

Analyse et commentaires sur les aides publiques à la presse, à l'information et au journalisme

- Belgique
- Grande-Bretagne
- États-Unis
- France
- Suède

Coordonné par le Centre d'études sur les médias
Pour le Groupe de travail sur le journalisme et l'avenir de l'information au Québec

Octobre 2010

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À propos des aides publiques aux médias, au journalisme et à l'information en Belgique

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GOVERNMENT SUPPORTING MEASURES FOR THE (WRITTEN) PRESS IN BELGIUM.

EFFICIENCY ANALYSIS.

Belgium is a federal State and, as a consequence of consecutive state reforms, its decision making power is divided over three levels of government. Within this complex division of responsibilities, the Federal Authority, the Communities and the Regions all have legislative powers. From a legal viewpoint they are on an equal footing, exercising their authority independently within their proper domain of competencies.

Federal Authority

On the federal level, a number of powers that concern all Belgians are executed over the whole territory. The legislative power is executed by the federal parliament, which consists of two chambers (the Chamber of Deputies and the Senate) and by the King. The King is relieved of all responsibility. His ministers within the federal government sign the bills elected by parliament and royal decrees, and bear full responsibility for this.

Communities

As a result of its three official languages, Belgium today has three linguistic communities: the Flemish Community, the French Community and the German-speaking Community. These communities therefore correspond with the population groups. Since the communities are political entities based on the concept of "language" and language is "dependent on the individual", a number of powers are logically associated with their area of policy. The Community has powers for culture (theatre, libraries, audio-visual media, etc.), education, the use of languages and matters relating to the individual, which concern health policy (curative and preventive medicine) on the one hand and assistance to individuals (protection of youth, social welfare, aid to families, immigrant assistance services, etc.) on the other hand. They also have powers in the fields of scientific research and international relations with regards to the aforementioned domains.¹ Each community has a parliament and a government.

¹ The Flemish Community exercises its powers in the Flemish provinces and in Brussels, the French Community in the Walloon provinces, with the exception of German-speaking communes, and in Brussels, the German-speaking Community in the communes of the province of Liège that form the German language area.

Regions

The regions are territorial entities.² They manage everything that concerns the interests of Flemish people, people from Brussels and Walloons. They exercise their authorities with regard to the economy, employment, housing, public works, energy, transport, the environment and environmental planning in their territory. Each region has a parliament and a government.

In Flanders, the region and community authorities are merged into one government and one parliament, whereas Wallonia has its competencies divided over the respective parliament and government of the community and region. The division of the decision making power therefore represents an asymmetric state structure.

As a result of the complex system of sovereign authority for the federal and regional levels of government, the Belgian state structure lacks a co-ordinating entity ensuring consistency between the different media policies of the federated institutions. In consequence, each Community has established its own systems and has developed autonomous policies regarding press subsidies.

The flaws in policy unity are tempered by corporate structures. As the media sector is highly autonomous, media concerns operate on different levels of government, which results in a certain interdependence of different media policies. As a consequence, a certain level of consistency between the different levels of management within the sector is ensured.

Nevertheless, several political safeguards have been installed to ensure cultural and ideological pluralism at the institutional level as well as in the media, in particular via the so-called "Cultuurpactwet" of 16 July 1973. The Act applies to all government decisions and actions relating to culture, which should be interpreted in a broad sense. It serves to protect all ideological and philosophical groupings in a Community and to prevent discrimination of one of these groupings in the preparation, development, implementation, etc. of cultural policies, in participating in cultural institutions, in obtaining representative cultural functions, in gaining access to cultural infrastructures, etc.³

Federal government

Up until 1988, the Federal Authority held the exclusive competence for direct aid to the press, with the aim of ensuring its pluralism, i.e. safeguarding that the press would reflect all opinions in society, and guaranteeing the newspapers' viability.⁴ The constitutional reform, however, resulted in the autonomous authority for media policy - including aid for the press - being assigned to the three Communities, i.e. the Flemish Community, the French Community and the German-speaking Community. As a result, the federal government's competency was reduced to indirect supporting measures, which have since then been substantial and impact all press concerns. Given these characteristics, subventions granted by the federal government are considered to support the operations of the sector and its distribution, without intervening in its daily functioning or contents. Federal policy regarding the press therefore focuses on fostering distribution systems. All the indirect supporting measures mentioned below serve a similar purpose. However, the first three are the most well known and are widely accepted to be paramount in ensuring that the written press continues to function well, in some cases even ensuring publications' survival.

² The Flemish Region territory coincides with the Dutch language area. The Walloon Region territory covers the French and German language areas. The Brussels-Capital Region covers the bilingual Brussels-Capital area.

³ http://ec.europa.eu/information_society/media_taskforce/doc/pluralism/study/belgium.pdf

⁴ Law 19/07/1979; Royal Decree 20/07/1979

1. *Governmental communication by governmental/ministerial departments, agencies, advisory boards and non-profit associations*

The mechanism of governmental communication entails that advertisement space for the announcement of public information can be bought at standardized reduced tariffs, hereby offering newspapers a certain fixed revenue. The conditions and modalities under which these acquisitions are made are determined in gentlemen's agreements between government and the print sector, offering the latter assurance of this indirect financial flow. Due to the lack of transparency and the inconsistencies in definitions regarding the different forms of governmental communication, only rough estimates are available for governmental advertising in the media in general. These amount to € 75 million on the federal level⁵.

Although both publishers and authorities consider it an essential task of the government to inform citizens, governmental communication through paid press advertisements has always been criticized: it has been described as a form of direct state aid, instead of merely an instrument of governmental communication policy. Whereas the federal government refuses to interpret its policy in such terms, it is clear that it impacts the financial situation of newspaper publishers positively.

2. *Reduced/Preferential postage rates for distribution⁶*

Due to policy principles of universal service and the public interest, postage rates for distribution of newspapers and magazines are kept below the cost price. These preferential rates and their implementation are determined by the government and laid down in a specific contractual agreement between publishers and the postal service.

As these subventions for reduced postage rates can be justified as a government decision by public interest arguments, the press sector itself systematically denies them as being aid. From their point of view, it would be preferable to describe them as support for the postal service, creating jobs and establishing operational benefits.

3. *Value Added Tax exemption (zero rate)*

Preferential Value Added Tax rates (VAT) or total VAT exemption for the sales of printed papers are known as traditionally widespread indirect aid measures in Europe and can be considered an important financial contribution to the sector.

4. *Measures supporting operations of the sector and distribution of their products*

0. *Lower tariffs for rail transportation of newspapers and magazines*

In line with the aforementioned reduced postage rates (2), the rail transportation of publications enjoys lower tariffs, which also lowers distribution costs.

1. *Free public transportation for professional journalists*

Licensed professional journalists and trainees can request free public transportation by bus and

⁵ Media studies on governmental communication disagree on the methodology and definition of the different forms, resulting in different amounts: Musschoot and Lombaerts, 2008; Callewaert 2010

⁶ This "press tariff" is reserved for publications of which at least 30% consists of editorial articles.

train. The initial costs of € 4,50 for the subscription, valid for ten years, have to be paid by the journalist. As such, the operational costs of news production are lowered.

2. Preferential telephone rates for journalists and editors of newspapers and magazines⁷

The Belgian telecoms operator *Belgacom* (PLC under Public Law) provides newspapers, political and general newsmagazines as well as press agencies with special reduced tariffs, which is another operational support measure.

3. Tax-free import of newspapers from countries outside of Europe.

Newspapers are exempt from import duty in order to maintain and stimulate an internationally diversified offer.

4. Advertisement tax deduction

Firms obtain a tax deduction for their advertising spending in audio-visual and printed media. Although this deduction is not specifically directed at the media sector, it can still be described as an indirect measure, as this fiscal stimulus positively impacts the sector's advertisement income.

Regional government

Given the specific features of the press subvention models employed in each of the two larger cultural communities - the Flemish and French Community⁸ - the relevant regional media policies are addressed separately in the following sections.

Flemish Community government

In 1993, Flanders abolished the system of direct subventions as a result of the growing concentration and globalization of the media sector. Nonetheless, indirect assistance remains a highly significant element of support for the sector. The retained distinction between indirect and direct subventions fosters a theoretical debate due to the ambiguous criteria each subvention contains.

• *Governmental communication through paid advertisements*

The Flemish government has been negotiating agreements for the acquisition of advertisement space since 1992. These so-called *central media acquisitions (CMA)*⁹ consist of a direct purchase of advertisement space from Flemish media (management), facilitating volume discounts, thus allowing economies of scale. In 2009, an average discount of 30% was granted, bringing the total amount of the central media acquisition for print to € 4,443,798.81. For several reasons, advertisement space is also bought outside the CMA system, adding another € 2,116,362 of governmental communication spending in 2009.

While the press sector perceives this system as an economic agreement/acquisition, this form of

⁷ art. 86ter, Law 21/03/1991

⁸ Due to the confined competency operations area of the German Speaking Community in Belgium, this community will not be considered in this report. There is only one German-language newspaper, receiving direct annual subventions according to the Decree 07/12/1994 concerning aid to the periodical press.

⁹ Centrale Media-Aankoop (CMA)

(in)direct allowance is criticized and considered a form of direct aid by others. The main discussion centres on whether conditions should be attached to this form of financial input (cf. *infra*).

• *Protocol (4th)*

Other modalities of structural press subventions in support of information quality are defined by a multi-annual protocol¹⁰ signed between the regional government and the publishers' associations. By means of an annual subvention of € 1,000,000, several initiatives are supported, enhancing the autonomy, quality and economic viability of publications. As the preservation of a pluralist, independent and economically performable Flemish press sector is the prior objective underlying this protocol, it emphasizes innovation, digital diversification and the preservation of knowledge and experience. The project funding provided by this protocol is accorded to 4 publishers' associations¹¹ in charge of presenting initiatives aimed at enhancing the pluralistic and high-quality nature of the editorial output, with a focus on high-quality foreign news coverage. Subventions can be granted to any individual company or publisher within the Flemish or Brussels region offering a minimum of editorial output. The projects need to be directed at the valorization of human capital within the written press, the training and transfer of knowledge by older journalists ("collective memory"), conservation of an editorial culture and corporate identity and specific measures enhancing pluralism by addressing certain target groups. An independent jury reviews and selects projects based on selection criteria set by the government.

The protocol requires that the sector reports on the progress made and the effects achieved by these communal projects. Although the current protocol recently ended (July 1st 2010), the system of protocols will be continued and/or renewed and a new supporting measure will be negotiated shortly by government and publishers' associations.

• *Structural subsidies to support quality journalism*

5. *Pascal Decroos Fund for Investigative Journalism*

The *Pascal Decroos Fund for Investigative Journalism*¹² is a special independent non-profit organization (ASBL) that aims to support high quality and investigative journalism inside and outside of Flanders, both in the print and audio-visual press. The Fund receives an annual subvention of € 250,000 (exceptionally doubled in 2009) and is required to allocate a minimum of € 175,000 to grants for special journalistic projects.

The costs incurred in investigative journalism are exceptionally high and exceed the normal budgetary capacities of the newspaper, editor or broadcaster. Moreover, it is very time consuming and requires a specific approach different to regular reporting or daily journalism. As a result, grants are directly allocated to individual journalists.

¹⁰ Protocol 2008 for distribution of press subvention funds between the Flemish Government and the Flemish written press sector concerning the safeguarding of a pluriform, independent and performable Flemish press of opinion ('Protocol 2008 tussen de Vlaamse regering en de Vlaamse geschrevenperssector betreffende de vrijwaring van een pluriforme, onafhankelijke en performante Vlaamse opiniepers')

¹¹ VLAAMSE DAGBLADPERS VDP (Flemish Daily Press); FEDERATIE VAN BELGISCHE MAGAZINES (Federation of Belgian Magazines); UNIE VAN UITGEVERS VAN PERIODIEKE PERS (Union of Publishers of the Periodical Press); VERENIGING DER UITGEVERS VAN DE KATHOLIEKE PERS (Association of Publishers of the Catholic Press)

¹² 'Fonds Pascal Decroos voor bijzondere journalistiek' <http://www.fondspascaldecroos.org/en>

The Pascal Decroos Fund is generally perceived to be a well-working professional institute with a high level of transparency, but its impact remains limited in comparison to the overall journalistic production. Moreover, important critics arise, stating its activities relate to the ones of a book-publisher, supporting individual project with the aim of publication, or as a travel agency, guaranteeing journalists transport and accommodation on location. Nonetheless, due to the lack of similar profound and significant forms of investigative journalism within the normal editorial structures, the call for higher operational resources and endorsement by the sector arises.

6. *Flemish Society of Professional Journalists (Journalist Union)*

The Flemish Society of Professional Journalists (*VVJ - Vlaamse Vereniging van Journalisten*) is granted an annual subvention (248,000 €), which is split into 3 main components:

0. Additional journalists' pension (€ 54,540)

In 1972, a supplementary auto-financing system was introduced, based on a legally required social contribution by the employer (2%) and journalist (1%) on the gross salary¹³. Regarding pensions of journalists employed before the introduction of this system, the VVJ receives an annual subvention that is directly deposited to the National Social Security.

1. Operating expenses of the institution (€ 103,460)

In order to allow the Journalist Union to safeguard the professional, social and intellectual interests of Flemish professional journalists, the VVJ is granted a subvention in support of its operational expenses and its daily functioning.

2. Raad voor de Journalistiek¹⁴ (€ 90,000)

This independent body for self-regulation of the Flemish press in Belgium operates as a non-governmental organization within the Journalist Union, responding to questions and handling complaints from the public about the journalistic conduct of the press.

- *The Flemish budget for media provides a certain amount for project funding and subventions for specific media projects.*

1. Project "Kranten in de Klas" (€ 1,259,000 - translated "Newspaper in Education")

Kranten in de Klas (KiK) resulted from the policy introduced by the Flemish government to support the newspaper industry with qualitative measures aimed at securing future readership markets. The goal of this project is to enhance information literacy and readership of students (pupils aged 10-12 and 13-18), enabling them to become media literate and critical citizens. By providing schools with free newspapers and educational materials, this project offers teachers the possibility and training to integrate these materials and online tools in their lessons, hence facilitating education through as well as about news media throughout the school year.

Recent research has demonstrated the potential of these socialization initiatives to promote newspaper reading in a school environment. Investigating the impact of this project has indicated that the attitude of young students changed positively towards newspapers and newspaper reading, as well as towards the information offered by them. While stimulating newspaper

¹³ Legal base: Royal Decree of 21 July 1972

¹⁴ The Raad voor de Journalistiek (<http://www.rvdj.be> - Council for Journalism) was formed in 2002 by the journalist unions and by publishers and media houses in Flanders. It is funded for 50% by the publishers and the audiovisual media companies, and for 50% by the journalist union (VVJ). VVJ receives a subsidy from the Flemish community for this purpose.

reading was traditionally the parents' role, school education has managed to take on this task.¹⁵ Attention is paid to the importance of critically dealing with content by including all newspapers in the package, thus contributing to completeness of information, diversity of opinions and ideological neutrality. However, as far as for the long-term effects of this instrument a new research brought up questions and criticisms regarding the structural impact of it.¹⁶

This instrument is being acknowledged inside as well as outside of the print sector as an important policy measure, enabling the sector to valorize its product to a target audience while simultaneously stimulating the target groups' media literacy. It will be extensively promoted and supported by the Flemish administration.

2. Subsidies for "Brussel Deze Week" (Translated "Brussels This Week") and "Flanders Today"

*Brussel Deze Week*¹⁷ is a weekly city newspaper (circulation 68,500) that mainly targets the Dutch-speaking people from Brussels and the Brussels capital region. BDW is published by a non-profit organization and funded for 80% by a structural subvention granted by the Flemish government, supplemented by the Flemish Community Commission of the Brussels capital region.

"*Flanders Today*"¹⁸ is a free weekly English-language newspaper (circulation 23,000, 1800 subscriptions) financed by the Flemish Department of Foreign Affairs. It offers a review of the Flemish press, which allows foreign journalists, diplomats and delegate members to receive a weekly overview of news regarding policy domains within the scope of the Flemish government's authority. In addition, the Flemish administration provides a daily electronic English and French press review with selected translated news items by the national press agency *Belga*. By financing these, the Flemish authority aims at offering an alternative to the mainly French-speaking news sources on which foreign groups rely to be informed about Flanders. However, these instruments are heavily criticized as propaganda and remain marginal in publicity as well as in circulation.

• Subventions enhancing broadcasting news accessibility (non-written press!)

3. Promotion of accessibility of media content for target groups¹⁹

Private regional broadcasters are granted € 500,000 in order to provide a considerable amount of their news bulletins to persons with a visual or auditory disability, through subtitles, audio description, sign language and auditory subtitling. From 2010, this measure has been extended to initiatives enhancing accessibility of other television shows.

4. Project funding for a youth journal on the commercial broadcasting channels VTM and JIM ("Zoom" - € 300,000) and VT4 ("JAM" - € 228,000)

5. Project funding for a daily culture journal on the digital thematic channel Exqi Culture (150,000 €)

6. Subvention granted to all of the ten regional broadcasters²⁰ for programs raising the involvement within the respective region

¹⁵ <http://www.informaworld.com/smpp/section?content=a902114639&fulltext=713240928>

¹⁶ TBA: SEGERS (K.), BAUWENS (J.), RESMANN (N.). Onderzoeksrapport 'Kranten in de Klas' 2010, Cemeso, September 2010

¹⁷ <http://www.brusseldezeweek.be/>

¹⁸ <http://www.flanderstoday.eu/>

¹⁹ Decrees of the Flemish Government 12/05/2006; 29/05/2007

²⁰ ATV (Antwerpse Televisie); AVS (Audio Video Studio); Focus TV; TV Oost; Ring-TV; ROB TV (Regionale Omroep Oost-Brabant); RTV (Regionale TV); TV Brussel, TVL (TV Limburg); WTV (West-Vlaamse Televisie)

Government of the French Community

In 2004, the legislator of the French Community decided to merge and rationalize press aid mechanisms into one single decree. It was also decided to progressively abandon the system whereby part of the advertising revenue of television bodies was used to fund aid to the written press. Conventions were signed with the contributing television bodies, leading to a progressive reduction in their contributions. From 2008 onwards, the system was abandoned completely and as such aid is now entirely financed by the French community. Consequently, the aid to the press is managed by the 'Centre de l'aide à la presse écrite' (Centre for aid to the printed press), a separately managed administrative department created by the Decree of 31 March 2004 concerning aid attributed to the French-language daily written press and the Development of Initiatives by the daily press in education.

1. Centre for aid to the printed press

Since January 1st 2004, the Centre is granted a minimum annual subvention of € 6.2 million, indexed annually, resulting in an income of € 6.986 million in 2009 (entirely provided by the French Community).

After consultation of the "Association des éditeurs de journaux francophones" (JFB - French-speaking Publishers Association), the "Commission d'agrégation au titre de journaliste professionnel" (Admission Committee for Professional Journalists), the "Association des Journalistes professionnels" (AJP - Professional Journalists Union), and on the advice of the Centre, subventions are used for different types of aid, resulting in a repartition of the total available budget²¹:

1. Development of programmes to encourage reading of the press and reader education programmes (€ 365,000 - max. 5% of the total)

The newspaper industry has been at the forefront of explaining why newspapers should play an important role both in the debate on media literacy and in helping to formulate criteria to assess and improve media literacy levels.

In order to encourage press circulation and readership in education, the government of the French Community of Belgium assigns an annual dedicated funding package (€ 300,000) to develop initiatives to distribute daily newspapers in educational institutions. Since 2009,, elementary and secondary schools are able to purchase newspapers at half their retail price, through the campaign 'Open my daily paper' in primary education. However, the French press sector does not see this as aid to the sector, but as a measure that benefits schools: as they can purchase papers at half price, it helps them to fulfil their obligations determined by the decree on media education. Additional funding is foreseen in enabling journalists and media experts to visit and lecture schools (€ 65,000) to generate press awareness among pupils.

Once again, measures in support of readership in education are well received by the sector. However, with regards to socialization and participation, additional research is necessary. So far, studies on the long-term effects of reader education programmes are lacking.

²¹ BLANCHART (J.L.). Aid to the written press in the French Community of Belgium. In: ALONSO (I.F.) (ed.), Press subsidies in Europe, Barcelona, Generalitat de Catalunya, 2006, p. 96-98

2. Supporting the start-up of daily newspapers titles or title groups by subsidizing the creation of new titles (€ 350,000 - max. 5% of the total)

Subventions can be granted for the start-up of daily newspapers or groups of newspapers during their first three years of existence. These have to be requested in writing by means of a justified dossier containing a financial plan that - while bearing in mind the elementary principles of prudence - evaluates the anticipated income and expenditure of the company from the moment it is formed. This is to serve as proof for a sufficient cover of the company's expenses during a period of at least three years.

3. Employment of full-time professional journalists (€ 3,355,000 - min. 48% of the total)

These subventions aim to encourage the employment of professional journalists. The criterion of the relative number of employed professional journalists per newspaper is extremely important in the method used to calculate aid, and this contributes to the editorial quality of the newspapers.

It is also worth mentioning that the aid not allocated for any other measures is allocated to encourage the employment of professional journalists, confirming the importance of this criterion²².

4. Adaptation of new technologies (€ 140,000 - max. 2% of the total)

Although the French community explicitly takes the subject of new technologies into account, the impact of innovation on press circulation and the overall economy of the industry remains a marginal element. The systems for aid should take these developments into consideration more concretely, as the system lacks monitoring and accountability.

5. Maintaining the biggest diversity within the daily written press by privileging titles or groups of titles with low advertising revenue (€ 2,800,000 - 40% of the total)²³.

This form of aid is based on the economic results of each newspaper and benefits the newspapers or groups of newspapers that are the least profitable. Heavily criticized for its artificial maintenance of economically underperforming products, this form of aid has not been very effective in combating negative market trends, which - to a fewer extent - are also manifest in the Flemish counterpart to a lesser extent.

Although the different amounts within these types of subventions are being attributed based on a number of specific criteria (number of engaged salaried professional journalists, newspaper circulation number,...), and the granting of aid is conditional on fulfilment of certain eligibility criteria, the generalist and vague character of the aforementioned categories cannot be neglected.

2. "Le Conseil de déontologie journalistique" (translated: Council of journalistic deontology)

The decree makes aid conditional on the effective application of the 'Code of Principles of

²² BLANCHART (J.L.). O.c., 2006, p.95

²³ The subventions are for newspapers published in French, printed and published "on paper with the help of a rotary press, with at least 200 paid editions appearing per year, containing at least 16 pages of information, analysis and comment on political, economic, social, sporting, scientific and cultural matters, at national, international, community or regional level (art.1.4 - Decree 31/03/2004). The newspaper must also comply with the sectorial collective agreements, particularly the deontological code, which is annexed to these agreements.

Journalism' by the daily press companies, as well as their compliance with copyright legislation. They should also recognize an internal journalists' society that acts as a representative voice and they are required to consult it, in particular on issues that may bring about fundamental changes to the editorial line or editorial organization.²⁴ In line with this, the French community installed an "Instance d'autorégulation de la déontologie journalistique" (IADJ) or a council for the auto-regulation of journalistic deontology.

Partly financed by the editors, partly by journalists, this Council is assured of a subvention by the French Community, thus guaranteeing part of its income. Granting is done through the "Association des Journalistes professionnels" (AJP - Journalists Union). The council's establishment is as yet too recent to evaluate its outcomes, as it only has been operational since 2009.

3. "Fonds pour le journalisme d'investigation" (translated: Fund for Investigative Journalism)

Following the above-mentioned example of the Pascal Decroos Fund in the Flemish Community, a support system for investigative journalism has been implemented in the French Community. The 'Fund for Investigative Journalism' similarly aims to support and promote investigative journalism, and is organized and managed by the Association of Professional Journalists. Since 2009, an amount of € 250,000 is granted. The Fund's objective is to ensure the accessibility of journalistic quality content related to the preoccupations of the audience of the French Community, requiring a strong journalistic involvement in order to finance a system of aid for investigative journalism²⁵.

As this organism hasn't yet been operational for one year, The results of this recent initiative's operations have not yet been published and evaluated. Although it was received skeptically in its early days, the sector itself had expressed the wish for a Fund of this nature, thus offering the necessary support.

Debates and future initiatives

1. Like most Belgian cultural industries, the press industry is above all defined by language. The Belgian market also reflects its linguistic divisions in populations. Consecutive state reforms have led to the authority for media policy - which includes support for the press - being assigned to the three Communities. On the legal level, executives from the regional Communities therefore decide on financial aid granted to "their" respective press. Although the total amount of aid attributed as such is significant, the different forms and flows are unclear. The confusing multiplicity of distinct measures and instruments therefore makes it impossible to list all their exact details. In addition to the different levels of authority, there is a significant risk of overlap between different forms of support. The lack of transparency surrounding the different types of governmental funding, as a consequence of the total obscurity in which they are granted, has been denounced by many authors,
2. In line with this, the direct or indirect nature of the different aid measures is debatable. Although several mechanisms have been set up in order to abolish direct forms of subventions, many so-called indirect measures still have characteristics of direct support. The retained distinction between indirect and direct subventions therefore fosters a theoretical debate due to many

²⁴ BLANCHART (J.L.). O.c., 2006, p.96.

²⁵ http://www.fadilalaanan.net/downloads/pdf/Presse_TableRonde_2009.04.22.pdf

subventions' ambiguous criteria.

3. As stated earlier, one of the main topical issues concerning the enhancement of a pluralistic, high-quality, diverse and accessible press, is the attachment of formal conditions to the subventions granted by different governments. Currently, conditions linked to subventions are known to be highly generalist ("thoroughly substantiated dossiers", "project proposals in line of set goals"), failing to implement compulsory government policies regarding quality and editorial autonomy (against commercial powers). Therefore, governmental supporting measures are predominantly of a highly indirect nature, such as the above-mentioned initiatives to foster (media) readership and literacy. The facts remain that the considerable support is unconditional and that control mechanisms are inexistent.
4. When considering the effects of state aid, Picard (1994) argued that many forms - especially subsidies - do little more than provide continuing operating aid. This occurs because most types of support address variable costs rather than fixed costs, where the real problems in maintaining newspapers lie²⁶. By neglecting these fixed costs, the press sector faces structural problems, which inhibit positive effects in the long term. Aid and subventions within the Belgian written press landscape are indeed mainly focused on securing and facilitating its operations.
5. Despite the considerable support of operational activities, the lack of subventions regarding specific innovation projects is salient. The scarce attention and resources attributed to innovation projects result in a highly fragmented innovation policy with very little focus on the multiplicity of different instruments. Although the necessary capacities and potential resources are available through IWT-IBBT Channel Programs or EuroFunding programs, the policy measures are limited. A specific example of innovation stimulating projects can be found in the ePaper project 'De Tijd' (2005)²⁷.
6. Although an important policy focus on investigative journalism can be discerned, it is received with restraint by the sector itself. Doubts arise concerning the policies' limited structural impact in the long term. As a result, the sector shows an ambiguous attitude towards the measures. However, endorsement from inside the sector is necessary in order to obtain structural effects.
7. In addition, similar concerns can be raised regarding the promotion of (newspaper) readership in education. Although support is focused on the 'audience of the future', questions arise on the long-term effects and necessity of such measures. The short-term success of measures on media education consolidates the indirect support policies of the respective authorities, thus enhancing the quality, pluralism and autonomy of the press.
8. Small markets, such as the Belgian one, face particular challenges with regard to press freedom and pluralism. Press freedom is usually considered a basic element of democratic societies, which should enable citizens to take part in the democratic process; being informed about political, social and cultural events and developments should enable them to form an opinion. This is only possible if media offer a pluralistic choice of topics, views and voices, and access is universally granted. Pluralistic media content requires participation of a broad range of social groups, including minorities²⁸. Although no provision in the Belgian Constitution explicitly refers to

²⁶ PICARD (R.G.). Why State Support Fails to Preserve Newspapers. A paper presented to the Biannual Conference of the Austrian Society of Communications, Salzburg, Austria, March 5, 1994.

²⁷ <http://www.ibbt.be/en/projects/overview-projects/p/detail/e-paper>

²⁸ CZEPEK (A.), HELLOWIG (M.), NOWAK (E.). Press Freedom and Pluralism in Europe: Concepts and Conditions. European Communication Research and Education Association (ECREA), Bristol, Intellect Books UK, 2009, p. 11

media pluralism, the principle of pluralism is inextricably linked to the structure of the Belgian federal state with its Communities and Regions. While there is a broad consensus on the importance of pluralism-enhancing measures for the democratic process, opinions on what exactly they should entail and how they should be implemented vary. In spite of the distinctions between the different community-related media policies, all subventions have a similar purpose of increasing survival rates and promoting independence throughout the press sector, in sum, ensuring the media's ability to fulfill their societal functions.

REVIEW TABLE (1)

FEDERAL GOVERNMENT		ANALYSIS
Governmental Communication	75 000 000 € (ca.)	Considerable amount, non-transparent
Preferential Postage Rates	120 000 000 €	Operational, non-transparent
Preferential Telephone rates	-50%	Operational
V.A.T.		Important sector reduction
Reduced Rail Tariffs		Operational
Free Public Transportation		Operational
Exemption of import duty on newsprint		Structural, diversity enhancing
Advertisement tax reduction		Structural, very indirect
FLEMISH COMMUNITY GOVERNMENT		
Governmental Communication	6 560 000 €	Non-transparent
Protocol	1 000 000 €	Focus on quality & foreign coverage, unconditional
Fund for investigative Journalism	250 000 €	Professional, low scale, insufficient endorsement and doubts by sector.
Flemish Society of Professional Journalists	248 000 €	Necessary operational aid
Specific Media Projects		
Newspaper in education	1 260 000 €	Indirect, endorsed by sector, long-term effects?
“Brussel Deze Week”	80%	Non-competitive
“Flanders Today”		Criticised, marginal circulation
Accessibility measures	500 000	Increasing budget
FRENCH COMMUNITY GOVERNMENT		
Centre for aid to the printed press	6 986 000 €	Centralised aid
Start-up newspapers	350 000 €	Low effects
Employment	3 355 000 €	Focus of the aid, quality enhancement
Diversity measures	2 800 000 €	Artificial, market disturbant
Innovation		Marginal resources & effects
Fund for investigative Journalism	250 000 €	Recently adopted, endorsed by sector
Newspaper in education	350 000 €	Recently adopted, endorsed by sector

REVIEW TABLE (2)

	FED. GOV.	FL. COMM. GOV.	FR. COMM. GOV
Reductions/Advantages			
Preferential Postage Rates	120 000 000 €		
Preferential Telephone rates			
Reduced Rail Tariffs			
Free Public Transportation			
Exemptions			
V.A.T.			
Advertisement tax reduction			
Exemption of import duty on newsprint			
Governmental communication	75 000 000 €	6 560 000 €	
Organisms			
Centre for aid to the printed press			6 986 000 €
Flemish Society of Professional Journalists		248 000 €	
Fund for investigative Journalism		250 000 €	250 000 €
Newspaper in education		1 259 000 €	365 000 €
Media Projects			
“Brussel Deze Week”			
“Flanders Today”			
Accessibility measures		500 000	
Protocol		1 000 000	
Diversity measures			2 800 000 €

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À propos des aides publiques aux médias, au journalisme et à l'information en Grande-Bretagne

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Support for news production and dissemination in the UK (excluding broadcasting).

At the time of writing, there are **no** measures to support news production and dissemination (excluding broadcasting²⁹) in the UK other than the (financially significant - amounting to a concession of 17.5% of turnover) exemption of newspapers (and other printed works such as books and magazines) from value added tax (VAT)³⁰ and the, hardly significant, discount on overseas postal prices which all dispatches of printed papers by Royal Mail potentially enjoy³¹. Both of these initiatives, one significant the other insignificant, are forms of **indirect** aid.

Independently Funded News Consortia.

However, on March 25th the then Labour Government (which, after the General Election of May 6th, was replaced by a Conservative/Liberal Democrat coalition) proposed to fund three pilot schemes to provide news (located in northern England, Scotland and Wales).

²⁹ The BBC constitutes a very significant public intervention. In 2008/9 it received a £3.5bn in licence fee revenues. A further, less easy to quantify, commitment of public resources, in the form of what has come to be known as “regulatory assets”, to public service content (including news) is the unpriced allocation of radio frequency spectrum to Channels 3, 4 and 5 television..

³⁰ The standard rate of VAT in the UK is 17.5%. For details of the newspaper exemption see: http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?_nfpb=true&_pageLabel=pageLibrary_PublicNoticesAndInfoSheets&propertyType=document&columns=1&id=HMCE_CL_00010_2#P293_29418 accessed on 27.3.2010.

³¹ Since the introduction of competition in most postal services in the UK, postal prices (particularly for large scale or regular users) is a matter of commercial negotiation. Pricing, including for printed papers, is an operational matter which is within the discretion of the Royal Mail's managers. The Universal Postal Union issues guidelines on printed paper postal pricing (see http://www.upu.int/acts/en/2_letter_en.pdf) but these too are not mandatory. Moreover, because most newspapers in the UK are bought from vendors (or delivered to the home by local retailers) the cost of postal distribution is a small part of the total costs of newspaper production, distribution and retailing. A study for the Government, which compared the UK to other countries, stated: “Content and administration and marketing account for a higher proportion of costs in the UK. This presumably reflects the fact that the industry does not have to spend as much as its European counterparts on printing (labour costs are lower) or on distribution – it is cheaper to distribute through the newstrade than via subscription-based home delivery, which is much more common in Europe”. Publishing in the Knowledge Economy. A Competitiveness Analysis. 2002: 44. at <http://www.bis.gov.uk/files/file13777.pdf> accessed on 27.3.2010.

However, the clause which would permit establishment of Independently Funded News Consortia (IFNCs) was deleted from the Digital Economy Bill on its final Parliamentary reading in the pre-election “wash up” on April 7th 2010. This means that IFNCs cannot be established without new legislation. The Conservative/Liberal Democrat Coalition Government, which took office in May 2010, has confirmed that no commitment will be made to establishing IFNCs. This is not surprising given the poor state of UK public finances and the new Government’s policies of cost reduction and reduction of public spending.

These pilot schemes would, if they had been implemented, have provided a substitute for the local news formerly provided by Channel 3 commercial television³² (ITV and STV) and which has, the providers’ claim, become economically unsustainable following changes in the advertising and television markets. However, here again, there has been a policy reversal. A new management regime at ITV has resiled from its predecessor’s plans to withdraw from local news. The difference in views of successive generations of commercial television management suggest that there is real uncertainty about the economic viability of news provision thus making any case for public funding more difficult to sustain than it would be in the case of a clear and consistently manifested commercial judgement that news production and provision was uneconomic.

Although the consortia were planned a response to a “television problem” they were likely to have had a more general impact. They would have provided local news content to web, mobile, and other platforms, and to the television slots currently occupied by ITV and STV. And thus there was a clear likelihood that these Independently Funded News Consortia would, if they had been implemented, have had a significant impact on non-broadcast news production and distribution. For example, the website of the Scottish pilot scheme was designed to: “act as a portal to 130 local newspaper partner websites” and major publishers of local and regional newspapers are involved in all three pilot schemes. The pilots were scheduled to receive funding of up to £47m (from an underspent budget line, funded from the BBC licence fee, initially identified for digital television switchover) over two years and would have, if they had been implemented, been a form of direct aid³³.

Local Government newsletters.

It is **possible**, though the issue is controversial, to identify local authorities (rather than central Government) as a source of public, direct, support for news production and dissemination in the UK. Many local governments³⁴ fund the production of newsletters, publicising the activities of local political authorities, and some newspaper publishers have objected to this as a form of unfair competition. There are several uncertainties here – first,

³² Channel 3 licencees have been charged with certain public service programming responsibilities although in recent times these have been reduced.

³³ See: http://www.culture.gov.uk/reference_library/media_releases/6782.aspx
http://www.culture.gov.uk/what_we_do/broadcasting/6549.aspx
http://www.culture.gov.uk/what_we_do/broadcasting/6721.aspx

³⁴ England has c359 local authorities. Scotland, Wales and Northern Ireland have both their national administrative structures (varying in authority and power) and their own local authorities: 32 in Scotland, 22 in Wales and 26 in Northern Ireland.

do free newsletters compete with newspapers? They may do: many, for example, take advertising and were the newsletters not published then their publishers, the local governments, would, almost certainly, buy more advertising in newspapers. But if they do then so do many other forms of local (and national) government informational activity. Second, how substantial is this competition? The newsletters do not provide audited circulation data and it has proven difficult to disaggregate the costs of newsletters from the total of local authority expenditure.³⁵ The scale of intervention is therefore almost impossible to assess. Third, if this expenditure were to be counted as a contribution from public funds to news production and dissemination, the totality of Government (national and local) expenditure on press and public relations would also have to be counted. For these reasons I have not identified local authorities' expenditure on newsletters as a form of public support for news.

Some conventional newspapers have complained about such activity by local government, they have not, yet, been able to assemble sufficient data to make a formal complaint to the Competition Commission or other body. However, the House of Commons' Select Committee on Culture, Media and Sport in April 2010 reported on the future of local and regional media and found "There is a real problem with local authority newspapers and magazines that needs to be addressed" (House of Commons Culture, Media and Sport Committee 2010: 24) and recommended that the Office of Fair Trading review the matter.

Journalism Training.

The training of journalists in the UK is now largely undertaken in formal education (increasingly in higher education, the universities, but also in further education – local colleges equivalent to CEGEPs in Quebec). However, some trainees enter the industry through recruitment directly by regional or local newspapers and carry out basic training under an in-house training contract. Some college and university courses are accredited by the National Council for the Training of Journalists (NCTJ)³⁶ but NCTJ accreditation is **not** required to secure employment as a journalist – an occupation for which there are no formal entry requirements. No special funding arrangements exist for journalism courses in the UK. The NCTJ reported that, in 2008/9, there were 303 students completing at BA level in newspaper reporting (from 14 institutions); 249 students completing at post-graduate (master/diploma) level (from 15 institutions); and there were 253 students completing at FE level (from 8 institutions). There were additional students on day release and other courses (source [http://www.nctj.com/results/2009/results_frame.php?title=Newspaper Reporting&starturl=Results Tables/NJ A-Z list.html](http://www.nctj.com/results/2009/results_frame.php?title=Newspaper%20Reporting&starturl=Results%20Tables/NJ%20A-Z%20list.html) accessed on 26.3.2010). The NCTJ's

³⁵ Source: private communication from an official at the Department for Business, Innovation and Skills 27.3.2010. See also <http://www.audit-commission.gov.uk/SiteCollectionDocuments/Downloads/20100122publicityappendix.pdf>

³⁶ Note, other students in journalism, and journalism related courses, graduate from courses certificated by other training councils such as the Broadcast Journalism Training Council and the Periodicals Training Council.

accounts for 2008/9 state that 1,777 students were enrolled on NCTJ approved courses and that 40 centres were accredited³⁷.

In the higher education (university) sector (where most journalism training and education takes place) funding³⁸ is “banded” with all university courses assigned to one of four bands: A, B, C and D. Band A courses (comprising clinical medicine and dentistry and veterinary science) are the most generously funded and band D (humanities and social sciences) the least generously funded. Journalism courses usually fall into band C and/or D. The funding baseline of 1 applies to courses and subjects in category D whereas category C subjects and courses are funded, on average, at 1.19: media studies (including journalism) is on average funded at 1.21, ie at 121% of an average humanities or social science course. There are, therefore, no special funding arrangements in the UK for journalism training and education – the standard university funding regime applies. I judge therefore that there is neither direct nor indirect aid to journalism training in the UK.

Effectiveness of UK measures of support.

Because support for news production and dissemination (outside broadcasting) in the UK is minimal evaluation of its effectiveness is correspondingly brief. There is, effectively, no support and so there is no effect.

However, it is important to acknowledge that there is an unprecedented attention in the UK to the question “Should there be support for news production and dissemination in the UK?”. Though this takes place within a context, at least for national newspapers, which, by international standards is, if no longer as healthy as before, enviable in comparison to many other jurisdictions. The UK newspaper market is highly centralised: London based papers dominate the market: there are ten London based daily papers with national circulation and a declining number (with generally declining circulations) of regional dailies (such as *The Scotsman*, *Yorkshire Post*, *Western Daily Mail*, *Belfast Newsletter* etc) and local newspapers (the latter often published weekly). However, the circulation of nearly all these papers is, in varying degrees, in decline. Proprietors have responded in various ways – eg by raising prices, mergers, reducing the quality and quantity of content and so on. But, despite such challenges, no formal programme of public support has yet been devoted to the print media sector.

Decline of the newspaper.

Newspapers are in decline across the world (except in emerging economies such as China and India) as advertising revenues, which made possible their sale at prices below cost, migrate to the internet: classified advertising has migrated to eBay, recruitment advertising to specialised recruitment websites and display advertising to search engines such as Google. In consequence, by 2007 internet advertising expenditure in the UK exceeded

³⁷ National Council for the Training of Journalists, Directors Report and Financial Statements 2008/9 p 8. Copy kindly supplied by Mr Chris Dunham NCTJ.

³⁸ Data refers to the Higher Education Funding Council for England (HEFCE)’s regime: Northern Ireland, Scotland and Wales may have slightly different arrangements.

expenditure on newspaper advertising; tracking advertising expenditure in recent years Ofcom found that “Newspaper advertising revenue fell by 12% year on year” (Ofcom 2009: 36). Newspaper publishers have responded by raising prices (for example, the *Financial Times* has doubled its cover price – now £2 – in the last two years) and reducing pagination. The fall in advertising revenue has been accompanied by a fall in circulation, Ofcom found that “Over the past four years circulation figures of the popular press have fallen on average by 3.2% per annum, while ‘quality’ newspapers have fared better, but still experienced average reductions of 1.3% per annum” (Ofcom 2009: 293). Decline in newspaper circulation appears to be accelerating: in the year 2009-10 the five “quality” national daily newspapers and the four national Sunday newspapers all experienced significant falls in circulation.

UK national morning quality

The Daily Telegraph 686,679 -10.21

Financial Times 401,286 -6.41

The Guardian 283,063 -16.98

The Independent 184,137 -10.31

The Times 502,436 -16.29

UK national Sunday quality

Independent on Sunday 154,285 -8.03

The Observer 331,488 -23.09

The Sunday Telegraph 509,754 -11.79

The Sunday Times 1,111,660 -10.38

(Source: UK Press Gazette 16.4.2010 at <http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=45319&c=1>).

Similar, though less marked, falls were evident in the popular newspaper sectors (though *The Sun* and *The Daily Star* demonstrated small rises in circulation (however neither of these papers can be regarded as authoritative sources of high quality informative news journalism):

UK national Morning Popular

Daily Mirror 1,234,967 -6.91

Daily Record³⁹ 328,183 -6.00

Daily Star 803,859 +2.96

The Sun 2,972,763 +0.63

National Morning Mid Market

Daily Express 672,951 -5.92

Daily Mail 2,111,204 -3.09

Source: UK Press Gazette 12.3.2010 at

<http://www.pressgazette.co.uk/story.asp?sectioncode=1&storycode=45172&c=1>

The pressures exerted by changes in the advertising market have been even more marked in the local and regional newspaper sector as the *Financial Times* reported: “The Birmingham Post might cease daily publication after 132 years..... Local papers have been hit badly.... Resulting from a shift in classified advertising to the Internet.... Forecasts that advertising sales will slip to £1.8bn this year, 40% lower than in 2003... circulation has dropped from 18,500 to 12,700” (Financial Times 11/12.7.2009 p 4).

The pressure exerted by changes in the advertising market are amplified by changes in media consumption in the UK. As the circulation data above demonstrates, newspaper reading has fallen and continues to fall. However, there is some evidence of a substitution effect whereby readership of online newspapers substitutes for readership of hard copies. In January 2010 *The Guardian* reported that its website (which includes content from *The Observer* and *MediaGuardian.co.uk*) attracted 36,980,637 unique users; up 3.32% from November and an increase of 62% year on year. Similarly, at Mail Online, the *Daily Mail* website, readership grew by 67% year on year, up 5.1% from November to 32,843,958 unique users. And, third most successful UK newspaper website, the *Daily Telegraph* site, fell slightly by 0.33% from November to 30,711,261 unique users. However, this represented a 46% year-on-year increase (source <http://www.guardian.co.uk/media/2010/jan/28/guardian-website-attracts-record-users>). But, despite the success of attracting “footfall” to newspaper websites it is generally agreed that revenues have not grown commensurately and that newspapers revenues are falling with a consequential reduction in journalists’ jobs and newsgathering resources (see, for example, the National Union of Journalists’ website at <http://www.nuj.org.uk/innerPagenuj.html?docid=1035>). Some newspapers, notably *The*

³⁹ The *Daily Record* circulates in Scotland as a rebranded version of the *Daily Mirror* with some significant differences in editorial content.

*Times*⁴⁰ have moved, or have announced their intention to move, to a subscription/pay per view model for web journalism. But it seems unlikely that any such initiative will enjoy success as long as acceptable non-pay equivalents are available: whereas *The Times* has (like other Murdoch owned papers) introduced pay for access to its website as long as *The Guardian*, *The Daily Telegraph* (and the BBC) remain free access sites it is hard to envisage significant revenues accruing to *The Times* online.

Decline and responses.

The economic pressures indicated above have compromised the ability of newspapers to finance high quality journalism of the extent, range and accomplishment to which UK readers have become accustomed. Ofcom identified these trends early (though it has no formal responsibility for the newspaper sector) and in mid 2007 published an exceptionally well informed and perceptive study of broadcast news (with well informed and penetrating commentary on the newspaper sector). Ofcom's study *New news, future news* (Ofcom 2007) observed that although television was, by a significant margin, the most important news source for people in the UK, the business model of established newspapers, and thus their ability to sustain news production and supply, was under intense pressure.

The only policy responses to this combination of circumstances, which has put in question pluralistic production, supply and affordable access to high quality and diverse news journalism in the UK, have been the aborted attempt to establish Independently Funded News Consortia (IFNCs) and some speculation about the possible need to relax media concentration regulation so as to permit more newspaper and cross-media mergers. The House of Commons' Select Committee on Culture, Media and Sport stated, in a recent report, that "We acknowledge the concerns of local newspaper publishers about the current merger regime. Publishers have told us that the current system prevents consolidation, which they argue is necessary for their survival. We conclude that the current regime does need to be re-examined by the Government" (House of Commons Culture, Media and Sport Committee 2010: 3).

Thus far, therefore, there has been no action to address a significant adverse change in the circumstances in which journalism is practiced in the UK. However, despite the challenges identified above, the UK continues to enjoy a diverse newspaper press publishing news and commentary that stands comparison with that in other advanced, democratic, states (and which is complemented by at least three distinct sources of high quality broadcast news and journalism). Moreover, hard copy "legacy" journalism is complemented by a vigorous and pluralistic "blogosphere" and "e-zine" internet journalism sphere (see *inter alia* Beckett 2008 and 2008a) which is also beginning to be discussed in high level policy domains and identified as a possible area for receipt of public funding support (see, for example, Ofcom's idea of a "public service publisher" (PSP) to complement established public service broadcasting put forward in its 2004 (see, *inter alia*, Ofcom's News Release publicising its "request for comments" on its PSP proposal at http://www.ofcom.org.uk/media/news/2004/11/nr_20041103).

⁴⁰ In June 2010.

The Web 2.0 model of dialogue and deliberation characteristic of the blog and e-zine sector, underpins the growth of “citizen” or “networked” journalism (see *inter alia* Beckett 2008) where both the contributions of non-professional journalists to news gathering and formulation and, crucially, the “wiki” like fact checking and dialogic verification of the output of professional journalists can, Beckett claims, “help the news media address the crisis of trust in journalism as a way of re-building its relevance and authority” (Beckett 2008: 62). True, the trustworthiness of few of these Web 2.0 media is supported by the stringent (albeit fallible) procedural practices of the best legacy media professional journalism (such as those which O’Neill identifies in Reuters’ codes – see O’Neill 2002). But there are no reasons in principle why the dialogic legitimation of Web 2.0 content may not be further enhanced through appropriate procedural means – the “moderation” of sites such as *Wikipedia* and *openDemocracy* imperfect and halting though it may be, suggest how this might be developed.

Nonetheless, despite the interesting and potentially constructive initiatives in online, or networked, journalism “legacy” media remain dominant in UK journalism. And, despite the crisis which the “legacy”, particularly newspaper, sector is currently experiencing as yet, no concrete policy or regulatory actions have been taken in response to changed circumstances - though the climate of policy debate and discussion in the UK has changed significantly. So far, some talk but no action.

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À propos des aides publiques aux médias, au journalisme et à l'information aux États-Unis

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The Effectiveness of Government Subsidies for News in the United States: An Analysis

Introduction

My May 2010 report provided an inventory of government subsidies for news in the United States. The present report (a) evaluates the extent to which such subsidies influenced the quantity and quality of news and (b) provides a brief overview of a promising new proposal for subsidizing the news.

Before entering into a discussion of specifics, it is important to note that any attempt to evaluate subsidies' influence on the quantity and quality of news is hindered by a scarcity of systematic evidence. Although it is relatively easy to determine how many dollars were spent on a given kind of subsidy in a given time period, it is far more difficult to assess the effect of the subsidy. This is true with respect to news quantity as well as to news quality.

If a subsidy's principal effect on news quantity were simply to increase the number of news outlets, it would be relatively easy to count the number of news outlets created in the year after a subsidy was implemented. News subsidies generally do not work that way, however; their intent is not so much to create new news outlets as to assist news outlets that already exist. In other words, the effect of a subsidy may be to help a financially troubled news outlet stay in business or to allow an existing news outlet to increase the quantity of news it disseminates. Such effects are difficult to measure with precision.

The challenge is even greater when it comes to assessing the effects of subsidies on news quality, a concept that is very difficult to define, much less measure. Many scholars define news quality in terms of quantity (e.g., more news stories, more sources, more journalists, etc.). Such an approach is inherently unsatisfying, however, for it makes an argument for quality without actually evaluating news content.

An alternate approach is to state a definition of news quality, and then to investigate whether a specific kind of subsidy leads to an increase in news quality, as defined. This kind of approach has two potential problems. The first is that it is difficult to get broad agreement on a definition of news quality. Some scholars define quality as a diversity of viewpoints or sources. Others define it as depth of news (however “depth” might be defined). Still others define quality as objectivity, neutrality, or balance. The second problem is that the kind of in-depth analysis of media content required to assess news quality is very time-consuming. Together, these problems explain the paucity of solid studies of news quality.

Because of the limitations of the available evidence, this report unavoidably reflects my personal inferences and interpretations.

Direct subsidies of long standing

The founders of the American republic considered a dynamic press system to be fundamental. Freely circulating newspapers uncensored by government were widely understood to contribute not only to nation-building but to the development of democracy. To create conditions in which a free press could flourish, policymakers passed laws that made postal subsidies available to print media, that required a vast array of paid public notices to be published in newspapers, and that gave lucrative tax breaks to certain categories of publications.

Because the First Amendment prohibits American governments from favoring one political viewpoint over others, all of these subsidies were available without any consideration of who owned a publication or what ideology the publication espoused. Governments provided the subsidies with no attempt to assess the quality of the subsidized news, or even to measure its quantity. As a result, we know very little about the effect this category of subsidies has had on the news.

Postal subsidies

The United States government began subsidizing postal costs for newspapers, magazines, and other periodicals in the 18th century. As late as 1969 the government was paying about 75% of the cost of mailing such material. The subsidies have been especially important to small-circulation magazines with an intellectual, political, or artistic focus. Anecdotal evidence suggests that some publications would not have been economically viable without the postal subsidy.

The postal subsidy is disappearing, however. By early 2010 it had dropped to 11% of postal costs, and in the summer of 2010 the United States Postal System proposed eliminating it altogether. The voices of those who favor retaining postal subsidies for newspapers, magazines, and periodicals are faint in comparison to those that express concern over the Postal System’s mounting deficits.

Paid public notices

For much of American history laws have required thousands of local, state, and federal agencies to publish paid notices (“legal ads”) in newspapers. Such advertising has been an important source of revenue for newspapers. However, just as classified advertising has migrated to the Internet, laws are being changed to allow public bodies to place legal ads on government websites at no cost. The result is a considerable savings to taxpayers, and a considerable loss of revenue to newspapers.

This trend is only going to accelerate as public bodies continue to seek ways to minimize expenses. The fact that more Americans have broadband Internet in their homes than regularly read a newspaper helps public bodies justify the withdrawal of legal ads from the print media. In fairly short order, newspapers will have lost hundreds of millions of dollars in legal-ad revenue annually.

Favorable tax policies

Tax policy encourages certain activities by exempting them from tax or by taxing them at lower rates. In the United States the federal government and most state governments use tax policy to subsidize print journalism (a description of these subsidies can be found in the May 2010 report). The subsidies amounted to at least \$850 million in 2008, the most recent year for which reliable figures are available.

There is no push to withdraw these tax breaks for the print news industry, but the value of them for any given publication (e.g., accelerated recovery of circulation costs, exemption from sales tax) is directly proportional to the publication’s circulation and/or ad sales. Circulation and ad sales in newspapers and magazines both are on a downward trend in the United States.

Business regulation

A number of late 20th century laws and policies were adopted with the goal of fostering diversity of news and opinion in local communities. By and large, these policies have failed to achieve their intended goals.

Newspaper Preservation Act (1970)

In 1970, Congress gave an antitrust exemption to mergers of the business functions of competing newspapers in a community so long as their news and editorial departments remained separate. Early evidence about the effect of this subsidy on the quantity and diversity of news published by newspapers in these so-called Joint Operating Agreements was quite positive. As time went on, however, the owners of the dominant newspapers in most JOAs became stronger while the secondary owners became weaker. Of the 22 JOAs that existed, most ended with only one of the competing newspapers surviving.

A 2008 analysis of the Newspaper Preservation Act argued that the act failed because the dominant publishers in a JOA learned to manipulate the statute’s provisions. “Ostensibly designed to help preserve competitive markets and assist readers in receiving a diverse

selection of editorial voices, the NPA has appeared to harm the newspaper industry in those very categories,” the author wrote, adding that the NPA was a “failed policy” which “allowed newspaper owners to manipulate and sometimes eliminate competing editorial viewpoints in the name of financial self-interest.”⁴¹

Proposals to revise the NPA lack strong advocates in Congress, so it is likely that the act will fade into total irrelevance when the last JOA ends.

Ban on newspaper-broadcast local cross-ownership (1975)

In 1975 the Federal Communications Commission adopted rules prohibiting companies from owning either a television station or a radio station in a community where they also published a daily newspaper. (Existing newspaper-broadcast cross-ownerships were allowed to continue operating.) The rules constituted an indirect subsidy for multiple media ownership in local communities throughout the United States. The logic behind the commission’s rules was that more diversity of ownership of news outlets in a community would lead to greater diversity of news and opinion. The news industry challenged the rules, but in 1978 the U.S. Supreme Court upheld the ban on future newspaper-broadcast cross-ownerships.

In 1996 Congress adopted amendments to the Communications Act that required the FCC to meet a much heavier burden of proof to justify restrictions on media ownership. The commission was ordered to review all of its rules about media ownership, and to retain only those that it could prove clearly served the public interest. A seemingly endless round of litigation ensued, with no end in sight as of August 2010. Empirical research about the effect of the newspaper-broadcast cross-ownership ban, however, suggests that this indirect subsidy for diversity of media ownership failed to increase content diversity. One team of researchers wrote:

Whether they are cross-owned or not, virtually all mainstream media outlets in the United States are owned by large, profit-seeking corporations that respond to similar economic incentives. Accordingly, it should not come as a shock that the content similarities between cross-owned and non-crossed-owned media – whether in terms of viewpoint diversity, journalistic quality, or other characteristics – are far greater than the differences. There is no systematic evidence that cross-owned media perform worse on any number of measures than do independently owned media. Put another way, there is no empirical basis for believing that cross-owned media do any less than other media to serve the public interest.⁴²

⁴¹ Jason A. Martin, “Reversing the Erosion of Editorial Diversity: How the Newspaper Preservation Act Has Failed and What Can Be Done,” *Communication Law & Policy* 13 (Winter 2008): 63-96, 84.

⁴² David Pritchard, Christopher Terry, and Paul R. Brewer, “One Owner, One Voice? Testing a Central Premise of Newspaper-Broadcast Cross-Ownership Policy,” *Communication Law & Policy* 13 (Winter 2008): 1-27, 26-27. See also David Pritchard, “A Tale of Three Cities: ‘Diverse and Antagonistic’ Information in Situations of Local Newspaper/Broadcast Cross-Ownership,” *Federal Communications Law Journal* 54 (December 2001): 31-51 and David Pritchard, “Viewpoint Diversity in Cross-Owned Newspapers and Television Stations: A Study of News Coverage of the 2000 Presidential Campaign,” Report of research commissioned by the Federal Communications Commission, Media Ownership Working Group Study no. 2, 2002.

Must-carry rules for cable television systems (1992)

Federal law requires local cable systems in the United States to carry the signals of local television stations in the communities they serve. Because roughly two-thirds of American households receive their television via cable, the requirement enables local television stations – and of course their news and public affairs programming – to reach a far larger audience than would otherwise be the case. The larger audience translates into greater advertising revenue, and thus constitutes an indirect subsidy for local television journalism. The cable industry has fought the “must-carry” policy in the courts without success. The law continues to protect local television stations by guaranteeing them a position in the channel lineups of cable systems.

Bundled cable offerings

The FCC allows cable operators to “bundle” services, which means that all cable customers are required to help pay for cable channels such as CNN, Fox News, and MSNBC that focus on news and public affairs but that are watched by relatively few viewers. This subsidy is important because the news-oriented cable channels have political influence far out of proportion to the size of their audiences.

The majority of the public favors what consumer groups call “à la carte” pricing that would allow consumers to pay only for the channels they wished to receive. Despite the fact that à la carte pricing would eliminate the indirect subsidy for news-oriented cable channels, pressure is growing on Congress and the FCC to require cable systems to adopt such pricing.

The Internet

In mid-2010 only 64% of American households had broadband Internet. To expand access to broadband, the Obama administration was pushing ahead with its \$7.2-billion plan to give all Americans access to broadband Internet. Much of the funding is designed to give telecommunications companies support for building broadband networks in areas where it is not typically profitable to do so.

As more and more Americans gain access to broadband Internet, it is likely that more and more of them will choose to obtain their news via the Internet without any payment to the news organizations that produced the news. The subsidy for increased broadband access thus functions as a powerful negative subsidy for traditional news organizations.

Another Internet subsidy that harms traditional news organizations is the moratorium on state and local taxes on Internet access, which will exist until 2014. The prohibition on sales taxes on Internet access fees reduces the relative cost of getting news on line compared to purchasing it in a newspaper or magazine. It is difficult to calculate the loss in revenue to traditional news organizations, but the tax moratorium has been estimated to subsidize Internet access to the tune of roughly \$3 billion every year.

Proposals

A full analysis of the dozens of proposals for direct or indirect government subsidies to address journalism's economic crisis would require a small book. In this report I provide a brief overview of only one proposal, the one I believe would do most to solve the problem of news organizations failing to gain revenue from the product that citizens consume for free via news aggregation services such as Google News. Readers of this report who are interested in a full inventory of current proposals are invited to consult the discussion paper prepared by the staff of the Federal Trade Commission in June 2010.⁴³

The principal source of revenue for private news organizations in the United States is advertising sales. The price news organizations charge for advertising in print, on broadcast programming, or on the Internet is related to the size of the audience that views an ad and the demographics of that audience. Although web advertising is less lucrative for legacy news organizations than advertising in their traditional media, they are able to monetize visits to their websites.

Aggregation services such as Google News scan the web for stories about topics individual readers are interested in, and then provide the stories to the individual readers. The aggregation services claim that such indexing is permissible "fair use" of copyrighted material.

Many news organizations, however, claim that the aggregators are stealing in two ways. First, the aggregators distribute copyrighted news stories – the product of news organizations' labor – without authorization and without compensation. Second, the aggregators attract readers to their own websites (and their own advertisers), thus depriving news organizations of the revenue that the viewers would bring if they visited the news organizations' websites. In late August 2010 these issues were in litigation in the United States.

Congress could amend the fair-use provisions of the Copyright Act to enable news organizations to collect license fees from news aggregators. Precedent for such a system can be found with the experience of commercial music radio stations, which are essentially music aggregators that pay copyright fees in return for permission to disseminate songs they think listeners will want to hear. A full discussion of this proposal is beyond the scope of this paper, but one characteristic of the proposal is especially appealing: It has a realistic chance to be implemented, if only because of the precedent of music radio.

⁴³ Federal Trade Commission, "Potential Policy Recommendations to Support the Reinvention of Journalism," staff discussion paper, June 2010, available at <http://www.ftc.gov/opp/workshops/news/jun15/docs/new-staff-discussion.pdf>.

À propos des aides publiques aux médias, au journalisme et à l'information en France

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Juin 2010

Le système d'aide à l'information en France a certainement permis qu'aucune défaillance significative de titres de presse d'information politique et générale n'intervienne dans une conjoncture aussi difficile que la crise engagée depuis 2008, avec des reculs de recettes très significatifs en 2009 (diffusion et publicité), ceux-ci pouvant se poursuivre en 2010 au regard des premiers mois.

Cette fragile stabilisation du paysage est particulièrement notable pour une presse d'opinion, aussi délicate soit sa situation, qui légitime l'ampleur de l'effort fait par l'Etat, au nom du pluralisme de l'information. Soit plusieurs quotidiens nationaux (La Croix, l'Humanité) ou locaux (Le Populaire du Centre, La Marseillaise) et davantage de périodiques (Rouge, Lutte Ouvrière, Politis, Réforme, etc.).

Au-delà de ce constat liminaire, bien des points viennent nuancer profondément l'appréciation qui peut être faite du dispositif d'ensemble.

Incapacité à dynamiser la presse écrite, tout du moins quotidienne

La principale critique à l'égard du système d'aide, qui par son ampleur et ses principales modalités s'étend sur plus d'un demi siècle, est son incapacité à favoriser le développement d'entreprises d'information politique et générales, dynamiques, à l'économie robuste. Depuis le milieu des années soixante-dix il n'est pas exagéré de parler de fragilité chronique de l'ensemble des quotidiens nationaux et d'une bonne partie de la presse régionale. Jamais il n'a paru envisageable, par exemple, de supprimer les dites aides sans entraîner un véritable chaos de la presse quotidienne.

De la même manière le système d'aides (et les lois anti-concentration) n'ont pu empêcher que les concentrations se multiplient aussi bien dans la presse nationale que régionale (hier le groupe Hersant, aujourd'hui Ebra [groupe bancaire Crédit Mutuel], Dassault, etc.).

Du point de vue de la qualité de l'information, il est frappant de noter également que les rédactions des quotidiens français sont plutôt plus faibles que chez nos voisins européens, pour des catégories de titres comparables, alors même que se sont multipliés les plans sociaux visant à réduire leurs effectifs, ces dernières années (Libération, Le Monde, Le Parisien, etc.).

Insuffisamment sélectives

Un second grand reproche fait au système d'aide français tient à son caractère insuffisamment sélectif. Il faut reconnaître qu'au regard de la situation qui prévalait jusqu'à la fin des années quatre-vingt-dix, un tournant a été opéré dans le sens d'une priorité plus claire à l'intention de la presse d'information politique et générale, plus particulièrement quotidienne. Celui-ci apparaît nettement dans les réponses données à la dérégulation du transport postale. En effet l'aide postale jusque là bénéficiait amplement aux magazines à fort abonnement et moindre contrainte de rapidité d'acheminement. Les nouvelles aides directes créées pour suppléer à l'ancien système ciblent exclusivement la presse d'information politique et générale, surtout quotidienne. Il en va de même avec le renforcement de l'aide au portage, à la modernisation sociale dans la fabrication, etc.

Il reste qu'une partie du mal est peut être fait sur la longue période en ayant largement déséquilibré les forces au sein de la presse entre magazines (plutôt prospères en France, très lus) et la presse quotidienne. Le paradoxe à même voulu que ce soit dans les années quatre-vingt que la presse magazine bénéficie du taux de TVA à 2,1%, alors qu'elle était en pleine expansion. Notons que ce taux de TVA commun n'a toujours pas été remis en question, même si le sujet est régulièrement débattu, notamment au moment des Etats Généraux de la Presse Ecrite.

Aide à modernisation incohérente

Dans le registre des aides à la modernisation la situation était totalement incohérente jusque dans les années quatre-vingt-dix, puisque l'article 39 bis du code des impôts –seule aide à l'investissement technique jusque là - repose sur la provision sur les bénéfices. Autrement dit, ceux qui devaient améliorer leur productivité, afin de sortir de leurs déséquilibres de leurs comptes étaient précisément ceux qui ne pouvaient pas bénéficier de cette disposition.

... facteur de dérives technicistes

Le vote d'une nouvelle aide à la modernisation en 1997 devait permettre de sortir de cette aberration. Cette aide prévoyait aussi qu'une commission ad hoc aurait à arbitrer sur des critères de productivité et d'efficience de l'organisation de la fabrication, en intégrant y compris des volets « soft » (études, logiciels, etc.).

Il n'empêche qu'une dérive, souvent dénoncée à laquelle avait conduit le 39 bis, n'a pas été réellement inversée, soit la tendance à une fuite en avant techniciste, voire à un suréquipement matériel, y compris avec des surcoûts générés dans la mise en œuvre de ces équipements, ceux-ci ayant été souvent sous évalués au départ. Peut-être faut-il voir ici notamment le retard pris dans la rationalisation des centres d'impression installés en région parisienne par les quotidiens nationaux (imprimeries du *Monde*, du *Figaro*, du *Parisien*, Riccobono) alors que *Le Monde*, quotidien du soir pourrait trouver une complémentarité avec les journaux du matin.

Lenteur de l'adaptation du système d'aide

D'une manière générale, le système d'aide pâtit de la lenteur de son adaptabilité, avec la difficulté à supprimer des aides devenues inefficaces ou contreproductives, d'où la tendance à un phénomène d'empilement, cumulant par exemple aide postale et portage, mais sans que la priorité pour le portage ne s'impose réellement, ne permettant pas les investissements suffisants et nécessaires pour rendre celui-ci réellement performant. Le fait que ces aides soient votées au Parlement renforce les pressions des uns et des autres pour préserver les anciennes aides (favorables aux magazines pour l'aide postale), empêchant d'opérer des arbitrages plus nets et d'opérer de véritables effets de levier. L'inertie du système est d'autant plus forte que l'évaluation de celui-ci sur un mode véritablement indépendant, par de vrais spécialistes, n'a pas lieu.

Absence d'aide à la création de titres

Il n'existe aucune aide à la création de titres permettant de faciliter des lancements de publications aux contenus ou structures innovantes dans un paysage souvent assez figé tout du moins dans ses structures.

Il ne s'agit pas d'un oubli mais plutôt des conséquences d'une analyse malthusienne qui a longtemps prévalu chez les éditeurs de presse quotidienne, convaincus qu'il y avait trop de titre et que ce morcellement excessif du marché était responsable de la fragilité d'entreprises trop petites. Cette représentation n'est pas fantasmatique, elle découlait certainement de la création au lendemain de la guerre d'un nombre très importants de quotidiens (175 en 1946, soit grosso modo une centaine de plus qu'aujourd'hui).

Très tardifs et très modestes dispositifs favorisant la capitalisation

Il n'existait pratiquement aucun dispositif en faveur du renforcement capitalistique des entreprises de presse, jusqu'aux EGPE. Ceux-ci font une apparition modeste que ce soit par le soutien aux apports capitalistiques émanant d'entreprises ou d'individus.

La question est d'autant plus cruciale que le problème de la sous capitalisation s'est posé dès la reconstruction de la presse au lendemain de la guerre (Ordonnances de 1944). L'Etat autorise alors la création de titres sur les seuls critères politiques et de contenu, sans aucune garantie de moyens ou de savoir faire de gestion. Cette suspicion à l'égard du capital, de la concentration ou du contrôle de la presse par des industriels restera très présente dans le débat sur les politiques publiques à mener en faveur de la presse, au moins jusqu'aux années 90.

Absence d'aide au lecteur

Même si les éditeurs insistent pour qualifier l'ensemble des aides à la presse « d'aide au lecteur », il n'existe pas vraiment d'aide au lecteur lui-même, au travers d'un soutien fiscal lié à la prise d'abonnement, ou à ses contributions à d'éventuelles sociétés de lecteurs. Une telle approche aurait pu contribuer à renforcer la fidélisation de la lecture quotidienne,

fragilisée par l'occasionnalité de lecture, en l'articulant par exemple au développement du portage.

La première ébauche d'une aide au lecteur est tentée timidement avec l'abonnement dit gratuit pour les jeunes atteignant l'âge de la majorité. L'expérience découle des EGPE et vise à renforcer une approche lancée par quelques quotidiens sur leur propres fonds. L'entrée de l'Etat permet d'élargir le nombre de titres et le nombre d'abonnements disponibles. Les fonds engagés restent très faibles, très en deçà des candidatures suscitées lors de l'annonce de la formule.

Incapacité de l'Etat à faciliter substantiellement le cadre des relations sociales

La qualité du contenu des journaux pâtit de la fragilité des entreprises de presse et de l'incapacité de celles-ci à traiter la question des conditions sociales de la fabrication. La presse française paie trop cher pour sa fabrication, alors qu'elle n'investit ou ne peut pas investir suffisamment dans ses contenus (effectifs, qualités, moyens affectés aux rédactions). Fort de cette analyse l'Etat s'est employé à accompagner ou stimuler les démarches des entreprises conduisant à modifier les conditions sociales de fabrication (problèmes de sureffectifs, de rémunération des compétences effectives, amélioration des compétences pour optimiser les dispositifs largement informatisés).

C'est peu dire que l'Etat n'a pas su trouver les dispositions accompagnant rationnellement les évolutions nécessaires. Il a pourtant dépensé des sommes importantes pour financer les départs des personnels de fabrication en surnombre en fonction des nouveaux moyens techniques disponibles. Les EGPE sont de ce point de vue la répétition du même phénomène, une fois de plus, sans garantie réelle d'atteindre l'objectif poursuivi.

En guise de conclusion

La question de la chronologie et de l'inertie du système est pesante. Le déséquilibre créé entre formes de presse, avec des comportements de lectures, des modes de gestion sociale qui s'installent sur une ou plusieurs générations peut-elle être rattrapée. Au moins depuis une grosse décennie la réorientation des priorités aboutit à un politique plus cohérente avec les objectifs affirmés, le pluralisme de l'information. Est-ce suffisant pour inverser les tendances lourdes ?

Par ailleurs, jusqu'à quel point l'Etat doit interférer dans les stratégies, les modes de gestion, les choix d'orientation des entreprises elles-mêmes. Fréquemment, confronté à des dérives tel que le suréquipement industriel aux dépens du rédactionnel, l'Etat se trouve amené à la limite de l'excès d'intervention, alors que précisément il s'agirait que le secteur se dynamise et s'autonomise davantage.

À propos des aides publiques aux médias, au journalisme et à l'information en Suède

Par Robert Picard

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The Condition of Contemporary Media and Information Provision in Sweden

As a small country with a small language and an even smaller linguistic minority (Sami, the language of the indigenous people in the north), the public provision and support of media have important aspects of cultural and communication policy for nearly a century.

Although media-related policies did not develop significantly until the appearance of radio broadcasting, it was built upon existing appreciation and state support of literature and public cultural performances. These had early received support through the royal court and the national honours system. The support functions were gradually transferred to the state with the arrival of democracy. The press played particularly important roles in the democratic and, later, labour movements, spawning one of the most vigorous and widely read press in the world, supported by the first legal provisions for freedom of expression and right to access to public information in Europe.

Sweden is noteworthy for a strong emphasis on public interests in communication policy decisions and for ensuring social divisions to not limit access to services of general public benefit.

It has a relatively large and active media/information sector. By comparison to most other countries, the press, broadcasters, and other information providers are widely trusted and held in higher regards.

Quality of information

The high readership of the press has resulted in a segmenting of the market between high quality and boulevard newspapers. The two leading quality papers, *Dagen Nyheter* and *Svenka Dagbladet* are recognized globally for their national and international coverage. The boulevard papers, although carrying much entertainment, sports, and crime news, differ from many tabloid counterparts elsewhere in that they also provide general news of reasonably good quality.

The national public service radio and television broadcasters, Sveriges Radio and Sveriges Television, are notable for the high quality of their news and public affairs programs. They have specific remits to provide quality news and public affairs programming as well as entertainment reflection Swedish culture. Their staff is highly committed to those goals and public examinations of its performance regularly underscore its role in society. It enjoys a

high level of public and political support and it receives funding through a licence fee for which compliance is among the highest in the world. The public broadcasting system and the 900 local community radio stations in the country are considered among the best performing in the world.

News organizations in print and broadcasting provide extensive original coverage of both domestic and international affairs and have correspondents and bureaus abroad that exceed those in even larger nations. The Swedish news agency, Tidningarnas Telegrambyrå, is owned by a consortium of media and operates nationally and internationally. It also receives multiple wire services from abroad and translates information into Swedish for redistribution. It is considered a highly reliable news source.

The quality of information is overseen by a self-regulation mechanism established in 1916. Complaints about information quality and practices are reviewed through the press ombudsman and Swedish Press Council, which can levy fines for breaches of good journalistic practice and/or enforce provisions for the right to reply and the right to correction. This quality assurance mechanism is based on the code of ethics for press, radio and television. The code and the quality system were created by and are financed by the Swedish Newspaper Publishers' Association, The Magazine Publishers' Association, The Swedish Union of Journalists and The National Press Club. It is considered one of the most effective self-regulatory mechanisms worldwide.

Volume of information

The volume of information available is high for a small country, with broadcast news being provided by all 4 major national channels (It is particularly extensive on the public radio and television broadcasters), and well supported by the newspaper industry that is larger by comparison to other countries the size of Sweden.

In addition to domestic information, viewers receive news from BBC World, CNBC, Al Jazeera Arabic and English, Bloomberg TV, Deutsche Welle, Sky News, and France 24 depending upon the cable or digital television package they select, as well as public service and commercial channels from neighbouring nations and a wide variety of history, nature, and science channels.

Sweden has television channels specifically devoted to Sami and Finnish language and sign reading audiences.

Policy makers have actively supported development of an independent audiovisual production sector in order to create original programming for broadcasters. Because of desires to promote more Swedish production capacity and programming for both commercial and public service television, Sveriges Television (PSB) is obliged to acquire 25% of its non-news programs from independent producers (a quota 2 ½ times higher than the general European requirement).

The 77 daily newspapers provide a wide variety of choices for readers and many newspapers carry commentary published in other domestic newspapers to provide a greater range of ideas and opinions. These are supplemented by 100 non dailies. The

industry structure includes national papers, large regional papers, and local papers focused on information most of interest to their audiences. It is typical for readers to read both a local and national paper.

The information system in Sweden thus provides a significant volume of domestic information, but also makes available large amounts from other nations as well.

Accessibility

Media are easily accessible throughout the country. Newspapers nationwide are distributed through a joint home distribution that allows local and all major papers to be delivered to home everywhere before breakfast and for other papers to be received later. A highly efficient distribution serves press, tobacconists, and other retail shops making newspapers and magazines easily obtainable without subscription. Daily newspapers have a reach of 87 percent of the adult population

Television and radio services are available throughout the country and Sweden has converted fully from analogue to digital broadcasting with is available throughout the country. In addition, 46 percent of homes have cable and 30 percent have satellite services.

The state funds provision of print media in audio form to visually impaired persons.

Sweden has one of the highest uses of Internet globally with broadband being widely available. About 60% of households have broadband service and the government is subsidizing extension of broadband into rural areas to provide universal service in the near future.

The country is well known for its social welfare system that includes generous housing and living subsidies for lower income individuals and families. These are significant enough that there are few differences in media and information availability based on income level.

The state supports a well-funded library system in both rural and urban areas that provides access to print and audiovisual material and makes Internet services available to those who do not have computers in their homes.

Media content is not only accessible but widely used. The average time use for media is 354 minutes daily and the daily reach of media is extensive. Among the population (ages 9-79) daily use is:

Television	83%
Newspapers (print)	77%
Radio (broadcast)	73%
Internet	65%
Books (print)	36%
Social Media	26%

Newspapers (online)	17%
Radio (web or podcast)	03%
Books (audio)	03%
Books (e-book)	0.1%

Source: Nordicom, Mediabarometer,
http://www.nordicom.se/eng.php?portal=publ&main=info_publ2.php&ex=315&me=10

Pluralism

Concern over pluralism has been significant in Sweden and citizens and policy makers have actively sought to maintain a range of expression. This is seen as particularly important for the operation of an effective parliamentary democracy and to ensure that the 8 parties currently represented in parliament and 21 other active parties have their voices heard.

A number of governmental commissions have addressed issues of pluralism and Swedish often plays a leadership role in pluralism discussions at the European level.

Pluralism concerns led Sweden to establish its press support system, which today funds daily and non-daily papers representing the range of opinion and broadcasters follow policies designed to ensure the range of voices are presented. Thus both external pluralism (pluralism of voices evidenced in supply) tends exist in the press and internal pluralism (pluralism of voices in content) within broadcasting.

The country has in place extensive regulatory safeguards for freedom of expression, independent oversight of media, and transparency of action toward media. It supports range of legacy and digital media that provide a wide variety of ways for citizens to receive, seek, and interact with information.

Sweden has been highly effective in pursuing political pluralism and geographic pluralism (media spread throughout the country, not just from the capital). It has been less effective in terms of promoting cultural pluralism in media relative to immigrant cultures (18 percent overall, 9 percent of non-Nordic origin) and its media have been widely criticised as being too homogenous in terms of employment and ability to understand immigrant communities.

In terms of pluralism of ownership and control, Sweden has a high degree of media concentration by comparison to larger nations because of its limited market resources. It is dominated by 2 major commercial firms (Bonnier and Modern Times Group) and the public service television broadcaster. 5 largest newspaper owners control about 75% of all circulation, with the largest (Bonnier) controlling about 25%.

Because of difficulties in providing incentives or resources for other commercial firms to become commercially active, it is state policy to use and support the public service broadcasters as an important counterweight. Policy makers have also sought to ensure the presence of competing information delivery platforms (digital terrestrial television, cable, satellite, and broadband telecommunications) to ensure the infrastructure of communications is not unduly constrained. It has generally pursued policies designed to promote more distribution platforms, permitting new ways of accessing content, and a greater range of content.