

MAPPING DIGITAL MEDIA: DIGITAL TELEVISION, THE PUBLIC INTEREST, AND EUROPEAN REGULATION

By Petros Iosifidis



Digital Television, the Public Interest, and European Regulation

WRITTEN BY

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Discussion of digital television has focused on switch-over dates, set-top boxes and the technical and economic implications of switch-over. This paper, by contrast, focusses on public interest obligations and citizenship values such as freedom, access, universality, political pluralism and content diversity.

Petros Iosifidis distinguishes broadly between public interest priorities as understood in western Europe, and in central and eastern Europe. After assessing some obvious benefits of digital TV (extra channels, converged communications, enhanced interactivity and mobility), he argues that the public interest outcomes from the introduction of new technologies like the internet and digital TV will depend on how people use them, for new technology is only a vehicle by means of which public interest goals can be achieved.

He then considers digital TV penetration data from across Europe, as well as the status of national digital switch-over plans, stressing that northern Europe is much more advanced in this regard than southern and eastern-central Europe.

Outlining the pros and cons of digital switch-over for the public, Dr Iosifidis contends that universality and accessibility can best be ensured by maintaining public service media, which have been—and should continue to be—important conveyors of freely accessible and reliable information. Countries where television has been dominated by state broadcasters should use the new technology and in particular digital switch-over to create independent non-profit channels at both local and national levels, to foster a competitive environment and political pluralism.

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Mapping Digital Media

The values that underpin good journalism, the need of citizens for reliable and abundant information, and the importance of such information for a healthy society and a robust democracy: these are perennial, and provide compass-bearings for anyone trying to make sense of current changes across the media landscape.

The standards in the profession are in the process of being set. Most of the effects on journalism imposed by new technology are shaped in the most developed societies, but these changes are equally influencing the media in less developed societies.

The Media Program of the Open Society Foundations has seen how changes and continuity affect the media in different places, redefining the way they can operate sustainably while staying true to values of pluralism and diversity, transparency and accountability, editorial independence, freedom of expression and information, public service, and high professional standards.

The **Mapping Digital Media** project, which examines these changes in-depth, aims to build bridges between researchers and policy-makers, activists, academics and standard-setters across the world.

The project assesses, in the light of these values, the global opportunities and risks that are created for media by the following developments:

- the switchover from analog broadcasting to digital broadcasting
- growth of new media platforms as sources of news
- convergence of traditional broadcasting with telecommunications.

As part of this endeavor, the Open Society Media Program has commissioned introductory papers on a range of issues, topics, policies and technologies that are important for understanding these processes. Each paper in the **Reference Series** is authored by a recognised expert, academic or experienced activist, and is written with as little jargon as the subject permits.

The reference series accompanies reports into the impact of digitization in 60 countries across the world. Produced by local researchers and partner organizations in each country, these reports examine how these changes affect the core democratic service that any media system should provide – news about political, economic and social affairs. Cumulatively, these reports will provide a much-needed resource on the democratic role of digital media.

The **Mapping Digital Media** project builds policy capacity in countries where this is less developed, encouraging stakeholders to participate and influence change. At the same time, this research creates a knowledge base, laying foundations for advocacy work, building capacity and enhancing debate.

The **Mapping Digital Media** is a project of the Open Society Media Program, in collaboration with the Open Society Information Program.

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Contents

I.	Introduction: The Elusive Concept of Public Interest in Television Systems Across Europe	6
I.1	Western Europe	7
I.2	Central and Eastern Europe	8
II.	Digital Television and the Public Interest	10
III.	European Regulation, Digital TV Take-up, and Digital Switch-over.....	12
IV.	Digital Switch-over, Universality, and Public Service Media	14
V.	Conclusion	18
	Further Reading	20

I. Introduction: The Elusive Concept of Public Interest in Television Systems Across Europe

The term “public interest” is broad, vague, and loosely constructed. It changes over time and from different perspectives, so that defining it is notoriously difficult. In relation to the media, one might argue that something counts as being in the public interest only if it serves the aims of all those who participate in public communication and not just those of a minority. The idea of public interest is sometimes used to refer to the collective cultural, political, social, and informational benefits to a society, which serve both the democratic processes of political participation and cultural, social, and economic well-being.²

A thorny issue for media and communications is whether regulatory intervention in a free market can be justified on public interest grounds.³ In the media politics of western societies, debates about the public interest in mass media, particularly television, have focussed on the central issue of whether a regulated system or a free market can best deliver public interest goals such as political pluralism, cultural diversity, access, and choice. The western European broadcasting system is not uniform, for there are striking differences between countries’ media freedom and government interference, with the media in northern Europe enjoying greater political and economic independence than their counterparts in Europe’s southern and Mediterranean regions. However, taken as a whole, the western European broadcasting model is far more interventionist than, say, the American.

The differences between an interventionist and non-interventionist approach can be shown by comparing the traditionally heavily regulated European broadcasting system, which emphasizes the time-honored triad of education, information, and entertainment, with the American commercial system, which prioritizes individual freedom of speech and is characterized by minimal regulation. While the U.S. broadcasting model

2. D. McQuail, *Media Performance: Mass Communication and the Public Interest*, Sage, London, 1992, p. 3.

3. P. Iosifidis, *Global Media and Communication Policy*, Palgrave Macmillan, Basingstoke, UK, 2011a, pp. 45–92.

is based on the free-market principles of demand and supply as the appropriate means of providing universal access and content to satisfy all consumers, the western European model in its ideal typical form pays more attention to the obligations and needs of the citizen as an active member of a collective society than to consumer choice and individual freedom.

1.1 Western Europe

The concept of public interest in western European broadcasting is based on the following principles:

- program diversity;
- the availability of good-quality, innovative, and risk-taking programs;
- the reflection of national identity and culture;
- catering for minority interests;
- the provision of impartial news and current affairs;
- freedom of speech;
- universality of coverage.

These have traditionally been met by implementing heavy content and structural broadcasting regulation. But also as a reaction to the increasingly competitive media landscape and technological convergence, European policymakers have since the 1980s adopted re-regulatory measures (the introduction of “light,” flexible and converged regulatory frameworks) designed to allow large market players to expand across sectors and compete globally.

Converged communications regulation is already evident in countries like the UK which set up the Office of Communications (Ofcom) as an integrated regulatory body in 2003. The European Union’s 2007 Audiovisual Media Services (AVMS) Directive fosters re-regulation (the abolition of strict sector-specific rules) and—together with the 2009 Telecoms Reform Package—opts for converged regulation as a response to fully digitized communications systems.⁴ But it has been argued that the re-regulatory trends result in the “commercialisation of the public discourse” and the “commodification of the public.”⁵ These trends are accompanied by a reliance on general competition law to deliver public interest objectives.

4. The 2009 Telecoms Reforms Package, updating the EU Telecoms Rules of 2002, aims at bringing more competition to Europe’s telecoms markets, better and cheaper fixed, mobile, and internet services, and faster internet connections for all Europeans. It also provides for the creation of a new body of European telecom regulators, dubbed BEREC (Body of European Regulators for Electronic Communications). The package was expected to be transposed into national law in all EU member states by June 2011. However, by the end of 2011, only 12 member states had done so, while 15 states (Austria, Belgium, Bulgaria, the Czech Republic, France, Germany, Greece, Hungary, Italy, Netherlands, Poland, Portugal, Romania, Slovenia, and Spain) had still to fully implement all the reforms. Countries that do not comply with the requirements of EU law can be referred to the European Court of Justice, which may order EU member countries to implement EU Directives and impose fines if this is not done.

5. R.W. McChesney, (1998) “Making Media Democratic,” *Boston Review*, at: <http://bostonreview.net/BR23.3/mcchesney.html>.

However, the preservation of societal values like pluralism, diversity, freedom, and access cannot be guaranteed solely by the application of competition law, whose main objective is to eliminate barriers to entry and render the markets competitive. The protection of public interest values requires sector-specific regulation that can take the form of media ownership regulation, content rules, and support for public service broadcasting.

1.2 Central and Eastern Europe

The situation is rather different in the post-communist bloc, including the new EU member states from central and eastern Europe. Although central and eastern Europe is often presented as a fairly coherent entity, differences abound between the individual countries and their broadcasting landscapes. According to a major research project funded by the European Research Council (ERC), states in the region have experienced different patterns of transition from communism to democracy and the free market. In countries like Poland and Hungary, transition was eased by “pacts” negotiated between the old and new elites.⁶ In fact, the Visegrád Group (comprising the Czech Republic, Hungary, Poland, and Slovakia) were all smooth transitioners, whereas in the south-east, in countries such as Romania, transition was more abrupt and violent. The speed and scope of constitutional reform across the region also differed, as did the speed and scope of market reforms after the fall of communism.

Despite all this, the ERC project has identified a number of striking similarities and common features across the region, among others: politicization of the state; broadcasting dependence on economic and business interests (also evident in much of southern Europe); small underdeveloped and weak media markets; privatization of broadcasting outlets; floating laws and procedures; and a disoriented journalistic profession. Therefore, the public interest priorities in this region include political, economic, and socio-cultural reforms. Concerns are raised—more urgently than in western Europe—by issues such as the lack of accountability of media market players, the influence exerted by commercial operators, the impact of corporate power in setting the political agenda, and the limits on freedom of speech and on effective participation by citizens in society.

Another major concern is the condition of public service broadcasting, which in the post-communist region is still largely perceived as state broadcasting with close connections to political elites, whereas in most western European countries, particularly in northern Europe, public institutions enjoy a high degree of political and economic independence. The introduction of public service broadcasting in post-communist countries has either so far failed outright or produced very uncertain results, as public organizations lack social embeddedness and the right democratic context in which to operate.⁷ While in western Europe public

6. “Media and Democracy in Central and Eastern Europe (MDCEE),” An ERC Project based at the Department of Politics and International Relations of the University of Oxford in collaboration with the Department of Media and Communications, The London School of Economics and Political Science University of Oxford. Launched in October 2009. Details available at: <http://mde.politics.ox.ac.uk/index.php/country-reports>.

7. K. Jakubowicz, “Ideas in Our Heads: Introduction of PSB as Part of Media System Change in Central and Eastern Europe,” *European Journal of Communication* 19(1) (2004), p. 54.

service broadcasting is being actively reassessed, in most parts of central and eastern Europe political elites continue to undermine this institution, depriving it of opportunities to become entrenched and mature.

EU subsidies and policies could play a key role in the reform of state broadcasting. As a rule, the use of competition policy with regard to state aid has meant that publicly funded broadcasters have to define clearly their public revenues, and this has hampered their opportunities to engage in commercial activities which are seen to create market distortions. The 2009 European Commission's Broadcasting Communication contains a more effective control concerning possible overcompensation and the supervision of the public service mission. In principle, it states, overcompensation always constitutes incompatible state aid.⁸ The Commission starts from the position that state funding is normally necessary for public broadcasters to carry out their public service tasks.

This rigid employment of state aid, however, fails to take into account the social, cultural, and democratic functions of the public institutions and the need to protect these areas of opportunity within a communications market which has become increasingly defined by competitive commercial services. Competition policy in relation to state aid fails to conceive information and communication rights as a public good (good accessed by all).⁹ This is an issue of concern since communication must be considered as having a significant social worth, as well as being understood as an economic commodity. In effect, the EU's neo-liberal competition policies may enhance market opportunities, but they fail to recognize the cultural complexities of an audiovisual and communications public sphere in eastern and central Europe, where a diverse range of voices is required to encourage representation and participation by citizens.

Given the realities of the media, communications, and information environment in that region, however, one should not expect state broadcasting alone to play a leading role in establishing a pluralistic system, even if is subject to sympathetic state aid policies. Efforts to reform the bureaucratic and politically controlled state broadcasting system (in the direction of editorial integrity) should be accompanied by fostering a non-profit media sector that could include national networks, local stations, and community channels. Government policies should ensure that these ventures are accessible to all and subject to a stable source of funding, for underfunded channels cannot deliver program quality or guarantee economic and political independence. Yet in today's digital society it is not only television that can contribute to pluralism; another view is that social networks or alternative, internet-based media can encompass diverse forms of communication and offer a structural and organizational answer to the issue of plurality.¹⁰

8. Communication from the Commission on the application of state aid rules to public service broadcasting, adopted in July 2009, at http://ec.europa.eu/competition/state_aid/legislation/specific_rules.html#broadcasting (accessed ...). (Para. 70 states: "As a matter of principle, since overcompensation is not necessary for the operation of the service of general economic interest, it constitutes incompatible State aid that must be repaid to the State subject to the clarifications provided in the present chapter with regard to public service broadcasting.")

9. M. Wheeler, "The European Union's Competition Directorate: State Aids and Public Service Broadcasting," in P. Iosifidis (ed.), *Reinventing Public Service Communication: European Broadcasters and Beyond* (Palgrave Macmillan, Basingstoke, UK, 2010), pp. 59–60.

10. J. Harrison and B. Wessels, "A New Public Service Communication Environment? Public Service Broadcasting Values in the Reconfiguring Media," *New Media & Society* 7(6) (2005), pp. 834–853; K. Jakubowicz, "PSB 3.0: Reinventing European PSB," in P. Iosifidis (ed.), *Reinventing Public Service Communication: European Broadcasters and Beyond*, Palgrave Macmillan, Basingstoke, UK, 2010, pp. 9–23.

II. Digital Television and the Public Interest

European television has so far witnessed three major phases of development. The first phase came to an end in the early 1980s, with the loss of public service broadcasting monopolies and the development of commercial television transmitted via terrestrial means, cable or satellite.

The mixed economy of that analog era was shaped by the interaction of two concepts. First was the “trusteeship” paradigm, which was used to justify the setting up of public service broadcasters and government regulation of broadcasting in order to safeguard the public—and the public interest—against the self-interest of broadcasters. The second was commercial broadcasters, including pay-TV platforms, which delivered essentially one-to-many mass communications programming to mass audiences.

The introduction of digital television, starting in the late 1990s, marked the start of the third phase. While the mixed economy of the analog era was preserved, its market structure was undermined by the increasing range and diversity of communication sources available to the public. In the digital television epoch, audiences can choose whether to continue viewing scheduled television or to consume television on the go, on the office computer, on a mobile phone or on a tablet. The mass audience of analog TV is increasingly interactive and disaggregated.

The average viewer faces a bewildering choice of content, ranging from general areas of interest like sport, music, and entertainment, to personalized and niche video content to satisfy individual viewers’ habits. Choice is not restricted by live television schedules: the constraints of time and place no longer apply. Add an increasing number of catch-up platforms and the entry of innovative Internet Protocol Television (IPTV) operators who offer greater interactivity (for example, Virgin Media TiVo), and the result is greater freedom and diversity for the consumer.

Digital television involves much more than just extra channels; it is the catalyst of converged communications. The streaming of TV output on the internet, the appearance of the connected TV set, the possibility of internet access by mobile telephone technology, the availability of social media communications from mobile

phones and computers, means that over time people will become active self-schedulers by finding individual programs from sources as diverse as traditional broadcasters or YouTube. The mass audience will become disaggregated, more active and more empowered by deciding what they want to watch and when. Since the internet is global by nature and digital television crosses national barriers, another consequence is that dialogue will take place in a global public sphere—to the citizen's advantage.

However, the public interest outcomes from the introduction of new technologies will depend on how these technologies are used. In the end, the benefits from digital television and the internet will depend on people. Like all new media advances, these technologies can provide a useful tool or basis for a public sphere, but they cannot create such a space by themselves. New communications technology is not inherently pro-democratic; it can be just as effective at sustaining propaganda and authoritarian regimes. New forms of citizenship and public life are simultaneously enabled by new technology and restricted by market power and surveillance. What is certain is that media are not the public sphere *per se*; they are a vehicle through which such a space can be created.

III. European Regulation, Digital TV Take-up, and Digital Switch-over

Developments in digital television have been followed by announcements of both national analog switch-off plans and EU target dates for converting to digital TV. While switch-over policy has largely been driven by individual countries and national policymakers, there is also a European dimension that requires intervention by European public authorities. The European Commission has taken an initiative to harmonise analog switch-off dates with the year 2012 as a target in order to ensure a coordinated approach to switch-over and the use of available spectrum.

At a national level, a substantial number of European countries have completed analog terrestrial switch-off, some others are well-advanced, but many more are lagging behind. With the successful completion of the first switch-over process in August 2003, the German federal states of Berlin and Brandenburg have played a pioneer role in analog switch-off. The Netherlands was the first major heavily cabled country to turn off analog terrestrial transmission in 2006. Among the digital terrestrial pioneers are Finland and Sweden, both completing switch-over in 2007. The UK and Spain, having seen their respective pay-TV digital terrestrial ventures ITV Digital and Quiero TV going bankrupt in the early 2000s, both changed the model to free-to-air digital terrestrial TV and with this proposition that basically avoids viewer resistance have since had a swift recovery. The redirection of digital terrestrial TV towards a primarily free-to-air system has proved compelling to many UK and Spanish households.

Concerning the roll-out of digital terrestrial television, the latest MAVISE TV data show that by June 2011—and as the 2012 deadline approaches—terrestrial switch-off had taken place (or was very close to completion) in 20 European countries: Austria, Belgium, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Iceland, Latvia, Luxembourg, Malta, the Netherlands, Norway, Slovenia, Spain, Sweden, and Switzerland.¹¹ At the same time, the total number of channels on digital terrestrial networks

11. MAVISE was developed for the European Commission by the European Audiovisual Observatory, contains data on television companies and channels in the 27 EU markets plus the candidates Croatia and Turkey, and is published by the European Audiovisual Observatory: see http://www.obs.coe.int/about/oea/pr/mavise_june2011_pdf.pdf.en.

across Europe was about 1,800, including national, local, and regional. Pay-TV channels represented 53 percent of the total, while the remaining 47 percent were free-to-air.

In terms of genre, there was a significant distinction between the variety on pay and free-to-air platforms, with pay-TV platforms having a higher number of sports and film channels (at 15 percent and 10 percent respectively, compared with 4 percent and 2 percent respectively on free-to-air platforms), and free-to-air platforms having a stronger presence of the national generalist channels (38 percent compared with just 8 percent presence in pay-TV platforms). Despite an emphasis on particular genres (just 1 per cent of educational and cultural programming for pay-TV compared with 6 per cent for free-to-air platforms) and the prominence of entertainment and fiction (at 18 percent and 11 percent respectively for pay-TV and free-to-air platforms), the increase in the number of digital channels has enhanced choice and diversity of output in genres such as children's (at 11 percent and 4 percent respectively for pay-TV and free-to-air platforms), and business and news (at 6 percent and 9 percent respectively for pay-TV and free-to-air platforms).

Most of the countries that have completed digital switch-over are northern and western European. At the other end of the scale, switch-over in Europe's Mediterranean territories as well as central and eastern European countries is slow and the countries do not seem capable of catching up with EU targets. Across central and eastern Europe, analog switch-off has been hampered by political issues, governments' lack of political will to make it happen, and, more broadly, the lack of political consensus over modernization and the consolidation of democracy.¹² The switch-over process in this part of Europe has even been dubbed premature by some analysts who claim that these countries are not ready to convert to digital because they lack understanding of the issues involved.¹³ Digital switch-over is not currently a high priority in the financially troubled smaller European countries of Greece, Portugal and Ireland. Despite agreement on digital switch-off dates, the European market in 2011–2012 remains fragmented with regard to the adoption of digital technologies and digital switch-over plans.

12. P. Iosifidis, "Digital Switchover in Europe," *International Communication Gazette* 68(3) (2006), p. 266.

13. K. Jakubowicz, "Digital Switchover in Central and Eastern Europe: Premature or Badly Needed?" *Javnost/The Public* 14(1) (2007a), p. 21.

IV. Digital Switch-over, Universality, and Public Service Media

Some outcomes of switch-over are clearly positive for the consumer, as digitization increases choice of distribution mode (people can receive programming through digital terrestrial, cable, satellite or broadband platforms) and content (digital television offers the opportunity to expand the number of media sources and programs, which can promote pluralism and encourage new voices).

But digital television involves much more than just extra channels. Technological convergence—the intertwining of broadcasting, telecommunications, and computer technologies, based on digitized electronics—makes possible the delivery of programs in different formats, for example High Definition (HD) video, and can also free, at least in theory, the communications consumer from analog TV’s constraints of time and place.

If the benefits for consumers are visible, there is some doubt as to whether all citizens benefit. The downside is that not all of these services are likely to be available to everyone. While not all consumers have equal purchasing power, citizens’ interests are poorly served in terms of access to a universal service.¹⁴ This is particularly evident in the control of bottleneck facilities, which are areas of strategic control in the digital TV infrastructure. Bottlenecks (and gatekeepers) are present in various stages of the digital TV supply chain, including content, packaging, bundling, delivery, conditional access, reception, and revenue collection.¹⁵ These facilities do not allow for the effective participation of all citizens. The picture is one of opportunities and threats, with different outcomes likely to feature in different countries. Given this fast-moving and commercially-driven industry, civil society should have a say in the regulation of the digital chain.

14. P. Iosifidis, “Growing Pains? The Transition to Digital Television in Europe,” *European Journal of Communication* 26(1) (2011b), pp. 6–7.

15. M. Cave and C. Cowie, “Not Only Conditional Access: Towards a Better Regulatory Approach to Digital TV,” *Communications & Strategies* 30 (3rd Quarter) (1998), pp. 77-130. And see MDM Reference Paper 8, *Gatekeeping in the Digital Age*, by Peter Olaf Looms, at http://www.soros.org/initiatives/media/articles_publications/publications/mapping-digital-media-gatekeeping-digital-media-20110815.

So, it is not only the speed of switch-over that matters for an effective switch-over policy in Europe; it is also the inclusiveness and the principle of universality for achieving a European digital citizenship, which can be realized by supporting communities in sharing experiences through digital media and by designing inclusive technologies that have the potential to support public communication in a networked European society.¹⁶

Over half a century after it originally appeared, T.H. Marshall's seminal essay on citizenship and social class in postwar Britain and his lucid analysis of the principal elements of citizenship—the possession of civil, political, and social rights—remains highly relevant. In Marshall and Bottomore's analysis, the civil element comprises individual liberties, including freedom of expression, while the political element refers to the citizen's right to be involved in social life, and the social aspect includes aspects such as the right of access to services.¹⁷ According to Varney, while the civil element of citizenship has been expanded, the political and social aspects have been diminished in the present context for regulating the communications industry.¹⁸ This is reflected in the terminology used in the regulatory instruments for the industry, which refer to the public as consumers, customers or end-users. Consumers in the digital era benefit from the expanded choice of channels, but commercial players are not typically concerned with ensuring that citizens are sufficiently well informed to participate actively in society.¹⁹

What can be done? One possible way to ensure universal digital services after digital switch-over is to allow public service broadcasters to introduce online services and extend their portfolio of platforms and channels. The case for expanded public communications has lost some of its appeal in a digital multi-channel world, as it faces strong opposition from the commercial media sector, but it remains valid nonetheless. In practice much will depend on the quality and skills of different national public broadcasters and the degree of public support they retain. Most public broadcasters in western Europe have indeed expanded online (in the UK, for instance, the digital television revolution has brought the flagship BBC 24 Hour News), while in some eastern European countries broadcasters do not follow suit because they lack expertise, desire or grasp of these issues. Public service broadcasters—which have been important conveyors of freely accessible and reliable information—should take full advantage of digital opportunities. Despite the widening financial gulf between public broadcasters and their commercial competitors, public institutions should be free to expand online and on different platforms. Where public broadcasters are trusted media brands, they should contribute to the recreation of the public sphere, enhanced civic engagement, and informed citizenship.

16. According to Neelie Kroes, Commissioner for the Digital Agenda, “digital citizenship” entails such diverse issues as access to online public services, the need for skilled workers, and the protection of citizens’ rights online. See <http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/10/87>.

17. T.H. Marshall and T. Bottomore, *Citizenship and Social Class*, Pluto Press, London, 1987, cited in E. Varney, “Regulating the Digital Television Infrastructure in the EU. Room for Citizenship Interests?,” *SCRIPT-ed* 3(3), 2006, pp. 222–242, at: <http://www.law.ed.ac.uk/ahrc/script-ed/vol3-3/varney.asp#sdendnote12anc>.

18. E. Varney, “Regulating the Digital Television Infrastructure in the EU. Room for Citizenship Interests?,” *SCRIPT-ed* 3(3), 2006, pp. 222–242, at <http://www.law.ed.ac.uk/ahrc/script-ed/vol3-3/varney.asp#sdendnote12anc>.

19. See also S. Livingstone, P. Lunt and L. Miller, “Citizens and Consumers: Discursive Debates During and After the Communications Act 2003,” *Media, Culture & Society* 29(4) (2007), pp. 616–618.

If they are to achieve this, however, public service broadcasters should be reinvented as Public Service Media (PSM), engaging with the full possibilities of digital transmission and the web.²⁰ The transition of the traditional public service broadcasters into PSM (or public service communications) is one of the most challenging debates in contemporary media studies. It basically refers to the widening of the remit of the public channels to be available on more delivery platforms for producing and distributing public service content. Cross-platform strategies help PSM to retain audience share, reach new audiences and develop on-demand services, while enabling them to create a stronger partnership with civil society and serve an extended form of citizenship. Expanding into emerging digital media technologies and platforms is a difficult task and brings new challenges, but social change and new technologies require these public institutions to evolve from basic broadcasting services into an engine that provides information and useful content to all citizens using various platforms.

In fact, digital switch-over has given a boost to many public service broadcasters, as governments in countries such as the UK, Germany, Spain, and the Nordic region consider them partners in leading the digital conversion and rely on them to build public confidence in digital TV. The UK government gave the green light to the BBC to launch digital channels and set up projects like the iPlayer (that allows live streaming of all the BBC TV channels as well as catch-up services), as long as these services do not adversely distort the market.

Not all public institutions, however, seized the opportunity offered by digital convergence to expand into online and on-demand services. Among them is the Greek broadcaster ERT, which does not seem capable of adapting to its new role as leader of digital TV services. Market size and the social and political context embedded in Greece, for example—where television took its first steps under a dictatorship and was openly used for propaganda purposes—play a defining role in the decision not to enter new, unfamiliar, and commercially risky activities. In the small country of Hungary, the public service remit, as defined by the Broadcasting Act 1996, concerns exclusively the broadcasting of “public service program items” in radio or television programs, and makes no provision for program production or on-demand services.²¹

Polish public service broadcasters enjoy a fairly strong position, which makes this system unique among other central and eastern European countries. Critics accuse Telewizja Polska (TVP) of sustaining its ratings by abandoning serious, non-commercial output. Be this as it may, TVP’s large market share has not “protected” it from this region’s endemic difficulties, that is, pressure exerted by political forces and inadequate funding.²² Thus, differences between countries—in size, economic development, culture, and politics—render the one-size-fits-all policy toolkit irrelevant.

20. D. Tambini and J. Cowling (2004) (eds), *From Public Service Broadcasting to Public Service Communications*, Institute for Public Policy Research, London, 2004; G.F. Lowe and J. Bardoel, “From Public Service Broadcasting to Public Service Media: The Core Challenge,” in G.F. Lowe and J. Bardoel (eds) *From Public Service Broadcasting to Public Service Media*, RIPE@2007, NORDICOM, Göteborg, 2007, pp. 9–28; P. Iosifidis (ed.), *Reinventing Public Service Communication: European Broadcasters and Beyond*, Palgrave Macmillan, Basingstoke, UK, 2010.

21. M. Lengyel, “From ‘State Broadcasting’ to ‘Public Service Media’ in Hungary,” in P. Iosifidis (ed.), *Reinventing Public Service Communication: European Broadcasters and Beyond*, Palgrave Macmillan, Basingstoke, UK, 2010, p. 250.

22. P. Stępką, “Public Service Broadcasting in Poland: Between Politics and Market,” in P. Iosifidis (ed.), *Reinventing Public Service Communication: European Broadcasters and Beyond*, Palgrave Macmillan, Basingstoke, UK, 2010, p. 234.

In an expanding commercial environment it is difficult to predict if PSM will flourish or become marginalized. There is strong opposition from commercial media. The newspaper industry, whose print readership is in sharp decline, tries to build new revenue streams from ventures such as tablet-optimized apps. But charging online customers is not a viable option so long as PSM-run free sites are available. Commercial opposition to well-funded public broadcasters' free online operations, often led by the newspaper industry, has resulted in some public broadcasters having to limit their website ventures (in Germany, Austria, and Switzerland regulatory restrictions limit public service broadcasters' "Telemedia" interactive initiatives),²³ as well as license fee funding cuts (the BBC's license fee, for example, has been frozen until April 2017).

The case for publicly funded communications remains valid conceptually, for public service broadcasters, particularly from northern and western European countries, have been deep-rooted in their democratic and cultural psyches and have been resistant to political and commercial pressures. In practice, however, much will depend on national policies, the history and culture of individual countries, the quality and skills of different national public broadcasters, and the degree of public and political support they retain. For example, will national governments still be keen on online public service activity once digital switch-over is completed? As long as the EU continues recognizing the right of member states to determine the organization and funding of their public service broadcasters in accordance with the protocol of the 1997 Amsterdam Treaty (which strikes a balance between the realization of the public service remit entrusted to public service broadcasters and the achievement of the common supranational interest in the undistorted functioning of the internal market), policy decisions at national and EU levels are likely to determine the future of public institutions.

Finally, the growing tendency to treat public broadcasting as an "anomaly" and a threat to the interests of the commercial sector may yet be reversed as, in the wake of the financial and economic crisis of 2008–2009, nation-states and the international community re-evaluate the neo-liberal model of society, and the role of the state and the public sector in protecting the public interest.²⁴

23 The term "telemedia"—which bridges "tele services" such as telecommunications and "media services" such as television—entered German federal law with the 2007 Telemedia Act (*Telemediengesetz*), available in German at <http://bundesrecht.juris.de/tmg/index.html>

24 K. Jakubowicz, "PSB 3.0: Reinventing European PSB," in P. Iosifidis (ed.), *Reinventing Public Service Communication: European Broadcasters and Beyond*, Palgrave Macmillan, Basingstoke, UK, 2010, pp. 21–22.

V. Conclusion

Public interest priorities differ in Europe's North and South, with the former being more mature in its treatment of goals like pluralism, diversity, freedom of expression, and civil liberties, and the latter struggle to come to terms with political, economic, and socio-cultural reform. Despite their differences, the southern, central and eastern parts of Europe share some characteristics: lack of accountability of media market players, the influence exerted by commercial operators, the impact of corporate power in setting the political agenda, and limitations of freedom of speech and of participation by citizens in society.

Are technological developments like digital TV capable of addressing this situation? The public interest outcomes from the introduction of new technologies will depend on how these technologies are used. In the end, the benefits from technological advances like digital television and the internet will depend on Europe's citizens. Like all new media revolutions, these technologies can provide a useful tool or the basis for a participatory democracy and informed citizenry, but they are not themselves inherently pro-democratic. For example, countries where television has been dominated by state broadcasters may use the new technology and in particular digital switch-over to create yet more channels controlled by the state, rather than independent ones which are likely to foster political pluralism.

While policy intervention to boost digital TV uptake may be justified at an EU level to guarantee a coordinated approach to the switch-over process and to the use of the available spectrum, the pressure at the micro level for new EU member states to be part of the digital economy may not result in positive change, for it might lead to ill-informed and short-sighted policies. This danger is particularly apparent in countries where digital TV penetration rates are low and awareness of the digital switch-over process is lagging behind. While countries adopting a digital TV policy, such as the UK, Germany, and the Nordic countries, seem to conform most closely to EC ideals, in terms of speed of switch-over, the smaller and Mediterranean European territories as well as eastern and central European countries do not seem capable of catching up with the EC's target switch-off date.

What can be done? The free-to-air model of television, in which public broadcasters have a leading role, has played a significant part in Europe's digital TV strategies in two areas: by enhancing consumer interest in digital TV services; and by making the EC's target of analog switch-off across Europe in 2012 seem

achievable. Perhaps more importantly, the launch of digital terrestrial TV services has made digital services more affordable, addressing citizens' interests by maintaining the universality objective in accessing television services in the digital era.

For public service broadcasters to remain prominent content providers, in turn enhancing accessibility and promoting digital citizenship, they should expand to more platforms and introduce online services that have truly public value and are available for the whole national population.

Where television has been dominated by unaccountable state broadcasters, policymakers should take steps to reform the broadcasting system in order to enhance plurality and meet public interest concerns. Intervention to support plurality could ensure the availability of socially valuable content from a variety of sources, including independent local, community, and national non-profit channels.

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