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Foreign Investment In Asian Media: Boon Or Bane?

By

K M Mathew
FOREIGN INVESTMENT IN ASIAN MEDIA:
BOON OR BANE?

By: Mr. K.M. Mathew
Chief Editor, Malayala Manorama, Kottayam, India

Veterans of the media and dear colleagues:

You are now to listen to the woes and views of a 79-year old man.

Thank you, Mr. Vijay Menon and all at AMIC for the invitation.

In the beginning we had only three estates: Lords Spiritual (the clergy), Lords Temporal (the nobility) and the Commons (the bourgeoisie). And it was the great British parliamentarian Edmund Burke who christened the Fourth Estate after the Legislature, the Executive and the Judiciary.

In fact, the Fourth Estate is on fire and very often we tend to forget that none of us are insulated against the fire hazards.

The subject 'Foreign Investment in Asian Media—Boon or Bane' is widely discussed all over the world because the Western media have vested interests. And the vested interest has threatened the very existence of a true democracy in Bharat, which is India, my country.

I am confining myself to the print media, that too with special reference to the Indian situation, as this situation is peculiar to India.

Since we have a very liberal, functioning democracy in India we are really feeling the heat, the heat of a war from across our oceans and frontiers.

In one group of countries the governments have put their foot down so firmly that the war is a non-starter. The developed nations of the west have taken a protectionist stand which suits their own interests.

I would take for comparison the stand taken by the very advanced democracies. What is their stand?

Mr. Rupert Murdoch, the all powerful Mogul, had to appear before a parliamentary committee, and the government. He had to give a series of assurances before he was allowed to buy The Times of London. He faced a more restrictive situation in the USA, the home of the liberties of the famous first amendment. And worse, he had to change his nationality and become an American citizen before he could buy significantly into the American media. Mr. Murdoch is of Scottish origin but a native of Australia.

Even a professional journalist like Harold Evans, Ex-Editor of The Times, UK could not just walk into a journalistic job in the USA. He had to produce documents before he was admitted. Even a humble person like myself had to certify Harold Evans's credentials as a journalist of pre-eminence to suit the Americans.
In other words, foreign media barons and even journalists cannot just walk into America and Britain and do what they like, and write what they wish. They have to be "clean" in the eyes of the government.

The former National Heritage Secretary of Britain, Mr. David Mellor, is reported in the Guardian Weekly of September 4th, 1994, as having said: "One of the great self-inflicted wounds of Britain in the 1980s has been to allow so many national newspapers to fall into the hands of foreign companies who sometimes delight in demonstrating that they have no long-term interest in Britain and its well-being."

The laws and conventions in those democratic countries put various restrictions on foreign media.

Then, why is what is good for America not good for India?

Those who practise restrictions in their own countries want India to abandon all restrictions and allow any one to come and run newspapers and financial and cultural news magazines on our soil.

This is obviously double standard, which is not expected of great countries.

It is a case of India being asked to be more democratic than the U.S. or Britain. This is clearly unacceptable.

As Indians and as members of the developing world, we are proud that India is a vibrant democracy. But should we pay a heavy price for our democracy, a price which other democracies have refused to pay?

If we permit the foreign media to operate as owners in our country, it will be a situation where we will have our democracy controlled by outside influence.

I will be failing in my duty if I don't emphasise the fact that it is India's recent policy of liberalisation that had opened the floodgates.

But what kind of liberalisation? From the time of Pandit Jawaharlal Nehru our country has nurtured socialism. Now the Socialists in India and even the Marxists of West Bengal want liberalisation of India's economy. It is to benefit Indians. All over the world, democracy is for the benefit of the local economy.

Ask the United States, Japan and European Community about liberalisation. Ask China. China is liberalising for the benefit of the Chinese people and not for you and me, and the least of all for the U.S. or the United Kingdom.

India again seems to be an exception. India is the only country where liberalisation
seems to be for the benefit of outsiders in the first place. A strange situation indeed!

We are for liberalisation. I personally and also our paper support it. But we want it on our own terms just as America wants open trade on their own terms.

We do not want liberalisation to mean restrictions on our sovereignty and threat to our democratic economy. I'm convinced that the entry of the all powerful foreign media into India is not in the best of interests of Indian media or Indian economy or Indian culture.

So, let us be like other democratic countries. Let us not be scapegoats because of our successful democracy.

While trying to analyse and answer some of the theories advanced by the pro-conquerors, I wish to respectfully admit that I have leaned heavily not only on my own talk in different forums but on the learned opinions of Mr. C.R. Irani, Editor, The Statesman, Mr. Nikhil Chakravartty, noted columnist, Justice Mr. R.S. Sarkaria, retired Supreme Court Judge and twice the Chairman of the Press Council of India, Mr. P.N. Haksar, the former Principal Secretary to former Prime Minister Indira Gandhi and Mr. Philip Mathew, former Chairman of India's premier wire service, the Press Trust of India (PTI).

I would like to invite your attention to the dark days that accompanied the dawn of India's freedom in 1947: the painful reality of partition, the mindless massacre of thousands of innocent people, the bloodshed, the refugees and their agony. That was a time when our infant democracy could have gone to pieces. But it did not happen, because of the secular wisdom of our founding fathers and the tranquillity of the Indian people.

Our newspapers and our people stood firmly behind the Government with utmost sensibility and did not allow democracy to fail. The newspapers extended full support to the rulers to see that our Independence and Democracy remained intact.

I can quote instance after instance from 1947 to 1955 when we could have either slipped under military rule or suffered another partition on linguistic or regional basis.

There was the assassination of Mahatma Gandhi. There was the unexpected and sudden death of Lal Bahadur Shastriji in Tashkent under doubtful circumstances. There was the cold-blooded murder of Indira Gandhi and Rajiv Gandhi.

We witnessed the decline, fall and resurrection of the Congress party which

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brought Independence to India and the failure of several political experiments. All these were occasions when we could have fallen prey to sinister forces.

All through these crisis periods, the Indian newspaper stood up to the great Indian cause and saw to it that democracy survived. I cannot dream of a situation if one had a foreign dominated press at that time.

Another question asked by the foreign industrialists and newspaper barons is:

The Government’s liberalisation policy has been accepted by the country and even by a large number of newspapers. So how can the newspapers alone be left out of the scheme of liberalisation?

This is a very pertinent question.

Let us remember that liberalisation in the economic field does not warrant a corresponding action in print media. Liberalisation in newspaper publication is totally different from that of consumer products like edible oil, tooth paste, soft drinks, or potato chips.

Newspapers influence the thinking process of an entire nation and in a developing democracy like India, the implications of the entry of foreign newspapers are ominous. How can we ensure that the foreign newspaper’s approach to issues like communalism, militancy in Kashmir or even economic policy will not be different from that of an Indian newspaper or in the interest of India at large? The damage done by the recent plague scare was the creation of the foreign press. The western media treated India very shabbily on the Babri Masjid-Ayodhya issue too-though, I admit, we made mistakes.

In our liberalisation policy there is bound to be a conflict between Indian industries and the foreign ones. And it is only natural for the newspapers owned by foreigners to stand by the interests of foreign investment and industries.

It has now been accepted by all the major nations that India is on the spring-board of an economic leap. Consequently, foreign investment is to flow in in a big way. India will become a playground of global interests and the foreign interests will be vigorously campaigned for in the columns of foreign newspapers if they are allowed in.

It is to be specially noted that once the foreign press gets a foothold on the Indian soil, any kind of mobilisation against them, even when they undermine national interests, would be globally interpreted as an onslaught on the freedom of the
press. This is going to be very dangerous for the country's credibility and image. Once they get in, they will not get out. The East India Company, a trading set-up, was the forerunner of the British empire and a prolonged spell of colonialism in India.

The cherished freedom of expression is guaranteed in the Indian constitution only to the Indian citizen and if this guarantee is extended to foreign owners or editors of newspapers the consequences will be disastrous for our poor country.

Is there any logic in extending this freedom to citizens of other countries even if they are men of eminence with noble intentions of helping underdeveloped countries?

There are certain situations like communal violence when the editors have to exercise self restraint. I have my own reservations as to whether foreigners will subject themselves to this self discipline as an Indian editor or proprietor does. Foreign owners will go by cheque book journalism which may benefit a few but will harm the NATION.

The foreign newspapers will take care of the foreign interest. This is especially true of economic newspapers, whether they are dailies or magazines.

As veteran Editors and Journalists, you all know that it is not one editorial that influences the people. Newspapers can influence in umpteen ways which I need not elaborate to professionals like you.

There is another argument put forth by some of our intellectuals: Our newspapers are strong enough to stand the competition and that as mature and experienced Editors and Journalists we should not fight shy of facing competition from foreign newspapers.

I do agree that some of the Indian publications and some of our editors and journalists are equal to, if not better than, many of their counterparts abroad. But India, with nearly 7000 publications in a multitude of languages and ever so many hues, is not yet ready to face the onslaught of a foreign invasion with unlimited money power. Mr. Rupert Murdoch's net worth may be in the region of 25 BILLION U.S. DOLLARS. This is a mighty sum for us to fight.

I feel that what I have stated above applies to other Asian and developing countries also in varying degrees.

It was only recently that the Indian newspaper industry was allowed to import modern technology and many are yet to catch up with the hi-tech age. Pitted
against a foreign newspaper, with the state-of-the-art technologies at its disposal, most of us will die unsung.

The foreign newspapers have been exposed to the best of technological development for the last 30 or 40 years. We never had that advantage and even for the most powerful of our newspapers it would take a few years before they could attain the internationally acknowledged level of excellence. So we cannot face a foreign invasion at this stage.

When I am dealing with a great subcontinent like India I have to concede that the development in newspaper technologies are mainly confined to metros and certain states and certain urban areas. But the situation is different in vulnerable and vast areas like Uttar Pradesh, Orissa, and Madhya Pradesh - the country's Hindi heartland. For the conquerors this will be the greenest of pastures. Foreign televisions have already gone into 24-hour Hindi programmes.

Another argument often repeated is that some of our newspapers, even while calling themselves guardian angels of democracy and Press Freedom, have been negotiating with the foreign press for collaboration.

This unwise step should never be taken. If we fight among ourselves and bring in foreign domination followed by economic globalization, the result will be disastrous for the very democratic fabric of the country. So it is the duty of our government to see that we don't fall a prey to the avariciousness of our own friends. Monetary aspirations should be delinked from Editorial thinking.

Another fallacy among bureaucrats is that there is no harm in permitting minority holdings.

We need not teach any multinational company with enormous resources at their command the technologies to convert minority share holdings to majority holdings or to control the editorial and managerial policies even with minority holdings.

Just as principles are dragged in where they do not apply to support frankly commercial gain, it is also possible to invent excuses to justify interference not permitted by principles. When India-made skirts are taking the markets in America by storm and GATT regulations do not permit restrictions, suddenly it is discovered that the garments are a 'fire hazard' and their import is sought to be prohibited on that ground. It helps illustrate some of the dishonesty in the debate.

Following the collapse of the Soviet Union, the whole 'Eastern Bloc' was up for grabs. Before new policies could be formulated, the Press in Hungary, Poland
and elsewhere was overwhelmed by foreign interests that came in and acquired local newspapers which did not know which way to turn. Sops in the shape of local journalism institutes have not succeeded in spreading reassurance. Even Austria, a well-developed country, finds a large part of its media owned by German interests and not everyone in that country is happy.

In 1994, when I attended the FIEJ conference in Austria, I found that many of the above countries were represented by editors and proprietors from other countries. I need not describe to you the consequences of such a situation. Pakistani newspapers should be represented by Pakistanis and not Indians.

As a matter of fact, there has never been a ban on the entry of foreign newspapers or news agencies into India except the temporary embargo on Chinese periodicals following the Chinese aggression in 1962. The only constraint in the past was the scarcity of hard currency.

The Cabinet decision in 1955 did not ban the entry of foreign newspapers or news agencies, but withheld permission to foreign nationals to own newspapers in India. Along with this, in 1956, the Government laid down that foreign news agencies would have to operate in this country by collaborating with Indian news agencies and not directly.

The ban on foreign nationals running newspapers in India was imposed by the Nehru Government after the question had been thoroughly examined by the first Press Commission, which was composed of eminent personalities drawn from different walks of life, who were moved neither by narrow chauvinism nor by any ideological hang-ups about the Cold War. More plausible is the view of Mr. Justice Sarkaria, Chairman of the Press Council of India. "The ban was imposed in the national interest when the nation's integrity and security was endangered by fissiparous forces operating from within and outside the country" - a condition which persists even today.

This way a very wise balance was sought to be ensured - no opinion from outside, hostile or friendly, is to be banned. Our media, the sensitive channel of interaction, must not be allowed to be swamped by powerful forces from outside with no concern for India's interests. This approach has the stamp of mature statesmanship which while repudiating the totalitarian concept of a closed door society, fostered media interaction with the world outside, at the same time protecting the nation's media autonomy and not letting it be over-powered by freebooting buccaneers from abroad.

The basic reason why democratic countries do not allow foreign nationals to own and publish newspapers in their countries is that the possession and
exercise of this right from its very nature, tantamount to allowing participation in the democratic process of the country which is the sole preserve of its citizens.

May I suggest a ridiculous situation.

Even when there is tension between India and Pakistan we will not be able to prevent a Pakistani national from starting a newspaper in India so long as he can invest sufficient dollars. Many Arab countries will be delighted to start their editions not only in Metros but in different states in India as some of our very senior editors are editing the paper in the Gulf.

Even CIA, the KGB and ISI can come to India under the guise of legitimate foreign companies to start newspapers. Similarly, the Indian intelligence agencies can resort to the same tactics in Bangladesh, Sri Lanka or Pakistan, if they are permitted to do so.

The Indian Newspaper Society (INS) and the Indian Language Newspaper Association (ILNA) oppose the entry of foreign media. Neither the non-journalists associations nor most of the journalists associations want the entry of foreign media into our country. The Editors' Guild of India consisting of eminent editors and the Press Council of India oppose the very idea. All the opposition parties and even a large number of MPs of the ruling party don't want this invasion.

Then who wants this? The foreign industrialists, who want to strengthen their economic hold.

I am not well-informed on the situation existing in other countries like Singapore, Malaysia, Thailand, etc. but I will be failing in my duty if I don't make a mention of it.

Why should an Asian newspaper want foreign investment? Usually to get sufficient capital and/or expertise to get started or to keep going. In the early 1970s, even a publishing group as established and as rich as The Straits Times brought in the Melbourne Herald to help launch a new afternoon newspaper. It was to be a serious paper packed with analysis and comment on local, regional and international issues. Money was not a problem for The Strait Times Group, but it did not have enough experienced journalists for the New Nation. The new daily was launched with substantial equity from the Australian group, a Singaporean Editor, an Editorial Adviser from Britain, and a team of journalists from Australia, the Indian sub-continent and Singapore. After some years the Australian equity was reduced and then phased out. New Nation was closed down...
in the early 1980s for reasons that had nothing to do with foreign investment or foreign journalists.

The Thai experience is also worth noting. More than 10 years ago, The Straits Times bought equity in the Bangkok Post. Among the objectives was the establishment of institutional links that would facilitate sharing of management, editorial and marketing expertise and experience. A campaign by other Thai newspapers forced a withdrawal by The Straits Times. Some years later the South China Morning Post of Hongkong bought equity in the Bangkok Post. This time the foreign investment has endured. This year, a new English language newspaper was launched in Bangkok. The Thai founders of Business Day invited and obtained equity participation from Singapore Press Holdings, which incorporates The Straits Times Group. Again there was no overt hostility from the rest of Thai media.

Let each country decide on its own patterns; it should not be decided by the World Bank or western industrialists.

Every sovereign country has laws regulating such investments, if not directly in relation to media at least in general legislation controlling business operations.

Here, once again. I come back to my original question: Why should what is good for America and other western countries not be good for India, or for that matter, any other country of the great Asian continent?

I thank you for your patient hearing.

Good Day.
ANNEXURE I

First Amendment to the Constitution of the USA

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof, or abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

ANNEXURE II

Debate on Ownership of Foreign Newspapers in India

by P.N. Haksar

Without claiming infallibility, we are firmly of the view that all upheavals in human history have stemmed from the suppression of the human spirit and human identity. It is not surprising that the French Revolution took place under the flag of Liberty, Equality and Fraternity. Even the dominant emotion of the Russian Revolution was a yearning for peace. That is why it was first manifested by the sailors. Even the Chinese Revolution though paying homage to Marxian dialectics, as reflected in the mind of Mao Tse-Tung, was in essence and substance, a revolution to assert China's honour and national dignity - a process which was stimulated by the great Sun Yat Sen, whom the Chinese communists never disowned. The great upheaval in our own country, stimulated by Mahatma Gandhi, centred on moral issues expressed by words like swaraj through ahimsa and satyagraha.

There are no economic theories which illumine the workings of the human spirit. That is perhaps the reason why in all his budget speeches, the distinguished Finance Minister of India had to express himself with the help of poetry and also warn us against "heartless consumerism." It is considerations of this sort which have impelled us to examine the theme of this editorial about the entry of foreign newspapers in India. Even in Great Britain, the former national heritage secretary, Mr. David Mellor, is reported in the Guardian Weekly of 4 September 1994, as having said: "One of the great self-inflicted wounds of Britain in the 1980s has been to allow so many national newspapers to fall into the hands of foreign companies who sometimes delight in demonstrating that they have no long-term interest in Britain and its well being."

Can Bharat, Hindustan or India be less sensitive to our heritage, civilization or even national interest than Mr. Mellor of Britain?

In trying to respond to this question, we are examining in the succeeding paragraphs, the question of the entry of foreign newspapers into India from a variety of angles.

Under Article 19 (1)(a) of the Indian constitution, the right to freedom of expression and freedom of speech is vested only with Indian citizens. Keeping in view the constitutional guarantees given to the Indian press, the government had taken a policy decision in 1955, at the cabinet level under the chairmanship of the late Pt. Nehru. This resolution had restricted the entry of foreign newspapers and news agencies into India.

On 30 September 1955, the then Minister for Information and Broadcasting, Mr. B.V. Keskar, announced in the Lok Sabha that the Government of India had decided to accept the First Press Commission's recommendations, following which, foreign newspapers and periodicals dealing mainly with news and current affairs should not be allowed to bring out editions in India.

Twenty-five years later, the Second Press Commission, with Justice K.K. Mathew as its chairman, considered the same issue in the light of changing circumstances, and recommended the implementation of a specific legal provision, under which no newspaper undertaking would have any stake in foreign ownership either in the form of shares or in the form of loans.

Newspapers published in India are thus governed by a special law, i.e., Press and Registration of Books Act. Under this century-old Act, the British did not extend the right to publishing to any other foreigner. Only Indian citizens and those among them who normally resided in India could be editors or publishers.

Foreign media owners are now seeking tie-ups with local parties and have submitted projects to the Foreign Investment Promotion Board (FIPB) apparently to exploit the enormous Indian market. By employing Indian editors and managers as publishers they shall be operating under a corporate veil. They shall, thus, be able to avail of the Fundamental Rights available to Indian citizens, although the real masters may be sitting beyond our shores. If FIPB clears their proposal they shall also be able to
circumvent the Press and Registration of Books Act.

Repositories of Public Trust

The newspaper has two sides: the business side and the public service side. The fact that newspapers have begun to make profits in the changed economic scenario does not alter their fundamental and basic raison d’être. Newspapers still remain repositories of public trust and have a tremendous bearing on the functioning of the organs of the state.

Newspapers are ambassadors of a culture. Even developed democratic nations, otherwise in the forefront of the economic reforms, have consciously adopted a different stance on the issue of the entry of foreign media. France is known to have zealously guarded its culture by saying ‘No’ to unrestricted foreign audio-visual media. Even in Sweden, publishing rights are not extended to foreigners. The position taken by several other countries, such as China and other South East Asian countries, is well known. In the US, Rupert Murdoch had to acquire American citizenship before he was allowed to acquire ownership interests in broadcasting.

It is important to appreciate that newspaper publishing the world over, has been recognized as a special profession in keeping with the role a newspaper has to play in the functioning of the state and democratic policy. Therefore, it is not without reason that the founders of our constitution, having taken note of this crucial role of the press, as well as historical western prejudices against India, had deliberately confined the publishing rights to Indian citizens.

The Indian press, in keeping with its traditions of responsibility and accountability, has played a vital role in shaping public opinion. There are instances when the Indian Press has passionately opposed the policies of governments in power, but has never taken a position which is in conflict with India’s integrity. The Indian press has been faithful to the nation-state and has always upheld national sovereignty.

Biased Reports in Western Press

The foreign press on the other hand has entirely a different agenda. It is known to project India in an objectionable and distorted perspective, with the sole intention of tarnishing India’s standing as a peace-loving nation. It is a matter of record that several foreign publications have repetitively printed India’s political map without Kashmir. Multinationals, by definition, are not loyal to any nation. The biased reportage in the western press on India, especially on sensitive issues such as Kashmir, Northeast, Punjab, inter-community relations under the guise of human rights, is well known.

Today, when India opens to the world, we need to look at the entry of newspapers from a larger perspective rather than blindly allow them in, on the pretext of economic liberalisation.

Foreign companies consider newspapers merely as goods and commodities and as such seek approvals of the Foreign Investment Promotion Board and the Registrar of Trade Marks, in violation of the basic premise of our Constitution, to enter the publishing business in India. Most of the rules and regulations relating to foreign investment in India primarily relate to priority industries and industrial products requiring significant investment in the project.

India has welcomed foreign companies in other fields, with the twin objective of attracting capital investments as well as proprietary technology. It is true that there are several sectors, especially infrastructural, such as power and telecom, requiring massive investments which Indian entrepreneurs are not in a position to fund. Although the government’s objective has been to attract foreign investment in manufacturing and infrastructural development, foreign companies have shown more interest in exploiting India as a consumer market with the intention of wooing its affluent middle-class.

Newspapers do not entail high investment. Nor do foreign newspapers claim to have patented technology. The modernisation and professional upgradation in the Indian press during the last four to five years has indeed been phenomenal, both in terms of technological advancements and editorial quality. Newspapers in India are perceived as highly versatile and competitive, offering good value for time and money to readers.

Cost to Country Incalculable

What we need to appreciate is that the entry of foreign newspapers would neither bring technology nor investment. On the other hand, the cost that the country would have to pay for allowing foreign newspapers is incalculable, especially when they are not attuned to larger social and political purposes.
The Indian press today, is harnessed with state-of-the-art technology and can make do with lower staff strengths, but for the strict labour laws. Foreign companies, starting new ventures based on high level of technology, obviously would employ less people and not have the same compulsion as Indian companies with regard to the Wage Boards.

To sum up, India is a multi-faith, multi-linguistic, multi-cultural state with different communities living in harmony from time immemorial. Newspapers have played a vital role in nurturing the harmonious relationship among communities. Though newspaper publishing is increasingly becoming profitable, the role of newspapers as instruments of public opinion cannot be overlooked.

We cannot afford to subserve our culture to western ways. Indian culture is a binding force that unites all the communities into a cohesive nation. The distinctive feature of Indian civilization has been rooted in pluralistic humanism. This accounts for the survival of Indian civilization, despite ravages of time. No doctrine underpinning economic liberalisation can deal with concepts of identities of human beings and of nations despite mindless repetition of a meaningless phrase which describes the world as a "Global Village."

Entry of foreign newspapers could adversely affect the institutional depth the county has and threaten its political, economic and social stability.

In favour of foreign investment in newspapers, it is being argued that:

1. Almost all fields are being thrown open to foreign investment, many with 51 percent or 100 percent; why not in newspapers?
2. Foreign investment leads to greater competition thereby reducing costs and improving quality - the same would happen with newspapers.
3. Foreign investment, like that of Financial Times, would help to sell India in foreign markets.

No Compelling Advantage

If carefully examined, none of these arguments has any compelling advantage:

1. The media should not be equated with other commodities or other industrial ventures. Media influence the mind of our people. While the Indian newspapers, the fourth estate, have pointed out errors in the policies of the ruling party from time to time, their loyalty to the Indian State has never been in doubt and they have always stood for the unity and integrity of the country. Foreign owners have no such loyalty and some of them may have intentions antagonistic to the interests of our State. In the changing world scenario, many foreign countries are not favourably inclined to the Indian stand on such issues as Kashmir, Punjab, Assam, LTTE, and they are not committed to our unity and integrity and some would even prefer India to be Balkanised. Once foreign investments are permitted, even Pakistani citizens would acquire ownership through FII route or through holding companies in tax-saving countries or through faceless corporations.

2. Indian newspapers have by and large maintained a high standard of journalism and of upholding democratic values, despite many trials and tribulations. India has produced many illustrious journalists, who can hold their head high among the best in the world. On the technology front, there has already been a sea change and Indian newspapers have been constantly upgrading their product. Unlike other areas, technology of this industry is available off the shelf and is not tied up with foreign investment.

3. India's image abroad depends upon political stability and our economic policies. For the last 40 years, the foreign press has been largely inimical to our interests and has presented a distorted and a generally negative picture of our country abroad. It is only now that they have started talking of helping to sell India abroad. There is no guarantee that they shall continue to project a positive image. If any policy-decisions turn adverse to foreign investment, they shall lose no time in spreading canards about India.

4. The undertaking not to repatriate for some years can hardly be any ground for justifying foreign investment in this field. The investment required for newspapers is not of such a magnitude. The Indian entrepreneurs can undertake this task. Foreign investment in other areas is justified mainly on account of the large investment required. Though latest technology will come only with investment, a move to achieve international standards would boost our exports, bring greater competitiveness and make Indian industry cost effective. None of these considerations apply in the case of newspapers.

It is to be devoutly hoped that the ongoing debate within our country about the entry of foreign newspapers as well as foreign news agencies will be carried on further before the Government of India
takes any decision. It was for this reason that we are publishing in this issue of *Man & Development*, an article by Shri Bidyut Sarkar, who is a distinguished journalist as well as an author. We are about to observe the 125th birth anniversary of Mahatma Gandhi. It might be useful to re-read his book titled "Hind Swaraj" instead of performing the ritual of putting flowers at his Samadhi.

The Mac Bride Commission report, which examined the opportunities- and the anxieties-thrown up by the global media, has been buried alive by its own parent. An eerie silence has descended on UNESCO, but we may usefully remind ourselves of the recommendations made by that distinguished panel of international experts. It had acknowledged "essential differences between industries producing consumer goods and those producing information and cultural items. The same commercial logic should not guide both types of enterprises." It shared the concern, in its own words, with "public opinion in many countries and international public opinion in general on issues relating to communication ownership and control structures and their consequences on both national and transnational levels."

The panel’s call for guidelines and codes of conduct so that transnational corporations active in the field of communication "do not neglect or are not detrimental to the national objectives and sociocultural values of host countries" is yet to be acted upon. Until that is done, it will be short-sighted to allow foreign interests to own, control and run our newspapers and magazine. It has been said that a nation whose mass media are under foreign domination cannot claim to be a nation. The MacBride Commission takes note of this valid proposition. If the Indian middle classes lull themselves into thinking that a few foreign-owned publications do not amount to domination, they are being naive in a world in which a realm of ideas is far more subtle than the realm of 'goods and services'. Which is why invasion comes in new forms and we may not even know it.

'Man & Development'
Sept. 30, 1994