2 and ET3 mainly) were enormous, although ET1 managed to keep a share of the audience, (see table 8.1). The same situation continued for the first two weeks of the introduction of private TV. If we look at the viewing figures of these weeks (Table 8.2), this trend can be observed.

TABLE 8.1

<u>CHANNEL</u>	<u>VIEWING SHARE (20/11/1989) (%)</u>
MC	36.12
ET1	26.25
ET2	11.09
ET3	3.57
SATELLITE TV	6.39
VIDEO	5.37
OTHER	11.19

Source: AGB Hellas

TABLE 8.2

<u>WEEKS</u>	<u>20-26 NOV1989</u>	<u>27 NOV1989 - 3 DEC1989</u>
<u>CHANNEL</u>	<u>VIEWING SHARE OF THE AUDIENCE</u>	
MEGA CHANNEL	33.57%	33.94%
ET1	26.27%	27.22%
ET2	16.24%	16.35%
ET3	2.27%	1.91%
SATELLITE TV	8.42%	9.19%
VIDEO	4.55%	4.35%
OTHERS	8.78%	7.04%

Source: AGB Hellas

Table 8.3 indicates that Mega Channel held its lead in viewing ratings when Antenna TV first emerged on the screen. However, after a short period of operation of Antenna TV on the airwaves the ratings changed with ANT1 challenging Mega Channel and the public television viewing dropping to even lower levels, (see tables 8.4 and 8.5).

TABLE 8.3

<u>CHANNEL</u>	<u>12 4 90</u>	<u>13 4 90</u>	<u>14 4 90</u>	<u>15 4 90</u>	<u>16 4 90</u>
MC	35.93 %	44.74 %	31.12 %	45.32 %	31.66 %
ET1	23.26 %	15.66 %	12.60 %	12.31 %	19.77 %
ET2	6.40 %	8.35 %	8.08 %	7.10 %	11.89 %
ANT1	5.29 %	6.90 %	24.78 %	12.89 %	14.36 %

Source: AGB Hellas

TABLE 8.4

<u>CHANNEL</u>	<u>15-21/7/91</u>	<u>19-25/8/91</u>
ANT1	29.30	28.15 %
MC	29.43	30.45 %
ET1	16.11	13.17 %
ET2	8.21	5.17 %

Source: AGB Hellas

The ratings show the same trend with respect to the relative standing of the public and private TV companies. As a result the public sector is deprived of² valuable funds from advertising revenue. According to recent figures (AGB Hellas) the channels had between the 4th and the 31st of January 1993 the following audience share:

Mega Channel (36.60%), Ant1 (30.80%), ET1 (9.22%), ET2 (6.53%) and Others (17.52%). In March 1993 the average audience share was Mega (36.46%), Ant1 (30.25%), ET1 (8.24%) and ET2 (4.84%).

² Antenna TV and Mega Channel today share almost equally, the lion's share of the ratings and advertising revenue.

TABLE 8.5

<u>CHANNEL</u>	<u>5/8/91-11/8/91</u>	<u>2/9/91 - 8/9/91</u>
ANT1	31.88%	30.21%
MC	30.96%	28.34%
ET1	9.81%	14.40%
ET2	4.09%	7.74%
SATELLITE TV	3.30%	2.79%
VIDEO	3.53%	3.68%
OTHERS	16.40%	2.84%

Source: AGB Hellas

The success of **Antenna TV** in reaching the top of the ratings, despite not having the technical specifications of its main competitor (Mega Channel) when setting up, was achieved because it secured from the beginning, very successful and experienced personnel (some from ERT) and also because it based its programming on popular films, quizzes, and series, domestic and imported.

Although, Antenna TV has the same aims as Mega Channel (ratings, advertising revenue), its programming policy differs from that of Mega Channel. Antenna's entertainment policy has a different style; for instance it does not bank on soap operas, but on cinema films, recent commercial productions (foreign and domestic) with famous names, as well as old successful Greek comedies. This is its advantage in the competition with Mega Channel. Another arm of Antenna TV is the quiz games, two per day, with prizes (like the Wheel of Fortune). However, in September 1991 in order to meet the competition it started to broadcast recent serials with independent episodes.³

Another private TV channel, which appeared on the screen is **Kanali 29**. This channel follows another model of private TV. It broadcasts mainly informative programmes and little entertainment. The approach of Kanali 29 is to broadcast current affairs programmes with endless discussions. Although, this

³ It introduced sixteen new serials. Amongst them are: Black Thunder, Rockford Files, Hill Street Cops, Quincy, Peanuts, Garfield etc.

channel is heavily politicized (it favours the Socialist party), it also has a commercial incentive. As it is mainly addressed to the supporters of PASOK, who are not a negligible quantity, it has managed to attract a stable number of viewers. Additionally, the cost of its programming is minimal because it does not invest in expensive productions and entertainment. Perhaps, Kanali 29 could be characterized as thematic channel as its programming is specific and is addressed to a particular audience.

New Channel is another commercial channel. It is not, however, technologically well organized. It broadcasts mainly entertainment (B-movies and soap operas) and a few information programmes. Other channels include Seven X, Telecity etc. These have a very limited share of the ratings at present.

The four main channels (ET1, ET2, MC and ANT1) transmit about 150 hours of imported material a week most of which are series, soap operas, and films. The domestic programmes broadcasted by the above channels constitute 140 hours of programming. This means that the imported broadcasts account for ten hours more programming than the domestic broadcasts. This ten hours difference between imported and domestic production should worry those involved in the production of domestic TV programmes, as it is a crucial issue in the development of the Greek production industry of TV programmes which makes a significant contribution the national economy.

The smallest percentage of imported material is transmitted by ET1 (see tables 8.7 and 8.8) (38% of its general weekly broadcasts). The biggest percentage of imported material is broadcasted by Mega Channel, (64% of its weekly programmes). Antenna TV's share of programming is more balanced between domestic and imported material; the percentages are 44% and 56% respectively, whereas ET2's imported programmes are 45% of its total weekly programming (repeats are not counted).

Table 8.7 shows the share between domestic and imported programmes within a week (tables 8.7 and 8.8 are referring to the same week (5/3/90).

All the channels are spending big amounts of money on programmes.

TABLE 8.6
PERCENTAGES OF ENTERTAINMENT AND INFORMATIVE PROGRAMMES
PER WEEK (MAY 1990)

	<u>ET1</u>	<u>ET2</u>	<u>ET3</u>	<u>MC</u>	<u>ANT1</u>	<u>K29</u>	<u>NC</u>
Broadcasting Hours	119	78	42	114	79	53	63
Entertainment Hours	87	61	25	102	63	14	56
Information Hours	32	17	17	12	16	39	7
Entertainment (%)	73%	79%	58%	98%	79%	27%	89%
Information (%)	27%	21%	42%	11%	21%	73%	11%

Source: Antenna Vol15, May 1990

TABLE 8.7
SHARE OF DOMESTIC AND IMPORTED PROGRAMMES (IN HOURS)

<u>CHANNEL</u>	<u>DOMESTIC</u>	<u>IMPORTED</u>	<u>TOTAL</u>
ET1	46	29	75
ET2	36	30	66
MC	31	56	87
ANT1	27	35	62
TOTAL	140	150	290

Source: Antenna vol. 14 Apr.90, p.20.

Children programmes are generally regarded as the cheapest imported programmes, whereas films are the most expensive, the price of which ranges between \$2,500 and \$20,000 (for successful films like 'Indiana Jones', 'Superman' etc.). There are also films that are extremely expensive such as 'Platoon' (\$45,000) or a new 'James Bond' film (\$30,000). Both films have been

TABLE 8.8
SHARE OF DOMESTIC AND IMPORTED PROGRAMME PER DAY

	<u>ET1</u>	<u>ET2</u>	<u>ET3</u>	<u>MC</u>	<u>ANT1</u>	<u>K29</u>	<u>NC</u>
HOURS	17.5	9.5	6.0	15.5	11.0	7.5	9.0
DOMESTIC	10.0	6.0	4.5	5.5	4.0	6.0	3.0
IMPORTED	7.5	3.5	1.5	10.0	7.0	1.5	6.0
DOMESTIC (%)	57	63	75	36	36	80	34
IMPORTED (%)	43	37	25	64	20	20	66

Source: Antenna Vol.15, May 1990, p.28

broadcasted recently by Mega Channel. The average imported serial costs \$6,000 and successful serials like 'Cosby Show' and 'Falcon Crest' \$1,000 an episode⁴.

As the television market follows the laws of demand and supply, the emergence of the private channels in the market has increased the demand for programmes and accordingly the prices. For instance "in Monte Carlo' the increase in the prices of commercial productions was roughly 40% as interest was expressed by the Greek channels" (Antenna April 1990: 17).

In the search for ratings prices are increasing rapidly. This competition for imported material leads to an uncontrollable export of exchange. The competition of the channels for ratings has also had another impact: an increase in the cost of Greek programmes. Before the introduction of private TV the cost of a domestically produced film was 400,000 drs now it has increased to 1,200,000 drs. Indeed commercially successful films are reaching cost levels of 3 million

⁴ The big companies (e.g. Columbia, WB, Fox etc.) are working on package offers of 20 items that are cheaper.

drs. The private channels spend 250 million drs every month on imported programmes. With regards to daily and monthly expenditure on imported programmes ET1 spends 10.5m drs and 315m drs respectively, ET2 7m drs and 210m drs, Mega Channel 8m drs and 240m drs and ANT1 9m drs and 270m drs.

TABLE 8.9
TOTAL WEEKLY SPENDING ON PROGRAMMING (IN DRS)

CHANNEL	IMPORTED	DOMESTIC	TOTAL
ET1	1,072,000	9,300,000	10,372,000
ET2	1,568,000	5,600,000	7,168,000
MC	2,320,000	6,100,000	8,420,000
ANT1	2,512,000	6,900,000	9,412,000
TOTAL	7,472,000	27,900,000	35,372,000

source: Antenna Vol.15, May 90

The cost of domestic production is much higher than the cost of imported material and this is one of the main reasons that private channels broadcast more imported programmes.

A problem which arose with the introduction of private television channels is related with the issue of copyright. There have been a plethora of complaints from many sides concerning the illegal transmission of material by the private channels. A recent example was "the remonstrations of the Minister of Commerce of the US concerning piracy and copyright, particularly regarding New Channel" (To Vima 2/8/92).

8.3 ADVERTISING

Another aspect is uncontrolled advertising. The government must give the NCB the power to protect the social function of the broadcasting system and to limit advertising time, because the private channels as profit-making enterprises

have the incentive to maximize their revenue without paying much attention to the public interest. The amount of time given over to advertising in the private stations is extremely high, and although there is an agreement of a maximum of 14% advertising per hour, most of the channels have in many instances up to 25% of advertising time in peak television hours. It is clear that commercial competition requires minimization of the costs.

Another very significant problem which arises from the qualitative differentiation between different media (differentiation which is related to the extent of influence that each medium exercises to the audience, as well as, to how big audiences it can reach), is the distribution of resources from advertising revenue between Press, Radio and Television.

The possible concentration of advertising, regardless of the restrictions on advertising time on TV, will result in a reduction of advertising income for the local radio stations, as well as, for several local dailies and magazines.

Additionally this case is strengthened by the fact that broadcasting advertising is cheap compared to press advertising. Television is therefore accused of taking the lion's share of advertising income. According to Chronopoulos (1988) "in 1984, advertising income accounted for the 49 per cent of ERT- 1's and ERT- 2's revenues. A half minute advertising spot in a top rated television programme costs 600,000drs, while one coloured page of newspaper advertisement costs 800,000drs, in addition to that TV has a wider audience of about 1,5 million people, while a newspaper has only an average circulation of about 200,000".

That means that television advertising competes very dangerously against other media's advertising. It is obvious that the private stations will deprive radio and press of advertising income, leaving a very limited share for them, as well as for the advertising of local products. "The fact that commercial radio and television attract advertising revenue has made publishers queue up for entry to the area. Nowadays sticking to just one field of the media has not only become unattractive, but also risky" (Papathanassopoulos 1990c: 58).

Since the introduction of private TV the total advertisement spending has increased in the Greek advertising market and accordingly has increased the

advertising revenue of television. The increase in the total advertising budget in 1990 was 45% in comparison to 1989's advertising budget. The majority of the advertising share has been absorbed by television. Indeed the private TV channels (mainly Mega Channel and Antenna TV) have begun offering cheaper advertising time as they reached the tops of the ratings.

ERT attracts about 25 minutes of advertising per day; the duration of an advertising spot is 20 seconds and the price 15,000 drs per second. On the contrary, cost per second of advertising is cheaper on Mega Channel where it costs just the 41.3% of the cost per second of advertising on ERT-S.A. Thus, within the first two weeks of its operation Mega Channel had achieved a 55% share of the advertising revenue and 7.2% of viewing of advertising messages compared to 4.3% of ET1 and ET2 together. The interest of advertisers for private TV has increased accordingly. According to NIELSEN, most of the advertising revenue is deriving from the multinational companies, (Philips, Procter & Gambler etc.). "In 1990 the advertising spending of the multinational enterprises according to Nielsen survey was as following: Television (43.8%), Radio (7.8%), Magazines (29.4%) and Newspapers (19%)" (Eleftherotypia 6/5/1990).

Rodolfos Moronis (the Director of ET1, 1990), in explaining the reasons behind the increase of advertising on TV has pointed out that there was a demand for advertising space which could not be satisfied during the state's monopoly on television. He also explains that the television audience has increased meaning that the audience watches more hours television than before.

The above factors can be further explained with reference to figures and examples from the international experience. To aid our understanding a parallel comparison with the Italian case is essential. In 1970s, Italy was experiencing situations similar to those that Greece is experiencing now. In 1970 television in Italy was absorbing only the 12.5% of the total advertising budget, whereas the press was taking the lion's share (64.9%). However, after the explosion of hundreds of local private television channels the situation started to change. In 1984 after deregulation the audio-visual situation had stabilized, television attracted 48% of the total advertising revenue, whereas the press advertising revenue dropped to 42.6%. The second phenomenon, which has led to the increase of the advertising budget is the increase of viewing hours. This

phenomenon could be attributed to social changes and necessities. The audience now has more spare time given that working hours do not exceed the 35-40 weekly. Consequently the viewer now devotes about fifteen hours a week to TV viewing.

Consequently, the current boom in Greece's media advertising market could be explained with reference to the "**Italian**" phenomenon of the explosion of many private TV channels, which emerged recently to fill the advertising gap which existed during the state monopoly on broadcasting. The Greek case parallels what happened in Italy⁵ in the last decade.

This trend continued in 1991. The profit of television from advertising revenue showed an increase during the period January-October 1991; for the same period the income of radio showed a minor decline and the revenue of newspapers and magazines a small increase. However, the remarks of advertising experts indicate that although the advertising revenue increased in 1991 compared to the revenue of 1990, the rate of growth of advertising spending had actually slowed down compared to 1990 figures. The 1990 increase was about 45%, whereas the 1991 increase was only about 22%. The main reasons behind the slow down of the growth of advertising spending were mainly due to circumstances such as the Gulf War, the crisis in Yugoslavia, the international economic recession and the crisis of the Greek economy.

According to 'Media Services' (an advertising company), the advertising spending for January - October 1991 increased 10.3 billion drs (54.6 billion drs for 1991 - 44.3 billion drs for 1990). However, this increase belongs almost totally to TV which spent 28.2 billion drs on advertising in 1991 compared to 19.6 billion drs for the same period of 1990. "Television today absorbs 62% of advertising revenue" (To Vima 21/6/1992). The advertising boom continued in 1993. Advertising spending in mass media, according to 'Media Services' in the first three months of 1993 exceeded 42 billion drs compared to 27.5 billion drs for the same period of 1992. In other words the increase was 52.71%. "The lions share went to television (64.64%), a figure which is considerably higher than the international standards which is around 33%. This trend is mainly related to the policy of the private TV channels, which do not follow the legal

⁵ The amount of advertising revenue in Italian television has increased from 50 billion lire to 1.6 trillion lire.

guidelines for minimum advertising (they broadcast the 90% of the advertisements between 9-11pm), although complaints have been expressed by the unions of advertising companies" (To Vima 7/6/1993). Radio advertising revenue, after an initial decline due to the introduction of private TV, seems to have stabilised and although only 2.6 billion drs (representing the 6.33% of the total advertising spending compared to the 64.64% which was absorbed by TV) went to radio this was a considerable increase of 109.69%⁶.

It is worth noting here that from the figures it is obvious that the gap in advertising yield between private and public TV has widened dramatically, at the expense of public TV, as the two big private channels have attracted almost 80% of the total advertising revenue. According to 'Media Services' figures, the yield of Mega Channel for the period January 1991 - September 1991 was 11.8 billion drs; this amount of money represents 42.06% of the total advertising revenue. For the same period, Antenna TV had a yield of 10.76 billion drs, which represents 38.18% of the advertising share. In comparison the public corporation had a revenue of 4.56 billion drs (16.19%), 987 million drs (3.5%) and 19 million drs (0.07%) for ET1, ET2 and ET3 respectively.

"Mr. Malatras (1991) (media director of the advertising company "GNOMI"), commenting on the gap that is increasing between public and private TV stated that the private TV has taken the lion's share of the advertising revenue because the public corporation experienced a decline on ratings which are already low, although the private channels have not achieved national transmission coverage yet, as ERT does. The advantage of private channels is that they cover 90% of the strong buying public, the prospective buyers of an advertised product. Apart from that the private channels have a well organized programme schedule, following the rules of the market, as well as excellent cooperation with the advertisers. They have lower prices as well. Additionally the private channels have an offensive advertising policy, which is missing in the public corporation" (Papachristos 1991: 48).

The war for advertising between the public and the private channels is ongoing. ERT aim to reduce the gap that separates it from the private channels and it has started to offer a **bonus** to those that advertise on ERT. "It offers 10% free advertising to those that will increase their previous percentage of

⁶ It should be noted that the percentages are not the net revenue of the media as V.A.T as well as special taxes and offers are not included.

⁷ Athens, Salonika and the big cities.

advertising, and 5% to those that advertise on ERT for first time, spending thus 100m drs for this offer" (Antenna April 1990: 25).

However, despite the above indications,

few, least of all politicians, have bothered thoroughly to assess the feasibility of the channels. Inflation of programming costs seems to be inevitable. While in most other countries the new private commercial channels have found it hard to cope with the economic realities of free market television, Greek politicians and publishers seem untouched by the commerce of it all, despite the heavy indications that the market may not support the channels (Papathanassopoulos 1990c: 61).

Another factor vital for the development of Greek broadcasting is culture. Obviously, culture is inevitably affected by this audio-visual confusion. The consequences of this high level of competition may be more complex than they appear now. The results of this anarchic deregulation will be more wide-ranging. Ratings wars seem to lead to the downgrading of programming standards and broadcasting ethics. Low quality programmes and repetitions appear to be unavoidable, while educational programmes are totally omitted.

8.4 THE CURRENT SITUATION OF ERT-S.A.

As far as the financial state of ERT is concerned, the state broadcaster has arrived at the present situation of television liberalisation with an extremely discouraging annual balance. The main reasons which led ERT to this financial situation are overpopulation of personnel, as well as underemployment. ERT is facing a halt in state subsidies and needs to restructure and recover from many years mismanagement in order to be able to keep up with the developments, both in Greece and around the world.

Korsos (1990: 36), stressed that "the factor which led ERT to this dreadful economic situation was the lack of any serious programming at the time that ET1 and ET2 formed a United Corporation in 1987 (with the law 1730/1987)".

The 1990 deficit of ERT was £148,275,170. ERT's deficit is covered every year by state subsidies. However, the government was pressed to stop the subsidies to ERT-SA, to shut down one of the TV channels (ET3) and to sell off the second (ET2) to the private sector. This pressure, according to a leading editor (interview with the author July 91):

was exercised by the publishers and the owners of private TV

channels, who fear that they will not be able to cope financially with the potential increase of competition by the state channels due to the inefficiency of the advertising revenue to support more than two to three TV channels.

The government, however, will not shut down any state channel, because it needs the security of a broadcasting service, if its relationship with the owners of the private channels deteriorates in the future (interview July 1991).

In relation to the situation of ERT-S.A., professor Korsos proposed certain measures that will enable ERT-S.A. to overcome its problems and become competitive at the domestic as well as at the European level. The measures proposed by Korsos included 100% increase in the revenue ERT receives through the bimonthly electricity bill from the public, as well as the dismissal of all employees under a contract basis and dismissal of all underemployed staff and of those holding jobs in other companies.

Additionally, Moronis (director of ET1), has pointed out that in order to escape from its present situation, ERT-S.A. needs to be more flexible in its structures and management and needs to realise that certain activities should be reduced and other more effective and important to be adopted such as teletext and commercial services (Greek-German Seminar "Konrad Adenauer Stiftung, Athens", May 1990).

8.5 PROFESSOR'S CONTOGIORGIS PROPOSAL FOR PARTICIPATION OF PRIVATE INVESTORS IN ERT-S.A.

Within the context of the newly established deregulation in Greek broadcasting arena the need for a reorganisation in ERT-SA arose. The government as well as ERT's administration perceived that the already unsatisfactory situation of the corporation, caused by the chronic financial problems as well as by its inefficient and populous administrative structure, could deteriorate due to the introduction of private television. Therefore, within this context, a debate arose amongst governmental circles as well as within the new ERT administration concerning the need for an overall study for the rescuing of the corporation. As a result two proposals came about. The first proposal was prepared by the new president of ERT-SA Professor George Contogiorgis. The

⁸ Financial studies have shown that the overall advertising expenditure can support only two or three channels either state or private.

second proposal came from the BBC. The government asked the BBC to submit a proposal for the rescuing of the public corporation. As had happened in the past, BBC experts were chosen by the Greek government. This selection had to do with the British Broadcasting Corporation's high international status and experience. Additionally the high standing of the BBC experts would arm the Greek government with an alibi in proceeding in ERT's reorganisation and specifically in the sensitive matter concerning personnel reduction.

Due to the introduction of private TV in Greece, (1989), the then president of ERT-S.A., Professor Contogiorgis had stated that, "the golden chance is emerging now for the establishment of the functional independence of public service television, therefore ERT-S.A. will be able to progress without the interventions that disrupt its coherence and function. We must take brave measures now for the restructuring of production and reviewing of labour relations" (Eleftherotypia 19/11/1989: 27).

Additionally, professor G.Contogiorgis made a proposal recently concerning participation of private capital in the public corporation. The argument behind his proposal was that on the one hand the flow of healthy private capital will benefit ERT-S.A., as it will prevent the governmental interference on the corporation, and on the other hand it will develop a balance between information and entertainment programmes.

The current administration of ERT-S.A., however, expressed objections concerning the validity of the above proposal. They stressed that there is not any serious justification behind Contogeorgis arguments. Professor D.Korsos (1990), (president of ERT-S.A. until recently), although an exponent of liberalism, expressed serious doubts about the proposal. He argued that "the healthy capital would never come to salvage the public corporation for the glory of the 'King of Prussia'(!) and without the secured hope for anticipation of safe returns". His argument was that the only case where the private sector could be interested in participating in ERT-SA would be either because it would receive a majority of the shares in the corporation (over 50%), or (if the offered percentage was less than 50%), because the economic performance of the company was attractive for safe economic returns.

However, he argued that neither of these cases fits ERT-SA. First, he

excluded the case of an overall sell-off of ERT-SA (over 50%). He stated that although this is not prohibited by the Constitution, it is inconceivable that the state would not secure for itself what it allows for private individuals. Indeed if it is about the responsibility of public information. He added that it is essential for the state to maintain its responsibility for public information for reasons justifying political prudence (wisdom). "As it would be inconceivable for the state to sell out the responsibility of education policy in the same way it would be inconceivable for the state (because it would constitute political foolishness) to award the rights of public information exclusively to the private sector" (Korsos quoted in Protogirou and Petroutsou 1990: 26).

Concerning the second case, which is the privatization (under 50%) of ERT-S.A., he pointed out, that this depends upon the current financial situation of ERT-SA. Consequently, ERT can not attract the healthy private capital today without selling out its administrative lead.

Additionally, Constantine Skouras (director of ET2), commenting on Mr.Contogiorgis proposals characterized them as dangerous. He pointed out that:

"With the exception of some neo-feudal African societies, the TV ownership status of the rest of the world is classified to three models: public, private and mixed ownership. In the majority of the European countries we find the mixed system, where public and private television coexist. However, as far as I know, we do not see anywhere the peculiar 'Contogiorgis model' of public TV captured by private interests. It is obvious that the governmental interference on television will not be prevented with the participation of private financiers in the public corporation; to the contrary, they will add their own selfish motives to the existing governmental control, with the permission (legalisation), of the state" (Skouras quoted in Protogirou and Petroutsou 1990: 26).

8.6 BBC REPORT FOR THE RESTRUCTURING OF ERT

The BBC experts submitted their report on the 19th of August 1991. The experts expressed broad hints on the substantial degree of governmental interference in the administration of ERT and they ascertained that the public corporation is virtually bankrupt.

The report proposes the reduction of the number of the state TV channels and radio stations for economic reasons. However they did not propose the shut-down of a specific TV channel, but the breaking-up of all the state channels

and the establishment of a new scheme so that two new channels could be emerged from the ashes of the previous three channels.

The first channel should be the main competitor to the private channels, whereas the second channel should be supplementary to the first channel as far as programming is concerned and should have its base either in Athens or Salonika and regional 'windows' where the regions should supply the channel with local information and material. The two channels should be supplementary as far as programming is concerned, because ERT can not resist the internal competition, which exists between ET-1 and ET-2.

A very significant observance of the experts, embarrassing for ERT, was that the viewing of ERT (ET1, ET2 and ET3 together) has fallen to less than 20%. Also embarrassing for the government is the ascertainment concerning governmental interference. Specifically they pointed out that "ERT exists to serve the Greek public that pays for it, and not to be an extension of the government" (BBC Report 1991).

The three English experts analysing their report to the journalists insisted on the reduction of the number of TV channels and radio networks as well as an increase in state subsidies. They also stressed the need for changes in ERT's administrative pyramid. They said that all these measures should be applied in a very short period of time.

As far as the reduction of ERT's personnel is concerned the experts said that a reduction of 20% of the administrative staff is essential. Mr. Alan Hart (one of the experts) stated that he can not see any other solution, and that "the procedure will be difficult and very expensive, but there is not any other way that ERT could be salvaged" (BBC Report 1991).

The report, mainly, deals with the administrative structure of ERT-SA, with its financial situation as well as its technical infrastructure. It does not, however, deal with the production and quality of programmes which are also significant factors in the survival of the corporation. One reason is perhaps the language problem which did not allow the English experts to study programmes for a long time and to understand them. The only conclusion of the BBC experts regarding production and programming was that the entertainment programmes are not of a

high quality. Also Alan Hart stated that he does not believe that ERT will ever be able to increase its own production to more than 40% of its overall programme.

The report of the BBC experts proposes a drastic reduction of ERT's employees. The experts research led them to the conclusion that ERT's personnel should be reduced by 1200 persons. "With a strictly technocratic spirit the English experts analyse the present situation of the national broadcaster, which they characterized in their introductory report as "virtually bankrupt" and they suggest difficult solutions, which, however, in their opinion will transform ERT-SA to a flexible, autonomous, and competitive organisation" (Kathimerini 20/8/1991: 10).

All these proposals, however, should be passed by the parliament. It is about law and governmental decision. This was accepted by the then president of ERT-S.A., Korsos, who said that the intention of ERT's administration is to apply the BBC proposals, but first the government and the parliament should take the appropriate decisions.

According to the Greek Press "the problems pinpointed by the BBC experts are almost the same that have been pointed out by the Greek Press in the past few years" (Kathimerini 20/8/1991: 11). The main point amongst the others is the control of ERT by the government. The BBC experts stressed that "ERT should not be a political football" and also that "ERT is not an extension of the government" (BBC Report 1991).

An additional problem is the endless changes of directors. For this reason they proposed a contract of three years duration for the DGs. They stated in the report that "An experienced professional, who works in the same sector for 10 years has seen at least 11 DGs come and go".

They also pointed out the difficulties, which the law 1370/1987 brings for the public corporation. Their remarks about this law are that it is out of date and irrelevant with today's competition. Another problem they stressed concerned the bad habits of the public servants of ERT-SA. To overcome this last they recommended the development of internal competition.

For the reduction or the elimination of ERT's debt, the experts suggested an

increase of state subsidies to 11 billion drs and the simultaneous development of professional marketing, as well as the appointment of a marketing manager, who would undertake to increase the profit of the organisation.

The two new channels should be managed by a single administrative television director, who will then answer to the president of ERT-Ş.A. Also the Director Generals of the two channels should be under the command of the single Administrative Television Director. The personnel of the two channels will be common and available for any job in both channels.

As far as news is concerned they proposed the creation of a unified section for news for both channels. This section should have an administrative news director, who will be president of a news council composed of experienced journalists. They stressed that the terms of the contracts of the journalists is a factor that needs an urgent solution.

8.7 RE-ORGANISATION OF ERT-S.A.

The government in an attempt to restructure and reorganize the public corporation decided on the transference of 805 employees of ERT. The government's spokesman Byron Polidoras announced that the government will make the transferences with objective criteria⁹ also taking into account POSPERT's¹⁰ considerations.

The government also declared that it has taken into account the BBC experts suggestions. The government spokesman, in an attempt to justify the governmental decision concerning transferences, referred to the BBC experts' suggestion regarding the transference of 1200 employees from ERT and stressed that even after the transferences ERT's personnel will be three times bigger than the private channels' personnel. However, he said this could be justified due to the social role that ERT has as a public corporation, with programmes that the private channels would not transmit since they operate exclusively with private-economic criteria. For this reason the government is not opposed to the large number of the personnel of ERT in comparison with the private channels.

⁹ According to ERT's administration the criteria taken into account are specialization and seniority of the employees.

¹⁰ POSPERT is the Trade Union of ERT's employees.

It was further hoped that the transferences of 805 employees set the basis for the reform of ERT, in order that it becomes more effective and efficient and able to cope with the new situation in Greece and in Europe. Referring to the strike of POSPERT, he stressed that they closed ERT without a reason; their reaction was ill-timed, illegal, irrational and against ERT's interest.

POSPERT, in its reply to the governmental statements, argued that the criteria for the transferences had not been determined. The assurances about the guarantees of employment of the transferred personnel are insufficient and ambiguous and that this amounts to a pogrom of dismissals of ERT's employees. It characterised the transferences as 'illegitimate' and accused the government of abolishing every notion of democratic legality in ERT.

ERT recently in an attempt to meet competition started to reorganise its structure. ERT's reorganisation according to Demiri (manager of public and international relations of ERT) "was based on the one hand on the introduction of a number of popular programmes and on the other hand on the continuation of respect of its public service orientation with the transmission of quality programmes" (interview with the author).

ERT has also established cooperation and coproductions, through the department of international coproductions, with all members of EBU. Moreover, it has developed internal productions. Additionally, in order to adapt to the new technological environment and to modernise its infrastructure it has taken some steps towards the adoption of HDTV and has introduced a number of new services such as RDS (Radio Data System) etc. It has also cooperated with OTE, the national telecommunications organisation, for the development of digital radio broadcasting (RCM). Finally it has participated in a number of international and EC programmes (MEDIA, BABEL, ESPRIT etc.) and has organised a number of seminars and conferences with EC finance such as "Women and Men in Broadcasting - Equality in the 90s" in November 1990 and "European Multimedia Conference and Exhibition" in September 1991.

CONCLUSIONS

Preamble

Although technological, economic and political changes have significantly undermined the scope for national autonomy in broadcasting policy, it becomes clear throughout the thesis that in the case of Greece the state plays a decisive role in broadcasting matters. Clearly, the issues underlined emphasise that there were many factors behind deregulation, including that of state paternalism and technological change. Throughout the history of Greek broadcasting there has existed a high degree of state paternalism. State paternalism over electronic media created a public mistrust towards public broadcasting and resulted in a social consensus in favour of deregulation. Therefore, one of the most crucial factors which prompted new developments in the Greek broadcasting system concerned the paternalistic use of broadcasting.

The role of the Greek state over broadcasting largely reflected common conditions in Southern Europe. In the social sciences historical comparative analysis opens up numerous prospects for conceptualising and theorising (Pridham 1984: 8). The thesis has placed Greece in a comparative examination with Southern European states and discovered common features in their broadcasting developments. The EC Mediterranean states of Greece, Italy, Spain and to a lesser extent France, present sufficient similarities in the development of their broadcasting systems. Their broadcasting systems were developed under paternalistic lines, featured centralisation, a high level of bureaucracy and partisan governmental control with no attention to regional needs. As a result paternalism over broadcasting was inadequate to guarantee pluralism and independence in the information sector. Even in the recent case of deregulation,

governments continued to be directly involved in broadcasting matters.

These characteristics are closely related to the evolution of their respective political systems and the patterns of structural societal change. Broadcasting policy therefore cannot be separated from political history and tradition. Although there are distinctive features in these states the core elements of their socio-political systems are similar.

The comparable features in the political institutions and societies of Southern European states have their roots in the evolution of their respective political systems, all of which had different political histories than those of the Northern European states characterised by the persistence of clientelistic politics and incorporate practices. The persistence of such characteristics in these societies lie behind the manner in which these societies were integrated into the political process after the introduction of capitalism. In addition, conjunctures of various socio-political forces have created national cultures which legitimate the role of the state and stipulate the spheres of social and economic activity within which it is considered appropriate for the state to intervene.

Thus, the Southern European states established features of corporatism and clientelism indicating inefficient political and bureaucratic structures, extreme government 'overload', socio-economic backwardness and instability. The explanation lies behind the timing and structure of their capitalist development. Specifically the explanation should be searched in the transitional period from the pre-industrial to the industrial era, as parliamentarism was introduced before industrialisation. The formation of mass participation therefore into politics occurred in a vertical/dependent way. In contrast in Northern European states, due to their early established capitalist production mode, popular participation was integrated into the political process in an autonomous manner implying the formation of a different politico-administrative structure which originated a more liberal system as the state had to take into account the already shaped socio-political and economic reality.

The fact that in Southern Europe early parliamentarism developed principally in a pre-industrial context, massive participation did not occur in an autonomous but in a more dependent/vertical manner, through clientelistic means. This happened because the liberal models that were 'imported' before

capitalism could not fit the traditional patterns. Thus, the system that was established created an over-extended and autonomous state which intervenes in all socio-political activities. This points the little autonomy of civil society vis-a-vis the state. Additionally, the timing and the mode of industrialisation accentuated the paternalistic and authoritarian trends in these states. Thus, today's practices in EC Mediterranean states were originated in the political history of the respective societies. Furthermore, although vertical/clientelistic relations were weakened in the Southern European states after the introduction of capitalism they persevered in a tense reciprocity with the horizontal organisations which were equally vulnerable.

As far as today's features and practices of the Greek state concerning broadcasting the explanation also lies behind the uneasy relationship between state and society which was originated in the political history of Greece. In the Greek case, the clientelistic tendencies which were inherited by 400 years of Ottoman occupation did not change after independence. This happened because of the late entry of the country into industrialisation as well as because of the structure of underdeveloped capitalism that Greece developed which did not manage to eliminate the old trends. Additionally, the old liabilities were further strengthened by the frequent interference of the military into politics. Even the introduction of the country into industrialisation was not adequate to create autonomous horizontal organisations vis-a-vis the state. With few exceptions, the state as in the cases of the rest of the Southern European countries managed to suppress and manipulate mass movements from above through a variety of means. These 'old liabilities' were difficult to be totally eliminated even after the transition to democracy in 1974. Although new elements were introduced and efforts were made by both democratic governments after 1974 (PASOK and ND) towards the consolidation of a real 'liberal state', old practices persisted as these administrations could not extinguish overnight the 'bad temptations' of the past.

Clearly, since the transition to democracy, in Greece, party politics continued to be dominant and dependent on the familiar interaction between the state machine and party figures in the form of 'bureaucratic clientelism'. This continued firstly due to the failure of New Democracy to be disengaged from traditional practices and to modernise itself. Secondly, due to the reason that the advent of PASOK to power, although it brought signs of decline in clientelism and gave a boost to mass politics, its at times incoherent tactics, did not manage

to eliminate traditional personalistic and clientelistic elements.

In short, the political history of the Southern European countries and the state-society relations which were developed have determined to a great extent the present day practices and policies in the broadcasting field in the respective countries. We could argue that while in the Northern European societies capitalist accumulation predated the institutional and ideological formation of a liberal ideology, in Greece and in the rest of the Southern European states, the Western liberal system was introduced when the mode of production was pre-capitalist. Thus, the 'traditional' features managed to persist in a reciprocal balance with the 'modern' elements. One major attribute of politics in Mediterranean societies is the weak institutionalisation of both vertical and horizontal modes of political integration and this to some extent explains their instability and the weak incorporation of civil-society into the political process.

GENERAL CONCLUSION

The thesis presents evidence of the causes and factors that have produced a significant change in electronic media arrangements in Western Europe focusing particularly on the Greek case. In Part I the thesis presents a general theoretical framework of broadcasting policy in Western Europe. Chapter One identifies the concepts of regulation and public service broadcasting that have been common throughout Europe. I analysed and explained the main reasons for this creed. It is shown that the main reason for the monopoly in broadcasting was the political control of the audience. It is also argued that the main reason propagated by administrations for the scarcity of available radio frequencies was an excuse to justify regulation in order to continue to exploit the advantages of a state controlled broadcasting system - a weapon in the hands of the government of the day. Additionally it is shown that the frequency factor was proved a 'myth' after the release of many previously unused radio frequencies in a number of states. Examples of this kind include the terrestrial TV channels in Italy, France and Greece (for instance Canale 5, Canal+ and Mega Channel respectively).

In chapter two I dealt extensively with the new phenomenon of **deregulation** that emerged in the 1980s in broadcasting policy in almost all Western European states. The traditional public broadcasting system, which seemed to be so stable, has been called into question and has now been largely bypassed by the new phenomenon of deregulation. It is argued that new elements changed the well established public monopolies. PSB started to be challenged in the 1980s (in Italy in the mid 1970s) by a combination of factors. The core feature of this challenge was political. A neo-liberal ideology emerged seeking to introduce the creed of the free-market into the broadcasting field. Governments throughout Western Europe have perceived deregulation as a vital policy for business efficiency and effectiveness, as well as for the enlargement of consumer choice.

This new creed was first developed in the US, where deregulation started initially in the public utilities and spread gradually into all sectors of the economy. This wave of change crossed the Atlantic and had a major impact on Western European administrations. The new phenomenon found advocates, not only in countries with neo-liberal administrations (like Great Britain), but also in other countries with different traditions and ideologies, such as France and

Spain, where the Socialist governments responded to the new climate with an alteration to traditional protectionist policies allowing a more neo-liberal perspective. These governments were not so naive as to ignore the new reality and potential of the new technologies.

The neo-liberal ideology which encourages a 'market model' came into the forefront of the broadcasting field aided by the emergence of the 'new technologies' of cable and satellite. The 'new technologies' multiplied the availability in the capacity of channels, making the scarcity of frequencies a thing of the past. Cable and satellite, the so-called 'new media', which have an unlimited capacity to overcome barriers of space and time, gave to industrialists and policy-makers the opportunity to undermine the old broadcasting order. The new logics became technology and industry. Although, broadcasting deregulation is referred to as technology driven, this was only true during the initial period when technological logic predominated in the debate over broadcasting.

But it is market forces aided by neo-liberal policy-makers, more than any other factor, that determined the new arrangements concerning broadcasting policy in Western Europe. The struggle against monopoly was waged by commercial interests seeking profitable new outlets. Industrialists and entrepreneurs, mainly from the publishing sector, have lobbied policy-makers towards broadcasting deregulation and have taken advantage of the new opportunities to create a general climate, in which they have established a cross-ownership of press, radio and television ventures at the domestic as well as at the multinational level.

The fact that economics and politics have determined the deregulatory climate and bypassed the initial triumph of the technological logic is more evident in the cases of the Mediterranean EC states, where broadcasting deregulation was not developed as a direct effect of the new technological revolution, but was based on the 'old technologies'. From the early 1980s (in Italy the mid 1970s) an economic logic took control over broadcasting matters and promoted the ideology of the free-market. The above argument is further reinforced by the fact that in the Mediterranean EC states the main cause of broadcasting deregulation was not the direct impact brought about by the new media, but other factors such as the extreme paternalism of public service broadcasting compounded by entrepreneurial drives.

It is extensively argued that a crucial factor, more prominent in the cases of the EC Mediterranean states, was the heavy paternalism over public broadcasting and government interference in administrative and programming (mainly news and current affairs) matters. This paternalism developed with the establishment of the electronic media in those states which had authoritarian regimes. I showed in detail (chapter 3), the parallels and common characteristics in the establishment and development of the broadcasting systems of these states. PSB philosophy has always fitted less comfortably into the political systems of the EC Mediterranean countries where direct intervention of the state was the norm. This however does not imply that the broadcasting systems of the other Western European states were free of control and intervention from the political establishment. There are also instances of governmental interference in these states but of a more covert nature.

Another crucial factor, which contributed to the challenge of the old regime in broadcasting was the pressure, expressed by the political Left. The Left all over Western Europe constantly and repeatedly opposed and challenged the paternalistic use of public service broadcasting; and although the Left was not in favour of a deregulated broadcasting system, but of a more open and democratic PSB, its pressure and criticism was one of the factors that in many instances led to the demand for the ending of regulation in Europe.

The challenge to the old broadcasting order has been accompanied by a number of other related changes, and has found a variety of expressions. Another significant factor was the internationalisation of television. The traditional broadcasting order, which was mainly the expression of the preserve of each nation state and culture has been weakened under the weight of transnational forces in the form of international investment (media conglomerates) as well as international institutions. The power of national policy-makers and regulators has been diminished by the growing internationalisation, interpenetration and interdependence of European broadcasting systems. Television can now cross national frontiers and as media companies have now increased the scope of their activities, they have a crucial say in European media developments as well as in domestic policy-making. Evident is the lobbying of Silvio Berlusconi's Fininvest in the broadcasting arrangements, not only in Italy, but also in France and Spain, where Fininvest has gained substantial stakes in the television and advertising markets. These supranational forces determine in many cases the

decision-making of national governments and it is the small states that are more likely to experience a loss of their national cultures and have also less to gain economically. The new free market logic of broadcasting policy is likely to benefit mostly those countries with a large production market. However, even within the small states there is a pressure to conform to market forces; an illustrated example is the Greek case, where the government had to respond to a number of pressures and variables and can not regulate its broadcasting system in isolation without reference to what is happening in the rest of Europe and particularly in the EC.

Within this framework of broadcasting interdependence there was a need and a tendency for European-level policy and regulation concerning broadcasting. Within this scenario the European Community has emerged as the main body for interstate regulation. The Directive 'TVWF' has had a liberalising impact on national decision-making and is designed to create a framework within which commercial electronic media will operate without obstacles. The EC has produced a series of rules of property rights and ownership and control as well as rules relating to the standards, quantity and nature of advertising. Additionally, the EC has established legal requirements concerning quotas of European programming and has introduced several programmes, such as the MEDIA programme in an attempt to protect national cultures and to boost the European production industry, which is currently dominated by American images. Finally, the EC, in order to bypass European backwardness and dependence on Japanese electronics as well as to take control of the international market, has issued a HDTV Directive in order to promote standardisation with the MAC system for HDTV.

In short, Part I presents an analysis concerning the new deregulatory developments in Western European broadcasting. It is shown that the public sector monopoly, which was predominant until recently has now been largely bypassed by the new phenomenon of deregulation. I argued that in the new world of market forces and interdependence the traditional monopolistic, non profit-making PSB has been called into question. It could no longer be justified under the abundance of capacity that the new technologies offer and was attacked by many as an obstacle to choice, diversity and technological and industrial development.

Part II focuses on Greece and identifies the similarities of the Greek case with the other EC Mediterranean states. It is argued that Greek deregulation came about as a result of a combination of internal and external factors. Part II firstly presents a brief historical analysis of the Greek broadcasting system essential for understanding recent developments and policies and identifies the parallels between the Greek and the other EC Mediterranean states' broadcasting systems. Although France, Italy and Spain have a number of national peculiarities and considerable variations (i.e. the technological gap between France and Greece) they bear the closest resemblance to the Greek system. It is shown that as happened in these states, the broadcasting media in Greece were also an instrument of the armed forces and later of the *political establishment*. The right-wing authoritarian administrators used broadcasting largely for the manipulation of the audience and for anti-Communist propaganda with little regard for the needs of Greek society.

The fact that the stability of the monopolistic broadcasting system in Greece was always controlled by the government of the day, even after the restoration of parliament, has its roots in the political history of Greece. The long lasting heavily paternalistic model over state media for political ends created public dissatisfaction and mistrust. Chapter Six shows how this mistrust towards state broadcasting resulted in a social and political consensus in favour of a deregulated broadcasting system. This social mistrust led to direct action for the break-up of this permanent manipulation. The deregulation process was aided to a great extent by the political willingness and decisiveness of the neo-liberal mayors, who with their important initiatives pressed towards liberalisation of the Greek broadcasting system. Thus, the deregulation of Greek *broadcasting* was not an organised plan of the state, but arrived *de facto*. The state was compelled by the facts to accept it. Therefore, the most crucial factor which led towards deregulation of the Greek broadcasting system was political and concerned the authoritarian (partial) use of state electronic media.

The entry of Greece into the new communication and technological environment is another factor which contributed to the deregulation of Greek broadcasting. The isolation of the Greek broadcasting system was, in any event, no longer possible because of technological developments and in particular transfrontier broadcasting. The technological evolutions and the potential they offered were factors which could not be suppressed. Their suppression would

have led to a considerable backwardness in Greece regarding the new technologies. When technological change opened the way for transnational (satellite and satellite to cable TV) and entertainment services such as video-recorders, the possibility for technological progress as well as for a new market altered the old pattern of broadcasting. The increasing installation of satellite dishes and the great degree of video-recorder penetration into Greece contributed to the government's U-Turn in its policy. This was obvious in the words of the then Socialist Premier Andreas Papandreou, who stated that "Greece must not miss the train of the new technologies".

With the emergence of the 'new technologies' and the subsequent deregulation of Western European broadcasting the old goals of the political authority could no longer be sustained. Therefore, the old monopolistic system had to be reconsidered. The interests of the political authority, which were well served by the old monopolistic broadcasting order, could only be saved by force, a tactic which is incompatible with the function of a Western European pluralistic democracy.

Within this new evolution, new interests emerged to capitalise on the potential market. Compromises were therefore inevitable between these interests and the interests of the state. The old traditional pattern and goals had to be dropped in favour of economic interests. Entrepreneurs from the publishing sector emerged to pursue their interests in the new broadcasting environment. In the case of Greece, these entrepreneurs with their political influence and lobbying were one of the main factors which encouraged the deregulation of the Greek broadcasting system particularly in the case of private TV.

The policies of the European Community although encouraging deregulation were not initially decisive. The EC role became decisive, however, recently with the ECJ Judgement that removed ERT's monopoly of satellite retransmissions and confirmed deregulation.

All these reasons led the Greek administration to accept deregulation, firstly the Socialists with the liberalisation of radio and introduction of satellite TV and subsequently the Conservatives with the introduction of private TV. However, I have made clear that both administrations (Socialists and Conservatives) promoted the changes only to the degree that they were compatible with their

political ends and thus they remained faithful to the traditional Greek tactics.

The fact that the Socialists initially opposed the introduction of private TV gave the Conservatives the opportunity with their advent to power in 1989 (the first time in eight years) to take advantage of the general climate of political consensus during the coalition period and to fulfil their pre-election promise of private television. During that period the state broadcasting media seemed to be more open and democratic. However, that 'Spring' in Greek state media ended when the Conservatives achieved a workable majority in 1990. The deregulation of television as with the deregulation of radio in Greece, however, happened *de facto*.

Chapter eight shows the 'anarchic' situation that now prevails in Greece with numerous channels operating without a licence, three years after the passing of the law for private TV. This continues because although the government established an independent broadcasting authority (the NCB) to supervise and monitor the whole broadcasting system, it nevertheless has deprived the NCB of the most important signal of independence, vital for pluralism in broadcasting, that of the granting of licenses. Thus, the government has been involved in a complex maze of non-decision resulting in a broadcasting system with numerous TV channels operating illegally. The fact that the government did not resolve the situation indicates an element of political bargaining (to award licences to political sympathisers in order to gain their support, especially in election periods).

Greece, today, has developed a commercially-oriented system similar to those of Italy, France and Spain. A high level of competition for ratings and advertising between a substantial number of channels is a reality. The policy pursued by the channels in order to compete for audiences includes aggressive programme scheduling resulting in a sharp decline in serious and informative programming alongside a dramatic increase in imported programming. There has been an extension of the broadcasting day, in order to achieve a round the clock schedule. Many of these commercial practices have appeared in all of the EC Mediterranean states and most of them are copied from the United States.

This extreme commercialisation has led to a crisis in the public service TV channels. ET1, ET2 and ET3 together can now achieve no more than

approximately 15% of the audience share. The government has tried to reorganise the whole PSB system to counter the deficit of the public channels. For this reason it has commissioned broadcasting experts from the BBC to submit their reports for ERT. However, the Greek administration only partly followed the suggestions of the BBC experts and continues to have ERT under its control, a fact which is supported by the continuation of biased coverage of news and current affairs programmes as well as by the numerous dismissals of DGs, presidents and other administrative personnel. As a result the public has turned to the private channels, which are more tempted to secure accountability and balance in their information programmes and additionally offer a greater variety of entertainment. This phenomenon has resulted in a big decline in ERT's ratings and in a consequent fall in its advertising revenue.

Current and Future Policy Issues to be Faced in the Broadcasting Sector in Greece

Concluding the thesis I present some current and future policy issues to be faced in the broadcasting sector in Greece. One of the main issues of broadcasting deregulation was concentration. As far as television deregulation in Greece is concerned, it seems that it was rather the outcome of pressures than an organised strategy as the state gave in to the pressures from commercial circles. This becomes more clear if one looks at the clause of the law 1866/1989, which gives preference to media enterprises to be awarded a franchise. Additionally, this is also proved by another fact; although, the law restricted private ownership in a single undertaking to 25%, it did not anticipate the problem of cross-media-ownership. The restriction of private ownership in a TV channel to 25% was an appropriate policy aiming at limiting concentration of television in the same hands as this decision minimises, effectively, the chance of concentration of control of TV to one group of interests. However, the possibility of concentration of different kind of media to the same interests (mainly publishers) remained open.

In Greece, the fact that the law gave preference to the media companies in granting licences for private TV stations resulted in the creation of the concentration of information in the hands of an oligopoly. The biggest TV channel, Mega Channel is owned by 5 shareholders, who own five national

dailies, with nearly half the total circulation; their media groups gross nearly half the total of the non-public media and make more than half of their profits. In fact, 'Lambrakis Organisation' is Greece's largest private media group, Bobolas is second and Tegopoulos is fourth. In addition it has been documented that they agreed to use the other media they own to promote their television channel (Dimitras 1992, 106) creating thus a market of 'unfair' competition.

Another issue that is emerging is related to the political motivations of the publishers given that the Press in Greece is affiliated to political parties and influences the policy-making. As Papathanassopoulos (1989) points out, the speed with which publishers have moved into the broadcasting arena is impressive. Greek newspapers are widely recognized as being political as well as business ventures, which raises questions over the motives of the new TV magnates. Some politicians are concerned about how easily and quickly electronic media could be concentrated in the hands of a few influential publishers. Thus, a novel issue which is now arising is related to the control of information as powerful groups establish their national networks. It seems that a future policy issue which must be faced in the broadcasting sector in Greece - as has happened in other states - concerns the influencing and shaping of public opinion via the domination of the information apparatus of the country, for political favours and economic ends. Furthermore, it is argued that the democratic functioning of the private channels in a pluralistic democracy requires guarantees of access to groups and interests that represents the whole sphere of the population, including minorities. Indeed this is the most important factor, because TV is supposed to serve and represent all the sections of the population.

Another crucial issue is related to the high level of commercialisation. This issue which is now arising concerns the maintenance of high cultural and educational standards as well as journalistic ethics. The abolition of state monopoly seems to lead to 'aggressive' commercialization as the majority of private channels transmit extremely high proportions of light entertainment, mainly of imported productions. At this point, as culture and information is concerned the situation here is of greater concern than in any other field. The oligopoly of the international production companies as well as the international news agencies increasingly influences the programming of almost all private TV stations.

Another related issue regards 'high level' and 'unfair' competition for audiences between private and public channels. Taking into consideration the international experience, 'aggressive' competition and commercialisation will inevitably lead to the reduction of cultural standards by all channels and then this uncontrolled situation will make Greek broadcasting fail in its responsibility to the public interest, especially ERT's duty as a public corporation. "Italy provides the closest model in Europe to the American system and has consequently been regarded, as the example of what might happen, if public service frameworks were to be abandoned". (McQuail 1986: 158).

According to McQuail (1986: 154):

in respect of culture and information, cost cutting is likely to be more harmful to the quality of production than in material production, where standards are easier to monitor, where raw-material substitution is easier and where automatization can increase productivity. Decline in cultural and informational standards is less easy to demonstrate and attempts at efficiency can threaten intrinsic properties of originality, complexity and diversity.

In short, if television and radio falls into the hands of a few people with economic power, then the net result will not be diversification and pluralism, but extreme commercialization for their benefit. As McQuail (1986, 154) points out "commercial communication systems operate primarily on the basis of long term interests of the senders and of those who finance them, rather than of the receivers and one may speak of manipulation or exploitation of the latter by the former". The main reason for supposing that this will occur is that the profit maximization incentive leads to competition for the largest possible audiences which reduces content standards. Moreover, this leaves minorities outside broadcasting since they are small and differentiated and hence unlikely to generate the profits that broadcasters are looking for.

Deregulation broke up the state monopoly in television and thus gave a boost to the development of cultural and political possibilities, while simultaneously creating a different, new, interesting, but dangerous field for economic enterprise. The competition between public, municipal and private TV channels is now open. A healthy liberalization based on ethics, constrained by the political community right (public interest) but derived from the individual grounds (private interest), can possibly bring into the Greek audio-visual sector promotion of more domestic supply, more choice for the audience, more

diversity of expression and freedom as well as more business investment and employment. However, one has to be cautious in this respect since such optimism is conditional on the capacity of the Greek societal forces to articulate the socio-political formations in conformity with the ethical standard elaborated upon in details in this thesis.

Concluding the discussion elaborated extensively in this thesis I will make some relevant points concerning current and future policy issues to be faced in the broadcasting field in Greece based on the general arguments of this thesis.

One crucial policy issue which emerges concerns the arrangements for the termination of the current absence of an accountable order for the forces dominating this era ('a chaotic situation') related to the development of healthy creativeness, expression and pluralism in information. This issue is related to the future of the National Council of Broadcasting. Its function so far indicates the governmental inability to move to the advancement of the NCB to an independent authority with decisive powers such as control of the candidates and their motives. Thus, the issue concerning the future and competences of the NCB remains open. It seems doubtful whether this body will be advanced to act as a buffer between the state and private interests and to control with sensitivity the democratic function of the already existing channels, or whether it will remain a 'decorative' and ineffective body.

Two other policy issues are related to the independence of public broadcasting from state interference and ERT's reorganisation. These issues are seen as vital for the enlargement of democracy and the safeguarding of the constitution of multifarious perspectives of reality regarding the Greek society. ERT is experiencing now what RAI experienced a decade earlier. This has to do with problems of organisation. ERT's reorganisation however is related to governmental interference as well as to its huge bureaucratic apparatus. Therefore, the disengagement of the public broadcaster from the state is an issue that sooner or later has to be faced. ERT's reorganisation and administrative independence also are related to the freedom and creativeness of its personnel and its operation in a more efficient and competitive manner.

Another important policy issue concerns the technical infrastructure, technological progress, the development of R&D, the introduction of the 'new

media' as well as the development and promotion of the national production industry. The creation of infrastructure and high technical transmission standards are necessary for the parallel and closed development of broadcasting, telecommunications and information technology - three sectors that operate interdependently. In the case of private TV, we can apply different systems for transmission and reception, such as cabling and application of mixed systems - depending on the area and the circumstances - partly wireless and partly cabled systems.

A final policy issue concerns the amount and kind of commercial exploitation which should be associated with the private stations as well as with the public broadcaster. The cultural dimensions of these considerations include the concern for national and cultural identity in the face of imported entertainment. It is not only commercialisation that is feared but also the creeping neglect of native language and of other social and cultural variables.

In other words modernization and pluralism as well as control of competition and commercialisation are the vital policy issues to be faced in the Greek broadcasting landscape.

Appendices

APPENDIX I

METHODOLOGY AND SOURCES

The constitution of the object of analysis is constrained by various conditions, which reinforce the necessity for selection of different methodological strategies. These constraints start from the nature of the topic, pass by the availability and accessibility of data, and end up in the problem of resources at the researcher's disposal, such as time, assistance, funding etc.

Prominently, the multistrategy approach adopted in this research helps in accomplishing as many methodological and analytical cuts as possible in order to achieve a dense empirical coverage and thus to establish the utmost results in terms of emergent theoretical considerations. In other words, the selection of different strategies contribute efficiently in supplementing, in a 'disciplined flexibility' (see Layder 1993), the gaps that emerge from the requisites of the linking process between quantitative and qualitative aspects of the reality under scrutiny. This approach of linking can thus attain the possibility for helping in theory testing on one hand and for theory generating on the other hand.

However, such a strategy that involves producing as many analytical 'cuts' as possible is not a 'free floating' process, as one could perceive it, but it is a process, which is conditioned by various ontological, epistemological, moral and political considerations. In that sense, this procedure should not be labelled as an eclectic approach as long as there is an involvement of theoretical elements constituted by an interpretation of the nature of socio-political life and society. Consequently, the inevitable implication of the interpretation undertaken signifies certain things about the appropriate ways of doing the research sought for.

Even though one can realise from the sources of data resorted to in this research an inclination more to qualitative aspects, one has to pay attention to the fact that "quantitative components are taken to be understood as satellites around the central axis of the qualitative fieldwork, filling out and suggesting concepts

and theoretical ideas as they emerge from the research" (Layder 1993: 112). Nevertheless, as the issue of preferences between both aspects (qualitative and quantitative) is a contextual actuality, the tendency towards the qualitative is more closely related to the 'layer of reality' referred to. This presupposition about the reality's layers is based on the critical realism perspective which is much illustrated by Bhaskar (1989).

In this context the aim is to understand the mode of the socio-political formation (for instance the communication policy) as it is explained by those who are engaged in the activity itself. The understanding is furthered by the researcher's interpretation which goes beyond self and activity, to setting, contextual and historical properties. Accordingly, the synthesis, generated from the act of interpretation, achieves, in one aspect, its validity from the analytical cuts, which are taking place through the possible data collected from what is disclosed by the purpose of inquiry. These cuts throw light on the interlocks and linkages among the setting, contextual and historical facets of the socio-political formation under focus. Also from another aspect, these cuts enable the researcher to respond flexibly to unforeseen problems of the research.

Taking the whole argument introduced above into account as a guideline that highlights the methods for grasping the reality under analysis, it is important in the following lines to specify the sources which are 'systematic forms' to suit our instrumental aims in the process of constituting the object of our research. These sources (that ultimately represent each a method) are described consecutively below with attention given to the procedures of collecting and gathering the data relevant to the research topic. It is worth noting, however, that the order of the types of sources (methods) we present does not reflect any priority since each of the above methods in specific circumstances assumes greater importance than the others.

Thus, the types of sources (methods) that are used for this thesis can be categorised as the following:

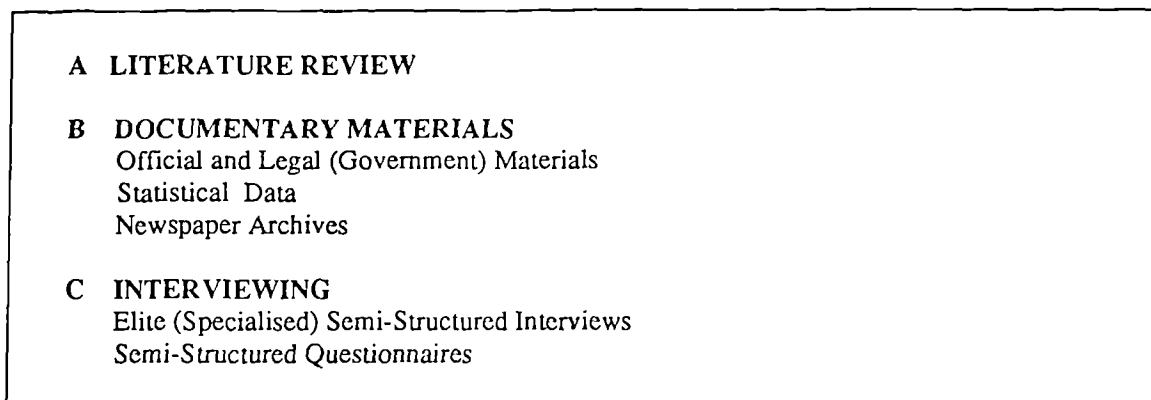


Figure 1. Types of Method and Sources of Data in Fieldwork

A. LITERATURE REVIEW

Understanding the phenomenon that is appearing and what lies behind it requires that we are aware that it is inevitably not taking place in a vacuum. The engagement of the researcher must start with an understanding of what is 'already there'. Thus, an extensive and up to date coverage of the existing literature, using books and journals of the most important international authors concerning a) our theoretical framework and b) the new developments in broadcasting scene and policy, has been comprehensively accomplished.

Background Concepts

The use of 'background' concepts in research "provide provisional pointers to relevancies in the data without imposing a 'closed net' on the research as a whole" (Layder 1993: 129). Thus, background material provide useful starting points for theory building. These concepts help in the initial organisation of data and may also aid the emergence of new theoretical concepts and ideas. In relation to our multistrategy approach, the main requirement of a background concept is that it is 'two sided', that is, capable of referring to both the subjective and objective aspects of the socio-political world and behaviour.

Current Developments

A substantial contribution of literature was made on the grounds that it aided our interpretation and analytical cuts of the empirical fieldwork acting in both, theory testing and theory generating.

There is a massive published literature on which I have relied. However, I include a bibliography only of the sources which were used as references (referred in the text). The bibliography does not fully reveal the extend to which I have depended on a substantial number of books and academic journals.

B. DOCUMENTARY MATERIAL

A document in its most general sense is a written text. A physical embodiment of meaning sought from and by it a situated pragmatic involvement in the real world and which later becomes either a resource or a topic for reflexive action and interaction, usually undertaken by interested authorised persons as historians, social researchers and others (see Scott 1990). Obviously, in modern time it is not easy to classify and make sense of the nature of the document by mere reference to content. Actually, categorisation of documents are becoming entangled with the modern form of pervasive control that would lead to an increasing transcription of power relations through social configurations. In that case, recent documents appear to make sense by interlock between authorship and access. The former dimension is mostly resulting in the following overlapping criteria, personal, official, private and public while the later dimension range from the closed, restricted to the open.

It is not my intention to describe and elaborate the details above as it is beyond the scope given for the discussion of the research method. What is important is to consider given the bases of the introduced definitions and arguments is that my use of the documents intensively is conceived to be a resource to compile a comprehensive set of data about the object I am aiming to constitute and thus represent. Accordingly the documents in this research are not leaned upon as topics for analysis. This implies reducing, as much as the analytical cuts previously discussed would permit, the elucidation of the social processes through which they were produced in order to explain their form and content and perhaps something about their authors and the circumstances in

which they were living.

Under these specification the resources utilized in the constitution of my object of analysis are the following:

Official and Legal (Government) Materials

The nature of the research topic (the communication policy: regulation and deregulation dimensions) requires a concrete attention to and use of official and governmental legal documents. The condition for the emergence of the socio-political formation dealt with in our discussion is extensively shaped by the structure and activities of the State, both directly and indirectly. The documents are actually the products and by-products of the policy and administration and, as the creation of public bodies, they reflect the organisation and interests of the state agencies. So, I was very conscious during the search for information and evidence to the fact that the documents even though they could take a legislative form are never neutral acts or events. The documents are shaped by the political context in which they are produced and by the cultural and ideological assumptions on which they are based. I attempted to reflect this whenever it was appropriate in the thesis.

It is worth noting that although I had access to the Library of the Greek Parliament for which I am grateful, in order to analyse Governmental and Legal documents relevant to the thesis, I did realise the actual limitation of such analysis. There were some restrictions on this access. Obviously, as a university researcher and thus a representative of a private body for private aims, I was restricted from wondering through the embodiments of the public spheres. However, I managed to puruse or photocopy some useful newspapers of the government, concerning enacted laws, Presidential decrees, Ministerial decisions, Ministerial pronouncements in different domains and other types of documents that were relevant.

Statistical Data

Seeking documents containing statistical data reflects a belief in the utility of quantitative analysis in representing one aspect of the object of analysis. These data reflect recurrent features which contribute in complementing our qualitative analysis. It is evident that these statistics can not make sense or speak for themselves apart from supplementing the qualitative interpretations elaborated.

Apart from this issue, the other consideration I would like to point out is that the documents of statistical data used in the thesis are basically produced by private institutions. What would apply to the official institutions would withdraw also to the private ones. In the sense that they are not neutral, they are motivated for and by various reasons, where predominantly in modern European time the market economy considerations have their forbearance.

The contents of the statistical documents articulated in the thesis can be specified to have dealt with the current trends in audience ratings, advertising expenditure, programming policy, advertising share and others after the deregulation in Greek broadcasting arena. The private institutions that were most helpful in providing the documents in this regard are: AGB Hellas, Nielsen, Bari Focus and Media Services.

Newspaper Archives

The newspaper archives are another type of documents that are drawn upon in the constitution of our object. They share with the above two chosen types of documents the fact that they are traces in textual form left by the situated engagements of subjects or institutions and disclosed by their conditions of possibility in a historical area. Although it is true to designate the common property within these terms, there is an apparent distinction coming from the differences of modes necessary for their manifestation. Before the news becomes archives lodged in a place of storage which is usually open to all comers, their condition of possibility is largely constituted by the public circulation and regulations, which is added to the institutional order attributive to the newspaper itself responsible for the production. There are dozens of media research critically reflecting on the forces taking hold and shaping the mechanisms and dynamics of the news process, arguing the issue of ideological imprints in the product manifested into a text. What this means is that the use of newspaper archives should be examined with attention to the value laden inscriptions in the news text. Inevitably, I am not claiming that this is not the case in the previous sorts of documents. I have made it clear that they all share this facet but more specifically the newspaper due to the fact of its daily engagement within a prospect of tensions between private and public obligations with less regulatory bodies intervening in the process of information gathering, processing and distributing comparatively to the official products.

On the other side and in some respect having some relation with the previous point, the newspaper archival are more representing descriptions related to events rather than getting beyond them, that is to reasons and structural properties. This has to do with the present structure of news institutions and their functionality within day-to-day experiences. Even though that is the case, still one can find useful structural reflections from the sequential analysis and synthesis of news in a period of time, and in a certain way by the help of embedded sensitising concepts presupposed.

My use of newspaper archives, obviously, is restricted by a temporal dimension, presupposing that the socio-political formation has emergent structural rules that would reveal themselves differently by the flux of history. In my situation, I did find the coverage from 1975 until today (early 1993), a period whereby the sedimentation making the conditions for rules appearances, a suitable choice affording a well grounded justification for constituting our research topic.

During the period of my research, I have placed reliance on some outstanding newspapers for the information concerning the recent broadcasting developments in Greece. The main newspapers that I found relevant in the construction process were To Vima, Ta Nea, Eleftherotypia and Ethnos.

C. INTERVIEWING

Semi-Structured Specialised Interviews

The word interviewing covers a wide range of practices. There are tightly structured, survey interviews with preset, standardised, normally closed questions. At the other end are open-ended, apparently unstructured interviews, as well as semi-structured interviews that combine standardised and open-ended questions. In our case we used the semi-structured elite or specialised interviewing, which enabled us to acquire a combined dimension in answering. The goal was to explore the well-informed participants' experience within the topic under study, as well as to get (through the standardised questions) information concerning standard data and developments (i.e. in what frequency the x station transmits etc.).

Elite or Specialised Interviewing, as differentiated from survey interviewing is designed to elicit qualitative data which reflect and record the meanings and understanding of specialised and well-informed people (see Layder 1993, Dexter 1970, Seidman 1991). Such interviewing, in other words, is an efficient means of obtaining qualitative information from those who are occupying positions that provide them with opportunities to have access for coordinatory and control objectives in institutions and their interactions. The advantage of this type of interviewing is that the researcher can acquire data about and be imminent to those personalities who shape reality.

We consider that the interviewing, no matter what type it is, it is a tool and object of analysis. The situation itself binds both the interviewer and the respondents into a kind of negotiation of an understanding of the subject matter in question and, in some sense, the purpose of inquiry. Such a form of relation which is supposed to be an embodiment of a method to find the reality of a situation appears to be adequate and efficient to understand the events, histories, institutionalized norms and statuses that are taking place in a social setting.

Over a three year period I have depended on many individuals, including some outstanding newspaper journalists and academics, corporations, companies (stations), as well as political parties. The interviews were classified into four categories in order to cover the whole spectrum of opinions and sources. The classification was divided into:

- 1) Academics
- 2) Journalists
- 3) Political parties (the main elements involved in the process of national communications policy-making)
- 4) Administrative personnel in the electronic media organisations.

The advantages and disadvantages of this method and the problems I faced are mainly related to access, anonymity as well as finance. Some of the people, who were 'interviewed' wished to keep their anonymity, and thus we do not directly quote their words or names. The difficulty in expressing opinions as well as maintaining anonymity are related to the high degree of politicization of the Greek society as well as the clientele relations and government interference in organisations.

Finally, I would like to point out that many of the people 'interviewed' will not share the opinions expressed in this thesis, which are of course, those of the author alone.

Semi- Structured Questionnaires

The questionnaires used in this thesis have common features with the interviews conducted in terms of content and quantity. However, the essential difference that can be specified in our type of questionnaire has to do with the purpose and feasibility. According to the former, questionnaires were aimed at gathering additional information where I have found a need for more clarification, specification and updating of the data. For sure, there are some instances whereby I depended on this method for merely practical considerations. These have to do with time, availability, distance, costs and other similar accounts. So, it is a beneficial means for acquiring information and it contributes to establishing analytical 'cuts' with what was revealed from other methods. However, there is a possibility for a low response rate as well as the emergence of weak conditions for reciprocity in a dialogue mode. The use of questionnaires in this thesis were addressed to academics and journalists, especially to some members of the Euromedia Research Group, who provided me with material and helped me to update my data and broaden my scope of analysis in various ways.

The people, organisations and political parties who helped with regards to my thesis to whom I am highly obliged are:

Antonopoulos Leonidas, Journalist, Ta Nea

Bourlakis Constantine, Lecturer of Management Economics at the Management Centre, Leicester University

Contogeorgis George, (ex-President of ERT-S.A.), Professor of Political Science at the department of Mass Media, Panteion University of Social and Political Sciences, Athens, Greece

Charamis.S, Associate Director General, Antenna Television S.A.

D.B, Director General, TV Plus

Demiri Evi, Public and International Relations Manager, ERT-S.A.

Democratic Renewal Political Party

Dimitras Panayiotis, (member of the Euromedia Research Group), Associate Professor of Political Science at the department of Economics, Athens University of Economics (ASOEE), Greece

ECHO Corfu, Radio Station

Escobar.L. Estefan, Professor of Communications at the University of Navarra Pamblona, Spain

Hart Alan, BBC Television

Ionian TV, Television Channel, Corfu

Johnson Michael, Head of International Liaison (Television), BBC

Kleinsteuber Hans, (Member of the Euromedia Research Group), Professor at the Institute of Political Science, University of Hambourg, Germany

Kuhn Raymond, Professor of Political Science at the Department of Political Studies, Queen Mary College, University of London

Mazzoleni Gianpietro , (Member of the Euromedia Research Group), Professor of the Sociology of Communications, University of Salerno, Italy and Universitat Erlangen - Nurnberg

McQuail Denis, (Member of the Euromedia Research Group), Professor of Mass Communications, University of Amsterdam, the Netherlands

Netas Victor, Journalist, Eleftherotypia

Palmer Michael, (Member of the Euromedia Research Group), Professor of Communications, Sorbone University III Paris, France

Papachristos George, Journalist, To Vima

Papathanassopoulos Stylianos, Lecturer of Mass Communications at the Department of Communications, University of Athens, Greece

Phanariotis Panayiotis, from the central administration of the New Democracy Party.

Pretenderis.I.K, Journalist, To Vima

Protogirou Mary, Journalist, Eleftherotypia

Serpioti.E, Director of Public Relations, New Channel Radiotileoptiki S.A.

Siune Karen, (Member of the Euromedia Research Group), Professor of Political Science, University of Aarhus, Denmark

Smith Alan, Professor Magdalen College, Oxford University

Theocharis.M, Director General, Mega Channel Tyletypos S.A.

It should be noted that three journalists, one newspaper editor and two politicians did not want their names to be disclosed.

APPENDIX II

GREECE

Population: 10m

Television homes: 3.20m

Television penetration: 99%

Video Penetration: 47%

Cable: None [Existing small networks are owned by government, which has never established a regulatory framework for cable].

Satellite TV: Several satellite channels (including CNN, MTV, RAI and Eurosport) are relayed terrestrially by state broadcaster ERT.

PUBLIC BROADCASTING SYSTEM

ERT-S.A. is composed of five Directorates:

1. Directorate of Administration and Management.
2. ET1 (Greek Television 1).
3. ET2 (Greek Television 2).
4. Directorate of Northern Greece composed of ET3 and Radio Macedonia with three programmes.
5. ERA (Greek Radio Broadcasting).

PUBLIC TELEVISION

ET1 has 98% coverage and is also retransmitted via the EUTELSAT 1 F4 satellite in Cyprus and Central Europe.

ET2 has 93% coverage.

ET3 has 53% coverage.

ERT participates in CCIR (organisation for standards), EBU (European

Broadcasting Union), VISION 1250 GROUP for the promotion of the European standard of HDTV.

PUBLIC RADIO

ERA1: 90 % coverage (politics, information)[FM].

ERA2: 90 % coverage (entertainment, information)[AM].

ERA3: 50 % coverage (arts, science)[SW].

ERA4: 60 % coverage (youth)[FM].

ERA5: (The Voice of Greece) is a worldwide service with a 20 hour daily programme in 12 languages [SW].

ERA has also 19 regional stations for the modern needs for information, education and entertainment of the Greek periphery.

PRIVATE BROADCASTING

PRIVATE TELEVISION

There are two large private TV channels (Mega Channel and Antenna TV) which transmit on national scale and a couple of dozen small channels (Kanali 29, New Channel, Seven X, TV Plus etc.) which have local coverage. All of the private channels operate terrestrially.

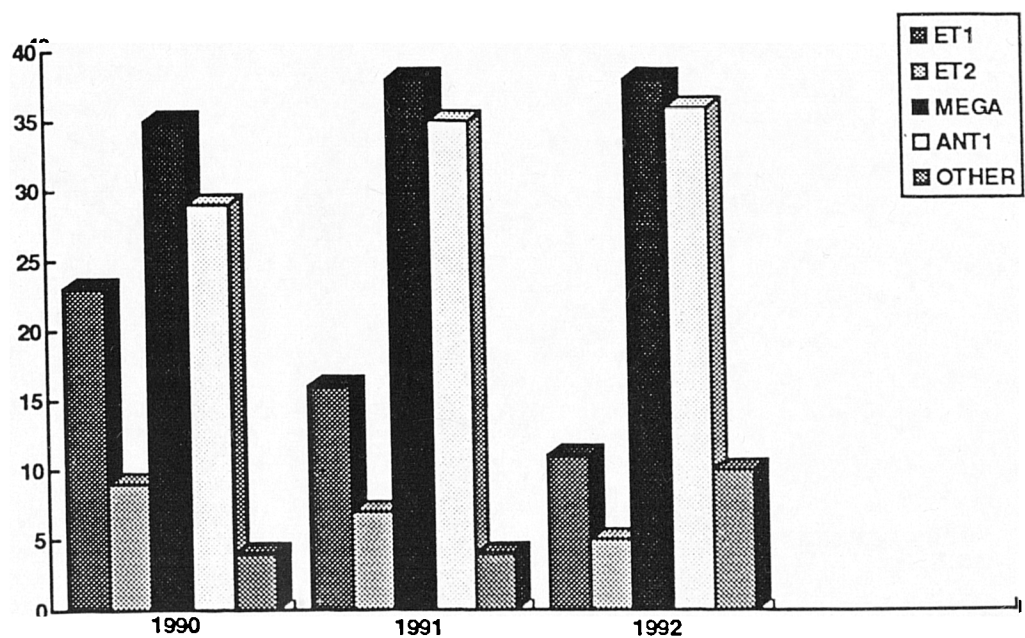
PRIVATE RADIO

There are over 600 private radio stations that operate locally all over the country (most of them operate without a licence). The number of legal stations is estimated today at around 70 professional and 200 amateur. The most important private radio stations are Sky, Antenna, Flash etc.

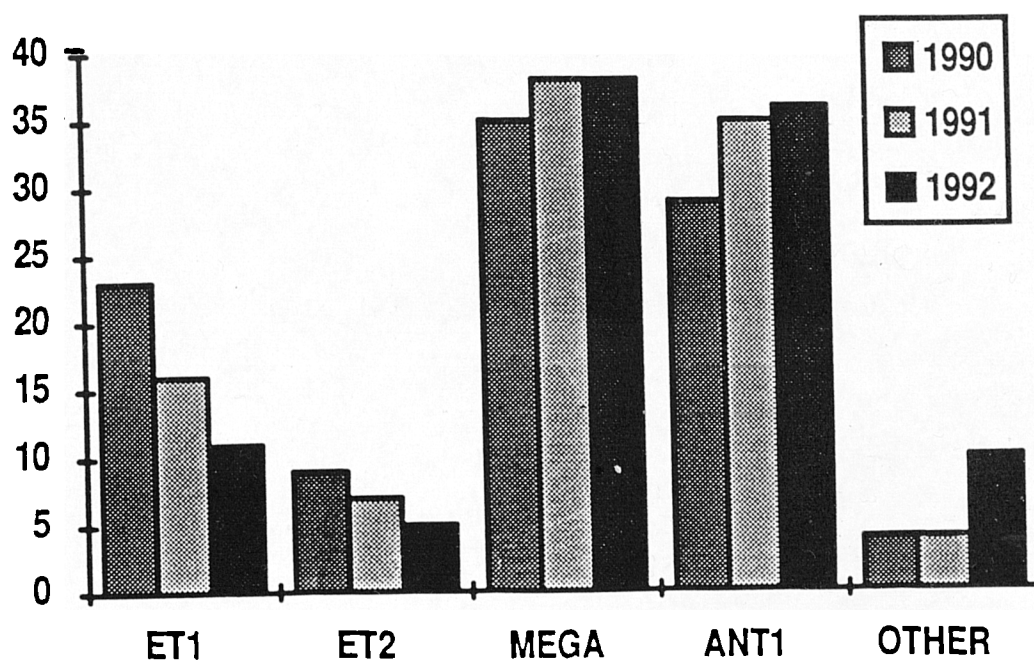
Sources: Screen Digest, Saatchi & Saatchi, ERT-S.A., AGB Hellas, Ostergaard (1992).

APPENDIX III

1. AVERAGE ANNUAL TV AUDIENCE RATINGS



2. AVERAGE ANNUAL TV AUDIENCE RATINGS PER CHANNEL (1990-92)



Source: AGB Hellas

APPENDIX IV

FRENCH BROADCASTING STRUCTURE

PUBLIC CHANNELS¹	YEAR OF FIRST TRANSMISSION
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F2 (A2)	1971
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F3 (FR3)	1973
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PRIVATE CHANNELS (Terrestrial)

TF1	1968 (1986 became private)
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CANAL PLUS	1984
------------	------

M6 (TV6)	1986
----------	------

ARTE	1992
------	------

RADIO

Number of public radio stations: 7

Number of local radio stations: 47

Sources: Screen Digest, Saatchi & Saatchi, Ostergaard (1992).

¹ In 1958 France had one black and white TV channel with 50% coverage. In 1963 a second channel and in 1967 colour.

ITALIAN BROADCASTING STRUCTURE

PUBLIC CHANNELS	YEAR OF FIRST TRANSMISSION
-----------------	----------------------------

RAI UNO	1954
RAI DUE	1961
RAI TRE	1979

PRIVATE TV NETWORKS

CANALE-5 (Fininvest)	1980
RETE-4 (Fininvest)	1982
ITALIA-1 (Fininvest)	1981
TELE+ 1 (Fininvest participation)	1991
TELE+ 2 (Fininvest participation)	1991
TELE+ 3 (Fininvest participation)	1991
ITALIA-7	1987
ODEON TV	1987

Other networks are: CINQUESTELLE, RETE A, RETE MIA, VIDEOMUSIC, JUNIOR TV, TELE-MONTECARLO, EURO-TV etc.

Number of local TV channels: 700

RADIO

Number of public radio networks: 5

Number of private radio networks: 20

Number of local radio stations: 3,800

Sources: Screen Digest, Saatchi & Saatchi, Auditel/Nielsen, Ostergaard (1992).

SPANISH BROADCASTING STRUCTURE

PUBLIC CHANNELS	YEAR OF FIRST TRANSMISSION
TVE1	1955
TVE2	1964

REGIONAL CHANNELS

ETB (Basque Country) (2 Channels)	1983 (officially)
TV3 (Cataluna) (2 channels)	1983 (officially)
TVG (Galicia)	1985
CANAL 9 (Valencia)	1984
TELEMADRID (TM 3) (Madrid)	1984
CANAL 33	1985
CANAL SUR (Andalucia)	1987
TELEMURCIA (Murcia)	1988

PRIVATE CHANNELS

ANTENA TRES	1990
TELECINCO	1990
CANAL PLUS	1990

RADIO

Number of public radio networks: 5 (RNE)

Number of private national radio networks: 10

Sources: Screen Digest, Saatchi & Saatchi, EGM, Ostergaard (1992).

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