

FREE SPEECH, THE COMMERCIALISATION OF NEWS VALUE JUDGMENTS AND THE FUTURE OF THE ABC

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Western journalism seems to have lost its credibility. In the United States satirical mock-news programs on TV are attracting record audiences. They are running the blackest parodies of Fox News' ranting xenophobia as the civilian and military death toll mounts in Iraq.

In his recent book, former CBS correspondent Tom Fenton said the US journalism industry had become clueless about self-diagnosis and any real reform to rebuild its credibility:

Why else would a nakedly polemical vehicle such as Michael Moore's *Fahrenheit 9/11* do so well, if not because Americans increasingly feel they must look beyond the established sources for their information?¹

With great respect to his colleagues in print, Fenton notes that the overwhelming majority of Americans still get their news from TV. But TV news divisions in the US abandoned any public service values after they were commandeered by global media/entertainment conglomerates where geo-political shifts in power went unreported and the arrogance of insularity pushed by ratings-driven, careerist and dilatory producers fed the shareholder bottom line.

Even as genocide spread through Africa and Islamic terrorism festered in the Middle East, international reporting disappeared almost entirely from the airwaves – leaving Americans uninformed.²

Important stories which could inform, influence and shape American foreign policy were dismissed as either depressing or obscure:

At first, it seemed as though the 24-hour news channels – CNN, MSNBC and Fox News – would offer a more flexible format capable of reflecting the world's vicissitudes more closely. But they too soon fell into formulaic programming, interrupted periodically by non-stop coverage of crises, both real and imagined. CNN rightly earned enormous kudos during the first Gulf War for its round-the-clock reporting. By the time of the second war, however, Fox News's jingoistic challenge had pushed CNN towards celebrity anchors and other gimmicks, which is where they are stuck today. Meanwhile, studio-edited production values continue to

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1 Tom Fenton, *Bad News – The Decline of Reporting, the Business of News and the Danger to Us All* (2005) 18.

2 Ibid 70.

triumph over good journalism.³

What the US has endured is the wholesale commercialisation of news value judgments. Fenton blames himself, regulators and all journalists for not speaking up enough about what was really happening in US network television over the last 15 years.

In Europe there are other disturbing trends. Ten recently admitted member countries of the European Union (Poland, Hungary, Czech Republic, Slovakia, Slovenia, Malta, Cyprus, Estonia, Latvia, Lithuania) have not made the transition to independent journalism or governance. They are basically still under state control and their journalism and programming reflects this.

According to delegates at a recent International Federation of Journalists' summit in Baltimore in the US, the admission of these recalcitrant broadcasters was having the disastrous effect of watering down the strength and influence of the entire public broadcasting sector in Europe.

Europe, particularly Germany, had a strong public service broadcasting tradition following World War II. However, with trade liberalisation and aggressive lobbying by the trans-national media/entertainment conglomerates and their peak bodies, the European Parliament has been under pressure to deregulate and remove cross-media limits and protections for local audio-visual creative industries. A campaign was mounted under the disingenuous guise of 'competition policy' against publicly funded broadcasting, claiming it was the third most subsidised 'industry' in Europe. This conveniently ignored the national, regional and local content obligations imposed on European public broadcasters by their parliaments.

The commercialisation of news value judgments is emerging as a significant threat to the concept of free speech in so called democratic countries. Public broadcasters are meant to be the antidote to commercial journalism, but in the US, the public broadcasting system is marginalised by miniscule public funding and has only a niche audience.

The ABC, with 17 per cent to 18 per cent audience share in television and around 22 per cent share across its radio platforms (Radio National, the AM metro and regional stations, NewsRadio, Classic FM and Triple J), can be described as a mainstream player. However, this position is once again at a tilting point as the federal government considers implementing a 2004 Liberal Party election commitment to removing the cross media rule and lifting the 15 per cent foreign ownership limit.

Rupert Murdoch (News Corporation) and Kerry Packer (PBL) are known as the 'gatekeepers' of media policy in Australia because of the testicular hold they have had on Australian prime ministers from Fraser to Hawke, to Keating to Howard.

We are again about to witness their inordinate influence on policy. News Corp has editorialised⁴ that it wants the ABC reduced to the (marginalised) status of

3 Ibid 71.

4 'What does the ABC think it is doing?', *The Australian* (Sydney), 22 May 2003, 10.

PBS in the US, whose funding is supplemented by corporate sponsorships and pledge-plea telethons.

News Corp and some of its columnists have also sought to vilify and stereotype public broadcasters as left wing and anti-American. This is a political smear used by other Murdoch papers in other markets.

The ABC, which, according to surveys, is well supported by Australians, has been left with a bunker mentality, struggling to meet its Charter obligations in the face of a 30 per cent drop in operational base funding in real terms since the mid-1980s.

Currently the ABC is undergoing a Department of Communications-commissioned 'adequacy and efficiency' review of current levels of funding. It is hoped that this review will confirm what the ABC has been indicating through its triennial funding submissions to government: current levels of funding are inadequate. For example, the *Australian Broadcasting Corporation Act 1983* (Cth) requires the broadcaster to enhance a sense of 'national identity'. But one genre which could be engaged to meet that obligation has now been reduced to negligible levels. The ABC currently broadcasts only 20 hours of original Australian television drama each year, compared with 100 hours in the early to mid-1990s. Instead, to build a viable television schedule, the ABC has had to become like UK TV – buying shelf programs from other broadcasters, mainly British.

Many critics have been saying that the ABC has been forced to dumb down its locally-made output; to sacrifice innovation, distinctiveness and quality for cheaper programming. It is hoped that this sad fact will be confirmed by the review being conducted for the Department of Communications by KPMG Australia.

Australia has the capacity to exploit the extraordinary technology known as digital broadcasting. Since 2001 the entire television industry has been simulcasting through both the old analogue and new digital transmission systems. To receive free-to-air ('FTA') digital you need a set top box, which currently costs around \$100. In spite of FTA digital's ability to split the radio frequency into 35 standard-definition television channels, the Federal Government has prohibited FTA commercial channels from doing so, and greatly restricted the public broadcasters, the ABC and SBS.

At the moment the subscription (pay) TV industry is pressing the federal government to maintain these restrictions indefinitely or until 2010 at the earliest. If the federal government grants that industry's wish, it will amount to the technological betrayal of the people of Australia.

The choice is clear: 35 free-to-air standard definition channels for the *once only* cost of \$100 for a set top box, compared with Foxtel or Austar's pay TV channels for \$50 to \$100 *per month*. FTA digital is extraordinary. We could have English and other languages channels; multiple education, technical, skills and further education channels; community access channels; arts, culture, documentary and innovation channels; as well as fully commercial entertainment channels. The public broadcasters' contributions to a digital Australia could be

funded by the sale of the digital transmission spectrum to the commercial operators.

Instead it appears the vested interests are the only ones which are going to be accommodated in the media policy shake-up. The tycoons Murdoch and Packer jointly own half of Foxtel, the pay TV operator. With the full privatisation of Telstra, these tycoons may end up with all of Foxtel, putting them in a monopoly position over multi-channelling.

Recently, in recognition of the enormous potential of digital, former Telstra chief executive Dr Ziggy Switkowski courageously (given the power and influence of the tycoons) suggested that the federal government should subsidise the cost (about \$440 million in 2008 dollars) of giving a digital set top box to each Australian household. This would have allowed the analogue transmission to be switched off sooner, rather than later. Dr Switkowski said:

Once you've got digital broadcasting and an available market of 100 per cent of all households you can let your imagination go. New broadcast licences can be issued, presumably under a competitive tender process, which might be national, could be regional or even more micro. Content and application developers can proceed in the confidence that a national market will be available for their products. New media players might see or invent business models that marry content with interactive applications and access to internet sites and databases – in ways few of us can anticipate today. And a vibrant competitive industry might emerge which will see today's familiar media companies kick-start an era of product innovation and go head to head in some cases, and in partnership with others, as they compete in an internet world.⁵

Dr Switkowski said current media companies do not need to be protected: 'They need to be liberated – free to follow strategies of innovation and growth within a logical set of rules and light handed regulation'.⁶ He also acknowledged the role and contribution of the public broadcasters in media diversity in Australia.

He's dreaming, of course. We're expecting the tycoons' interests to be put ahead of the public interest because that seems to be the mediocre Australian way.

It is certain that neither the Murdoch press, with 60 to 70 per cent of the print market in Australia, nor the Packer outlets (Channel Nine network, Foxtel or the PBL magazines) will put the clear policy choices directly and objectively to their audiences.

The ABC seems too frightened to do it for them. So much for free speech.

5 Dr Ziggy Switkowski (Speech delivered at the National Press Club, Canberra, 5 October 2005).

6 Ibid.