

Submission by Campaign for Press and Broadcasting Freedom (CPBF) to Convergence Think Tank Seminar 1: Why Does Convergence Matter?

1. The CPBF was established in 1979. It is the leading independent membership-based organisation dealing with questions of freedom, diversity and accountability in the UK media. The organisation draws its support from individuals, trades unions, academics and community-based organisations.
2. One of its twelve aims is: "To encourage informed debate about the implications of technological advances across the whole communications arena. In particular the Campaign is concerned to ensure that purely commercial interests are not permitted to override democratic accountability and the public interest, that the benefits of the new media and new forms of delivery are available to all, and that measures are taken to close the 'information gap' and digital divide."
3. We welcome the initiative by the DCMS and BERR to hold a series of seminars on the policy implications of convergence 'for industry, consumers and citizens'. The CPBF's main concern is with the impact of media policy on citizens, but it also addresses broader issues to do with the range and quality of media content, particularly in news and current affairs, and across the whole range of media production. Below we identify some of the policy implications which we think the Convergence Think Tank needs to address.
4. **Ownership.** Major changes are taking place in patterns of ownership as a result of convergence. In July 2005 Rupert Murdoch after spending \$1.5 billion on new internet companies, including online communities devoted to gaming, sports and movies, purchased MySpace for \$580 million (beating another global media group Viacom); in October 2006 Google acquired YouTube for \$1.65 billion; in October 2007 Microsoft acquired a 1.6% stake in Facebook (valued at \$15 billion). Big telecommunications companies like Orange and BT are bundling their broadband services and offering on-demand TV services, and online virtual worlds and video gaming are becoming targets for either acquisition or further development by global media groups such as Vivendi and Sony.

Of course global media groups, driven by the concept of synergy, emerged before technological convergence. What is new is the way previously distinct communications media are now part of the bigger picture. Some commentators argue that the plethora of platforms, digital channels and the internet make traditional concerns about media ownership obsolete. The traditional arguments underpinning the case for regulatory intervention to protect pluralism and diversity, and guard against excessive media concentration, still apply in the era of media convergence. Democracies have accepted, at least in principle, that no single political party should have dominant control or influence over the media, and in turn no private owner should be allowed to acquire, through excessive media concentration, political or commercial sway in a society. The new information providers – search engine companies, telecom companies, internet service providers, and the like – play an important role in the selection, organisation and flow of information and therefore need to be brought into a new analysis of media ownership in the age of convergence.

The CPBF hopes that the seminars will examine the changed patterns of converged media ownership and develop the policy proposals, both national, within the European Union, and internationally, to protect pluralism and diversity.

5. When we modified the original aims of the CPBF in 2003 we published in *Free Press* 135 a piece by Tony Lennon, 'Access for all or access denied'. He argued, 'In our increasingly information-rich society access to TV and internet services will be taken for granted by those that can afford it, but be an envious dream for those that can't. The quiet revolution of the wired world will leave many of our poorest citizens behind unless the 'digital divide' is put back on the political agenda'.

According to the Ofcom report *The UK Communications Market 2007* more than half of UK households had broadband access by March 2007. However whilst more people are clearly able to access more and more sources of news and information, the National Consumer Council (NCC) report *Consumer Futures* (2007) identifies that the elderly and poorer families are excluded and vulnerable. One newspaper story on the report carried the stark but accurate headline, 'Digital world creates a new underclass', (*The Observer*, 06/01/08).

A policy priority which the seminars need to address is how we can ensure universal access to broadband internet and digital broadcasting for all people in the UK.

6. There is another divide which we hope the seminars will address around the issue of net neutrality versus a tiered internet. In the USA the debate around net neutrality has been intense. Johann Hari suggests proposals for tiered access are like a 'two-lane motorway' and '...if you are a big corporation, like Nike or Microsoft, you would pay a premium fee and travel on the fastest lane, with your page getting to users at super-speed. If you are just an unknown blogger, you pay the standard fee and you will be stuck in the piled-up broadband traffic, taking much longer to update or use.' (*The Independent*, 28/01/08)

We note the comments in Ofcom's *The International Communications Market 2007* on Net Neutrality (pp25-27) and suggest that the EU's goal of 'affordable access' is impossible to apply satisfactorily when the market is continually introducing new high-priced technologies.

We hope the seminars will clarify any policy developments/discussions in the EU and UK on this issue.

- 7 Emily Bell ('Can broadband keep up with Postman Pat on demand?' *Media Guardian*, 21/01/08) asks an important question about the next-generation access broadband infrastructure. She writes, 'If one accepts the argument that the current broadband infrastructure isn't up to it...then pouring money into initiatives to "drive broadband penetration" through more telly on the internet will become relatively pointless.' She identifies the key question, 'How do we build it and who should pay?'

The CPBF believes that this is a crucial public policy issue. Policies driven by purely commercial, market-led priorities will marginalise and weaken public service content. It is vital in the converged media world that citizens have the

choice of a diverse range of high-quality public service programming provided free from commercialism. Social networking sites such as MySpace or YouTube utilise sophisticated marketing techniques, such as conversational marketing which blur the line between advertising and editorial content. (Nick Carr 'Read me first: How corporations still control the marketing conversation,' *Technology Guardian*, 19/07/07). Also the majority of sites designed for or popular with children rely on advertising, and many use hidden persuasion techniques in the form of advertisements and commercial messages that cannot be easily identified by children. (*Fair game? Assessing commercial activity on children's favourite websites and online environments*, NCC, December 2007).

The CPBF believes that government policy should ensure public service values and content should be at the heart of any development of broadband infrastructure. How this can be achieved should be a key part of the policy debate.

- 8 **Regulation and the internet.** The very openness of the internet is a cause for concern where the accuracy or authenticity of information is concerned. Liberty and licence are not the same, and we should not tolerate hate speech, incitement to violence, or the exploitation of individuals in any medium. Because the internet makes it easier to do certain things does not mean they should be done, and the objection that it's hard to control a global medium like the internet is more ideological than logical.

As internet use expands, and an enormous range of content becomes available through converged media, we believe that **positive regulation** can ensure that the enormous democratic and social potential of this technology will be realised. Jeff Chester in *Digital Destiny* (2007) put the policy choices starkly from a US viewpoint. Either 'we will travel over a corporate-run piece of electronic real estate where we are numbered, digitally shadowed, and evaluated based on income, race and class' or we have 'a public resource and treasure' which a federal court termed in a landmark decision 'the most participatory form of mass speech yet developed'.

- 9 We hope these comment help to inform the first seminar. They are by no means definitive or comprehensive, but sum up some of the points raised in recent discussions within the CPBF.

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