



---

## new media & society

Copyright © 1999 SAGE Publications  
London, Thousand Oaks, CA and New Delhi  
Vol1(3):351-368 [1461-4448(199912)1:3:351-368;010559]

ARTICLE

---

# The broadcasting media in the age of risk

---

## The advent of digital television

---

JEAN K. CHALABY  
*London School of Economics*

---

GLEN SEGELL  
*University of London*

---

### Abstract

This essay argues that the process of digitization has far-reaching implications for the broadcasting field and claims that the most suitable theoretical framework to comprehend the full scope of these changes is provided by Ulrich Beck's theories on risk society. Despite predictable developments, digitization increases the sources of uncertainties and the level of risks for the expanding number of players involved in broadcasting. Several sources of uncertainties are identified: market demand for digital services, intensified competition, regulations, the pace of technological progress and the phenomenon of convergence.

The second section argues that the process of digitization is challenging public service broadcasters and may contribute to weaken their presence in the public sphere. Technological mastery increasingly tends to rest in the hands of commercial firms and digital broadcasting furthers the commercialism of television. In addition, fuelling the growth of conditional access, digitization threatens universal access, one of the key principles of public broadcasting.

The last section argues that when digital broadcasting will be fully operational, watching television will cease to be a common experience, to become a shared activity that individuals experience separately.

### Key words

broadcasting • conditional access • convergence • digitization • individualization • policy making • public service broadcasting • risk society • uncertainties

## INTRODUCTION

The introduction of digital television, observers concur, represents the most significant innovation since the advent of television itself. Digital broadcast delivery, in addition to multiplying the number of available channels, will also transform the very nature of the television medium by making it interactive. The process of digitization merges technologies commonly used in broadcasting, computing and telecommunications and offers the potential for a whole range of new applications, such as electronic retail services, internet access and pay-per-view facilities.

Although these innovations have caught the imagination of observers and constitute the core topics of the growing literature on digital television, this essay argues that the scope of the changes brought by the digitization of broadcasting still needs to be properly addressed from a sociological perspective. Digitization is transforming not only the way we watch television and the way we use television, but also the way television is made. This essay claims that the most suitable theoretical framework to comprehend the full scope of these changes is provided by Ulrich Beck's theories on risk society.

This essay proposes to use Beck's paradigm of risk society in reference to the political economy of the broadcasting media. We intend to use this sociological framework (a) to understand the changing dynamic of the broadcasting field as it enters the digital age and (b) to contrast digital television with the previous era of broadcasting in terms of market structure, consumer behaviour and regulations.

Thus, the primary objective of this essay is to understand the impact of digitization on broadcasting. It does not engage in theory testing nor does it make any claim regarding risk society at large, even though it posits the thesis that digitization is affecting broadcasting along the lines that Beck claims contemporary societies are transforming. Its relationship to Beck's writings is grounded in pragmatism, selecting from this theory what is deemed to be helpful to the empirical argument.

The first section shows that the digitization of television has considerably increased the sources of uncertainties and the level of risks for the rapidly expanding number of players involved in broadcasting. Although there exist certainties in broadcasting, such as the fragmentation of audiences and the globalization of the field, many developments are still open-ended and very few analysts can predict the direction they will take. Furthermore, even though some future features of broadcasting are clear for all to see, most market players are unsure about their own future in broadcasting. They are uncertain how to relate to both predictable and unpredictable developments, and are aware that they need to take risks and tough decisions if they are to prosper in the time ahead.

The second section argues that the process of digitization is challenging

public service broadcasters and will ultimately contribute to weaken their presence in the public sphere. This follows Beck's argument about the decline of the role of the state in radicalized modernity. Finally, this essay expands on the relationship between the process of individualization in late modernity and the interactivity brought by digital services.

## DIGITAL TELEVISION: A MEDIUM FOR A RADICALIZED MODERNITY

Beck argues that we are witnessing a major break within modernity and that a new society is unfolding in front of us. This process of modernization is dissolving the structures of industrial society and replacing it with risk society. Crucially, this process is generated from 'within' industrial society:

The feudal nobility lived off the commercial bourgeoisie . . . and encouraged it in its own interests. In this way, the nobility involuntarily and necessarily created a successor which grew steadily in power. In the same way, developed industrial society 'nourishes' itself from the hazards it produces, and so creates the social risk positions and political potentials which call into question the foundations of modernization as it has so far been known. (Beck, 1992: 57)

A major characteristic of risk society is that it produces a *reflexive modernity*. Following Tony Giddens, Ulrich Beck writes that risk society is 'where we switch from what nature can do to us to what we have done to nature' (Beck, 1998: 10). If risk society 'begins where nature ends', it also begins 'where tradition ends', in that 'we can no longer take traditional certainties for granted' (Beck, 1998: 10). The rapid pace of economic and technological development, and the process of detraditionalization in the social and value spheres, generate risks and insecurities in all aspects of life. Modern society becomes reflexive because it becomes an issue in itself and a 'problem for itself' (Beck, 1998: 11).

Thus, a second foremost trait of this emerging new modernity is the level of risk, threat and uncertainty it generates. Whereas industrial society was based on the logic of wealth production, in risk society the production of wealth is accompanied by the logic of risk distribution. Beck defines risk as '*a systematic way of dealing with hazards and insecurities induced and introduced by modernization itself*' (Beck, 1998: 21). Risk is not provoked by nature but is manufactured by human activity, notably the rapid pace and vast array of technological developments and inventions. Typical examples include risks generated by radioactivity, toxic chemicals, general pollution of the environment, contamination of food, and industrial means of production.

These correspond to a type of risk which Beck and Giddens call *manufactured uncertainty* (Beck, 1998: 12). Uncertainty is related to the growing *incalculability of risk*, in the sense that the consequences and implications of technological progress are increasingly difficult to predict.

Along with the growing capacity of technical options, Beck writes, 'grows the incalculability of their consequences' (Beck, 1992: 22).

As no institution can be made accountable for these developments, no one is really in charge in risk society, although we all feel its effects. Risk society is the age of *organized irresponsibility* (Beck, 1992: 18). The pace and complexity of changes, together with our inability to come to terms with the implications of this evolution, mean that we are travelling towards the untested and the unknown. These key features of the age of risk are encapsulated in Tony Giddens's definition of risk societies as ones in which 'we increasingly live on a high technological frontier which absolutely no one completely understands and which generates a diversity of possible futures' (Giddens, 1998: 25).

This section concentrates on the risk-dimension of this radicalized modernity, which may considerably enhance our understanding of the digital era of broadcasting. It appears that the digitization of television has considerably increased the *sources of uncertainties* and the *level of risks* for the rapidly expanding number of players involved in broadcasting. Four main sources of uncertainty have been identified: market demand, competition, regulation and complexity.

### Market demand

Many analysts observe that the primary source of uncertainty in the new environment is related to the nature and evolution of market demand. For instance, the EC Convergence Green Paper points out that '[t]he nature and potential growth of market demand for the new services is the greatest uncertainty facing market players' (European Commission, 1997: 19).

So far, the European broadcasting sector has been relatively safe from market-related contingencies because technological limitations have meant that demand outstrips supply. But digital technology, through signal compression, is progressively putting an end to scarcity and opening up an era of abundance in broadcasting. This implies that a traditionally supply driven industry can no longer take consumers for granted.

An excess of 200 digital channels have already been launched throughout Europe, and their mixed fortunes show that success within European markets is more uncertain than ever (Culture, Media and Sport Committee, 1998b: 47–53). Uncertainty is compounded by the fact that mass markets for digital channels do not yet exist, and it is difficult to be sure of the future level of consumer demand for these new services.

Competition for viewers' attention is aggravated by the already well-developed market for home entertainment which includes analogue television (terrestrial, cable and satellite) and video rental, as well as the internet and game consoles for the youth segment of the population. Figures released by the Microsoft Computer Age Report in November 1998 reveal

that PC-owning households in Britain consume 21 percent less television than average viewers (15 hours a week against 19 hours). More than half of surveyed households said that their favourite time to connect to the web was between 6pm and 8pm, when some of the most popular soap operas are programmed (*The Times*, 18 November 1998: 7). Facing stiff competition in the mass market, digital television providers now have to make sharp marketing decisions and determine which niche services will be profitable and sustainable in the future. Such niche services may involve channels devoted solely to such local or genre topics as major football clubs or channel bouquets tailored for specific generational, gender or ethnic markets.

In addition to the level of market demand, there are also many uncertainties regarding the behaviour of consumers and their reactions to forthcoming interactive digital services (see European Audiovisual Conference, 1998: 2). Service providers and equipment manufacturers are themselves uncertain of where market preferences lie, and only time will tell how the behaviour of individuals shape market structures. There is much speculation at the moment about the extent of the convergence between television and networked computing equipment. Some experts speculate that the difference between television and personal computers will ultimately vanish and that markets will converge towards the development of an integrated PC/TV; others estimate that television and computers correspond to different types of activity and will continue to be distinctive pieces of equipment (European Commission, 1998a: 4, 14).

### **Competition**

This section argues that digitization increases competition and that competition increases the level of uncertainty in the broadcasting field. In view of the capital and expertise required to launch a successful broadcasting service, it is not surprising that, so far, the majority of the service providers in digital television are those that currently provide analogue services whether it be analogue TV, satellite or cable. Nonetheless, digital technologies are bound to increase competition in the broadcasting field despite the dominance of traditional players. First, the multiplication of channels will increase competitive struggles between existing players by giving them opportunities to expand their own services. The BBC is launching several new channels on digital terrestrial television, Channel 4 has created a film channel (Film Four), and ITV is adding ITV2 to its first channel.

Second, increased bandwidth capacity is allowing secondary players to reinforce their presence in the British broadcasting field. This is the case with Turner Broadcasting System, a subsidiary of Time Warner, which is already broadcasting several channels (CNN International, Cartoon Network

and TNT Classic Movies) on cable and satellite delivery platforms and launching a new service on digital terrestrial television. Another illustration is provided by General Cable. The fifth largest cable company in the UK is planning to launch several transactional services, including retail services (banking, shopping, etc.), data services and multi-player gaming facilities (Culture, Media and Sport Committee, 1998c: 422–5, 452–8).

Third, digital technologies are creating opportunities for new entrants. The phenomenon of convergence between broadcasting, telecommunications and computing is creating a window of opportunity to invest in the field for companies new to broadcasting. In April 1998, the government decided to allow telecommunications companies to offer nationwide broadcast services to their subscribers starting from 1 January 2001. In addition, digital technology will allow owners of contents rights to cut out intermediaries, such as service providers, and broadcast their material themselves. Movie producers and leading sports rights owners, such as sporting federations, will be able to launch their own niche channels, as Manchester United Football Club has already done with MUTV.

There are several reasons why intensified competitive struggles will increase the unpredictability of future developments in broadcasting as well as the amount of uncertainties for market players.

In the first place, competition is conducive of change and innovation because corporate players constantly try to gain a competitive advantage over rivals. This is the main reason why regulators like Oftel in Britain encourage the development of pro-competitive market structures in broadcasting.<sup>1</sup>

Secondly, with so many more corporate players involved in the game, the broadcasting field is obviously more fluid than when it was dominated by a single corporation. The different – and by nature conflicting – strategies of competing corporate players make the structure of the field itself subject to many changes. Mergers between two key players, when allowed by competition regulators, have important repercussions across the field and affect all the other competitors. The introduction of major new players may have similar effects and force others to re-adjust their strategies. They may either decide to undo previous alliances and join a new entrant or strengthen their current alliance with new joint ventures. Thus, as companies continuously adjust their strategies as a function of the latest parameters, the configuration of the field is in constant evolution.

This instability makes it increasingly difficult for decision-makers to assess the future of their companies. Barry Cox, Director of the Independent Television Association (ITVA), expressed in the following terms the strenuous task of executives in these most unpredictable times:

What we do not know is, are we the canals before the railways came, or are

we the railways 30 years ago, in the age of motorways and mass travel . . . We manage what I hope are the railways, not the canals. (Culture, Media and Sport Committee, 1998a: 30)

## Regulations

As regulators themselves are acutely aware, regulatory uncertainty is a growing problem for the digital age. The European Commission has identified three different ways in which regulations can cause uncertainty: 'the scope of current definitions; the way they are applied; or whether they fit changing market structures' (European Commission, 1997: 22). Thus the activities of new service providers may be held back, the Commission writes, when 'businesses are uncertain as to the regulatory treatment their services . . . will receive' (European Commission, 1997: 22). A similar problem arises because of regulation inconsistencies between different countries. As an increasing number of market players operate across frontiers, discrepancies between national broadcasting regulations may hamper their international activities. The European authorities have addressed this issue by establishing a Contact Committee between the main British, German and French regulatory bodies (European Commission, 1998b: 6–7; see also Kofler, 1998).

Confusing situations are also created by aging and unadapted regulatory structures. In Great Britain, no less than 14 regulatory bodies lay claim to jurisdiction over media and communications. The phenomenon of convergence makes gaps and overlaps in the regulatory coverage even more apparent. In its Green Paper on communications regulation, the British government has recognized that because of the overlap of regulatory responsibilities, firms operating in the converging sector 'may face regulatory double jeopardy, with the possibility of different decisions from different regulators and the threat of regulatory forum shopping by competitors seeking the "right" regulatory decision' (DTI and DCMS, 1998: 22). With 'coherence', 'consistency' and 'clarity' among the principles of the review of the regulatory regime, the government is clearly seeking to increase the legal certainty for the market players of the digital era.

Finally, European governments should take action to clarify certain issues, notably to decide the switch-off date of the analogue signal. This indecisiveness increases the investment risk for corporate players. Indeed, as long as the analogue signal is on, the demand for digital services is obviously made more precarious and thus it is more difficult to draw up business plans and predict returns on investment.

## Complexity

Complexity itself arises because of the expansion of the broadcasting field, the multiplicity of competitive strategies of old and new players, the pace of

technological progress and the phenomenon of convergence. This section concentrates on the technological aspect of complexity and its consequences.

The evolution in digital technologies is extremely rapid. Experiments in the field take place continuously and technological progress is an ongoing process. There is much at stake in technology and many players are looking for the breakthrough that would give them a competitive edge over rivals. All leading companies are actively involved in research because they know they cannot afford to be left behind. This pace makes predictions difficult to hold, and few companies are certain that the technologies they are investing in will not be obsolete in a couple of years.

An additional factor of complexity comes from the fact that with digital services several technologies come into play. Not only is digital technology bringing together three distinct industries (broadcasting, telecommunications and computing), but it is making available different transmission systems, notably cable, the Multi-Point Video Distribution System (MVDS), the telecommunications network (employing the Integrated Services Digital Network (ISDN) or the x-Digital Subscriber Loop) and geo-stationary orbit satellites.

As different technologies become interrelated, and even interdependent, it is increasingly difficult for players, either on the production or regulatory side, to have a grasp of what exactly is going on. The European Commission admits that '[t]his continuing competition between different technologies can change the fortunes of one approach or another, making it difficult to be prescriptive about tomorrow's network architectures' (European Commission, 1997: 9). The British government is equally non-committal, stating that '[t]he pace and precise shape of these developments [brought by digital technology] are unpredictable. Government should not second guess the market' (DTI and DCMS, 1998: 6). Among market players, several of our interviewees declared that they had difficulties seeing the 'big picture' and were not sure of what to do next (e.g. David Pimcott, Head of Public Relations at Westminster Cable Television, interview, 2 June 1998; Henry Price, engineering adviser to the BBC, interview, 9 June 1998). As in Beck's risk society, the pace and complexity of the digital environment gives the overall feeling to players that nobody is in charge anymore (Beck, 1998: 9, 14).

### **Objective and subjective uncertainties**

At all times, business has involved risk taking. Even prior to the modern era, commerce has always involved a great deal of uncertainty. Broadcasting was no exception to the rule. Pioneers in the field had to make crucial decisions at defining moments, such as at the time of the introduction of colour or the launch of a second channel in the public sector.



However, with the coming of the digital era, risks have reached new heights and the sources of uncertainties have multiplied. Broadcasting service providers are not yet certain of the type of response new services will meet from the public. New players are entering, or about to enter, the broadcasting arena, and the intensification of competitive struggle among these profit-oriented corporations make the future of the field more unpredictable than ever. Regulatory inconsistencies, complexity and the pace of technological progress add to the perplexity of many actors in the field.

Certainties exist in this uncertain world. Most notably, broadcasting is getting increasingly global, audiences are fragmenting and ownership will ultimately concentrate. However, market players are unsure how to respond to the few trends that analysts hold for certain. They are aware that their position in tomorrow's broadcasting depends on routes they take and alliances they make today. New technologies generate new markets but also can eliminate existing ones. Globalization multiplies market opportunities but also the sources of competition.

Corporate players may know that new technologies can create new markets, but continuously fear to engage in a technological dead-end. They may know that broadcasting is getting more global than ever, but may hesitate on which international alliances to form and what their exact nature should be. They may know that world broadcasting will be dominated by a chosen few, but they are not certain who the list will include and strive to remain in the leading pack.

At any rate, not only corporate players see their own future in broadcasting as uncertain, they increasingly perceive the future of broadcasting itself as unpredictable. The current business literature places much emphasis on the ongoing technological revolution and is rife with jargon on risk taking. Along with many others, Gary Hamel, leading corporate strategist and author of the best selling *Competing for the Future*, explains in a cover story for *Fortune*:

Taking risks, breaking rules, and being a maverick have always been important, but today they are more crucial than ever. We live in a discontinuous world – one where digitalization, deregulation and globalization are profoundly reshaping the industrial landscape. (Hamel, 1997)

His words are echoed in many annual reports. Rupert Murdoch refers twice in the News Corporation's 1998 Annual Report to 'the current era of changes, as profound both in their risks and opportunities as any that have ever faced a great company' (<http://www.newscorp.com/report98/chief1.html>: 15, 18).

The ability to take risks is seen as paramount in this new environment. A business analyst, Stuart Crainer, claims that Rupert Murdoch owes part of

his success to the fact that he is an inveterate gambler.<sup>2</sup> He sees this penchant as an advantage in these circumstances, because ‘Murdoch and a handful of others are betting on the future. They are investing in technology they don’t even know will work to tap into markets that don’t exist sometime in the future’ (Crainer, 1998: 80).

Thus, risks and uncertainties are present at two levels in contemporary broadcasting. They are objective, in the sense that some aspects of the future of broadcasting are still uncertain, even though some trends and parameters are clearly identifiable (as the next section will show); but they are also prevalent in the corporate mindset. Executives are anxious about the future of their companies and are unsure about general development in broadcasting. In addition to being apprehensive about their situation for the years to come, they prepare for the unknowable. The notions of change and risk are prevalent in today’s corporate culture, and this fact alone adds to the unpredictability of broadcasting.

## **DIGITIZATION: REDEFINING THE ROLE OF PUBLIC SERVICE BROADCASTING**

Beck’s modernity is not all made of uncertainties and also includes predictable developments. One of them is the decline of the powers of the state and the role of the government in the running of the society and the economy (Beck, 1995: 117–8; 1998). This claim, which will be developed once empirical evidence has been presented, can be usefully applied to digitized broadcasting. The entrance of the broadcasting media into the age of risk seems to be typified by the changing role of public service broadcasters in the media economy. Indeed, the digitization of the broadcasting media is accelerating and reinforcing existing trends which indicate that public service broadcasters are losing their pre-eminent position in the broadcasting field.

In Britain, several aspects of digital broadcasting mean that the BBC is unlikely to keep the dominant role it used to play in the analogue era. To begin with, technological mastery and leadership increasingly tend to rest in the hands of commercial firms, acutely aware of the immense strategic importance of technological innovation. The BBC cannot claim cutting edge expertise in any of the digital transmission systems currently being developed. Equally important, the set-top boxes are neither developed nor sold by the public broadcaster. Furthermore, the BBC may still remain a channel provider in the digital age, but may never be a platform distributor or promoter. Indeed, the BBC channels are broadcast on digital platforms owned and controlled by commercial firms, such as ONDigital, a joint venture between Carlton Communications and the Granada Group. Significantly, the Director General of the BBC, Sir John Birt, qualifies the

'power of the gateway controllers' as one of the 'major risks' of the digital age (Birt, 1998: 4).<sup>3</sup>

In addition, digital broadcasting will assert the commercialism of television in many different ways and thus further weaken the influence of the public ethos in broadcasting. One of the key principles of public broadcasting – universal access<sup>4</sup> – is increasingly placed under threat by the growth of conditional access television. A number of analysts perceive this trend as a danger for social cohesion, and a principle previously taken for granted is becoming a public issue. The growth of conditional access is related to the process of emptying-out of public broadcasting, as two researchers from the Institute for Public Policy Research explain:

First, competition between increasing numbers of broadcasters raises the price of talent and rights for all players and makes television services more and more expensive. As subscription television evolves, we witness a migration of key programmes from free- to pay-TV. Many programmes that were available at no expense to the viewer are only accessible now under subscription or pay-per-view arrangements. (Murroni and Irvine, 1998: 17)<sup>5</sup>

In Britain, not only has the BBC lost several key presenters to their rivals, they have also lost the exclusive rights to live coverage of premium sport contents such as football (to BSkyB), rugby and Formula One (both on ITV), and cricket (now on Channel 4 and Talk Radio). The phenomenon is not confined to Britain and the European Commission, in its revised version of the Television Without Frontiers Directive, has given the option to member states of preserving universal accessibility to events regarded as 'being of major importance for society' (Directive 97/36/EC, Art. 3a).

As noted by the IPPR study, digitization is at the core of this process (Murroni and Irvine, 1998: 16–17). Indeed, not only will the opportunity for new channels intensify competition between broadcasters but digital technologies, because of their encryption capabilities, are particularly well suited for pay-per-view and pay-TV. Digitization is accelerating the trend towards subscription-based services, which could soon become the norm rather than the exception.

Moreover, digital technologies may contribute to disseminating the ideology of consumerism on television. Digitization will enable advertisers to perfect their knowledge of audiences. They will have considerably more data at their disposal concerning viewing preferences, consumption patterns and lifestyle habits. New technologies will also allow advertisers to target their audience with more precision and find the perfect match between commercials and the viewing public. Furthermore, many of the technological advantages offered by digital technology, notably interactivity, will facilitate and encourage home shopping and electronic buying. There can be few doubts that the new technological abilities will further the

integration between commerce and broadcasting. The digital age will not be the age of the viewer, but that of the subscriber/consumer. More than ever, viewers will be addressed in their capacity as consumers, leading television and its contents towards more consumerism.

It does not come as a surprise that the role of the BBC is under intense scrutiny in this new environment. A new public commission has been announced by Chris Smith, Secretary of State for Culture, Media and Sports, in October 1998, to look into the operation of the BBC licence fee, even though no less than three parliamentary select committees have examined the future of broadcasting and that of the BBC over the last ten years (Home Affairs Committee, 1988; National Heritage Committee, 1993, 1997). The current strategy of the BBC, which is to enhance its commercial revenue (currently at £350 million), presents an important dilemma for the broadcaster. On the one hand, this extra revenue strengthens the BBC's competitiveness in an increasingly cut-throat environment. On the other hand, this commercial activity undermines the legitimacy of the BBC as a public operator. Critics and rivals are quick to point to the conflict between the public status of the BBC and its new commercial endeavour (e.g. Murdoch, 1998: 3).

It has now become apparent to public broadcasters that digitization will accelerate the process of internationalization and globalization of the broadcasting field, thereby further contributing to undermine their position (Birt, 1998: 4; see also Human and McChesney, 1997). Corporate players are aware that they cannot be successful in the digital age if their strategy is narrowly national. International coverage eases transfer of technology, allows cross-subsidization and economies of scale. Thus, several alliances and consortia currently operating in the broadcasting field are international in scope. For instance, British Interactive Broadcasting (BIB) involves BT, BSkyB, Matsuhita and Midland Bank. These are not only partners from different horizons, but partners already engaged in different horizons on their own account. The BBC itself is trying to keep up with the digital age by signing an international partnership with American Discovery for programmes to be broadcast in Britain and overseas (BBC Corporate Internal Communication, 1998). In turn, the strategies of dominant players, international in scope, accelerate the globalization process of the broadcasting field, and this makes it more difficult for national broadcasters to prosper in an increasingly global environment.

Finally, the new regulatory environment being put into place in Britain and across Europe is not as favourable to public broadcasters as it used to be. The protocol on public broadcasting attached to the Treaty of Amsterdam confirms the importance of public broadcasting in the European Community. Nonetheless, European audiovisual policy clearly puts much faith in market forces to steer the broadcasting field through the digital age.

Many European broadcasting regulations, including the first Television Without Frontiers Directive, aim at creating an open and pro-competitive broadcasting market structure. The philosophy underpinning the European Commission's broadcasting policy is neo-liberal in character and applies the rule known as 'the market when possible, the state when necessary'. 'Regulation', as the EC Convergence Green Paper points out, 'is not an end in itself [but] it is simply a tool, alongside the use of market forces' (European Commission, 1997: 24). The High Level Group<sup>6</sup> on Audiovisual Policy agrees that 'public intervention should, as a matter of principle, be limited to areas where there is clear market failure' (European Commission, 1998c, Chapter 2: 6). It may be the case that competition has invigorated some public broadcasters, but it remains that the current regulatory trends are creating a difficult environment for them. As Richard Collins writes:

But it is a matter of record that the internal market, as presently constituted, is hostile to public service broadcasting. It could not be otherwise for, seen from the vantage point of the neo-classical economic theory which underpins the EEC Treaty; public service broadcasting is aberrant and offensive because it does not display the characteristics of a well-functioning market. (Collins, 1998: 371)

In Britain, the government is firmly attached to the principle of competition. Christina Murroni and Nick Irvine write that '[t]he government saw its role in the transition to digital TV as guardian of competition and promoter of a rapid and universal take up of digital services' (Murroni and Irvine, 1998: 99). This policy orientation was reaffirmed in the government's Green Paper on communications regulation, in which, echoing the European Commission's High Level Group on Audiovisual Policy, it promises to regulate 'where necessary but, wherever possible, [to] promot[e] competition and new entry' (DTI and DCMS, 1998: 12).

Not helping public broadcasters is the fact that regulatory bodies are struggling to keep pace with technological evolution. Afraid that their regulatory frameworks will be out of touch with the latest developments, governments rarely make a move without consulting the industry, thereby conferring much power on corporate actors and giving them the opportunity to influence public policy objectives. In addition, regulatory frameworks are made flexible and adaptable to technological evolution. The working group discussing regulations at the Birmingham European Audiovisual Conference concluded its sessions stating that '[a] high degree of uncertainty about the pace of the digital audiovisual revolution leads to the view that regulatory change, while essential, should be gradual and responsive to development' (European Audiovisual Conference, 1998: 2). In Britain, the government recognizes that we are entering a period of

technology driven rapid change and thus pledges to implement an approach 'which has enough flexibility to respond to changing circumstances' (DTI and DCMS, 1998: 12).

These trends do not develop unopposed and there exist several foci of resistance to the further commercialization of broadcasting. Public broadcasters stress the need for public service channels that are run independently of commercial interests, that are publicly accountable and that serve the community at large (e.g. the BBC Director General's overview of the 1998 BBC Annual Report, [http://www.bbc.co.uk/info/report98/d\\_g\\_overview.shtml](http://www.bbc.co.uk/info/report98/d_g_overview.shtml)).

Many academics concur that public policy should strike a balance between the public and private sectors in broadcasting. Murrioni, Collins and Coote argue that policy makers should take the general principles set up by the Commission on Social Justice as guidelines for public policy. These principles are security against poverty, equal opportunity, fairness and democracy. An implication of the second principle for broadcasting is that 'opportunities are maximised by ensuring free access to information and affordable universal service in media and telecommunications' (Murrioni et al., 1997: 9).

Other scholars reason that information is a public good and that the market cannot be relied upon to cover the community's need in this area. Andrew Graham argues that new technology, expanding the possibilities for economies of scale and economies of scope, contributes to concentrate ownership. A public service broadcaster is more indispensable than ever to compensate for this trend (Graham, 1999: 17–21). Additional benefits of public service broadcasting are the delivery of national coverage (to counterweight the fragmentation of audiences), and the coverage of events of special importance for the citizenship and the community. Public broadcasters can also act as 'centres of excellence' and widen the viewing choice delivered by commercial broadcasters (Graham, 1999: 24–44; on public goods and market failure, see Kobolt, Hogg and Robinson: 1999: 55–61).

Julian Le Grand and Bill New argue that the public service broadcasting is making a significant contribution to the value base of society, and notably to four general principles that they call CORA: Community, Opportunity, Responsibility and Accountability. Broadcasting can combat polarization and reinforce the national community, it can widen people's opportunities by widening their knowledge base, it can promote social responsibility and it can increase the accountability of public authorities (Le Grand and New, 1999: 114–20).

Public service broadcasting will indeed need all the support it can get from committed civil society leaders, politicians and academics. For the time being, recent technological, economic and policy developments suggest that their future, if not bleak, is uncertain. Their increasingly fragile situation fits within the picture of risk society depicted by Ulrich Beck. In risk society, Beck claims, the industry possesses a double advantage over public authorities:

‘autonomy in investment decisions and a monopoly on the application of technology’ (Beck, 1998: 15). ‘Politicians’, adds the German sociologist, ‘are in a bad position, struggling to catch up with what is going on in technological development . . . Thus the division of power leaves the industries with the role of primary decision-maker’ (Beck, 1998: 15). The government and the parliament ‘disempower themselves’ to the benefit of the industries, and since technological evolution influences the course of events ‘more than any proposed legislation’, state agencies become little more than rubber stamps which validate the decisions taken by industrialists (Beck, 1995: 117). Beck’s argument echoes recent developments in broadcasting and points to some of the reasons why regulatory decisions may not be taken to the best of public broadcasters’ interests in the future.

## INTERACTIVITY AND THE PROCESS OF INDIVIDUALIZATION

According to the exponents of the age of risk, life in radicalized modernity is no longer experienced as fate (Giddens, 1998: 26). Jane Franklin adds:

‘Risk society is forcing us to make decisions. The politics which asserts old certainties says that other people will make those decisions for us. The politics of risk society is more demanding. It demands active participation through all layers of social, political and economic activity.’ (Franklin, 1998: 8)

The process of individualization, Beck writes, means that the ‘*standard* biography becomes a *chosen* biography’ (Beck, 1997: 96).<sup>7</sup> How do these assertions relate to the digital age of broadcasting?

The multiplication of television channels brought by signal compression, following the additions made by cable and satellite, is further expanding the viewing choice. Digitization is also introducing catch-up and archive channels and video-on-demand facilities. With a much wider selection, viewers can now adopt, if they wish, a more active attitude towards television. They can take advantage of the possibility to watch almost any programme at the most convenient time to them, making their television consumption a matter of choice rather than ‘fate’.

The future digital television will go one step further in making the nation’s favourite pastime a more involving experience. Its interactive capabilities will allow those willing to take the opportunity to be even more pro-active in the way they seek and select information. By switching channels and clicking on certain images and icons, audiences will be able to interrupt the flow of news and access background information and data on topics of their choice. Thus, interested viewers will be able to focus more on their needs and preferences. Instead of having fit-for-all programmes imposed on them, they will be able to make their own ‘home-made’ programmes.

Correspondingly, the new capabilities of digital television will restrict mass audiences to some specific occasions. In certain cases, large audiences will be restricted to those who can afford to pay access to premium content, such as non-protected sports contests. Popular soap operas may still be watched by the millions, but at different times of day, or even days of the week. Television watching will be decreasingly an activity that involves the masses. Like surfing the web, *it will cease to be a common experience, to become a shared activity that individuals experience separately.*

## CONCLUSION

Many of the aspects of risk society which Beck claims are unfolding in front of us echo facets of the coming digital era in broadcasting. The potential of digital broadcasting technologies will take many years to develop to the full, but the seeds for a broadcasting revolution are planted, and its premises already indicate strong correspondences between digital media and the radicalized modernity prophesied by Beck. As technology develops, so do risks for producers and uncertainties for investors. As competition increases between market players, so does the unpredictability of the broadcasting field. As the field globalizes and becomes dominated by transnational corporations and international consortia, who have the technological expertise to be competitive and the resources to afford the gamble, national public broadcasters are threatened with decline. As the future of broadcasting becomes less predictable so does the viewing experience. It is difficult for us to assess whether or not we are witnessing a break within modernity, as Beck claims (Beck, 1992: 9). What is certain, however, is that the theory of the age of risk allows us to perceive a break in the history of broadcasting.

## Acknowledgement

Research for this essay was in part supported by the Swiss National Science Foundation.

## Notes

- 1 'Competition', the OfTel memorandum submitted to the Culture, Media and Sport Committee says, 'is likely to be the best means of stimulating innovation, better quality, more choice and lower prices for consumers' (in Culture, Media and Sport Committee, 1998b: 309).
- 2 He substantiates his claim by recalling that while studying at Oxford, the young Murdoch used to cross the Channel to gamble at Deauville's casino (Crainer, 1998: 49).
- 3 John Birt lists three other risks related to new technologies: the risk that globalization undermines national cultures; the emergence of the information rich and the information poor because of the growth of pay-TV; and the risk that EU member states drift behind the United States and Asia in the digital age (Birt, 1998: 4–5).
- 4 As defined by John Birt: '[a]t the heart of the public broadcasting tradition is *universality* – reaching out to every household in the land – to the poor as well as to the prosperous – offering enriching experience; and information which extends understanding' (Birt, 1998: 4).
- 5 This IPPR study concludes the centre's second research project on media and



- communications. It analyses access policy in the EU in the context of technological convergence and liberalization. Many of their recommendations stress that public interests need to be preserved with public policies that balance current technological and market developments.
- 6 This group was chaired by Commissioner Marcelino Oreja and composed of Francisco Pinto Balsemão (Portugal, Chairman of the European Institute of the Media); José M. Bergareche (Spain, Director General, Grupo Correo); Hervé Bourges (France, President of the 'Conseil Supérieur de l'Audiovisuel'); Liliana Cavani (Italy, former member of the RAI Board); Michael Kuhn (Britain, President of Polygram Filmed Entertainment); John McGrath (Britain, producer); Jan Mojto (Austria, Chairman of the Association of Commercial Televisions); Albert Scharf (Germany, President of the European Broadcasting Union); Boleslaw Sulik (Poland, Chairman of the National Broadcasting Council of Poland).
- 7 Even more forcefully, Beck claims that 'we are eye witnesses to a social transformation within modernity, in the course of which people will be set free from the social forms of industrial society – class, stratification, family, gender status of men and women – just as during the course of the Reformation people were "released" from the secular rule of the Church into society' (Beck, 1998: 87).

## References

- BBC Corporate Internal Communication (1998) *A Guide to the BBC/Discovery Partnership*. London.
- Beck, U. (1992) *Risk Society: Towards a New Modernity*. London: Sage.
- Beck, U. (1995) *Ecological Politics in an Age of Risk*. Cambridge: Polity Press.
- Beck, U. (1997) *The Reinvention of Politics*. London: Sage.
- Beck, U. (1998) 'Politics of Risk Society', in J. Franklin (ed.) *The Politics of Risk Society*, pp. 9–22. Cambridge: Polity Press.
- Birt, J. (1998) 'Public Policy in the Digital Age', speech delivered at the European Audiovisual Conference, Birmingham, 6–8 April 1998.
- Collins, R. (1998) 'Public Service and the Media Economy: European Trends in the Late 1990s', *Gazette* 60(5): 363–73.
- Crainer, S. (1998) *The Rupert Murdoch Way*. Oxford: Capstone.
- Culture, Media and Sport Committee (1998a) *The Multi-media Revolution, vol. 1, Report and Proceedings of the Committee*. HC papers (1997–98) 520–12. London: The Stationery Office.
- Culture, Media and Sport Committee (1998b) *The Multi-media Revolution, vol. 2, Minutes of Evidence*. 520–II. London: The Stationery Office.
- Culture, Media and Sport Committee (1998c) *The Multi-media Revolution, vol. 3, Appendices to the Minutes of Evidence*. 520–III. London: The Stationery Office.
- Department of Trade and Industry and Department for Culture, Media and Sport (1998) *Regulating Communications: Approaching Convergence in the Information Age*. Cm 4022.
- European Audiovisual Conference (1998) *Working Group 3, Conclusions, The Right Regulatory Framework for a Creative Media Economy in a Democratic Society*. Birmingham: 6–8 April 1998.
- European Commission (1997) *Green Paper on the Convergence of the Telecommunications, Media and Information Technology Sectors*. Com (97) 623.
- European Commission (1998a) *Summary of the Results of the Public Consultation on the Green Paper on the Convergence of the Telecommunications, Media, and Information Technology Sectors*. Sec (98) 1284.

- European Commission (1998b) *Europe at the Forefront of the Global Information Society: Rolling Action Plan*. Com (96) 607 – update 1998.
- European Commission (1998c) *Report from the High Level Group on Audiovisual Policy*.
- Franklin, J. (1998) 'Introduction', in J. Franklin (ed.) *The Politics of Risk Society*, pp. 1–8. Cambridge: Polity Press.
- Giddens, T. (1998) 'Risk Society: the Context of British Politics', in J. Franklin (ed.) *The Politics of Risk Society*, pp. 23–34. Cambridge: Polity Press.
- Graham, A. (1999) 'Broadcasting Policy in the Multimedia Age', in A. Graham (ed.) *Public Purposes in Broadcasting: Funding the BBC*, pp. 17–46. Luton: University of Luton Press.
- Hamel, G. (1997) 'Killer Strategies that Make Shareholders Rich', *Fortune* 23 June 1997.
- Home Affairs Committee (1988) *The Future of Broadcasting*. HC papers (1987–88) 262–I. London: HMSO.
- Human, E.S. and R.W. McChesney (1997) *The Global Media: The New Missionaries of Corporate Capitalism*. London: Cassell.
- Kobbolt, C., Hogg, S. and B. Robinson (1999) 'The Implications of Funding for Broadcasting Output', in A. Graham (ed.) *Public Purposes in Broadcasting: Funding the BBC*, pp. 47–71. Luton: University of Luton Press.
- Kofler, A. (1998) 'Digital Europe 1998: Policies, Technological Development and Implementation of the Emerging Information Society', *Innovation* 11(1): 53–72.
- Le Grand, J. and W. New (1999) 'Broadcasting and Public Purposes in the New Millennium', in A. Graham (ed.) *Public Purposes in Broadcasting: Funding the BBC*, pp. 113–35. Luton: University of Luton Press.
- Murroni, C. and N. Irvine (1998) *Access Matters*. London: Institute for Public Policy Research.
- Murroni, C., R. Collins and A. Coote (1997) *Converging Communications: Policies for the 21<sup>st</sup> Century*. London: Institute for Public Policy Research.
- Murdoch, R. (1998) Speech delivered at the European Audiovisual Conference, Birmingham, 6–8 April 1998.
- National Heritage Committee (1993) *The Future of the BBC*. HC papers (1993–94) 77–I. London: HMSO.
- National Heritage Committee (1997) *The BBC and the Future of Broadcasting*. HC papers (1996–97) 147–I. London: The Stationery Office.

---

DR JEAN CHALABY is Research Fellow at the Department of Sociology, London School of Economics. He is the author of *The Invention Journalism* (Macmillan, 1998) and *The de Gaulle Presidency and the Media* (Macmillan, 2000) and has published numerous articles on the media and journalism in leading European and American journals.  
*Address:* Department of Sociology, London School of Economics, Houghton Street, London WC2A 2AE. [email: J.Chalaby@lse.ac.uk]

DR GLEN SEGELL is Director of the London-based Institute of Security Policy. He is on the Governing Council of the International Security Studies Section of the International Studies Association and has authored numerous books and articles on international securities issues.  
*Address:* Institute for Security Policy, University of London, P.O. Box 108, 37 Shore Street, London WC1E 7BS.

---