

Fifty Seven Channels and nothin' on

I bought a bourgeois house in the Hollywood hills
With a truckload of hundred thousand dollar bills
Man came by to hook up my cable TV
We settled in for the night my baby and me
We switched 'round and 'round 'til half-past dawn
There was fifty-seven channels and nothin' on

Bruce Springsteen 1992

In discussions with the Friends of the ABC, shadow communications minister Lindsay Tanner has suggested that the advent of digital television, and a multi-channel environment, will be a threat to the survival of the ABC. Similar warnings have been made by Elizabeth Jacka .

For more than ten years now, it has been argued that the multi-channel environment (the Internet, Pay TV and more recently Digital TV) has made public service broadcasting redundant. The main rationales for public broadcasting, it is claimed, were twofold. First it maintained public control over a scarce resource and second, that public broadcasting should provide those programs that were socially beneficial, but unprofitable for commercial broadcasters.

The argument goes on that with the rise of cable, satellite and digital broadcasting, not to mention the Internet, the scarcity argument no longer holds water. Moreover when people can access hundred of channels on their televisions or radios, the idea that the state should subsidise certain forms of broadcasting is wasteful middle class welfare. In western societies at least, if any meaningful sector of the population wants a service, the market will provide.

This all seems so logical, so why do we feel that it is Bruce Springsteen, rather than the learned technocrats and economists, who have got it right? Just as the 57 different varieties of Heinz soup all taste as if they came out of a can, anyone who has experienced the so called diversity of American television will understand what Springsteen meant.

I think the new environment does pose a threat to public broadcasters like the ABC, but as US media critic Robert McChesney has argued this "has less to do with technological change than it does with the

worldwide neoliberal adoption of the market and its commercial values as the superior regulator of the media - and all else."

First, the theory of scarce resources is a half-truth. The scarcity argument never really did hold water. This is clearly demonstrated by the experience with Australian radio. Before 1975 there were eight radio stations in Sydney. Today there are 31, not including stations holding 'open narrowcasting' licences.

It is sometimes suggested that FM technology was responsible for this explosive growth, but it was politics and not technology which opened up the Australian radio market. The first FM station in the U.S. began in 1936. Radio stations in Sydney (and elsewhere in Australia) were restricted for political and economic reasons until the mid 1970s. It suited the incumbent broadcasters (and the government) to claim that there was no more room on the AM band (although it was later demonstrated that there was) and to delay the introduction of FM broadcasting for close to forty years.

Just as FM was not a new technology in the nineteen seventies, nor was cable TV. Cable broadcasting dates from 1928 when Associated Rediffusion in the UK began piping radio programs to areas of poor reception. Cable radio began in Switzerland in 1931. Associated Rediffusion began a cable TV service in the city of Hull in 1938.

The limitations to diversity in the electronic media have been political and economic rather than technical. There has always been the technical potential for many more channels in Australia, but this potential has been restricted by what British critic Brian Winston calls the "law "of suppression of radical potential, whereby the new technology, over a period of time, is absorbed by the institutional structures of the old.

While there is the technical potential for the so called new media to swamp the old, it won't necessarily happen. Technological determinist predictions have been wrong in the past. Video has not killed the radio star. Few, if any, Australia television performers have earned as much, over such a consistent period of time, as John Laws. Television, video recorders, DVDs ,computer games and the Internet were each in turn supposed to kill the cinema. Despite this multiple onslaught the corpse is still looking very healthy.

Public service broadcasting could be said to stand on a number of legs.

1. It provides educational and minority programs that might not be commercially viable.
2. It offers near universal availability and broad appeal , creating a public sphere where citizens can converse with one another.
3. It is free from commercial interests and at arms length from the government, giving it a significant degree of independence.

Elizabeth Jacka suggests that a multi-channel, multi-platform environment might knock the first of these legs out from under the ABC.

But in a situation where 200 channels will be or are available, many of which are able to ensure their financial viability by being able to reach transnational audiences, it is much harder to argue that these various minority audiences are not catered for.

I think this still remains to be seen. In the US where most cable companies run something like fifty channels, it hasn't happened yet. There is clearly a potential for 200 or more channels to be programmed, but will that potential be realised, or will the 'law' of suppression of radical potential prevail?

In his analysis of the impact of cable television in the world's richest society, where around 75% of homes have cable, Brian Winston says that despite the strength of cable the so called "free to air" networks remain dominant. Cable did not, as widely anticipated in the 1970s, destroy the networks. While their market share has fallen from 93% in 1971 to 59% in 1995, the absolute numbers of people watching network television, due to population growth, has actually risen. More significantly the networks share of advertising did not fall nearly as much as their share of audience. Conversely, cable, which had one third of the audience in 1995 had only one sixth of the advertising spend.

Moreover, Winston says, the cable channels have almost totally failed to alter the established genres and forms of television broadcasting in any significant way.

The 24-hour news channels, for example, simply repeat a slowly (mostly very slowly) changing traditional news bulletin every half-hour virtually all the time. The American

Weather Channel has a standard television weather bulletin repeated every few minutes. American cable's most original idea is Court TV, a cheap variant on studio talk whose gavel to gavel coverage of the O.J. Simpson trial is credited, together with CNN's nearly equally obsessive attention, with having increased basic cable's total 1995 rating by 1.6, a 20 per cent hike over the previous year.

It is sometimes argued that multi-channelling in television will offer the same kind of diversity that we see on magazine stands, where a mere half million readers can support a specialist magazine like Guns and Ammo. Winston argues that the economics of television are different. The production values that audiences have become used to cannot easily be abandoned, and so long as viewers demand these standards half a million viewers are insufficient to support a television channel.

This 'production-value law' is but one expression of the cultural determinants working to limit the programming possibilities of new television distribution systems. The other is that introducing channels does not produce programming, even if the money is available for it. Consider how difficult it is for the broadcasters to find material popular enough to refresh their schedules every season. Moreover, if programming is the rock for cable/satellite operators, audiences constitute the hard place. Obviously, given the continued need to work, sleep and eat, audiences do not proportionately increase their viewing time to match the number of channels they have available.

The second leg supporting public service television could be threatened by the fragmentation of audiences. If ABC TV were reduced from one channel in five to one in a hundred it is easy to see how it might be so marginalised as to not be a credible public forum. But if we are to prevent citizens inhabiting a public sphere, where one citizen equals one vote, being atomised into consumers inhabiting a marketplace where one dollar equals one vote, the ABC's role as a widely used public forum becomes even more critical.

In a study of twenty public broadcasters around the world McKinsey and Co argue that to be effective in a multi-channel environment, public services broadcasters (PSBs) need to have both distinctive

programming and a significant market share. If their output is insufficiently distinct from commercial broadcasters they have little impact. The McKinsey survey found that those PSBs who derive a significant income from advertising tend to fall into this category. On the other hand, PSBs with distinctive programming, but a low market share (eg. PBS in the USA, with a 3% share) have little impact on the overall broadcasting environment.

In a world of many channels, we have found that a PSB is at its most effective when it not only broadcasts a distinctive schedule, but also exerts pressure on its commercial competitors to do the same. While governmental regulation of commercial broadcasters can achieve some of these aims, our analysis shows that the PSB model is the preferable approach; it combines creative and market pressures on broadcasters to achieve a society's aims for its broadcasting market.

It does so by setting off a 'virtuous circle' with its commercial competitors. Because of its unique role and funding method, a PSB can popularise new styles of programming, and thereby encourage commercial broadcasters to create their own distinctive programmes. In this way, the viewing standards of the entire market are raised.

In a sense ABC radio has already had a foretaste of the multi-channel, multi-platform environment, and responded well to it. From two channels in metropolitan centres in the 1970s the ABC now operates five domestic radio channels, plus streaming audio on ABC Online. ABC radio has definitely not been swamped in a plethora of new radio channels. True to the ABC charter, these channels provide both specialist output (Radio National, Classic FM, Parliamentary and News Radio) and programs of broad popular appeal (Triple J, Local Radio). As the number of radio channels has grown from eight to thirty one in cities like Sydney, the ABC's share of radio listening has actually risen.

Television however is a much more expensive medium, and the ABC will require significant funding increases if it is to develop major additional program strands in television. While it has a foot in the digital TV door with two new digital channels, ABC Kids and Fly TV, it needs program funds, as well as access to the digital spectrum if it is to be as effective a "multicaster" in television as it has been in radio.

Writing on the future of BBC television in a multi-channel, multi-platform environment , Richard Collins and Cristina Murrone write:

Even when programs are distributed discretely, consumers will value current broadcasters flow model of distribution, where consumers pay for a schedule of programmes. As television programmes are 'experience' goods, viewers cannot evaluate their characteristics before paying. The need for 'set menus' of programmes will remain, alongside the new 'à la carte' possibilities. As the choice of programmes swells, consumers are likely to value increasingly a service provider whom they trust to select and package a flow of products.

Media diversity is more than the ability to choose which multi-billionaire's network we watch. What difference does it make if Kerry Packer, Conrad Black, Tony O'Reilly, Rupert Murdoch , Silvio Berlusconi or Bill Gates own the networks, or even if they each own half a dozen networks? What difference does it make if TV drama is sponsored by Lemon Charged Fab or New Improved Omo?

But as the market does make more specialist material available, and even if the availability of hundreds of channels fragments audiences, and these outcomes are by no means certain, the need for commercial free public broadcasting, at arms length from the government, will not disappear .

Darce Cassidy May 2002