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BROADCASTING LEGISLATION
AND THE CONVERGENCE OF MEDIA TECHNOLOGY

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A PAPER FOR THE AMIC CONFERENCE,
SINGAPORE, JUNE 3, 1996

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ABSTRACT

BROADCASTING LEGISLATION AND THE CONVERGENCE OF MEDIA TECHNOLOGY.

Paper for AMIC 25th Anniversary Conference

Broadcasting - and Broadcast Journalism today - is expanding in technological terms at a rate undreamed of several years ago. The technological advances move onwards constantly, allowing broadcasting journalism and information to flow across borders that makes legislation a problem for those countries wanting to control the flow of information from outside and from within.

There is a convergence of technology which now means that as well as terrestrial and extraterrestrial transmissions there is also the cyberspace transmission of information as well. This is causing a challenge for the future in professional broadcasting as well as university education aimed at preparing the students of the future for such job markets. Convergence requires decisions about ethics, professional standards, and the effects on national cultures of international transborder transmissions.

The enormous amount of new technology that the press and broadcasting is using: databases of all kinds, both public and private; internet; electronic bulletin boards; nexus/lexus...and the fast emerging capabilities of receiving audio and video through internet all for the dissemination of information also need to be considered. All of these are now available to journalists and broadcasters; and must be available to and used by journalists and journalism students of the future. In this paper I look at how convergence will affect broadcasting legislation, and attempts by countries traditionally keen on controlling the flow of information to expand their control. The paper also explores Broadcasting Laws - those already in existence and those being developed. Examples are drawn from Australia, Singapore and other countries in the region and two case studies are developed relating to China and Hong Kong. The next 25 years will be even more momentous - we need as communicators and journalists to have a view of the future which will enable us to continue to safeguard the essential freedoms associated with free flows of information. All these issues are explored in this Paper.
INTRODUCTION

The beginning of regular commercially licensed sound broadcasting in the 1920s caused a major media revolution which ended the print monopoly and opened the doors to the more immediate and pervasive electronic media. Today a new media revolution is underway, caused by technology. Today when we discuss media, we no longer simply think of the traditional forms: newspapers, television, radio, books and magazines. In this age of digital technology, we also have to include cable television, telephone and computer companies, and as we move towards the millennium, all these separate media are converging. We now find newspapers selling database information; books repackaged on floppy discs; encyclopaedias on CD-ROM; and telephone and cable television companies developing on-demand delivery systems for movies and other programmes from video storehouses. The old models don't apply any longer. Technological evolution is piercing the barriers between industries. Convergence is the result.

"In the ways that mechanical printing presses and ink-on-paper publishing have defined the present era, it now appears likely that personal electronic presses and multimedia publishing will define the new".

Historically, the Asia-Pacific region has had an underdeveloped broadcast base -- both in programming and technology, and certainly in news. Things are now changing rapidly. The current expansion is about 10% a year. The number of households with at least one TV set has increased by 70% in the last 5 years. And the potential audience : about two billion.

The technological advances move onward constantly, allowing broadcast journalism, information and entertainment to flow across borders with impunity. This media globalisation is also being affected by media convergence. Legislation is therefore a huge problem for those countries wanting to control the flow of information from outside and from within-- legislation which will have to deal at the same time with the globalisation and convergence issues.
Although globalisation and convergence are inextricably linked, in this Paper I am limiting myself to some personal reflections about Convergence and Regulation in our region, basically looking at what is happening - and what might happen. I have been fortunate enough to have worked in broadcasting and academic life in the United Kingdom, Australia, Singapore and Hong Kong, and have made a special study of the problems in these and other countries of the region. I will also develop a possible solution out of two case studies, China and Hong Kong, with some references on the way to the Australian and Singapore experiences.

CONVERGENCE

Convergence is occurring because of rapid technological development and is a by-product of a proliferation of celestial hardware.

In 1991, two satellite operations provided transnational services in the Asia-Pacific region, Intelsat and Indonesia's Palapa. Today there are more than nine satellite systems covering the region. And more are coming. By the year 2000 there could be as many as 900 satellite transponders serving the region.\(^4\) Transborder broadcasting is forcing governments to review their domestic broadcasting policies and embrace a degree of liberalisation thought impossible a few years ago. At the same time there is legitimate concern that local cultures may be de-stabilised by the flood of foreign signals that now rain down on the countries of the region. These social effects can have far-reaching consequences. I do not however equate globalisation with the debate on cultural imperialism, a phrase I will use twice only in this Paper. In fact cultural imperialism is not just something which affects developing countries. It affected Europe in the late 1980s when cross-border satellite television started and public broadcasting lost its monopoly.\(^5\) The member nations of the European Community have to ensure freedom of satellite television reception and cannot restrict retransmissions on their territory of any EC broadcasts which meet certain minimum conditions. Asia is currently arriving at the point where Europe found itself ten years ago: transborder globalisation.

Take STAR TV for example. When it began operating in 1991 it immediately opened a new horizon for information flow in the Asian region.\(^6\) Or as Paul Lee has put it: "Of all satellite
ventures in the region, the growth of STAR TV, Asia's first commercial satellite television service is no doubt the most noteworthy.\textsuperscript{7}

Or as Rupert Murdoch himself put it: "Advances in the technology of telecommunications have proved an unambiguous threat to totalitarian regimes everywhere....Satellite broadcasting makes it possible for information-hungry residents of many closed societies to bypass state-controlled television channels."\textsuperscript{8} STAR now claims over 220 million regular viewers in 12 nations,\textsuperscript{9} and has stimulated a flood of other transnational satellite TV services including many US cable channels, a range of new region-based commercial services and even channels from some Asia-Pacific public service broadcasters including the Australian Broadcasting Corporation, NHK from Japan, and the Indian state broadcaster Doordarshan.

So in five years, the region has moved beyond the old model of broadcasting, state-owned network complemented by one or two highly regulated commercial services, to a region where the world's most powerful media interests are all challenging each other for huge audience attention.\textsuperscript{10}

As reception technology develops, the size of the dish and the cost of associated electronics drops dramatically. The reception footprint is getting bigger; and regulatory distinctions are becoming blurred, for instance, between high-powered DBS and mid-powered satellites which operate under different rules but are still capable of delivering a proper service to individual homes. We are already down to dishes of about 2 feet diameter for even mid-powered satellites.\textsuperscript{11} This diameter is already decreasing even further. I remember someone telling me in Australia a couple of years ago when I was manager of the ABC's FM network, and on a committee looking at satellite distribution of the network, that it wouldn't be too long before someone in a car would be able to put their DBS aerial up and drive across the Nullabor Plain with ABC radio all the way, unfading, unchanging, in perfect digital quality.\textsuperscript{12}

The converging media structure is three-pronged: programming of various types for various media (symphonies to sitcoms to faxes), communication links (copper wire, fibre optic cable, satellite and terrestrial broadcast) and end-user devices (cellular and wired phones, television,
desktop and mobile computers, intelligent communicators, CD players, fax machines...and who knows what else we haven't yet thought of but are probably just around the corner). They will all interact with programmes and data at home, at work or in the field. Media convergence is all about encoding or reformatting new or existing information into several different products for transmission over a variety of telecommunication vehicles to satisfy different customer needs.

Media's convergence can be seen in the growing number of specialised information services giving data of every sort and in different formats (on-line, CD-ROM, digital tape, fax etc.).

Newspapers are a bit slow, but they are also jumping onto the convergence bandwagon. You've only got to look at internet, lexis/nexis and the Web to see how quickly newspapers are developing this new medium. Take for example the *Los Angeles Times Online*. It has a feature called Hunter which allows you to customise your own newspaper. You can specify the areas on which you wish to read articles and it puts them all into your own customised version of the LA Times. And it's free! As the phone, television and media systems converge, something else is happening: the internet -- which is not part of broadcasting media -- is converging with these more traditional media forms. In the latest internet developments, it is now possible to receive from broadcasting organisations their news bulletins in text, and now in audio, and in some cases video as well. RTHK in Hong Kong for example gives internet users free access to its audio Chinese news bulletins and RTHK television gives access to a whole library of video clips, inserts and movies. Convergence is occurring because we are only now realising the potential of broadcast and cable systems.

Cable systems alone will deliver a world superhighway not only able to carry about 200 channels but also to integrate telephony and a whole new range of broadband services. Which brings us to Regulation.

**REGULATION**

Convergence together with these rapidly developing technologies is making it extremely difficult for governments to develop regulatory policy fast enough. After a survey of the broadcast industry in Asia, Rubin said that there is no country on the Asian mainland where television can
be considered an "independent" or "pluralistic" medium. He believed there to be five patterns of media control in Asian nations: (1) direct control through state monopoly; (2) control by licensing and self-censorship; (3) emergency regulations and national security legislation; (4) media pressure from politicians and owners; (5) violence against journalists.  

Convergence requires decisions: decisions about ethics, professional standards and the effects on national cultures of international transborder transmissions. All these decisions mean regulation of input and output.

The question is how far should - and can - regulation go? To give just one small, and relatively inconsequential example: when I was writing this Paper two of my students appeared at my door. They wanted to discuss reporter ethics and standards on television. As they started to talk, I realised they were referring to a piece that had been transmitted by a local Hong Kong TV station done by a local reporter on February 14, St. Valentine's Day. It would then also have been transmitted to other parts of the region. The small piece ended with the female reporter being kissed by a male reporter who simply walked into camera shot and did it. That was in the Chinese version. I saw that, but also - unlike my students - saw the subsequent English version later that night, when the tables were turned and the male reporter did the piece, at the end of which the female reporter walked into shot and kissed the male reporter...and it wasn't a small peck on the cheek either! Then, as though that were not enough, she gave him a single red rose.

My two budding reporters were writing a project about broadcast journalism ethics and wanted to know whether such a scene meant there was a difference between Asian and Western values (news, culture and ethics); and would this piece have been run in the West. An interesting point - but one that would have to be taken into account, say in transmissions to many parts of the world---to Malaysia, Indonesia and elsewhere for example. In Hong Kong, my Chinese students felt, the whole thing was offensive---and wanted to know whether it was just them or would it be seen as such elsewhere as well. Would the ABC, for example, run such a piece in its output, and thus risk offending some parts of the Asian footprint? And if it didn't run it, would this have been censorship or cultural sensitivity?
Current Press and Broadcast Laws are only valid within the borders of the state concerned, although this may change. Already Singapore for example is discussing with its neighbours possible transborder laws relating to the Internet and to broadcasting. Any future regulation will have to safeguard the essential freedoms associated with free flow of information.

In Indonesia, the government monitors all satellite broadcasts and filters out those thought to be politically, socially or culturally sensitive. But it also gives considerable government subsidies to local private channels in which foreign ownership is prohibited. There is also the mandatory requirement to broadcast at least 70% local programming. Which gives an important boost to local production, the antidote to international cultural imperialism.

China, Singapore, Malaysia, Vietnam and Brunei all prohibit private ownership of satellite dishes.

Thailand has an open skies policy, having already concluded—as indeed have many of us --- that there is little point in trying to stop their populations from plugging into foreign satellite broadcasts because of the nature of modern reception technology.

The regulatory framework already exists in many Asian countries to restrict foreign media imports. In South Korea for example, only 20% of television programming can be imported while in Vietnam the figure is about 30.

Singapore's own satellite broadcasting service (SCV) carries mostly domestically produced programming in Mandarin, English and Malay. In Malaysia local production is likewise being encouraged by tax incentives and subsidies.

In Taiwan, the picture looks rather different. Broadcasting law has been liberalised and government authority to control media has ended. Legalisation of home satellite dishes has opened the door to foreign programming, allowed rapid growth in the industry and rendered state monopoly of television irrelevant.

However, some other countries have had problems with their international news values. When the Australian Broadcasting Corporation, with its fiercely independent news service started Australian Television International in 1993, it said it would censor non-news programmes to
avoid offending countries such as Indonesia and China.\textsuperscript{24} News was excluded from any censorship, although there were considerable disagreements between news and management over whether there was some "toning down" of broadcast segments to cope with Asian sensitivities, particularly those of Indonesia.

In my view, a good and practical defence against transnational television (and radio) is not heavy regulation but local broadcast development to encourage better local quality production values, a rapid growth of local broadcasters to provide a more attractive local choice, and better technical infrastructure. In order to do this it is probably necessary to regulate lightly through some kind of Broadcast Authority (such as exists in Australia and Singapore) which would also introduce a local content clause of some kind together with a greater emphasis on self-regulation. International broadcasters cannot be local. All they can do is provide a transnational approach, which in fact also means a view as seen by the host broadcaster of events and cultural entertainment. I speak as someone who has long believed in the essential localness of news and information services as an essential prerequisite of public service broadcasting. Exactly the same applies in this new international plethora of satellite and cable services.

There is always the possibility, as the Asian Broadcasting Union would wish, for some kind of self-regulation.\textsuperscript{25} And the Australian regulator, the Australian Broadcasting Authority, has also actively sponsored various forms of discussion between providers throughout the region to try to get a better understanding on issues of programme content. But as of this moment, control of transnational services in our region still remain, unfortunately, in the hands of the huge multinational corporations, and these of course all find their way back eventually to the United States. And in the United States, the urge to go transnational is stronger than ever---not just within the major network players, but also within the lesser known more "propagandist" areas of broadcasting.

As the Internet converges with the Broadcast media, regulation may have to deal with a number of additional problems. For instance, violations of intellectual property rights, government eavesdropping, computer break-ins, electronic libel and freedom of on-line speech continue to be
important issues needing resolution. Unauthorised access to protected computers, distribution of illegal child pornography and unrestricted distribution of copyrighted software have tarnished the image of this cyberspace heaven and will probably need some rationalisation through regulation of some kind or other.

Some countries are already getting there. Singapore, Australia and China for example. Others, like Hong Kong, aren't! In Hong Kong, a Broadcasting Bill has been put on hold. The government is considering asking service providers to block pornography and violence sites. The government is considering whether to let providers self-regulate rather than impose official standards. A Hong Kong inter-governmental committee is working on the problem and will present a series of options to the service providers later this year. In Singapore, Internet was brought under the control of the Singapore Broadcasting Authority at the beginning of March this year. The SBA said it would "concentrate on areas which may undermine public morals, political stability and religious harmony in Singapore". The three Internet access providers in Singapore - Singnet, Pacific Internet and Cyberway - will all have to be licensed and registered. So will all those who provide or resell services in public places such as schools, libraries and cybercafes. Political parties, religious groups and others who have their own internet sites to discuss Singapore, politics or religion will have to register with the SBA. Electronic newspapers looking for paid subscribers will also have to be registered. In other words, Singapore laws apply to communication via the Internet, just as they do to other media.

Many believe that Singapore has clearly introduced these measures for political reasons, although the official reasons are to keep in check abuses such as pornography, hate literature that sows social or religious discord and criminal activity.

According to Brigadier-General Yeo, Information and Arts Minister, Singapore has also started discussions with other Asean countries on how to prevent each country from providing an electronic "sanctuary" for those who use the Internet to criticise other countries.

It is interesting at this point to note that the statutory functions of the SBA include, among other things, ensuring that broadcast material is not against public interest or order, national harmony,
good taste or decency. In a statement announcing the regulation of Internet, the SBA said: "By licensing Internet content providers, SBA also reinforces the message that the laws of Singapore such as the penal code, Defamation Act, Sedition Act and Maintenance of Religious Harmony Act apply as much to communications on the Internet as they do to the traditional print and broadcast media." 30.

In Australia the regulators and the legislators are also moving in. The Australian Broadcasting Authority is about to publish the results of an inquiry into on-line services. Reading the script of a recent ABC Media Report programme on the Internet, I discover that the ABA will be preferring a less restrictive approach than the US model, opting for self-regulation of the on-line industry rather than any dramatic intervention. 31 Perhaps our distinguished Panel member might give some news on this matter!

In China, 32 the Internet is growing rapidly. 33 China is the seventh largest personal computer market in the world and it is estimated that this year it will overtake France. 34 As Chinese Minister of Posts and Telecommunication, Wu Jichuan, said: "by linking with the Internet, we don't mean absolute freedom of information." 35 The Chinese government has never wavered in its determination to maintain its control over information and extend its censorship policy to communication over the Internet. 36

CASE STUDY ONE: CHINA 37

China is fast developing its telecommunications sector with major projects for the research and development of advanced telecommunications equipment, the addition of 16 thousand kilometres of new fibre-optics lines to the national network and the establishment of 560 thousand long-distance circuit terminals to link towns and cities in the east and central-west. There are also plans to extend the national satellite communications network to a total of 19 satellite earth stations. 38 Cellular phone subscribers are now greater than two million. China has embraced telecommunications as an essential element in economic advancement. Spending in this area is growing faster than its GDP. 39 It is currently installing the equivalent of France's entire telecom network every two years, with a target of adding 70 million exchange lines to its existing 40
million by the year 2000. This will make it possible for 9 percent of the population to have their own phone line, compared with Hong Kong's present ownership estimate of 45%.

Under the existing regime the Ministry of Posts and Telecommunications has overall supervisory authority over the telecommunications industry. Secondary telecommunications networks can be operated by non-MPT entities.\textsuperscript{40} The State Council has authorised China Unicom Communications Company (also known as Lian Tong) under the Ministry of Electronics Industry to oversee secondary telecommunications networks. This has effectively broken up the MPT monopoly and is being seen as a crucial step in reforming China's telecommunications industry. Whilst MPT has the dominant influence in the telecommunications sector, other ministries have some impact. The Ministry of Internal Trade and the Ministry of Radio, Films and Television share the regulatory duty in respect of ground-based satellites for television and broadcast reception equipment. Currently, radios and satellites that deliver foreign programming face obstacles in the PRC. Guandong has already set up its own local Post and Telecommunications organisation to specialise in the manufacture, design, engineering, research and information services.

In a more general context however, there are significant policy considerations resulting from convergence issues in China, and the subsequent issues concerning regulation and de-regulation.\textsuperscript{41} One of the major policy considerations the PRC will have to take into account as a result of convergence is its ability to control access to information.\textsuperscript{42} The desire to control the accessibility of information arises from a desire to control content. Broadcast technology and the spread of digitised communications networks mean that people can receive information from other countries without the intervention of a centrally controlled facility that would make censorship easy. Information transported on this system is highly compressed, often encrypted and where broadcast is concerned, can be received anywhere within the satellite footprint. National boundaries are therefore not a barrier. There is no doubt that the PRC will have to develop better mechanisms for the protection of intellectual property rights of authors, for example, producers, distributors and service providers.
In China, with less than 2% telephone penetration, television reaches 81% of the population. In urban areas television household penetration jumps to 95%. China is without doubt the world's largest market based on viewing size. Most watch national or local broadcast stations, but in the future they will increasingly be watching cable.

Cable TV in China is widespread. In the 1960s state manufacturing enterprises set up their own rudimentary private cable systems as part of a benefit package for workers so that they could receive clear TV reception in their homes. These work-unit systems were usually not linked to each other or technologically compatible. They charged a very nominal subscription fee. In the early 1980s the State Council approved a proposal that required all new buildings to be equipped with Master Access television (MATV) to provide better reception and eliminate the overabundance of aerial antennas. In 1988 local governments began to link together these small reception networks -- each of which averaged about 400 subscribers all residing in the same building -- with coaxial cable and head-ends to create what is now referred to as an urban network. By the early 1990s, Beijing had grown increasingly concerned about the direction of the cable industry's development. First, though the government had adopted rules stipulating who could install and operate cable and satellite systems, many systems were being installed illegally, thereby denying the government subscription revenue and control over programming content. Second, Hong Kong-based STAR TV began broadcasting unencrypted programmes across Asia. For the first time significant numbers of Chinese residents could receive direct, uncensored foreign programming. All they needed was a satellite dish --- and people began buying them in great numbers. Estimates put the figure of satellite dishes in 1993 between 600,000 and 1,000,000.

Something had to be done. China developed what it called the "Singapore model" for the industry. In Singapore the government outlawed all satellite dishes and reception by private households of international satellite transmissions. Singapore only allowed development of a cable system in order to contain what it saw as a great demand for television programming. A cable system was selected over DBS feeds, because cable programming could be easily reviewed.
and censored before being aired to the public. Thus the Singapore model allows the government to pre-screen programmes, sorting out concerns about programme content without anyone being the wiser. China liked this form of easy regulation.

The result was the infamous State Council Proclamation No. 129, the regulations on receiving Satellite Broadcasting, which became law at the end of 1993. This almost entirely banned the purchase, installation and use of satellite dishes by individuals. The new law requires special permission to operate satellite equipment or face losing it and fines of between US$600-6,000. As Yu Xu says, the new law proved very difficult to enforce until detailed implementation rules were issued in February 1994 by the PRC Ministry of Film, Radio and Television. Only those from higher-level educational, scientific or journalistic institutions, hotels with at least a three star rating and residential buildings expressly for foreigners and Chinese from Hong Kong, Macao and Taiwan would be able to receive satellite transmissions. According to Yu Xu, these regulations seemed to be effective. But in the meantime Beijing speeded up a new system of cable TV which, unlike satellite transmissions, allows censorship and makes it easy for information control. Consequently it was decided that every major city in China would get cable TV. The rules governing overbuild (having two or more competing systems in one market) as well as just who has authority to award licences are still unclear and different government authorities are authorising systems that compete and overlap each other. Regulations of broadcasting - particularly cable- are unclear and their interpretation seems open to constant revision.

But there is no doubt China is worried. For example, within 12 years it is estimated there could be between 50-80 satellites beaming signals to Asia. So there is no doubt China is closely watching international developments, particularly with regard to regulation and convergence. A number of government ministries currently exercise control over different aspects of the broadcasting industry. In some cases, jurisdictions overlap, particularly when it comes to satellites and no organisation, in true civil servant fashion, is willing to abandon its claim to
participate in the satellite industry whether it be involved in design, manufacture, sale or use of the equipment for broadcasting purposes. There are currently six main regulators in China:

- The Ministry of Radio, Film and Television (MRFT) which regulates all aspects of the television industry. It collects licence fees; it requires satellite-dish owners to pay to receive broadcast signals. Provincial and local MRFT bureaux are developing local cable TV projects under the guidance of the central office in Beijing.

- The Ministry of Posts and Telecommunications (MPT) develops and licences telecommunications networks, including telephone, fibre optic and coaxial cable, low- and high-band computer modems, and audio and video transmission networks. Some local MPT bureaux are also involved in cable TV network projects.

- The Ministry of Electronic Industry (MEI) develops and licences electronic components for satellites, microwaves, VCRs, televisions and computers. It is also beginning to branch out into areas traditionally under MPT control such as satellite-based telecommunications networks.

- The China Aerospace Corp (CASC) which was a spin-off from the former Ministry of Aeronautics and Astronautics in 1993, oversees development of China's space satellite industry. While foreign ownership of Chinese satellites is banned, CASC has allowed several satellite-related projects to have foreign investment and co-operation, including manufacture of satellite receiving systems.

- The State Administration of Industry and Commerce (SAIC) regulates the advertising industry but is also involved in the development and manufacture of microwave and satellite reception equipment.

- The Peoples Liberation Army (PLA) develops, manufactures and retails microwave and satellite receiving equipment.

On the other hand there is Murdoch, fixated as he clearly is with the possibilities of China markets. It looks as though China now wants Murdoch help in their own efforts to build and control a national satellite television network. News Corp and China Central television are now
negotiating their own joint ventures in which, it is assumed, CCTV would use STAR TV's new Asia Sat II satellite. In exchange STAR programming would go to CCTV's infant pay-television network. According to a recent Newsweek article on Murdoch52 STAR would for the first time be allowed to collect revenues from Chinese viewers. CCTV would get a much-needed boost in both satellite capacity and programming - a critical plan to wire itself up to millions of Chinese households solely controlled by Beijing.53

CCTV, China's sole nation-wide television broadcaster is already linked together in an impressive cable-TV network. The plan is that each local cable operator will be tied to CCTV by an encrypted satellite signal. All will be required to buy only CCTV-sanctioned shows. It would then become the primary provider and watchdog over a staple diet of cable programming, mainly sports and movies. CCTV would then be able to put four additional pay channels on satellite, doubling the number currently available. CCTV is also, it seems, developing in-home decoders, capable of delivering premium programming to customers willing to pay for it. Currently CCTV has deals with about 300 local cable operators throughout China and reaches 12 million homes. It costs about the equivalent of buying 20 imported cigarettes per household.

But the Ministry objective is a tightening of control by more legislation. "By the start of the next century...programmes will be broadcast through one satellite, received through one ground station and transmitted through one cable"54

In Beijing today well-heeled young women and men work at computer terminals, watch educational videos, send electronic mail and read foreign magazines. In Guandong, millions of people get their news from two Hong Kong television stations. With an illegal satellite dish they can get another 18. Despite the ban on such dishes they are still very much in evidence on the Guandong landscape.

Radio is also moving away from the Party Line. Talk Radio now abounds in the large Chinese cities where people's frustrations and desires can spill out anonymously across the airwaves. On Guandong radio there is regular criticism of the government by callers. It's still not American or Australian talk radio---but it's moving onwards. The Beijing Peoples Broadcasting Station's
evening "hotline" receives thirty to fifty calls a night. People bring up subjects they would never
discuss with co-workers or family. In Shanghai both the Mayor and Vice-Mayor have responded
to critical callers on air.55 Even more interesting is the rise of sexually explicit talk shows in
China. On Sunday nights listeners all through China tune their radios to "Midnight Whispers".
The sexual-advice call-in show, broadcast from Shanghai, gets fan letters from as far away as
Inner Mongolia, 1400 kms to the north.56

CASE STUDY TWO: HONG KONG

The South China Morning Post report of January 28 this year had a headline: "Dithering on
broadcast policy has cost Hong Kong dearly". And it began: "The news that Hong Kong
Government has abandoned its plans to create a comprehensive Broadcasting Act was greeted
with quiet glee in Singapore today".

And the second paragraph gets even worse: "When government officials, broadcasters and TV
production specialists were given the news they must have barely restrained a cry of "I told you
so".57"

The result is vast regulatory uncertainty which will continue well beyond 1997. The official
reason for shelving the new broadcast legislation was that matters with a "higher priority" needed
urgent attention: matters such as the need for rules on video-on-demand services, deregulation of
the pay-TV market and an official response to a Consumer Council report on broadcasting.

About three months before this announcement, I was asked for a comment by a reporter writing
a story on the issues for the South China Morning Post, and I said: "it'll be put in the "too
difficult" basket and won't go ahead". And it was. The promised update has been promised since
1992, and even earlier. The Bill, which was originally targeted for legislation in 1994, would
have merged three major laws - the television, telecommunications and broadcast ordinances - and
would regulate terrestrial stations, pay television, satellite broadcasting and VOD.58

Back in 1985 after HongKong Telecom announced plans for a cable TV system, the Broadcast
Review Board recommended the creation of a cable TV system which could have been in business
within two years. But the government departments concerned dithered. And as civil servants do
all over the world when they don't know what to do and it all seems "too difficult", they set up a series of reviews. Eventually CABLE TV started but another important recommendation for the liberalisation of the HK industry - "corporatisation" of Radio TV Hong Kong was put on the back burner, at a time when Singapore was rapidly moving towards privatisation of SBC and the unashamed wooing of international media companies to build their Asian centres there. WHARF CABLE started in Hong Kong in May 1993 - three years after STAR TV. STAR had to be given a special dispensation to operate since there was no regulatory mechanism in place. Hong Kong has attracted the foreign-owned STAR TV, CNBC Asia and Turner International satellite TV services along with the locally owned CTN and CETV networks which are basically targeted at the Taiwan market, together with the satellite service of TVB, TVBS (superchannel). But the lack of a Broadcasting Authority - or a composite Broadcasting Bill - has caused problems. For example, CNBC is currently carried on WHARF CABLE as part of the original Cable agreement. In April this year, NBC launched its Asian entertainment channel in Hong Kong but no one in Hong Kong can get it. The only subscription television operator, WHARF CABLE, which has now had its monopoly extended because of the failure to complete the Broadcasting Bill, was blamed for not having enough channels to carry the service. It might have to share the CNBC Business service which does go out on WHARF. NBC Asia is available over cable in the Philippines, Thailand, Taiwan and China and carries programmes including the nightly news, news magazine shows and the Today programme---but not to Hong Kong. The government, in deciding not to pursue the promised regulatory framework, has refused to issue new pay-TV licences and has renewed CABLE TV's exclusive licence until a new review is completed in 1998.

The lack of a proper Broadcasting Authority in Hong Kong is costing the industry -- and Hong Kong -- a lot of money, and Singapore is benefiting. A critical mass of international broadcasters have set themselves up in Singapore - nine at last count - as a direct result of the way its Broadcasting Authority operates. With the likes of Walt Disney, HBO Asia, Sony Entertainment Television, MTV Asia and Asia Business News all choosing Singapore over Hong Kong it is understandable that Discovery Asia documentary channel and the ESPN sports channel have also
moved there. And while Hong Kong continues to dither, Singapore has also opened a brand new, privately owned, fully licensed US$27 million technical facility, Asia Broadcast Centre, to service the TV operations in Singapore.

CONCLUSION

Television programmes tend to reflect the values of the country of origin. Even if non-political in character they are never value-free. They may be valued as good, bad or indifferent artistically but the real point is that they do not foster local values but the values of some other culture. Nations with tender new communications systems can be dominated by the strong ones.

For some small nations there may be other problems. Under international regulation all nations can have certain rights to pieces of the frequency spectrum. These are like property rights in outer space. What is given by regulation can be lost if the regulation collapses and their positions in Space can be taken by a stronger, more predatory country or culture or ideology.

The prospect of every person with their own satellite dish, receiving television programmes from anywhere in celestial space, is making nations everywhere search for defensive alternatives. Faced with losing control over the television signals entering their countries, and thereby over the whole structure of their broadcast communications, they have three options. They can impose restrictive laws; set up external barriers in the market place - for instance by establishing technical standards incompatible with those of other countries and making it uneconomical to try to overcome them; or by giving financial incentives to the domestic market to allow it to compete and beat the international broadcasters -- the local option.

The strategy for the future which will protect the local society and its culture is to multiply the choices from within. The history of the BBC shows how this can work. In the 1950s, popular commercial programming from Luxembourg, complete with hit tunes and breezy chatter, competed with the long-standing radio monopoly of the British Broadcasting Corporation with its staid and high-brow image. Later it was followed by the pirate stations from ships offshore such as Radio London, Radio Caroline and Radio Luxembourg. Rather than lose its appeal to younger British listeners altogether, the BBC had to revamp its image and its programming into producing
the popular Radio One. That and the introduction of commercial radio into the UK brought the audiences back to the British rather than to off-shore programming.⁶⁰

Some governments of course argue that rather than make their own programmes more palatable and easier to watch, it is economically and technically preferable to pass programming through a new kind of filter...and in China of course that filter is decreed to be a professionally controlled cable system. With cable the principle of a national filter is retained even as the choices of programmes multiply. The market can be rigged to inhibit the spread of satellite reception directly by individuals. The trick is not actually to ban direct reception but to discourage it by technological standards and an economic structure that makes cable cheaper for the consumer. Cable can then be regulated because it is always, somehow, a public franchise.

Any form of regulation which aims at more viewing and listening options, by whatever technology, should first strengthen the local programme base.

It's not so much that "we can give you 500 channels".....the real question is " but 500 channels of what? Any regulation—-or lack of it --- should be aimed at providing a service to the overall public, rather than allowing direct competition for the sake of making money. Some degree of government involvement may well be needed to provide ground rules and give some bridging financial help.

In theory the more international broadcasting the better---greater viewer choice is theoretically a good thing. But only if there is real choice, enriching the viewer, rather than programmes manufactured for largest audiences at lowest cost; or everyone running a Soap Opera at the same time every day. The danger is that a multiplication of television options may homogenise the localness of the output, and eventually make it disappear.

In 1993, addressing a conference in Mexico, the then chairman of the Australian Broadcasting Authority, and now the Managing Director of the ABC, Brian Johns, said: "In Australia communications has been tightly regulated with rigid and stand-alone regimes for telecommunications and broadcasting. The discourse about convergence has created the
expectation that all our problems will go away if we somehow merge these discrete regulatory functions. But this ignores the question of what we are regulating and why."^61.

In its broadest sense the terms multimedia and convergence mean a marriage of technology and commerce with advances in one propelling the other. As the technologies of communications, media and computers change into a host of devices and delivery mechanisms that can liberate information and potentially satisfy any demand for knowledge or entertainment, the old rules for separate technology-driven markets no longer apply. Industry convergence is a regulator's nightmare because it changes control.

Regulators and governments will have to revisit underlying policy objectives. Traditionally telecommunications was defined as private information and broadcasting and the press were defined as public information. That line has disappeared now that we have interactive, transactional, transnational information and entertainment services.

Simply keeping old regulations in place in the face of the new convergence of media simply won't work.

The drive of any regulation of the onrush of media convergence and the resulting broadcast policy that must eventuate should be to put national identities and cultures first; not to create, by deregulation or a "do nothing and hope it all goes away" model, a synthetic international culture with a harmonised American media model for everyone, everywhere. Each country should have government support for services which bolster the strong national cultures and identities of the region.

Today the printed word changes to the visual image; the computer screen becomes a cinema theatre, the telephone changes into a combination of TV and computer. Multimedia is the future. But there are things to sort out. For example, television, a broad-band signal destined for fixed locations, may be better delivered over cable or fibre optics rather than terrestrially or celestially. Voice communications are narrow-band and destined for mobile locations and so could be more efficiently delivered through radio and cellular systems. We will probably soon be answering our television sets and watching our phones!
This technological revolution ought to liberate; open borders, expand horizons, get rid of boundaries. We must be careful it doesn't enslave instead!

1. Twelow, Jules, "Newspapers and media convergence", Editor and Publisher, June 123, 1993: 96
6. Yu Xu, "Dilemma in Information Management: STAR TV and Beijing's Control of Satellite Broadcasting", Issues and Studies, vol. 31, no. 5 May 1995
8. Yu Xu, op.cit.
9. information from STAR TV and Frank Small & Associates
10. But the advance which will have the major impact on satellite transmission is **DBS---Direct Broadcast Satellites.** We are passing from the era of the low-powered distribution of satellites, which transmit programmes through the filter of a broadcaster or cable system, into the era of the Direct Broadcast satellite with a higher-powered signal which can go straight into the individual home. DBS is a remarkably efficient way to deliver transborder data, including the many streams of video and sound for which we now have such a global appetite. The initial costs are high, but the subsequent cost of adding new reception points is fairly low and uniform for all customers in the system. The cost of maintaining the system is fairly low. And, better yet, upgrading to take account of new technological developments is easy. DBS globally will mean a poorer localised service. And **Localism** is the key to the future of regulation policies. Under DBS all types of countries will have the technical capacity to arrange these direct transmissions to the public throughout the world—unfiltered. The transmissions have little respect for existing markets, for national boundaries, for copyright and artistic properties for the established political and power structure of broadcasting. Countries WILL want to regulate, and quickly, because DBS makes it possible for an unregulated -- **but international** -- converging invasion into traditional domestic markets.

11. In addition, a Direct Broadcast Satellite, beyond the edge of its normal transmissions can become a communications satellite to larger dishes. So you add this simple ability to pull a distant foreign signal into a local cable system and send it into individual homes from there (and this of course is what China is doing). The cable system then reduces the cost of very expensive and sophisticated equipment.
12. discussion with the Director of ABC Radio in 1994.
13. Some newspapers are scared of this new convergent revolution - but then that's nothing new. History has shown that when new media developments occur, existing media elements not only remain but become stronger in their own right. When radio was invented, newspapers thought broadcast news spelt the end of the line for them. It didn't. People realised that newspapers were needed as well. When Television came along, everyone thought radio was dead. It isn't. Similarly, I suspect, as the media converges into something new, print and broadcasting will remain, possibly fulfilling a different need, but still there as part of the ever widening range of choices. The worst
The mistake anyone can make - journalists or academics among them - is to believe that convergence will throw out all existing individual elements to replace them with only one new composite system. It won't. People will still do what they've always done since the time of Caxton. It's just they'll do more of it, differently!

14 The address is: http://www.latimes.com/stamer@erols.com
15 all that is needed is internet access to the RTHK homepage, and it tells you what to do. The address is: http://www.prognet.com/prognet/pr/rthk.html
16 Long, p 42
20 Cohen, M., “This is a Test”, Far Eastern Economic review, January 1993, pp 51-53
22 Dennis, E., & Vanden Heuvel, J., “The unfolding lotus: East Asia’s changing media”, Freedom Forum Media Studies Centre, 1993
24 as I know from first hand experience, working at the time as I was in a senior position with the ABC in Australia
25 encapsulated in the ABU, “Guidelines for Transnational Satellite Broadcasters in the Asia-Pacific Region”
26 South China Morning Post, April 21, 1996
27 Pereira, Geoffrey, “New Moves to regulate the Internet here”, Straits Times, March 6, 1996
28 quote from the official announcement on March 5, 1996
29 Singapore official figures
30 quoted from official SBA statement, March 5, 1996, taken from internet speech.
34 The Public, vol.3 (1996), 1:117
35 South China Morning Post, December 24, 1995
36 South China Morning Post, October 1st, 1995, quoted in Hao Xiaoming et al, p: 125
38 for this section I am indebted to information and conversations with two of my colleagues, Dr. Yu Xu and Dr. Huang Yu who have done extensive research into the state of broadcasting in China. Any mistakes of course are mine alone!
40 South China Morning Post Business, April 21, 1996: 2
45 MEI, “MEIs Yearbook of 1993”, Beijing
46 Li, X., “MEI sets up new goals: fully promote the informatisation of China's economy”, translated from Outlook Weekly, 2 August 1993:3-4
47 ibid.
48 Yu Xu p 55
49 Yu Xu p 56

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52 "How to Conquer the China Market", Newsweek Feb. 13th, 1996 p 60
54 China Daily, January 1996
56 Wehrfritz, George, "China joins the Sexual revolution", South China Morning Post Review, April 13, 1996
57 Davies, Simon, "Our regulators are out of focus", South China Morning Post, January 28, 1996
58 Law, Connie, "Shelving of broadcast bill attacked", South China Morning Post, January 24, 1996
59 This already exists of course with the various systems: PAL, SECAM, NTSC
60 Briggs, A., The History of Broadcasting in the United Kingdom, vols. 1-IV, Oxford: Oxford University Press; as it happens I was also one of the pioneers who started Independent (commercial) radio in the UK in 1973 so I had first hand knowledge of what it had been like up until then in the BBC, and what changes the new independent local stations made in entertainment, technology and news.
61 Brian Johns is quoted in 35th News and Analysis, Reuters, November 5, 1993