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<td><strong>Author(s)</strong></td>
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Paper No. 12
Public Interest vs. Private Profit: Striking the Right Balance in Media Ownership & Control.

CONTRIBUTION BY SINHA RATNATUNGA, EDITOR, THE SUNDAY TIMES, SRI LANKA
AT THE WORKSHOP ON
"MEDIA REGULATIONS FOR NEW TIMES"
15 - 17 APRIL, 1988
ORGANISED BY AMIC (SINGAPORE) AND
THE CHULALONGKON UNIVERSITY,
AT BANGKOK, THAILAND.

I come from "The Old Times"; that of the print media and the world of Newspapers. We in Sri Lanka, and we in the print media in Sri Lanka are grappling with the more mundane issues of criminal defamation, emergency regulations, unofficial censorship on the reporting of a bloody civil war and the like. Not for us yet are the issues that those of the 'New Media' are grappling with, as we heard all of yesterday.

I have also been given a rather old-fashioned subject to speak on. "Public Duty Vs Private Profit". I do not know whether it is an issue anymore. Whether Public Duty has any role to play in future media. There are obviously mixed feelings. Some feel the two can easily harmonise with no real conflict. Others feel Public Duty is paramount. Still others feel, realistically, Private Profit is the only driving force for better, cheaper, more accessible communication facilities in the modern world.

Earlier this morning, Justice Sawant, Chairman of the Press Council of India outlined some facets of the Indian Press. He spoke quite strongly about monopolies in the Indian Media and how Editors are being coaxed, and in fact coerced to serve other business interests of newspaper owners and to use the influence their respective newspapers wield towards vested commercial interests of those magnates.

Most publishing houses in Sri Lanka have other business as well. For instance, the newspaper I worked for some years ago was in the business of publishing books, commercial printing, owning bookshops etc. Another major newspaper publishing house in Sri Lanka owns a popular chocolate factory, assembles radios and TV sets etc. And the company I work for at present is also engaged in commercial printing, owns book shops etc. Related companies manage plantations.

This is a good thing as well as a bad one. Why? Because a beating on the newspaper front can be absorbed by the allied companies. The bad side is
that the Management might just have that hesitation to run a story that could have some adverse effect on its other companies, and the business partners they do business with.

But then they will pay the price with their newspaper for a discerning reading public will spot that flaw in next to no time, and the credibility of that newspaper is bound to take a serious beating. It has happened before, it is happening now, and I don’t want to talk of rival newspapers that have faced the consequences.

By and large I should think, however, the first greatly outweighs the second, i.e. the fact that a newspaper group is insulated from hemorrhaging at the first shock wave sent by a Government purely by the fact that these sister companies can bail it out of any financial difficulties. That is an advantage.

One of the most vivid recollections I have of my earlier publisher was when I had stumbled across some information that was detrimental to the national airline, Airlanka. Before I bothered to write the piece I asked my publisher whether he was giving me the green light to proceed with it.

He asked me what the problem was. I told him that Airlanka has an advertising budget of over a million rupees with the newspaper. And knowing the dictatorial way its Management was conducting its own affairs they would end that contract, poste haste.

That Publisher had only come out of a 3 year closure by the State of his press of which I was then an insignificant reporter. He told me "if it is in the national interest - go ahead". It is this one liner that still reverberates in my ears even today. I knew my Publisher to be a "Published and be Damned" owner. We published. And we were damned all right. In my concluding paragraph of that article I recall having written "It's not that we like Airlanka any less. Its that we love Sri Lanka more". We gave the headline "Is Airlanka taking Sri Lanka for a ride?".

On Monday, the day after the publication, our Advertising Manager received a letter terminating our contract with the airline, and we lost a cool million rupees each year since - big money at the time.

It was not an isolated case. We were extremely critical of the Finance Minister of the day as well. He hit back the way he could. He withheld advertising by State banks and state run corporations coming under his direct purview.

That cost us additional revenue. Public Duty came over Private Profit. Eventually, the newspaper went bankrupt. The State refused to bail it out for many politicians believe if you are not with them, you are against them. My publisher died shortly thereafter a broken, but proud man.

Were we right? Should we have taken on the world? Could we not have criticised just one or two people? One or two inefficient and corrupt organisations would have done to justify our existence. Surely we could have restricted our attacks to the small-time advertisers? Surely we can’t reform the world?

The Airlanka management was eventually thrown out by their collective ears for mismanagement, and the powerful Finance Minister of the day was thrown into the wilderness of the Opposition by the people of Sri Lanka at the next election. But we paid our price too.

My current publisher is diametrically opposite in mannerism and approach.
He is soft spoken, suave, incisive and does not allow his heart to rule his head. He is not the Publish and be Damned type and to balance that inadequacy, he would use his blue pencil to dilute the punch-line judiciously rather than axe it in toto. He is, if I may say, Discretion is the better part of valour type but that is not to say he would not publish material in the public interest. He does.

The end result however is the same, or nearly the same. Not too long ago, he was castigated on a public platform by a one-time President who often clashed with shadows. Government contracts were withdrawn from the commercial printing concern, state banks refused loans and it came to a point when we were seriously considering lobbying Western aid donors, the IMF and the World Bank that keeps the Sri Lanka economy afloat, to suggest to them, that a Government that obtains foreign loans on concessionary rates cannot be allowed to be selective on political factors - about whom they should or should not in turn give loans to, within the country.

So one wonders whether the approaches matter. Politicians have split personalities. Something like an amoeba. One when in the Opposition. The other when in power and place. The margin is as wide as the sky and the earth.

They will promise you Freedom like you’ve never known before and condemn the atrocities committed by those in office who muzzle the Media when in Opposition, to do just as is been done when in office themselves. We call it the Same Difference.

Yesterday, Mr Javed Jabbar, (one-time Information Minister of Pakistan) condemned the use of satellite communication systems by Western broadcast agencies to impose liquor advertisements on countries like his.

It is not only in politics, or in Government-Media relations that the subject of Public Duty Vs. Private Profit would emerge. Take for example the issue of Tobacco and liquor advertising.

This has been a long-standing debate that first surfaced in the West - thanks mainly to the Anti-Smoking lobby which has made vast strides over the years, in the West. Today smoking is prohibited in most work places and its ban is slowly but surely entering the hallowed British pub, the French café and the San Francisco bar, the sanctum sanctorum of many people.

But in places like Sri Lanka one must take a different look at things. Only last month, a Presidential Task Force reported on the effects of cigarette smoking and alcohol abuse. They came up with a scathing indictment on the twin horrors, and recommended that tobacco and liquor product advertising be banned from the Media.

While there is no argument on the bad effects of excessive smoking and consumption of liquor, the Government cannot try to sweep things under the carpet by merely stopping advertising. Only last month there was a case of a provincial journalist from ironically a state run newspaper, who was beaten up, framed, and eventually had his house burnt down by Policemen in the area when he wrote about the illicit manufacture of alcohol, a thriving industry in the provinces.

What has the Government done about the illicit manufacture of sub-standard cigarettes, smuggling of cheap cigarettes, the police-politician nexus in the underworld of the illegal narcotics trade? Nothing.

At an AMIC seminar on Media Ethics in New Delhi a few years ago, I remember
citing the example of the Ceylon Tobacco Company, saying that whatever evil they may be doing in the sale of cigarettes to the Sri Lankan public, they have been a Great Defender of Democracy in Sri Lanka.

This was said at a time when the President of the day had launched an all-out offensive against independent newspapers that were criticising his administration, who by dropping not so subtle Presidential hints to the private sector to withdraw advertising started a throttle - the - free - press campaign. Big Business was prepared to oblige for the sake and safety of their own enterprises. Some did comply readily to be on that President’s good books. Others complied and privately complained. Still others, like the Ceylon Tobacco Company, I must say, chose to ignore those hints.

One might well say that it was business prudence on the part of Ceylon Tobacco. That advertising is the oxygen for cigarette sales. You remove that oxygen and it will choke them and hurt them more than anyone else.

And yet, who are we in the Media to refuse Tobacco advertising? The cost of the production of a newspaper today, at least in Sri Lanka cannot be met by sales alone. Sensational reporting, titillating stories about public personalities, gossip columns might be read and help circulation figures to some extent, but sales alone do not match rising expenditure in the production of newspapers. We sell The Sunday Times at Rs. 17. It costs Rs. 25 to produce it. The advertisements not only bridge the deficit, it brings the profit for future infrastructure development, new machines, better facilities for journalists, bigger budgets to do investigative reports - may be even into the tobacco industry itself.

Are we to say we will not encourage smoking and therefore we will refuse Tobacco advertising? The simple truth is, we cannot afford the luxury of that approach.

So while our public duty must primarily be towards society in general, and therefore partly to discourage tobacco consumption, it is not merely our private profit, but our very survival that would prevent us from refusing tobacco advertisements.

The same is the case with liquor ads. This week like Thailand’s Somrong Festival now on, Sri Lankans celebrate their traditional New Year too back home. The newspapers are full of huge advertisements urging the people to be in the right ‘spirits’ for the occasion. This is the time Advertising Managers are smacking their lips, not so much for a drink, but to show an upward trend on their revenue graphs which I’m sure will please any Boss of his.

This is not to say that it is not the duty of the Media to say what it must when it sees glaring commissions and omissions on the part of the tobacco, liquor or any trade or business that advertise in the Media. It must, irrespective of the advertiser, be in the forefront of crusading journalism in the public interest.

The advertiser, however big it may be, can only be given the privilege of having an extra photograph of its annual Christmas party, or its financial report can be given extra display. Otherwise it must be subjected to all the other criteria that guide professional ethics in the publication of a story.

What is most objectionable however is, when a Government rakes in millions by way of taxes from these industries and then goes on to propose restrictions on them advertising in the Media - without engaging in the more important business at hand - tackling the problem of illicit and adulterated liquor, the manufacture of sub-standard cigarettes and the growing problem of drugs and narcotics in which some of their own party men
and at very high levels mind-you, have a hand because their elections are funded by those in the very business.

As I said earlier, we in Sri Lanka are grappling more with the print media. That is not to say that we are not with the ‘new times’. I think I have just enough time to tell you about our own recent experiences about satellite TV broadcasting. About a year ago, a private TV broadcaster began tapping BBC and Sky TV programmes off-the-air and re-broadcast them to delighted Sri Lankan viewers. Especially popular were live cricket matches during which the TV station made money with local advertisements. They paid no charges for the programmes - only legal fees. Their argument was "who asked BBC to have a foot-print over Sri Lanka; Isn’t BBC violating Sri Lankan sovereignty by sending signals over Sri Lanka?".

It is the Intellectual Property Code that governs regulations in this area and the judges are still a little confused about bits, bytes and terminology in the ‘new times’. A declaration of non-infringement was obtained under the Code preventing BBC from obtaining an injunction. And on each occasion by the time the courts get to grips with the issues, the cricket tournament is over.

So the question of who owns the airwaves is very much at issue in Sri Lanka as well. The TV station compared the airwaves to the water in the sea. We don’t know whether it originates from and where it goes to. Merely because somebody drops 10 dollars into it he does not own part of the sea. It belongs to all.

But that TV station owner was called a ‘pirate’ at cocktail parties. He thought he was doing a service, a Public Duty more than Private Profit. I think he was doing both; a Public Duty and making a Private Profit. Unable to take the snide remarks - and some hostility from the State TV which was losing out and running to the Government Minister in charge of Media to cancel the licence of the private channel - the owner sold out. The new owners are now inundating the people with popular Indian films and the new Indian pop-culture probably also blending Public duty with private profit though many ask the question about the invasion of Indian pop-culture into Sri Lanka being detrimental to our own culture, which in any event is of Indian origin.

A bi-partisan Parliamentary Select Committee has been appointed to go into Media Law Reforms in Sri Lanka. I’m sure they will be more concerned with the old times - i.e. the print media. One could justifiably say that many of our Legislators are in Cyber-space themselves when it comes to the Electronic Media; Internet and now E-commerce.

So I would presume they would try to modernise the print media laws keeping to the trends of the modern democratic world, and leave media regulations for the ‘new times’, for another time.