

Responses to Global Power and Communication Orders: BRICS and India's domestic and comparative response in the Information and Communication sector¹

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Abstract

The formation of BRICS, notwithstanding critiques, is institutionally alive and there is a will among the governments to have their annual summits. Individually, academicians have focused on many aspects with respect to the countries including in some cases bilateral studies in the media and communication sector. Recently, a multi nation study has been initiated by the [University Of Tampere On BRICS](#) and their media systems. China and India—"distant "neighbors- with their huge markets and demographic dividends are naturally the focus including projections of how they are slotted to play major economic roles. Their willing incorporation into BRICS raises several questions but gets settled when market determination looms larger.

In India, the way the entertainment sector has piggybacked on mobile telephony where the market has evolved a win-win situation for the media and telecom carrier weaves easily into the media analysis framework of audience participation. Is the spread of media and expansion of telecommunications in the BRICS a converged platform upon which newer forms of transnationalisation of media taking place? Such transnational dynamics in India, for example, include mergers and acquisitions of content production companies in news and current affairs, television and movies. Telecommunications infrastructure on which satellite based media depend itself is a larger domain of economics of technology. Despite suspicions about sustained revenue models, the spread of television, in the news and current affairs area is an interesting development. A related but important issue is the continued impact of globalisation (less maligned now) and the specter of news coverage, particularly in corporate affairs reporting. That the malaise has spread to political area as well is subsumed within the domain of paid news culture and has raised issues of ethics, media management and revenue support for media operations. Globally, the centrality of moral dimensions and their contestations is being debated. Both academic and industry perspectives pertaining to this will form part of the literature review for this paper. Pre NWICO ideological responses will be invoked to establish continuum of ideas that explicitly challenged universal prescriptions.

While one cannot uphold a conspiracy perspective in these developments, liberalization and a quest for international presence by emerging countries gets reflected in proliferating media systems, enormous appetite to feed 24X7 television channels and thereby implications for the dynamics and economics of content production and its international ramifications. Are these context specific responses? Or do they have a resonance elsewhere; in BRICS for example, is an overarching question for this paper. China has been flagged for comparative reasons but the fact that India enjoys bilateral ties with each of the countries including its middle position (metaphorically-BRICS) becomes useful in understanding how it collectively and mutually responds to the new formation. Is it a Schumpeterian "creative destruction"³ at play? The overall theme of IAMCR 2013 seems to have invoked this.

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³ The opening up of new markets, foreign or domestic, and the organizational development from the craft shop to such concerns as U.S. Steel illustrate the same process of industrial mutation—if I may use that biological term—that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly

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Specific Responses

That India has significant media presence and a robust growth in this sector is beyond doubt. This scenario is much different from discussions and debates in the 1960s through 1970s when we were debating the lack of “prescribed” UNESCO norms for media. It may be pointed out that mass media as central to a country’s development was rooted in media centrism.

The crescendo leading towards a call for a New World Information and Communication Order (NWICO) had raised several questions including issues pertaining to imbalances in news and information flows and transnational content. However, developments in India since NWICO have been different although the underlying concerns of the debate form the axis in academic discourses.

There have been several offshoots of regional and political blocs. [The Non Aligned Countries](#), numbering about 120 continue to debate issues of common concern such as trade and economic cooperation. In the media sector, the non aligned countries, for example, had forged a news agencies pool, The Non Aligned News Agencies Pool (NANAP)⁴ to balance the impact of the monopoly of the big transnational news agencies. The balancing framework has since undergone changes based on the resolutions of the Conference of Ministers of Information of Non Aligned Countries (COMINAC). The idea of [NAM news network \(NNN\)](#) while recognising inadequate responses from respective countries for NANAP sought to revitalise the cooperation in the present context.

As a revitalized entity the NNN makes the most of the Internet and ICT applications for speedy and affordable communications among its members. By any measure, the NNN is Malaysia's gift to NAM but it is only workable if like-minded fellow NAM members subscribe to the continuing relevance of a revitalised NAM through increased flows of news and information. The NNN sees itself as an alternative source of information rather than being in competition with other major news services. Essentially it would serve as a conduit for NAM member countries to tell their story and use it as a yet another tool of communication for them. It is also incumbent upon the NNN to assume the role of a creator of awareness of the potential that exists for expanding trade and economic collaboration among business communities of NAM member countries through intelligence-sharing and building of e-knowledge capacity. Facing the reality of NAM member countries accounting for less than 20 per cent of world exports and less than 15 per cent of world imports, the NNN is striving to contribute towards the acceleration of the pace of growth in trade among them.

The NANAP is brought into focus to demonstrate a degree of continuity of concerns. There are other regional blocs within Asia that work towards media cooperation of various hues. It is amidst such attempts of the past and India’s growth that newer formations such as BRICS,

creating a new one. This process of Creative Destruction is the essential fact about capitalism. As explained and quoted by Econlib.

⁴ NANAP was formally constituted in 1976 for the purpose of correcting imbalances in the global flow of information. In 2005, the Ministers of Information of the Non Aligned countries decided to replace NANAP with NAM News Network (NNN).

often critiqued as a loose formation needs to be examined. A research in progress of media systems in BRICS is likely to offer more insights as data analysis gets completed.

NWICO was not confined to responses to news agencies domination. It also touched upon transnationalisation of entertainment, culture and professionalism. It in a way consolidated the approaches of several nations grouped and divided along the lines of blocs. The relevance of adherence to such bloc culture has been debated and several nations, including India, have opted to pursue relationships that benefit them.

Several scholars have written and contextualized the growth of Indian media in the post liberalization era. The views pertain to the pros and cons of globalisation. While it may be relevant to chart this growth, the focus here would be to discuss the present situation where the media and entertainment sector is poised for a projected growth ahead of the other countries in the BRIC formation.

M&E Industry in India: Brief overview

The media and entertainment industry in India, no doubt, is growing and at the same time the proliferation of news and current affairs channels is intended to further the multiplicity of opinions. However, several analysis and channel surfing suggests that it is more of the same: “profusion of channels has not meant democratic difference and variety.” A brief overview of the Indian media industry is provided below to provide support to the paper.

According to industry analyst Pricewaterhouse Coopers (PwC) and the Confederation of Indian Industry (CII) report “India Entertainment and Media Outlook 2012” projects that the combined advertisement and subscription revenue from the sector, which was Rs.68500 crore in 2010, and rose by 17.52 per cent to Rs.80500 crore in 2011, is slated to reach Rs.1,76,400 crore by 2016. Of this, broadcasting shows the biggest gain. Television grew from Rs.29400 crore in 2010 to Rs.34000 crore in 2011, a year- on- year growth of 15.7 percent, and is expected to touch Rs.67400 crore by 2016, registering a CAGR of 14.7 per cent from 2012 to 2016.⁵ The corresponding figures for radio are Rs.1300 crore for 2010 and Rs.1400 crore for 2011, a 10.8 per cent rise over the year, and Rs.3,000 crore for 2016, representing a CAGR of 16.7 per cent over the same four- year period. Print posted a relatively modest revenue growth of 7.2 per cent between 2010 (Rs.17800 crore) and 2011 (Rs.19000 crore) but, bucking the international trend of steep decline, is set to accelerate ahead to touch a revenue of Rs.29600 crore in 2016, with a CAGR of 9.2 per cent over 2012-16. The other media—a miscellany of Internet, gaming, music, and out of home (OOH) media—account for the rest.⁶

Cross Media Ownership: Concerns and so called Economic realities

The fact that Technological convergence has engendered media conglomerates that combine print, television, radio and the Internet, and businesses that exceed these categories like

⁵ Up to December 2012, 848 channels had been licensed and about 650 of them are operational including 350 news channels.

⁶⁶ Note 1 Crore=10 million. One US \$ = 55 India rupees.

DTH (Direct to Home), HITS (Headend in the Sky), the yet incipient podcasting and IPTV (Internet Protocol Television); and push applications across delivery platforms to 2G, 3G and 4G devices, electronic tablets, and so on. The fact that these platforms draw on scarce spectrum brings to the fore many issues that ITU in the past has debated with respect to growing demands by the so called developing countries including India. In the domestic plane spectrum is a valuable source of revenue for the government and therefore vulnerable to industry push and pull strategies.

It is in this burgeoning media industry and increasing evidence of cross media ownership and the rise of media conglomerates that the government of India intends to work on cross media restrictions. The premises upon which cross media controls are being debated recognises that major media players are looking for expansion of their business interests in print and broadcasting sectors leading to horizontal integration. More broadcasting companies owning television channels are venturing into distribution segments of cable television-Direct to Home (DTH), Headend in the sky (HITS), and Internet Protocol Television (IPTV). With distribution sector companies venturing into television broadcasting, the fear of vertical integration is also flagged. Industry motivation for a media company to have presence in different media segments is to reach maximum consumers across different demographic spread and higher economic gains. Critics of such expansion and justification by the Industry argue that if cross media holdings occupy dominant positions across media, it may restrict media pluralism. At the societal level a critique would suggest that it hurts the very fabric of democracy that inherently recognizes diversity and plurality. This is more acute for India whose federal structure is built upon multiplicity of languages. Its secular credentials recognize multi religions. The prime motivation for a media company to have presence in different media segments i.e. to have cross media holding is to maximize its reach to the consumers in different demographics with varying media consumption patterns. This also translates into higher economic gains for the companies. However, identities having cross media holdings occupy dominant positions in different media sectors it may restrict media pluralism. However, the industry response has been on predictable lines. In essence they argue that the position is theoretical and that ownership is already entrenched and established and one cannot roll it back.

Sashi Kumar raises what he calls as “Freudian slip” argument to question government’s proposed move⁷ for cross media restrictions:

The consultation paper’s pious reference to democratic values of diversity and pluralism in advocating caps on the market size and cross media holdings of media organisations seems more rhetorical flourish than an article of faith. There are also Freudian slips which confuse regulating the media market with controlling media behaviour and content, as, for instance, when it states: “The inherent conflict of interest which arises from uncontrolled ownership in the media sector gives rise to manifestations such as (i) paid news (ii) corporate and political lobbying by popular television channels (iii) propagation of biased analysis and forecasts both in the political arena as well as in the corporate sector, (iv) irresponsible reporting to create sensationalism.” How or what any of these, admittedly corrupt and unethical media practices,

⁷The Telecom Regulatory Authority of India (TRAI) that regulates the industry has a different view. It is all set to create an institutional buffer between corporate owners and newspaper management to the government. The broadcast industry regulator intends to suggest ways to restrict cross media ownership in line with most other established democracies. It would be based on the principle that corporate ownership of media must be separated from editorial management as the media serves public interest. (Prashant, 2013)

has to do with the market reach of a media house or its cross holdings in the sector is not clear. (Kumar, 2013)

Contemporary Policy Perspectives for Media Sector: FDI options

The growth of the media industry is also buoyed by enabling policies that allow for Foreign Direct Investment (FDI) in this sector. The implications of opening up this sector have been debated on classical lines of cultural imperialism etc. However, these debates are not getting echoed in the heavy push for reforms in this sector. For example, print sector was considered sacrosanct for liberalization and FDI. In the past, despite division in the Industry, a 26 % cap was in place. However, the government is in a rethink mode going by the recommendations of a committee that suggest increase to 49 %. While doing so it allays the fear of foreign content flooding Indian newspapers. The fact that people have access to foreign channels directly and availability of Internet that brings in content through a converged platform seems to have a bearing on their recommendation.

Pushing for more FDI limit in the print media, a council report (sectoral innovation council (Sharma, 2012)) observed: "The print industry is not facing any immediate threat; the question arises as to how the industry's momentum can be accelerated for achieving higher growth. The council is of the opinion that there are some irritants to growth which need to be eradicated...in the context of promoting innovation in the print media, an area the government should give attention to, is to enhance FDI limit... from the existing 26 per cent to 49 per cent." The proposal is significant considering there are over 78,000 registered newspapers in India and the worth of the industry is likely to touch ` 310 billion by 2015. Capturing the trend in media industry it suggested that:

- Doordarshan (public broadcaster) should produce animated content on Indian themes on the lines of the popular **Mickey Mouse** series which, being intellectual property, generated huge revenue
- TV channels should mark out time for content for kids
- Animation and gaming education should be made part of 120 fine arts colleges
- Five-year integrated media degree on the lines of LLB
- Obsolete units like Films Division (government's film unit established for news reels and documentaries) be shut down
- Have a separate media and film policy for these sectors

Revisiting Cultural Imperialism Concerns

The relative approaches to sectoral media policies with respect to their growth are likely to move towards an omnibus approach particularly with regard to increased capital flows. Correspondingly what impact they are going to have on content is once again debatable. The fear of the Dallas and Lucie shows inundating content is less evident but more pronounced as the multiplicity of channels directly bring CNN, BBC, HBO, Disney etc through cable and satellite distribution and Direct to Home (DTH) platforms. Cultural impact is therefore

direct for a willing audience that is content with swapping channels at will from Hollywood fare to “desi” crime, soap operas, spiritual and astrological channels. With minimum of 100 channels in any bouquet, the audience feels contented that it has the remote power and choice. In fact this has been the defense of broadcasting sector that claims that audience has a choice. Critics, however, are concerned with the values that the content pervades. In the Indian context academic debates center around portrayal of women, regressive stereotyping and constant plotting and scheming against each other with a victim protagonist (usually a woman) bearing it all and crying it through from one episode to another. Indian Diasporas across the world have a choice to dip into this fare through platforms available in their respective countries.

Certain “Indianised” recipes have however changed as they say from the stock approach of Murdoch’s Star Plus channel. As one analysis puts it: (World, 2009)

Defying all the conventional wisdom about Indian television viewers -- notorious for dogged allegiance to campy soap operas that pitted idealized brides against scheming mothers-in-law -- the hottest show on TV today is a progressive, heartwarming drama about a plucky little girl caught up in an illegal child marriage.

Called Balika Vadhu, or "Child Bride," and set in rural Rajasthan, where marrying off daughters before they hit puberty is still a common practice, the show has caught the imagination of urban viewers across the board and throughout India, ushering in a revolution of sorts in cable television programming.

It has helped Colors, an upstart channel launched by Viacom and Network18 in July last year, supplant Rupert Murdoch's Star Plus as the most-watched Indian television network -- a title Star Plus held for nine years running. And it has unleashed a new wave of progressive programming devoted to issues facing India's "distressed daughters."

"What started out as a 0.8 rating on Balika took us about 13 weeks to get to 8," said Rajesh Kamat, Colors' chief executive officer. That means 8 percent of the entire television audience is watching the show. "Typically an episode that peaks for us would touch about 17 million people," Kamat said. "If you were to take a monthly average, it would be in the 72 million zones." The popularity of this show is such that regional versions of this hog the prime time slots.

Ethical Dilemmas amidst Competitive realities

It may be recalled that India’s national broadcasting structure, post liberalization and satellite based television, has privileged regional television. This diversity while it celebrates many regional languages, has not affected the basic structure of television programming-genres and formats. This is evident in dependence on film industry for staple content through movies, film based entertainment and popular reality shows. Serials that occupy prime time slots have acquired a clone dimension. In news channels, the breaking news syndrome and TRP ratings have led to several aberrations, particularly in terror related and crime reporting. The case of the Bombay terror attack reportage is a case in point. Supreme court of India in its judgment with regard to the case noted:

The reckless coverage of the terrorist attack by the channels thus gave rise to a situation where on the one hand the terrorists were completely hidden from the security forces and they had no means to know their exact position or even the kind of firearms and explosives they possessed and on the other hand the positions of the security forces, their weapons and all their operational movements were being watched by the collaborators across the border on TV screens and being communicated to the terrorists. (Calamur, 2012)

Elections are integral to India's democracy. However, the spread of media and its purported influence has brought in the specter of paid news that is being debated in all forums including introspection by the media.

This became evident in the Maharashtra State elections leading to the Press Council of India (PCI) taking up the issue and analyzing it. The basic charge is that some newspapers indulged in accepting payment for masking advertising as editorial content. P. Sainath explains:

In itself, the game is simple. Political parties and candidates in electoral contests have to cough up very large sums of money if they hope to get covered at all in newspapers and channels running a paid news racket. You pay to print. Decline and you're obliterated. If your rival has paid up, you might even cope a lot of nasty flak in those media. Large and very powerful sections of the media went out and actively solicited often extorted money from poll candidates. Those who paid up received coverage that would have embarrassed the court soothsayers of medieval kingdoms. The advertisements and propaganda were presented to readers as 'news'. Those who didn't pay found their names were never mentioned. (Sainath, 2013).

The telecom sector upon which media rides piggyback to maximize efficiency and network coverage has gone through an upheaval following a scam in issue of licenses. Known as the 2G scam, it led to supreme court cancelling more than 100 licenses affecting multinational firms that used diplomacy also to reduce the impact but the Court was firm in its views. In an industry oriented analysis it has been argued that policy stabilization is needed to reenergize the sector. Comparisons with regard to reforms in the EU region are cited as examples.

Emerging Groups: BRICS-a multi nation response?

Brazil, Russia, India, China and South Africa (BRICS) formation has been discussed widely including its overtly economic and obliquely development agenda including setting up of a framework for financial institutions to facilitate the relationship.

These countries divided by different political and governance systems are grouped together and the fact that regular summits have been held including the recent fifth BRICS summit in South Africa (<http://www.brics5.co.za/>) in March. Media is not included explicitly in the comparative study of many parameters. It may be factored as the BRICS formation gains further momentum. Positioning India amidst BRICS, a summary analysis suggests:

“...the growth potential of the entertainment and media industry in India as the best in the world, with industry estimates projecting a Compounded Annual Growth Rate (CAGR) of 17 per cent for the five- year period between 2011 and 2016. China with a projection of 14 per cent, Russia with 12 per cent and Brazil with 11 per cent over the same period come second, third and fourth respectively in this survey of the top 15 nations in the field, making the BRIC formation (comprising Brazil, Russia, India and China) the rising media constellation of this decade. The potential in India is underscored by the further fact that the average per capita annual spend on media and entertainment in 2011 was only US\$ 6.6, as against \$65 in Brazil and \$22 in China.” (Kumar, 2013)

A multi nation research team lead by University of Tampere is engaged in research on media systems in these countries and in the consultations so far the group has realized the difficulties of arriving at a data collection framework.

Within BRICS, an aspect pertaining to India and China, often described as distant neighbors is engaging further attention. The disquiet with regard to border relations remains with leadership in both countries engaging in public display of “all is well”. The trade imbalance with China as far as India is concerned is skewed in favor of China. The overtly belligerent stance of Indian media towards what it describes as transgression of Line of Control (LOC) to some extent affected public perception in the context of high level visits by the governments of both the countries. However, the leadership does not intend to rub in the perception. For example, the Chinese Premier, Li Keqiang in a write up, “A Handshake across the Himalayas”, wrote:

“Today, the handshake across the Himalayas is even stronger. Facing the same task of boosting the economy, improving people’s living standards and reviving the nation, both countries need a peaceful and tranquil neighbourhood and external environment and wish to achieve win-win results through dialogue and cooperation. India, a strong Asian nation and a major country with global influence, is playing an increasingly important role in international affairs. India, a BRICS member with robust economic growth, is playing a significant role for peace and prosperity in South Asia and in the Asia Pacific in general. China is happy to see the growth momentum of India and ready to expand and upgrade Sino-Indian cooperation to the benefit of all-round economic and social development in both countries.” (Keqiang, 2013)

Media system analysts would argue that the divergence of Indian media anchored by adherence to principles of media freedom and democracy is more akin to erstwhile guidelines for healthy media. Critics of Indian model of democracy doubt the resilience of the democratic process as they feel that the gaps between the rich and the poor is stark and visible. This has however, not negated the claims of successive governments that showcase international endorsements that India and China are emergent powers and that India’s IT advantage and rising middle class is dynamic enough to absorb media led consumerism and brands-Indian and multinational.

A parallel subsidy oriented pro poor legislative framework is projected to address the concerns of food security, employment guarantee and right to education.

Kaarle Nordenstreng who is leading the multi nation study on media landscape in BRICS provides one preliminary framework:

The comparative perspective of the global media landscape is no doubt high on the scholarly agenda, but most scholars approach it from a particular national or regional angle. The angle of the present project was originally Russia – with China as a point of comparison. What this project proposes is to widen the angle to three other countries, India, Brazil and South Africa, opening up perspectives on the consolidation of democracy in large developing countries on different continents. This selection of countries follows a new coalition in global politics, which started a few years ago between Brazil, Russia, India and China – known as “BRIC” – and in 2011 was extended to also include South Africa, making it “BRICS”.⁸ These countries combine different types of economic and political development, offering more promising prospects for critical analysis of media systems than taking them separately.

Preliminary work on collecting basic information has started and it is likely to unfold as we progress. Colleagues and partners in this study will be offering perspectives on this at the conference.

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Other references that have influenced this paper are scholarly articles in the 1970s-1980s that upheld and critiqued issues pertaining to better information and communication orders. Post liberalization strategies adopted by the respective countries manifest both in media spread and reforms have influenced this approach.
