

# THE ROLE OF THE PUBLIC SERVICE BROADCASTING IN THE EUROPEAN COUNTRIES

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*Broadcasting in particular has seen remarkable change from the days of single-channel public broadcasting systems. The audiovisual “explosion” is a cultural, social and economic phenomenon of global dimension. The audiovisual sector forms an essential part of Europe’s economic and cultural influence in the world. The fundamental principle of the Union’s audiovisual policy is to provide for the free circulation of reception of trans frontier broadcasts. So the European audiovisual industry is likely to become a stronger and more competitive player on the global scene. The future of public service broadcasting in Europe is increasingly challenged by unfavorable external factors, such as intensifying competition from commercial media, media concentrations, political and economic interests adversary to independent media, and by internal difficulties, such as cost ineffectiveness.*

*Key-words: European Audiovisual Policy, public service broadcasting, audience market share, cultural obligations, license fee*

The last 60 years have seen the field of communications change from one where telephone, telegraph and radio defined the field to one where television, cable, cellular and satellite only scratch the surface of modern digital communications. The next 60 years promise to further transform the telecommunications and audiovisual films and make them a centerpiece not only of the European economy, but also the lives of all Europeans.

Broadcasting in particular has seen remarkable change from the days of single-channel public broadcasting systems. The current proliferation of private programming channels through out Europe and the impending arrival of a multifaceted, multichannel communications superhighway creates a dynamic new environment that requires comprehensive action.

The audiovisual “explosion” is a cultural, social and economic phenomenon of global dimension. The audiovisual sector forms an essential part of Europe’s economic and cultural influence in the world. However, as things stand, Europe’s market share in the audiovisual world market is shrinking and its most popular art form is under threat. The economic and social importance that is connected with the audiovisual sector is reflected in the audiovisual policy of the European Union. This policy aims not only to promote culture and artistic creativity, but also to strengthen the economic viability of the industry and in this way to create employment. A part from its specific audiovisual features the sector has a role to play in the realization of the underlying principle of the European Union – the creation of the Single Market.

Because of the nature of the audiovisual issue, the role government play in attributing frequencies and the impact of the audiovisual sector on pluralism and democracy, the sector has to be regulated in certain ways. The fundamental principle of the Union’s audiovisual policy is to provide for the free circulation of reception of transfrontier broadcasts. So the European audiovisual industry is likely to become a stronger and more competitive player on the global scene.

Over the last few years, the Commission has developed a comprehensive audiovisual policy that is a priority item on its agenda. The objectives of this audiovisual policy are twofold and complementary. On the one hand, the Union strives for a free and open market for audiovisual products. On the other hand, it pursues the interdependent aim of promoting European audiovisual production.

The audiovisual policy of the European Union is not limited to the territory of its member states. Ever since terrestrial over spill and satellite broadcasts have been beamed into other countries, policy concepts have been exported as well. But not only has factual penetration with Community - maid programs had an impact beyond borders.

In 1989, the political changes in central and eastern Europe demanded as priority policy action the replacement of the notion of centrally controlled state broadcasting by a radically different concept. New audiovisual legislation was being enacted in some countries as Poland, Romania, Bulgaria, Hungary. The public service broadcasters had

to fight for their independence from the politically control. The new private sector television services are still growing.

The Commission adopted a catalogue of policy objective, making it clear that the aim to create a common legal framework conducive to the development of a European market in broadcasting and related activities, such as television advertising and the production of audiovisual programs, while respecting and encouraging the diversity and specificity of the audiovisual systems of the member states. This was translated into a joint political determination to coordinate national legislation in order to:

- encourage the provision and free movement of audiovisual services within the Union;
- develop a modern European communications infrastructure capable of strengthening the Union's economic position, thus ensuring its competitiveness in the world market;
- promote the development of the market for television advertising and for audiovisual programs in an economic and geographic context that extends to the Community's borders;
- increase the production and distribution of European works in order to encourage national cultural industries and the expression of the cultural identity of each member state;
- offer new outlets for the creativity of the professions and workers in the cultural field;
- encourage the development of broadcasting as a strategic sector of the Community.

In the times of public monopolies, the reason behind public involvement in the media industry were self-evident. For most Europeans, Public Service Broadcasters were taken as a matter of course, given that they were the sole providers of the radio and television programs everyone listened to and watched. In a world of thousands of commercial radio and television channels, times have changed.

Today it is equally natural to question public involvement in the media. Is there still a need for public broadcasters? What are their cultural obligations, political role and remit in the dual European market?

In the last years, the world audiovisual market has faced in – depth changes as the result of simultaneous moves in technological, deregulation and internationalization.

Current paradox is that, in a sense, the national cultural characteristics of a country are now more related to the way the basic offer of the world cultural industry is delivered, than to the capacity of this country to preserve and develop its audiovisual heritage.

In the 1980s, the political willingness to develop the European audiovisual market was conceived as a possible answer to the hegemony of US TV soap – operas in the prime time of almost all national TV channels in Europe, including the public services one. The idea of the European audiovisual market was supported by the idea that a second market would be created for national works that would find further sales opportunities in neighbouring countries. Economies of scale would than support the growth of a European programme industry. Co-production clubs between companies in the leading European countries were also created with the idea of producing ambitious TV series with pan – European release.

A cross Europe there is currently a broad political consensus that every country should have a public broadcasting service. This consensus was less apparent in the '80s and '90s, as illustrated by different texts of the council of Europe, the European parliament and the European Commission, as well as the Amsterdam Protocol adopted in 1998 by the council of ministers of the European Union. The Amsterdam Protocol recognizes that “the system of public broadcasting in the member states is directly related to the democratic, social and cultural needs of each society and to the need to preserve media pluralism”. A public broadcasting service can be defined above all by its remit which generally includes information, culture, education, the organization of pluralism, promotion of minority cultures. In several countries, particularly Scandinavian countries and the United Kingdom, it has been recognized that public broadcasting has a major role to play in the development of digital terrestrial television. The financing of the public sector demonstrates another form of diversity in the European Public sector. The public broadcasting sector in Europe has a wide range of different national funding structures, although they can be split into two main categories: public revenue (license, fee or funding direct from the state budget) and commercial revenue (advertising, sale of programs, books, discs and in recent years pay – TV income).

There is little sense in comparing the financing of France Televisions with that of the BBC: on the one hand the BBC provides radio services while on the other public sector in the United Kingdom also includes a Channel 4 Group (funded through advertising and its pay – TV channels) and Welsh Channel S4C. In France public service companies also include Radio France, RFI, RFO, INA, TV5, ARTE Etc. The overall ratio of public to commercial revenue in France is more or less the same as in the United Kingdom.

The license fee remains the most prevalent form of financing public service companies. But the license fee does not exist in Luxembourg, in Greece (where instead there is a tax on electricity), nor in Spain. The television license fee has also been abolished in Portugal, in the Netherlands, and, most recently in the Flemish community of Belgium and in the Brussels Region. In these four latter cases direct subsidy is provided in the absence of the license fee. Grants, or contracts with the public authorities, are some times given for specific services, particularly for international services.

Finland is the country where public income is proportionally the largest (some 94.5% of YLE'S income in 2000). Next come Greece (around 90%), Sweden (88.4%) and Germany (79.7%). France (65.9%) and the United Kingdom (65.4%) have public financing percentages close to the European average, but with very different arrangements for allocating the resources between the various public sector companies.

Public income (license fee, grants) does not, however, necessarily constitute the main form of financing for the public service broadcasting companies. In the United Kingdom, Channel 4 draws all of its income from commercial activities (advertising, sales of programs and pay-TV). The proportion of commercial income is greater than that of public income for the Austrian ORF, the Spanish RTVE and the Irish RTE. It is also the case for RAI since 2000, notably as a result of the growth in the activity of its subsidiary RAISAT which operates theme channels.

In terms of audience market shares the situation of public television companies varies hugely from one country to the next. In Denmark, the five public owned channels still accounted for 69.3% of the market in 2006, while in the Baltic states and Greece, the public service holds less than a 20% market share. In the large countries public broadcasters' audience share has remained fairly stable since the start of the decade, varying between 49% and 51% in Spain and Poland, between 47% and 49% in the United Kingdom, between 43% and 44% in Germany, between 41% and 42% in France and between 44% and 47% in Italy. These stable market shares are generally achieved thanks to the addition of thematic channels by public service broadcasters, which give them a place in cable, satellite or terrestrial digital television packages. Regional channels often play a part in the stability of the public service. One of the key objectives for public broadcasters is therefore to retain a presence in the new niche markets created by digital television. This is often a source of contention with private operators.

In this context, the main problem facing public service broadcasting in the future is probably that of funding. It should be emphasized that, in Central European countries other than Poland and the Baltic states, public service broadcasters are struggling terribly, both from a financial point of view and in terms of audience share.

With regard to public funding, the choice between the most traditional method (license fee) and funding from the state budget is a topic of debate. In a recent years, several countries (Portugal, the Netherlands, Flanders and the Brussels region) have replaced the license fee with public funding from the state budget. This method may save the cost of collecting the license fee, but most public broadcasters believe it increases their dependence of the public authorities. In the Portugal and the Netherlands, this system has led to a reduction in revenue.

The future of public service broadcasting in Europe is increasingly challenged by unfavorable external factors, such as intensifying competition from commercial media, media concentrations, political and economic interests adversary to independent media, and by internal difficulties, such as cost ineffectiveness or a alleged political partiality of public service broadcasters. The legitimacy of the public service status is contested; it is being questioned what, actually, its "publicness" does stand for and what is so special that it should have a preferential position. Its privileged status is disputed on the ground that most if not all of its merits may be respected by commercial broadcasters, and for less money. Empirical arguments against public service broadcasting favoring commercial broadcasters are not to be ignored; yet they also have to be confronted with some insight into its normative – theoretical foundations. The ideal of public service media was and remains essential to democracy and public spheres in Europe since it is inherently connected with the grand idea of publicness inscribed in the foundations of the democratic polity. It is not only central to the democratization of the media, particularly broadcasting media, but also a "natural" setting for the realization of citizens' right to communicate since it represents the most indigenous societal extension of the citizen's right to public reasoning. Born in the age of Enlightenment, the principals of publicness and communication freedom remain essential for democratic communication and are yet to be fully implemented in practice.

It is well recognized that a public service broadcaster – if it is healthy and well-financed – can be a strong shaper of the broadcasting ecology. In this instance it can set an example for commercial broadcasters to follow by demonstrating the public need for, and the success of, cultural programming. All that, however is only the beginning of the public service broadcaster cultural obligations. Other tasks include:

- serving minorities and immigrant communities in a way which satisfies their cultural and linguistic needs, but does not prevent their integration with the rest of the population;
- creating a sense of affinity and understanding with the people of other countries in the region, especially if the country in question is involved in some international integration scheme;
- promoting intercultural and inter-religious dialogue at home and internationally;
- promoting acceptance of, and respect for, cultural diversity, while at the same time introducing the audience to the cultures of another peoples around the world;
- striving to prevent, or reduce, the digital divide, so that no one is prevented from access to culture via the new technologies.

At the Asia Media Summit (may 2005, Kuala Lumpur), *Recommendations* to the second phase of the World Summit on the Information Society (November 2005, Tunis) were adopted, recommending that the media, in both the public and the private sectors, be encouraged and actively assisted to increase diversity of content to include marginalized populations, groups and communities in the communication process. This should include providing comprehensive information and support the culture of dialog among civilizations with a view to promoting mutual knowledge, understanding and peace, as well as promoting the use of broadcast network systems, particularly digital systems which are especially suited to such use, to carry information additional to normal program content, for the benefit of the general public.

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