

Broadcasting's mixed signals

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What is behind government's apparent haste in forging ahead with certain crucial changes in broadcasting? FXI publications and education co-ordinator, Jane Duncan, argues that it is being fuelled by government's zeal to fulfill a neo-liberal economic agenda.

Crucial developments are currently taking place in broadcasting. Some of these are far advanced and are going ahead in spite of the fact that a policy review of the whole industry is taking place. The most important developments by far are the proposals to corporatise the South African Broadcasting Corporation with the state as sole shareholder and the merger of the broadcasting and telecommunications regulatory bodies, the Independent Broadcasting Authority and the South African Telecommunications Regulatory Authority.

The nature of these proposals, which are being put forward by the Broadcasting Ministry with minister Jay Naidoo at the helm, makes it clear that government is seeking greater control of broadcasting. The essential question is: to what end?

Naidoo has consistently denied any ulterior political motive in wanting to change these bodies in the manner he is proposing. Instead, he argues largely on the basis of economic expediency. More particularly, government seems eager to tackle the broadcasting industry to bring it in line with its controversial macro-economic policy, the Growth, Employment and Redistribution programme.

When looking at it from this angle, one cannot ignore the ideological critiques that come with GEAR. The programme, which is in line with the neo-liberal agenda being thrust on the world's developing nations, continues to evoke strong opposition on the basis that it is leading to more rather than less inequality. It favours big business, with crucial aspects of the programme involving the privatisation of state assets and the search for public-private partnerships. Government has already succeeded in transforming the telecommunications sector into serving the global competitiveness objectives of GEAR. In fact, telecommunications was one of the first industries to be restructured after the 1994 elections.

The promulgation of the Tele-communications Act in 1996 paved the way for the deregulation of the industry. This involved the partial privatisation of Telkom, which had already been corporatised. Its sale brought R5.8 billion into the fiscus, making it the biggest privatisation deal in the history of Southern Africa. Popular opposition to privatisation was short-circuited through the National Framework Agreement, which allowed Telkom to acquire strategic equity partners. Universal service obligations and Telkom's six year exclusivity period were not written into the Act - as per agreements with labour - but were 'demoted' by simply being included in Telkom's licence conditions. The government rode roughshod over more stakeholder agreements on the Act, and made SATRA subject to its policy directives.

Given these developments in the telecommunications sector, and considering the convergence of this sector and broadcasting, it is not difficult to see government's current actions as an attempt to transplant the telecommunications model into broadcasting. The race is now on to bring broadcasting in line with GEAR.

At the outset, policies are needed that foreground those aspects of broadcasting best able to serve GEAR objectives. For example, local content which was supposed to contribute to building our sense of national identity, is now being subsumed in a 'cultural industries growth strategy' geared towards creating an export market for its products. These are not similar or even compatible objectives. Frequency spectrum management, another lucrative area, is also receiving a great deal of attention by the government. The Ministry has also recently proposed that limitations on foreign ownership be increased from 20% to 33%, in order to attract foreign investment. A national school of broadcasting, as proposed, will also make it easier for the Ministry to implement outcomes-based skills training geared for export markets.

In line with GEAR's cutbacks in social spending, the SABC is clearly not going to receive sustained state funding. This is viewed as an 'outmoded' welfarist approach out of sync with current realities. Instead it must be re-shaped to operate self-sufficiently, and is being enjoined to seek foreign investment and / or a strategic equity partner like Telkom. Corporatisation will make it concentrate on profit making, with the fulfilment of its public service mandate dependent on the profitability of the enterprise. This proposal sends out complex and contradictory signals regarding the SABC's editorial independence. On the one hand, the SABC will enjoy greater freedom from government if it is corporatised, and on the other hand government has fewer legislative obstacles in its way in exerting control over the broadcaster. The primary intention appears to be rather to influence the financial and management shape of the SABC to bring it into line with GEAR objectives.

However, the transformation of broadcasting is proving to be more troublesome than telecommunications. The sector is

regulated by the IBA, which has also made policy well up to this point. This is problematic for government because the IBA's independence prevents it from marshalling the industry to serve the interests of GEAR. Therefore the government needs to reduce the role of the IBA, lessen its independence, and reassert its right to make policy. After all, the IBA is driven partially by a host of social ideals that are neutral with regard to, or even inimical to GEAR. What better way to achieve this objective than to marry it with its less independent sister regulator, SATRA, a body which is very clear about who calls the policy tunes.

To assist this process, the IBA is being cast as a tainted product of the compromises of political negotiations. It is a pity that all the other institutions and statutes born in sin in that period are not being 'fingere'd for the same reasons. An argument has integrity only when it is made consistently.

The reform tools being pursued by government in telecommunications and broadcasting do not come from nowhere. The World Trade Organisation, operating according to the General Agreement on Trade in Services and the International Telecommunications Union have laid down guidelines for countries to follow in the opening up of telecommunications markets. These include the corporatisation and eventual privatisation of state monopolies, and the separation of policy making and regulatory functions with the state being responsible for the former. After all, the government needs to keep its hands firmly on the reigns of policy to facilitate economic globalization. In particular, the state needs to implement policies that redirect state expenditure away from 'non-productive' services, like public broadcasting and universally accessible telecommunications.

In order to achieve these ends, states are both contracting and expanding at the same time: contracting in that they are setting institutions 'free' by corporatising and then privatising them, while at the same time expanding to reclaim the policy tools needed to make industries serve globalization better.

These 'reforms' have not been introduced without opposition. GATS and the WTO have been widely criticised for exacerbating poverty and eroding social objectives such as universal service. Organised opposition is mounting globally. In fact, too much democracy has proved to be a rather pesky problem for governments attempting to implement neo-liberal agendas. Given the continued opposition to GEAR, and the understandable argument that the government's original nation-building mandate outlined in the Reconstruction and Development Programme (RDP) is being sidelined, the government knows it is sitting on a policy time-bomb. As a result, it needs to rush through activities essential to delivering on GEAR before popular opposition gets in the way. In order to achieve this before the second elections, key government actions need to be insulated from the vagaries of democratic consultation.

The most remarkable policy sleights of hand are taking place, particularly those marking the government's shift from the RDP to GEAR. We are being told that these policies are the same thing. They are not. We should celebrate activities geared towards achieving universal service and equality both in telecommunications and broadcasting. However, we need to assess critically to what extent these victories may be undone by GEAR, and its international equivalents such as GATS. If we do not do this, then we may land up adopting models that contain within them the seeds of their own destruction. Broadcasting risks having to sacrifice its nation-building objectives on the altar of international competitiveness. How we intervene in these unfolding events depends on how we interpret them, and faulty analysis may lead us to fight the wrong battles.