

The Re-Regulation of Broadcasting, or The Mill Owners' Triumph

Julian Petley

As Colin Leys points out in his seminal study of our neo-liberal democracy, *Market Driven Politics*, British broadcasting has, over the past 20 years, been inexorably reconstituted as 'a field of accumulation, rather than a set of primarily political institutions' (2001: 36). As in every other area of British life, this change has been effected by deliberate political strategies which include the conversion of services into commodities and significant intervention by the state to lower the risks involved in investment. A similar point has been made by Graham Murdock and Peter Golding in their discussion of the marketisation of British society, which they see as entailing three processes:

Firstly, the size and operating scope of the market sector is progressively increased by colonising space previously occupied by public sector institutions and by relaxing or removing the public interest requirements of regulation.

Secondly, market criteria of success - cost-saving, commercial revenue generation, and customer maximisation - are established as the primary yardsticks against which the performance of all organisations, including those still formally in the public sector are evaluated. Thirdly, audiences and users of communications facilities are addressed primarily as consumers with a sovereign right to have their personal needs met, rather than as citizens whose right to full social participation carries with it an obligation to recognise and respect the needs and aspirations of others (2001: 113-114).

Nothing could sum up more accurately, as this paper will attempt to demonstrate, the driving forces behind the Communications Bill 2001.

The means chosen by New Labour to lower risks for investors in all sectors of economic activity is, of course, deregulation. As the policy document accompanying the draft Communications Bill bluntly states: 'across the economy, deregulation brings benefits for consumers and businesses ... unnecessary regulations need to be removed wherever possible' (DTI/DCMS 2002a: 3). One of the main reasons for this is to attract inward investment; as the document explains, deregulation will be a key means whereby 'the UK reinforces its position as one of the most attractive places for communications companies to do business'. It is also argued, however, that these changes will benefit media users too: 'by eliminating undue burdens on business we can drive innovation, increase investment, raise employment and bring better services to consumers' (ibid: 3).

Even these introductory remarks raise a number of profound issues. Firstly, in general terms, many would argue that deregulation does *not* necessarily bring benefits to consumers and businesses alike; whilst business interests are indeed prone to condemn all regulations as 'red tape' and 'bureaucracy', many citizens may well regard these as highly necessary and desirable safeguards, such as health and safety regulations. In particular, those forced to work long or 'flexible' (i.e. erratic) hours, or, conversely, those who have lost their jobs through 'downsizing', may well thoroughly dislike the fact that Britain has the most deregulated labour force in the EU. Similarly, those now quite unable to afford to buy a house, or who find that their pensions look set to be entirely inadequate in retirement, may well curse the day that the financial services industry was deregulated.

Secondly, in terms of broadcasting, it is by no means clear that the best way to 'drive innovation' is to reduce regulation. This strategy may have worked well in the telecommunications sector, but the broadcasting ecology is entirely different. Here, positive forms of regulation, such as C4's famous remit, can actually be used to encourage innovation, whilst deregulation all too easily leads to relentless competition for the mass audience and a corresponding homogenisation of programming. Why? Because the economics of free-to-air broadcasting, which is not a market place like any other. For example, it is far cheaper to import ready-made programmes from America than to invest in original UK production, even though most viewers prefer home-grown programmes. Furthermore, it is much less risky financially to keep on exploiting the same well known star names (the Amanda Burton syndrome), familiar formats and current successes than to invest in untried new talent and challenging, innovative programming. And finally, intense competition for ratings, brought about in the commercial sector by the need to attract advertisers and in the case of the BBC by the need to justify the existence of the licence fee - especially in the face of the unremitting campaign against it in the Murdoch press - tends to narrow the diversity of what is broadcast and lead to the 'tyranny of the majority'. As US television and radio only too clearly demonstrate, fully marketised broadcasting systems are good at delivering what many people want much of the time, but poor at providing what they want some of the time, and hopeless at delivering what significant minorities want much or indeed all of the time. Thus one of the most striking findings of Steven Barnett and Emily Seymour's investigation of trends in British television over the past ten years is that, as a result of the seismic changes brought about by the deregulatory 1990 Broadcasting Act, in both drama and current affairs

There is a danger of allowing a conveyor-belt system to emerge, in which programmes are mass-produced, in which the audience is increasingly second-guessed, and the language of 'efficiencies' triumphs over imagination ... There is an overwhelming sense in both programme categories that the agenda is being progressively narrowed, and increasingly it is only the safe, formulaic and proven approaches which will get on screen (1999: 71-72).

Thirdly, Barnett and Seymour's study also raises serious doubts about whether further deregulation of broadcasting will raise employment in the industry in the way in which the policy document suggests. Indeed, it could do precisely the opposite, since Barnett and Seymour claim that 'the structural changes of the last ten years have had a major impact on working practices, including increased casualisation and shedding of staff, the widespread use of short-term contracts, and the loss of studios and facilities' (ibid: 34). Most disturbing of all, in this respect, is the passage which they quote from a *Guardian* article by Britain's foremost drama producer Tony Garnett in which he complains that:

We now, with very few exceptions, have an industry run by managers with the mentality of nineteenth-century mill owners, where workers are costs, not assets, where slashing overheads is more important than nurturing talent, where fear and loathing are poisoning creativity (ibid: 61).

Clearly, then, there is a serious contradiction between the Bill's aim of bringing better services to media audiences and the means chosen to fulfil this aim, namely deregulation. This contradiction becomes even more acute, however, when we

examine the Bill's most controversial deregulatory measures - those pertaining to media ownership.

The problem with the existing ownership rules, we are informed, is that 'they are not flexible enough to respond to the rapid change we have seen in media markets' and that they appear 'directed at particular media interests' (DTI/DCMS 2002a: 55). It might be thought that as the rapid changes of the past decade have included global merger-mania of the most rapacious kind, much of which now appears exceedingly ill thought-out, and as the 'interests' referred to are clearly those of Murdoch, then perhaps the existing rules actually have a good deal to commend them. But no: 'the Government proposes to deregulate. UK companies have to be allowed to grow, to find new opportunities to reduce costs and attract new investment, if they are to bring better products to consumers' (ibid: 56). Thus the Government intends to retain 'only the minimum level of media ownership regulation necessary to ensure that a wide range of voices will always be heard' (ibid: 4).

In terms of C3, this means that Carlton and Granada will at last be allowed to complete their lengthy courtship and finally to merge. In all likelihood the resulting single company will then be bought by a US conglomerate such as Disney or Viacom because, as the policy document announces: 'we will abolish all rules on foreign ownership' (ibid: 4). Why such a drastic measure? Because 'the Government wants to encourage inward investment from non-EEA [European Economic Area] sources, to allow the UK to benefit rapidly from new ideas and technological developments, aiding efficiency and productivity' (ibid: 56). And as for Murdoch, he will be freed to buy C5 if he so desires, although the rule preventing any company which controls

more than 20 per cent of the national newspaper market from holding a licence for C3 will be retained, thus denying him that particular prize. However, since it is perfectly possible that a Murdoch-owned C5 could, within a few years, wipe the floor with C3, this should give him precious little cause for concern.

The Government appears absolutely unshakeable in its belief that what British broadcasting, like every other UK industry, needs more than anything else is an injection of investment so great that it can come only from overseas. And this in spite of the fact that the Independent Television Commission's *Review of the UK Programme Supply Market*, which was published at around the same time as the Communications Bill, noted that 'the UK has one of the most powerful domestic TV production sectors in the world' and that it 'spends more on indigenous TV programming (new and repeat) per head than any other developed market - including the US. Its export performance is second only to the US' (ITC 2002: 27). Meanwhile broadcast revenues have been steadily growing over the past five years, reaching almost £7.7 billion in 2001 (ibid: 21). No wonder, then, that non-EEA companies have been lobbying so fervently to be allowed into British broadcasting! Meanwhile, objections that allowing US companies to enter the broadcast arena will mean that their programming, even though produced in Britain, will take on a bland, mid-Atlantic complexion, that we shall see a further increase in the amount of US television that this country already imports¹, or that Murdoch will use C5 as ruthlessly as his newspapers to cross-promote BSkyB, are routinely met with soothing suggestions that the new super-regulator OFCOM, which will combine the functions of the Independent Television Commission, the Broadcasting Standards Commission,

OFTEL, the Radio Authority and the Radiocommunications Agency, simply won't let this happen.

In spite of its insistence on repeatedly referring to media audiences as 'consumers' the policy document does also have the grace to admit that:

We must also recognise the special nature of the media in our lives as citizens as well as consumers. Governments all over the world, across Europe and America, recognise that relying on competition policy alone may jeopardise the effective operation of modern democracy. It remains essential to retain sufficient safeguards to secure a plurality of voice and a diversity of services across our media (DTI/DCMS 2002a: 3).

To this end, then, OFCOM will be directed to 'ensure universal access to a choice of diverse services of the highest quality; and to ensure that citizens and consumers are safeguarded' (ibid: 27), whilst various forms of content regulation will be put in place to 'maintain requirements for high quality, original programming' (ibid: 56).

Unlike previous Broadcasting Bills, the Communications Bill does actually spell out in some detail the principles of public service broadcasting. Thus, for example, it argues that public service broadcasters (i.e. the BBC and Channels 3, 4 and 5) must ensure that 'cultural activity in the United Kingdom, and its diversity are reflected, supported and stimulated', must provide 'to the extent that is appropriate for facilitating fair and well-informed debate on news and current affairs, a comprehensive and authoritative coverage of news and current affairs in, and in different parts of, the United Kingdom and around the world', and must include 'a suitable quantity of high quality and original programmes for children and young

people', as well as of 'programmes that reflect the lives and concerns of different communities and cultural interests and traditions within the United Kingdom, and locally in different parts of the United Kingdom' (House of Commons 2002: 224).

At first sight, this attention to the details of what actually constitutes public service broadcasting might seem rather encouraging. However, there are at least three serious causes for concern here. Firstly, the system is to be largely self-regulating. Each broadcaster will be obliged to publish an annual statement of programme policy and to report annually on performance against that statement; OFCOM will review licensed broadcasters' positions annually in the light of these reports, and require any broadcaster not complying with its specific remit, or contributing sufficiently to the general remit, to take remedial action. In the last analysis OFCOM will have the power to withdraw a broadcaster's right to self-regulation. The problem here, however, is that if the current Independent Television Commission has been largely unable to halt the decline of public service values - on C3 in particular, as evidenced by the fiasco over *News at Ten* and the steady decline in regional production, for example - then how on earth is an even 'lighter touch' regulator going to do so in the even *more* competitive environment which the Communications Bill will most certainly engender? As Steven Barnett put it in 1999:

The ITC has powers but increasingly lacks the guts to use them. It is a cowed body - cowed by the enormous commercial and competitive pressures on their franchise holders, and the fact that the big ones like Green and Hollick throw their weight around: 'we're fighting Channel 5, Channel 4 and Sky, and you want us to fight with our hands tied behind our backs'. It has changed radically

since 1990 ... Now, through mergers, competition, powerful moguls, the pressures on them are intense (quoted in Leys 2001: 147).

Secondly, in its periodic assessments of the state of public service broadcasting, OFCOM will assess the services for which it responsible 'taken together'. This could very easily lead to a situation in which a broadcaster attempted to excuse themselves from fulfilling a particular aspect of the public service broadcasting remit on the grounds that another broadcaster - the BBC for example - was already doing so. And thus would be endangered one of the fundamental - but all too often forgotten or misunderstood - principles of public service broadcasting, namely, that public service channels are characterised by a well balanced *mix* of education, information and, yes, entertainment.

Finally, and perhaps most seriously, OFCOM's responsibility to safeguard public service broadcasting appears to be distinctly at odds with its overall remit which is, surprise surprise, a deregulatory one. Indeed OFCOM is essentially an agent of deregulation. As the policy document puts it, the arrival of OFCOM means that 'red tape and the frictional cost of regulation will be reduced' (DTI/DCMS 2002a: 3); its very function is 'to minimise regulatory burdens' (ibid: 15) and it will be required to 'ensure that regulation is kept to the minimum necessary' (ibid: 27). All this, of course, in line with the Better Regulation Task Force's stipulation that economic regulators should withdraw from competitive markets when regulation is no longer necessary.

If the weaselly elision of 'regulations' and 'burdens' gives cause for concern, this is only increased by the kind of modish management-speak used to describe OFCOM's structure. This, we are told, will be:

A flexible framework overseen by a tightly focussed organisation. The OFCOM board will be small and lean, with the right experience and first-rate skills. It will be designed to be capable of responding swiftly and effectively in a sector where change can be very rapid and in which business relationships are often very fluid (ibid: 5).

Similarly the notes accompanying the publication of the Bill itself stated that 'OFCOM will be a fleet of foot regulator able to respond rapidly when needed'. Largely absent from this 'lean' vision of things appear to be much concern with niceties such as democratic accountability, or the idea that the make-up of regulatory organisations should be representative of the public whose interests they're supposed to be serving. But, there again, just whose interests *are* uppermost for OFCOM: the public's or the communications industry's? Or does OFCOM, like those who have brought it into being, believe that in serving the latter's it will automatically be serving the former's?

In the end, it's hard to avoid the suspicion that what is envisaged here is the creation of the UK equivalent of the Federal Communications Commission (FCC). To say that this has not exactly endeared itself to those who care about public service ideals in US broadcasting would be to put it mildly, and their trenchant critiques of the FCC should serve as a warning to those who see an OFCOM modelled along these lines as an effective defender of the public service ethos in British broadcasting. Take, for example, Robert McChesney, who points out that:

Very early in the FCC's existence, it internalised the notion that it had to assure the profitability of the industry it was regulating before it could make public service demands; such a dynamic meant that public service demands were by definition limited and easily undermined or quashed by the commercial interests. This process was encouraged by the extraordinary political and economic power of commercial broadcasters. As such, the regulation of the U.S. broadcasting industry has been an abject failure. In many respects the FCC has become the classic example of what is called the 'captive' regulatory agency. FCC members and officials sometimes come from the commercial broadcasting industry and often go there for lucrative employment after their stints in 'public service' (2000: 68).

Alternatively, there's Edward Herman's definition of the FCC in his 'Doublespeak Dictionary for the 1990s':

A government agency regulating broadcasting, nominally responsible for protecting the public interest; in reality, serving to create the illusion of government protection, while managing the steady encroachment of advertising and the erosion of public interest programming (1992: 138).

By an odd coincidence, an hour or so after I had typed these words, it was announced that the first chief executive of OFCOM was to be Stephen Carter, formerly managing director of the cable company NTL, who was quoted that day on the *Financial Times* web pages as arguing that: 'if you want to attract first-division talent, and I believe we do and can, you have to offer acceptable market rates. One of the biggest challenges is to attract and retain a similar quality of talent as is found in the private sector'. Then, what should pop out of the fax machine but a communication from the Conservative

Party Media Unit in which the Shadow Secretary of State for Culture, Media and Sport, John Whittingdale, took the opportunity to state that: 'I welcome the fact that the new Chief Executive of OFCOM comes from outside the existing regulators, and brings with him the experience of the commercial sector. OFCOM will be a very powerful body and it is essential that those in charge have a proper understanding of how the business world works'.

Carter's appointment and the Conservatives' opportunistic, and entirely predictable, response serve neatly to crystallise fears that OFCOM will be primarily a facilitator for communications business interests, and the means of completing the deregulation of broadcasting begun by the 1990 Broadcasting Act. On the other hand, of course, it has to be admitted that OFCOM is going to require considerable intellectual firepower and, in particular, immense economic expertise, if it is to have the slightest hope of withstanding the massive corporate lobbying - from BSkyB, BT, Vodafone, Orange, NTL and other dominant market players which, with the sale of C3, could easily include such colossi as Viacom, Disney or Berlusconi - which will undoubtedly be one of the main features of its daily working life.

Foremost amongst the issues crowding for OFCOM's attention once the Communications Bill becomes an Act will be Murdoch clamouring to have the regulations on impartiality in news lifted so that he can turn Sky News (and, in all likelihood, C5 news too) into the UK equivalent of his rabidly populist Fox News, complaints from the private sector (including, again, Murdoch) that the BBC's digital, website and educational activities are a source of 'unfair' competition, BT's use of its dominant position to keep a grip on the installation of broadband access to the

internet, and delivery of the government's plans to bridge the 'digital divide' and the 'information gap'. And, already, powerful players such as BSkyB have lost no opportunity to make it abundantly clear that they will not take kindly to an OFCOM that flexes its regulatory muscles too strongly. Thus, for example, its formidable chief executive Tony Ball, in a speech last year to the neo-liberal think-tank the Institute for Economic Affairs, warned that: 'there is a real danger that the regulation previously set down by governments will be replaced not by the application of competition law, but by the unelected board of OFCOM with a charter to interfere'. Meanwhile Dawn Airey, then head of C5 but now herself at BSkyB, stated that: 'my advice is QFC: make OFCOM quick, fast and cheap. As light in its touch as the legislation promised it would be' (quoted in Brown 2002: 4).

Nor will this lobbying be confined to OFCOM. Murdoch's sway over Tony Blair is too well known to merit further comment here, but the Bill, by granting worrying amounts of power to the Secretaries of State for Trade and Industry and for Culture Media and Sport to amend the legislation, simply begs the corporate lobbyists and their armies of lawyers repeatedly to beat a path to their doors - as, of course, they have been doing throughout the long period leading up to the publication of the Bill itself.

Thus, for example, the draft Bill imposed a 'must carry' obligation, which would have forced BSkyB to carry the public service channels for a nominal fee. Assiduous lobbying by the satellite channel ensured that this obligation disappeared from the Bill itself. Now ITV will pay them £17m and C4,C5 and the BBC £4m a year each for the privilege, and the Bill insists that they must be on the BSkyB digital platform even if

they think the carriage charges are too high. Thus Murdoch benefits to the tune of around £28.6m a year (some of which is made up of BBC licence payers' money) for providing a service which is estimated to cost a mere £350,000. Similarly, the draft Bill laid down a 'three plus one' local radio ownership regime, which meant that each region must have at least three separately owned commercial radio stations plus a BBC local radio station. Again, lobbying by the Commercial Radio Companies Association meant that the Bill itself laid down that there need be only two different commercial owners plus the BBC in any one region.

The powers which the draft Bill granted to the Secretaries of State particularly worried the Joint Committee led by Lord Puttnam, which so effectively scrutinised the measure. Especially serious in this respect are the Bill's provisions on media ownership. As the policy document states:

OFCOM will be given a duty to review all the media ownership rules ... no less frequently than every three years. OFCOM will make recommendations to the Secretary of State, who will then be able to amend rules by secondary legislation. This power should allow the legislation to be adapted to respond to rapidly changing market conditions, but will provide stability and certainty for businesses in the immediate future (DTI/DCMS 2002a: 61).

This clearly worried the Committee, who warned that:

Flexibility is a merit in legislation, but in this context it appears to be perceived as an economic tool, when the primary aim of media ownership rules is to protect plurality. This is a matter which is central to the democratic process and is deserving of the full parliamentary process of primary legislation to establish whether change is justified, whether the mechanism of change is correctly

drafted or could be improved by amendments and whether the full legislative consequences have been considered (House of Lords, House of Commons 2002: 74).

In support of this view they cited an authoritative source which stated that 'some would argue ... that the issues involved [in media ownership] are too important to be left to secondary legislation and deserve the more thorough scrutiny that primary legislation makes possible'. Somewhat embarrassingly the source turned out to be no less than the Government itself, in its *Consultation on Media Ownership Rules*, which was published by the Department for Culture, Media and Sport in November 2001. The Committee then went on to cite a number of other authorities on this crucial point:

In the last Parliament the Culture Media and Sport Committee considered that 'matters of such Parliamentary and public importance as media ownership and control should not be open to significant amendment by means of secondary legislation'. The Radio Authority thought that the powers of review and revision would result in 'endless lobbying by special groups' and create commercial uncertainty. BECTU [the Broadcasting, Entertainment, Cinematograph and Theatre Union] saw the powers as a recipe for 'creeping consolidation' (ibid).

However, in its response to the Committee the Government stuck to its guns, arguing that it would retain these controversial powers because it was 'strongly of the view that one of the faults of the existing legislation has been its inflexibility in the face of rapidly changing technology and markets' (DTI/DCMS 2002b: 32). Amongst the many negative consequences of the Government's stubbornness on this point we are

thus faced with the nauseating prospect that press barons will pimp their papers around the major political parties, offering support to those willing to countenance a relaxation of the ownership rules and excoriating those who aren't.

In the final analysis, it is the power over the communications system which this apparently deregulatory Bill invests in government which is actually its most disturbing - and revealing - feature. This is not simply because of the present Government's well-known openness to corporate lobbying, but because it is neither the market nor technological changes *but the Government itself* which is playing the key role in the deregulation of communications.

As Chair of the Campaign for Press and Broadcasting Freedom I have been involved in lobbying on this Bill right from the start, namely its origins in the 1998 Green Paper, *Regulating Communications: Approaching Convergence in the Information Age*. It has been a highly instructive experience, and never more so than when I was told by a very senior member of the Joint Committee, just after it had been formed, that it was crucial to understand that the impetus for the Bill came 'straight from No.10'. In the months that followed, watching Tessa Jowell's lamentable public performances in promoting the Bill made it abundantly clear that it certainly didn't come from her, and, indeed, it was soon to become common knowledge amongst my fellow lobbyists that the major driving force behind the measure was Ed Richards, Senior Policy Advisor at No.10, closely followed by Bill Bush, Special Policy Advisor to Tessa Jowell. Of course, there was also much gossip and speculation about exactly when, prior to the publication of the draft Bill, Murdoch had visited Downing Street, and the implications of former Culture Secretary Chris Smith being an advisor

to Disney, but, in the end, this was all rather beside the point. Because the point is this: 'New Labour' believes, profoundly and passionately, in the virtues of deregulation - although this belief is not shared by the 100 plus Labour MPs who signed an Early Day Motion highly critical of the Bill. This, allied with the fact that I have never found a Labour MP who is in favour of the Bill, speaks volumes in itself. But as Jowell herself put it in answer to her own question 'what is the point of Government' at the IPPR Convention on Public Service Communications in January 2003: 'A not bad answer is this: promote competition where we can, and regulate *if we have to*, to protect the public, the consumer' (emphasis added).

It is altogether unsurprising, therefore, that the idea that deregulation, competition and other neo-liberal totems are inherently beneficial, in communications as elsewhere, runs like a mantra through the Bill, although in all the acres of print which it has involved over the past four years there is absolutely nothing offered in the way of proof that this is indeed the case. Equally, the by now considerable and empirically detailed literature on the negative consequences of the deregulation of broadcasting, both in Britain and elsewhere, is quite simply ignored.

No room, then, for the Institute of Public Policy Research report (Cowling and Lee 2002) which showed that, in terms of programming for children and young people, imported content on the public service channels rose from 5.7 per cent in 1972 to 28.6 per cent in 2002, and that in 1997, before the welcome advent of CBBC and CBeebies, imported content accounted for a staggering 91.9 per cent of children's programming on the non-terrestrial channels. No room, either, for the report by the Campaign for Quality Television which concluded that: 'the "serious documentary"

has become an endangered species' on a C3 which they describe as 'openly - and voraciously - commercial' (1999: 13-14). No room, equally, for any of the seven reports on television coverage of international affairs produced by the Third World and Environment Broadcasting Project, whose most recent report, *Losing Reality*, starkly concluded that:

The international documentary is virtually dead. The realities of life for the majority of the world's people, who live in developing countries, are receiving less attention from mainstream UK television than at any time in the last thirteen years (Nason and Redding 2002: 2).

And no room, finally, for the research published by the ITV Network Centre in January 2003 which showed that, in the increasingly competitive broadcasting environment ushered in since the 1990 Broadcasting Act, the amount of current affairs programming across the four main terrestrial channels fell by 35 per cent, the number of arts programmes more than halved and religious programmes were cut by nearly 75 per cent. Instead, broadcasters are playing safe, relying more heavily than ever on tried and tested series and formulae rather than in investing in diversity and ground-breaking formats. Thus in peak time there has been a 133 per cent increase in shows devoted to hobbies and leisure, and a 125 per cent increase in soaps.

Clearly, however, evidence of how things actually are in the real world of broadcasting cannot be admitted if it flatly contradicts how they should be according to neo-liberal dogma. What we have here, in other words, is a classic example of what George Soros has termed 'market fundamentalism', an ideology quite as rigid, in its way, as communism: 'actually existing capitalism', if you like.

Central to this ideology is the idea that the market works properly as long as it is left alone and, in particular, is not subject to the heavy hand of government. Again, however, this simply ignores the inconvenient fact that governments are central to the modern capitalist system, and that big business absolutely relishes, indeed begs for, many of their interventions: thus where governments are not actually doling out lavish subsidies to corporate interests such as Britain's train operators they are tirelessly working to advocate business interests in other ways - in particular, pushing for deregulatory, business-friendly measures such as the General Agreement on Trade in Services (GATS) at the World Trade Organisation, which will enable Western service industries to privatise the public services of developing countries, and, of course, the Communications Bill itself.

And here, finally, we come to the nub of the matter. For what this Bill is really all about is *re-regulation* not deregulation. That is, regulations designed to protect and enhance citizens' communicative rights are, under the patronising and weaselly guise of 'giving people what they want', being replaced by those designed to further the economic interests of vast global media corporations.

1. In this respect, it's interesting to note that although the controversial report *Building a Global Audience* stated that: 'since the introduction of multi-channel television to the UK in the late eighties, the high prices paid for Hollywood films and premium entertainment have pushed the country into the red' (Graham1999: 14), it signally failed to point out that the deficit arose mainly from the reliance of satellite and cable companies, themselves foreign owned, on imported programmes. It was thus they, and especially BSkyB, who were primarily responsible for the fact that whilst in 1986 the UK ran a balance of trade surplus in television of £323m, this had turned into a deficit of £272m by 1997. Significantly, this report, whose analysis was condemned by the Voice of the Listener and Viewer as 'totally inadequate and present[ing] a misleading picture of the actual situation', was partly funded by the Department

of Culture, Media and Sport. Meanwhile, it was announced in January 2003 that Britain's overall trade deficit stood at £3.6 bn, the worst since records began in 1697.

References

Barnett, Steven and Seymour, Emily (1999), '*A Shrinking Iceberg Travelling South ...': Changing Trends in British Television: a Case Study of Drama and Current Affairs*, London: Campaign for Quality Television.

Brown, Maggie, 'Currie's Challenge', in *Media Guardian*, July 29, 2002: 4.

Campaign for Quality Television (1999), *Serious Documentaries on ITV: an Endangered Species*, London: Campaign for Quality Television.

Cowling, Jamie and Lee, Kirsty (2002), *They Have Been Watching ... Broadcasters' Provision of Children and Young People's TV from 1952 to 2002*, London: Institute for Public Policy Research.

Department of Trade and Industry, Department for Culture, Media and Sport (1998), *Regulating Communications: Approaching Convergence in the Information Age*, London: HMSO.

Department for Culture, Media and Sport (2001), *Consultation on Media Ownership Rules*, London: HMSO.

Department of Trade and Industry, Department for Culture, Media and Sport (2002a), *The Draft Communications Bill - The Policy*, London: HMSO.

Department of Trade and Industry, Department for Culture, Media and Sport (2002b), *Government's Response to the Report of the Joint Committee on the Draft Communications Bill*, London: HMSO.

Graham, David and Associates (1999), *Building a Global Audience: British Television in Overseas Markets*, Taunton: David Graham and Associates.

Herman, Edward S. (1992), *Beyond Hypocrisy: Decoding the News in an Age of Propaganda*, Boston MA: South End Press.

House of Commons (2002), *Communications Bill (Volume 1)*, London: HMSO.

House of Lords, House of Commons (2002), *Draft Communications Bill. Volume 1 - Report*, London: HMSO.

Independent Television Commission (2002), *A Review of the UK Programme Supply Market*, London: Independent Television Commission.

Leys, Colin (2001), *Market-Driven Politics: Neoliberal Democracy and the Public Interest*, London: Verso.

McChesney, Robert W. (2000), *Rich Media, Poor Democracy: Communication Politics in Dubious Times*, New York: The New Press.

Murdock, Graham and Golding, Peter (2001), 'Digital possibilities, market realities: the Contradictions of Communications Convergence', in Panitch, Leo and Leys, Colin (2001), *Socialist Register 2002: a World of Contradictions*, London: Merlin Press.

Nason, Sara and Redding, Don (2002), *Losing Reality: Factual International Programming on UK Television, 2000-01*, London: Third World and Environment Broadcasting Project.

Julian Petley is Senior Lecturer in Media and Communication Studies at Brunel University, and Chair of the Campaign for Press and Broadcasting Freedom.