

## Country paper : socio-economic impact of broadcast satellite

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1990

Elena P. (1990). Country paper - socio-economic impact of broadcast satellite. In AMIC-DEPPEN Seminar on the Socio-economic Impact of Broadcast Satellites in the Asia-Pacific Region : Jakarta, Jul 25-27, 1990. Singapore: Asian Mass Communication Research & Information Centre.

<https://hdl.handle.net/10356/92876>

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Socio Economic Impact Of Broadcast Satellite**

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CF: III-2 / 90

COUNTRY PAPER  
SOCIO-ECONOMIC IMPACT  
OF BROADCAST SATELLITES

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SEMINAR ON SOCIO-ECONOMIC IMPACT OF  
BROADCAST SATELLITES IN THE ASIA-PACIFIC REGION  
JAKARTA, INDONESIA, 25 - 27 JULY 1990  
DEPPEN RI - AMIC

Seminar on "Socio-Economic Impact of Broadcast  
Satellites in the Asia - Pacific"  
Jakarta, Indonesia  
July 25-27, 1990

**SOCIO-ECONOMIC IMPACT OF BROADCAST SATELLITES  
IN THE PHILIPPINES**  
Country Report

by

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**I. INTRODUCTION**

For a nation like the Philippines, composed of over 7,000 islands, an effective mass media system, especially broadcasting, could serve as a potent tool for political unification and economic decentralization.

Recognizing this, the present Government's new policy is for a national unified communications system capable of disseminating vital information, achieve mass education, and provide universal and affordable telecommunications services throughout the Philippines.

However, due to the economic straits the country currently is facing, the telecommunications industry is developing at a turtle's pace.

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## II. THE PRESENT SCENARIO:

Notwithstanding the early introduction of broadcasting in the Philippines with the coming of the radio in the early thirties, the development of the broadcast media leaves much to be desired.

Philippine radio and television are one of the oldest, if not the oldest, in Asia, having been introduced in the country in 1928 and 1953, respectively; only about ten years behind their introduction in the United States.

The early years of radio in the country were information- and entertainment-oriented, following largely an American model in its orientation, format and content. Television, for its part, first came into being as an informational medium for a local political party during the campaign period for the 1953 presidential elections. It too followed the path of radio as the medium became a popular entertainment diversion.

Over the years, the broadcasting industry saw a gradual Filipinization in format and content, even as both radio and television evolved into highly commercialized media.

The broadcast media, as with the other forms of media in the country, are largely owned and controlled by the private sector. The minimal control by Government of certain media establishments is characterized via actual ownership or by sequestration.

Of the 313 existing radio stations throughout the nation, only 44 stations (or roughly 14%) are Government owned. While some of these stations spread throughout the country are grouped under a network banner, the stations operate independently from one another covering only the station's parameters. Radio services 75% of the total of households in the country.

On the other hand, television reaches 40% of the Filipino households. At present, there are five national networks based in Metro Manila and 69 television stations, which serve as relay, relay and affiliate stations. The Government share is only 20%.

Currently, the majority of programs (or roughly 80%) in both radio and television are locally produced. This focus on local production is

becoming especially evident in this present regime wherein the call for the national identity and rally for the consumption of Philippine-made goods is being re-emphasized. (The aforementioned along with the national policy of participatory democracy has spurred the influx of talk shows and televised round table discussions on current political issues.)

However, while the growth in locally produced programs lessened the dependency on imported material, there remains an audience demand for certain foreign programs, such as American action shows and TV-movies and Japanese and children's shows for television and popular music programs like "Top 40" for radio.

Furthermore, except for cases of special significance to Filipinos like the recently concluded trial of Mrs. Imelda Marcos in New York for which local reporters are sent on foreign assignment, Philippine media remains very much dependent on imported video clips and wire reports for news outside the country.

### III. HINDRANCES TO DEVELOPMENT:

The Philippine broadcasting industry is not without problems which have caused controversies in the path of its development.

- a) Of all the difficulties facing the industry, the most attention-calling is that of its over-concentration in heavy-market areas such as Metro Manila and similar metropolitan areas. It can be noted that the "growth and distribution of mass media infrastructure in the country follows (a) nuclear pattern, with Manila and other key cities and urbanized towns as the center."

Since media establishments are largely in the hands of the private sector, these tend to concentrate in areas where profits and a fair rate of return on investment are ensured, resulting in the underservicing of the countryside.

- b) Moreover, there is an evident danger of "mass media ownership being under the

control of a few vested interest groups which exert considerable influence in the nation's economic and political affairs.<sup>2</sup>

This could be further aggravated by the Government's privatization program for sequestered or fire-sold media and telecommunications companies since it may lead to the concentration of media ownership to big businesses and thereby stail the possibility of broad-based media ownership.

The privatization of these government owned and controlled media establishments further delays development since management is hesitant to pursue costly technological investments pending the sale of the corporation.

- c) Also, the proliferation of block-timers (i.e., independent program producers) who buy airtime from operators and owners, results in an abundance of entertainment-oriented programs, and violations of the Code of Ethics particularly in political commentary programs.

There are some 200 broadcasttimers on radio and television today, consisting largely of movie producers and some with political agendas, like the Marcos "loyalists." Since the broadcasttimers are based in Manila, the programs they produce usually reflect urban values and issues, steeped in Western influence. Provincial TV stations rarely produce their own programs because of the enormous costs this entails.

Moreover, the concern of most broadcasttimers for profit derived from advertisements and limiting production costs, results in a lack of creative, non-commercial, high-quality and educational programs.

#### IV. SOCIO-ECONOMIC CONCERNS OF THE PRESENT REGIME:

If purposively developed towards governmental objectives, broadcasting can be used as an effective instrument in addressing some of the socio-economic concerns of the Government.

In her State of the Nation address in July 1988, President Corazon C. Aquino put forth a Nationalist Agenda that clearly declared the aims of her Administration.

This Nationalist Agenda is as follows:

1. Achieve growth with equity
2. Uphold the respect for the rule of law
3. Evolve a results-oriented bureaucracy.<sup>4</sup>

In achieving growth with equity, or as President Aquino terms it, "a war against poverty," the Government has placed greater emphasis on countryside development. In fact, she had created regional development councils to pursue development strategies in the provinces. Moreover, since it convened in July 1987, Congress has busied itself with measures seeking to provide incentives to local and foreign investors, moving as its ultimate goal the generation of more jobs.

Additionally, the President has launched five special development projects in various key provinces in order to set up industrialized centers

throughout the country. These centers are in actuality agro-industrial estates that will provide the infrastructure necessary for attracting investors, especially foreign, into the countryside. These projects are to be funded through multilateral aid initiatives, better known as the Philippine Assistance Program.

Moreover, President Aquino recognizes the need to improve on the delivery of basic services to the people both in the cities and the provinces. Calling for a results-oriented bureaucracy, the President directed all Cabinet Secretaries to "energize" their respective departments "by cutting red tape".

In line with upholding the respect for the rule of law, which is the second in this administration's agenda, Mrs. Aquino stressed that the battle to preserve peace and order can be better met if there is a "more just system of distribution of political and economic power." Thus, her focus on instruments of social justice, such as the urban and rural land reform program.

These goals of the present Administration can be achieved at a faster rate if the proper

media information infrastructure is in place. Even President Aquino realized this, as evident from her published "Nationalist Agenda."

A modern and nationwide telecommunications system is mandatory if the government intends to promote its development efforts throughout the country. More important, the Administration can generate critical public support for its initiatives if such an effective system were in place.

"Any society and its government are as efficient and effective as their means of communication will allow the transmittal of accurate, timely information. No country ever attained Newly Industrialized Country (NIC) status without a modern telecommunications system."

These sentiments were noted as early as 1967, when it was recognized that a national network covering the whole country and capable of simultaneous broadcast is necessary for high officials of the government especially the President to meet the public on important state matters or national emergencies. 8

## V IMPACT OF BROADCAST SATELLITES

New dissemination and special events coverage are two of the common uses of satellite transmissions in the country. For example, three of

the five television networks broadcast daily news to parts outside Metro Manila using some methods of satellite transmission.

Domestic Satellites, Phil. (DOMSAT) facilities are commonly used by these television networks. DOMSAT provides each network with two way links between Manila and 13 provincial centers nationwide.

The country's largest telephone operating entity, the Philippine Long Distance Telephone Co. (PLDT), also has TV transmission facilities between Manila and central Philippines (the Visayas region) which makes possible simultaneous airing of programs.

ABS-CPN, one of the major Manila-based television networks, recently installed its own uplink earth station connecting its Metro Manila station with four points in the central and southern parts of the country.

Philippine Communications Satellite Corp. (Philcomsat) provides the international telecommunication services of the country. Its earth station in the province of Bicol serves as the doorway to global satellite communication system.

Through Philcomsat, outgoing telecasts, such as Senator Benigno Aquino's funeral, the 1986 Presidential election and the February Revolution, were made possible.

Among its significant incoming telecasts were the Apollo Moon Landing, Mao-Tse Tung's funeral rites, Vatican Lent and Christmas programs and Presidential state visits and addresses abroad.

Consistent with the goals of the Government and in the face of the current problems of the broadcast industry, the use of broadcast satellites could very well present the much needed solution.

"The importance of national network for broadcast purpose cannot be overemphasized as the usefulness of such a network is very well known. Apart from interconnecting the broadcast stations to broadcast simultaneously programs which are well prepared in the studios in Manila, such a network is very useful for educational broadcast to the schools and agricultural and farm broadcast to the farm communities."<sup>7</sup>

Satellites allow opportunities for dispersion of broadcast stations in regions otherwise not

serviced for lack of lucrative markets. Central Mindanao for example has the least number of radio stations while the Cagayan Valley in Northern Luzon has only one television relay station facility.

These are two areas where Government may initiate and support broadcast services via the satellite transmissions emanating from the National Capital.

"Listeners in the remote corners of the country could have the facility to listen to the voice of Manila with resultant integration in the national socio-economic development."<sup>8</sup>

"The President knows that her mere physical presence can make a difference not just in perceptions but also in performance by the bureaucracy. So since the beginning of her term, (Mrs. Aquino) has brought the Presidency to more than 57 provinces, from northernmost Batanes to the southernmost islands of Tawi-Tawi."<sup>9</sup> With the use of satellite transmissions in radio and television, the President can make herself closer to the people. In fact, this is her attempt in the nationwide

broadcast (via relay/replay) of her weekly radio and TV programs "Magtanong sa Pangulo" (Ask the President) and "The President's Hour."

Vis-a-vis concentration of media ownership, Government access to and use of broadcast satellites for transmission will act as a buffer against the considerable media influence of vested economic, religious and political groups.

Considering the lack of creative, non-commercial, high-quality and educational programs in radio and television, the use of broadcast satellites presents obvious benefits.

Satellites systems are particularly applicable in social development projects, such as education, health care, extension work, rural industrialization, agrarian reform, migration control and resource management.

a) education:

"Satellite technology, used and proven in developing and developed countries is available to attain large-scale education

efficiently and economically. By supplementing and enhancing existing educational programs, satellites can help to overcome the problems of shortages of skilled teachers as well as to provide for a viable alternative to traditional educational structures in spreading knowledge.

"The Philippines is already in the fortunate situation of having an operating national satellite system, DOMSAT. The DOMSAT system is presently being used marginally in an economic sense, for a few hours of national television and very limited point-to-point dedicated telephone service. For reasons of economy and national efficiency, DOMSAT must be better integrated into the nationwide communication network to serve the needs of video, data transmission, inter-urban telephony, rural telephony and tele-education. Its potential contribution to national unity, social and economic development and mass education is still untapped." 10

A project designed to use broadcast satellite technology for education was conceived in the late 1970s. This educational experiment.

called Communication Technology for Education in the Philippines (CTE) Pilot Project, involved three components. One was the Radio Assisted Teaching in Elementary Schools (RATES) component which aimed "to explore, experiment with, and evaluate the use of radio as a support medium to assist public school teachers in teaching Filipino." <sup>11</sup> Radio lessons were developed for grades 4, 5 and 6 in two provinces in the country and were accommodated in the regular class schedule. A second component was Continuing Education of Teachers (CET) whose main aim was to provide public school teachers with opportunities for in-service training (or, retraining) following a home-study program. These radio broadcasts were supplemented with once-monthly group discussion at a designated state college. The teacher's participation could be credited towards a master's degree. The third component, Communication Technology for Rural Education (CTRE), was geared towards agricultural audiences. Open broadcast of radio lessons supplemented organized discussion groups led by agricultural extension workers.

The Project, which aimed at the use of broadcast satellites for transmission of the radio lessons in the expanded phase of the Project (which would have followed the pilot or the experimental phase), pointed to some measures of the cost-effectiveness of using radio for support to formal and non-formal education. Due to a host of factors, (including, but not limited to, the lack of commitment to using "modern" technology in traditional educational settings as well as the unavailability of resources necessary to fund nationwide implementation), the Project did not go beyond its experimental phase.

- b) health care and extension work, including support services for land reform:

Broadcast satellites allow inter-regional interaction and tele-conferencing, thereby, improving and facilitating efficient deployment of health care and extension work.

- c) rural industrialization/migration control:

In their recommendations to President Aquino last June 7, 1990, International Chambers of Commerce and Industry said that the entry of

foreign investments into the countryside would be greatly facilitated if the necessary infrastructure, communication among others, are in place.

Furthermore, the formulators of the Framework for a National Communication Policy stated that "an effective communication system must be established to transmit, disseminate, store and exchange -- from the urban centers to the remotest operations and in a timely error-free manner -- information on inventories, prices, costs, and other vital information, including weather, social services and economic developments," thereby generating employment in the rural areas and reducing urban in-migration.

d) **resource management:**

Broadcast satellites can bring into focus the state of health and condition of mineral resources, forest sites, agricultural locations and coastal zones for socio-economic development.

## VI. CONCLUSION

Providing basic telecommunications services throughout the country, especially to the far-flung areas is an enormous task for which Government must take the initiative. However, telecommunications, broadcast satellite systems being one of these, competes with other urgent national needs, i.e., electrical power, roads, education <sup>and</sup> health services, for limited investment resources.

Doubts have been expressed whether investments in telecommunications will actually lead to more equitable income distribution. There is also the question regarding the degree to which telecommunications investments will be beneficial (or, harmful) to the country's balance of payments.

At present, there is no hard evidence for pointing out the socio-economic impact of telecommunications use in general and broadcast satellites in particular, precisely because usage of such technology has not been given priority. Where there have been applications of satellites for broadcast transmission, such efforts have been limited and unsustained.

While its potentials have been talked about by both Government and private enterprises, the extensive use of broadcast satellites remains to be exploited.

It is speculation - not hard evidence - regarding the role of mass media investment on development that has been rife. One study conducted in the 1980s by a Western communication researcher found high inter-correlations among factors related to economic and social development, i.e., urbanization, literacy, radios per 1000, daily newspapers per 1000, steel consumed, energy consumed per person, GNP per capita, and proportion of children 5-14 years old in primary school. The principal researcher noted that "all the elements of society related to communication tend to develop together. Higher per capita income, high literacy, high urbanization tend to occur in the same places. When this happens, a high proportion of children are in school, people have more to eat, industrial development tend to be far along. And radios and newspapers are widely distributed." 14

It is lamentable, however, that economists and development planners have not given much attention to the role of communication in economic development. And that in fact, communication policy - while it may be announced at the highest political levels - is seldom considered in the formulation of development plans.

Hence, one area, apart from actual investment in telecommunications media, that needs immediate exploration is that of research leading to the understanding of the role of communication in economic development. Perhaps research that seeks to examine and measure the relationship of media availability to economic growth is what is necessary to clarify the issue.

NOTES

<sup>1</sup>Col. Rosendo V. Sibal, "Rural Telecommunications Requirements in the Philippines," in D.J. Wedemeyer and M.S. Bissell, eds. Pacific Telecommunications Users: A Spectrum of Requirements. North Holland: Elsevier Science Publishers B.V., PTC, 1987.

<sup>2</sup>Florangel Rosario-Braid, et al. Communication for the Common Good: Towards a Framework for a National Communication Policy. Manila, Philippines: Asian Institute of Journalism, 1980 p. 35.

<sup>3</sup>Ibid. p. 24.

<sup>4</sup>"The Nationalist Agenda of President Corason C. Aquino: Glancing Back, Looking Ahead, Moving Forward." Republic of the Philippines: Office of the Press Secretary, 1989. p. 4.

<sup>5</sup>Ibid., p.3.

<sup>6</sup>Vasudev K. Pai. "Telecommunication Survey Report of the Republic of the Philippines, 1967." International Telecommunication Union, ECAFE Region. p. 58.

<sup>7</sup>Ibid. p.59.

<sup>8</sup>Ibid. p.59.

<sup>9</sup>"The Nationalist Agenda of President Corason C. Aquino: Glancing Back, Looking Ahead, Moving Forward." Republic of the Philippines: Office of the Press Secretary, 1989. p.8.

<sup>10</sup>Eitel M. Rinsoni. "Restructuring Telecommunications in the Philippines," a paper presented at the Pacific Telecommunications Council Ninth Annual Conference, January 1987. p. 198.

<sup>11</sup>Elena E. Pernia. "A Framework for the Application of Cost Analysis to Communication Research, M.A. Thesis, University of the Philippines, College of Mass Communication, 1980 p. 41.

<sup>12</sup>Wilbur Schramm and G.L. Fuggels, "How Mass Media Systems Grow," in Communication and Change in Developing Countries. East-West Center: Honolulu, Hawaii, 1967. pp. 57-75.