



DEVELOPING MEDIA DIVERSITY

**BASELINE STUDY OF STATE SUPPORT FOR INDEPENDENT PRINT
MEDIA IN WEST AFRICA, SOUTH AMERICA AND SCANDINAVIA**

Developing Media Diversity

Baseline Study of State Support for Independent Print Media in West Africa, South America and Scandinavia

Commissioned by

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Acronyms

<i>ACSL</i>	<i>Audio Visual Service Law (Argentina)</i>
<i>AIP</i>	<i>Association of Independent Publishers</i>
<i>AMB</i>	<i>African Media Barometer</i>
<i>B-BBEE</i>	<i>Broad-based black economic empowerment</i>
<i>DoC</i>	<i>Department of Communications</i>
<i>FARCO</i>	<i>Argentine Forum of Community Radios</i>
<i>FES</i>	<i>Friedrich Ebert Stiftung</i>
<i>MDDA</i>	<i>Media Development and Diversity Agency</i>
<i>PDMSA</i>	<i>Print and Digital Media South Africa</i>
<i>PDMTTT</i>	<i>Print and Digital Media Transformation Task Team</i>
<i>PRI</i>	<i>Partido Revolucionario Institucional (Mexico)</i>
<i>UNESCO</i>	<i>United Nations Education, Scientific and Cultural Organisation</i>
<i>WAN-IFRA</i>	<i>World Association of Newspapers and News Publishers</i>
<i>XOF</i>	<i>West African CFA franc</i>

Foreword

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The purpose of commissioning this report was to be proactive about this debate, develop thinking in the community and independent press about what needs to be done to promote diversity, and use that as a basis for advocacy in various policy and legislative forums.

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This Association for Independent Publishers' (AIP) report on forms of state support for media diversity is both important and timely. It is important because it focusses minds on international best practices to achieve greater levels of media diversity, and there has been little serious exploration of this question since the establishment of the Media Development and Diversity Agency (MDDA) in the early 2000's. It is timely because a national debate has begun on the extent of media transformation, and the extent of media diversity as an indicator of transformation.

The purpose of commissioning this report was to be proactive about this debate, develop thinking in the community and independent press about what needs to be done to promote diversity, and use that as a basis for advocacy in various policy and legislative forums. All too often, civil society leaves such interventions to the last minute, and are then caught with their pants down when public hearings take place, unable to conduct advocacy informed by a research base. The AIP commissioned this research to make sure that it was prepared for any policy and legislative debates on the responsibilities of the state in promoting media diversity.

At the time when the MDDA was conceptualised, international benchmarking took place to establish the most successful methods of state support. However, the bias in the benchmarking exercise was towards European countries, especially Scandinavian countries, partly because of the information that was available at the time. A great deal has changed since then; some countries have engaged in new and exciting experiments, and not all of these have been in the global North, as this report shows. More information has become available about these experiments, thanks to more research and advocacy on media diversity in the South. Furthermore, some rethinking and adjustments have taken place in Northern countries that had subsidy mechanisms in place, and this report provides information about these learnings.

The author, Julia Plessing, was very well placed to write it, as she comes from the media development

sector and has a very deep hands-on understanding of the issues. She also has a strong academic background and inclination. It was a pleasure to work with her on this report. In commissioning this report, the AIP took a wise decision to focus on a spread of countries, and the resulting information is rich in detail and relevant to our context.

Some would argue that the state should play no role in shaping media systems. This is not the AIP's starting point, though. If the market is left to its own devices, then there is little doubt that the media would prioritise the wealthy, and underserve the poor. It would result in a small number of companies controlling the means of information production, which would place communicative power in the hands of a small elite. A democratic state has a responsibility to distribute speech opportunities more equally in society, including the South African state.

However, governments and states have an unfortunate habit of intervening in media systems when they shouldn't (by attempting to control media content, for instance), but failing to intervene in media systems when they should (by preventing media concentration, for instance). In South Africa, recent debates about the appropriateness of statutory regulation for the press, or the likely chilling effect of the Protection of State Information Bill on free speech, have overshadowed much needed and much larger debates about who has the power to speak and be heard, who doesn't. Hopefully this report should go some way to refocusing the debate, to ensure that the right to receive and impart information is not impeded by any major centre of power in our country, public or private.

I thank Julia for a highly informative report, the AIP for having the foresight to commission it, and especially the AIP's extremely energetic Executive Director, Louise Vale for driving this project, and the Konrad Audenauer Foundation for funding it.

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Introduction

A free, independent and diverse media is often called the “lifeblood of democracy”. It can ensure the right to information, the expression of different viewpoints and rigorous public debate.

The South African media landscape is considered moderately pluralistic and characterised by a fair degree of professionalism (AMB, 2013). However, especially in the print media, there is a notable lack of diversity in content and viewpoints, especially the viewpoints of poorer people, people in rural areas, social movements as well as women and youth (Duncan, forthcoming).

This lack of diversity can be traced back to several developments. Firstly, the South African media landscape has been dominated by four big media houses: Media24, Caxton, Times Media and Independent News & Media SA, taken over by Sekunjalo Independent Media in 2013. Media24 alone owns 40% of the media market. Due to deficiencies in South Africa’s competition law, independent newspapers that become successful are likely to be bought by one of these bigger groups, contributing further to a concentration in ownership.

Secondly, as pointed out in 2013 by the Print and Digital Media Transformation Task Team (PDMTT), the industry has failed to transform itself sufficiently according to B-BBEE guidelines, particularly in the areas of ownership, management and control as well as skills development and employment equity (PDMTTT report, 2013). The task team has made recommendations to both transform and diversify the print and digital print media sector in South Africa.

The ANC has “recognised the dangers of allowing the market to dictate the manner and pace of media transformation, as this can lead to a media system that enables pluralism and diversity of the few” (Duncan, forthcoming: 8). Indeed, there is often a tense relationship between mainstream media and the governing party. Nevertheless, the government has adopted a hands-off approach to market developments in the media sector. Instead, it has opted to institute a media subsidy scheme, via the Media Development and Diversity Agency (MDDA), for smaller independent media “to promote access to the media by marginalised groups and to enhance media diversity” (GCIS, 2001: 7).

The MDDA, which was inspired by Northern European subsidy schemes, can be regarded as a path-breaking attempt by a developing country to promote media diversity and access to information by marginalised communities (Pillay, 2003).

But there has also been criticism of the MDDA, in terms of both its conceptualisation and its implementation. The initial draft of the act foresaw that the MDDA should have regulatory powers to intervene in the industry, for example in case of the forming of media cartels. Additionally, inspired by the example of Sweden, a statutory levy on corporate media was to be charged to subsidise community media. However, this idea was abandoned, as National Treasury did not concur. Instead, the GCIS committed own funds and a voluntary contribution by the media industry was favored (Pillay, 2003).

The MDDA model was thus reduced to supporting and funding independent media. This has led to a “truncated approach to media transformation” (Duncan, forthcoming: 9). The funds available for the support of print media are a mere R4.4-million (about €300.000) a year, gathered through voluntary contributions by South Africa’s “Big Four” media houses. These limited funds do raise the question of whether the MDDA can bring about substantial changes and help to develop a diverse and sustainable print media that addresses the needs of marginalised communities.

More than a decade into its existence, the MDDA Act is to go under review in 2014. Hearings and discussions of the Parliamentary Portfolio Committee on Communications are planned for this year.

It is in this context that the Association of Independent Publishers (AIP), the industry body of the small commercial print media, has commissioned this research. It will look at the way in which governments in selected African, Latin American and Scandinavian countries support independent media, specifically in the print media sector. The research looks at both cases of “good practice” and also potential pitfalls of state support to media.

The main objective of this study is to influence national discussions around the support for independent media in South Africa. It also seeks to share information and foster discussion within the independent print media sector in South Africa as well as with media practitioners in other African and South American countries.

The research questions were:

- What do other governments do to support independent (print) media, in terms of policy and practice?
- What have been the outcomes of these policies and practices?
- What findings can assist in thinking about a revised South African model?

This report looks at some of the main conceptual issues related to state support of independent media as discussed in the literature.

While the main focus is print media, support to community radio stations is also covered in part, especially where it is linked to a government's efforts to promote media diversity. Each region is looked at in terms of its historical context, policies and policy implementation. Where possible, success stories and lessons learned are identified. Two case studies that look in more detail at practices of media support in the Netherlands and Denmark are included.

The methodology of this study was, in the first instance, to identify and contact key informants, followed by extensive internet and online library research.

Conceptual issues: state support to media

One of the eternal challenges of the media has been that selling news and information is not a financially profitable business. “The fundamental problem for news providers is that news itself has never been financially viable as a market-based good. It has always been primarily financed by arrangements based on income derived from sources other than selling news to consumers” (Picard, 2013: 49).

As such newspapers always sell information, but to become financially viable, they sell space for advertising for consumer goods. This can lead to two challenges. Firstly, newspapers are dependent on their “market value” to increase readership to become more attractive to advertisers. Where public taste for news has become depoliticised, as has been found in Sweden (Ots, 2013), newspapers may follow suit and depoliticise content to remain competitive. This is even more challenging when news and information seeks to address the issues of the marginalised or poor, since they are not attractive consumers for advertising.

Secondly, advertisers will always favour market leaders that provide the bigger audience. This can suppress media pluralism as it will disadvantage secondary newspapers and, in the worst case, push them out of the market.

Yet, news and information is not only a commodity. It is also a public good and fundamental to ensuring that the information needs of communities are met in democratic societies. We all need to understand our communities and the world around us. We need forums for serious political and social debate. We need people who will pursue accountability of governmental and social institutions” (Picard, 2013:54).

Northern European countries have explicitly inscribed this idea in their media policy where promoting media diversity is seen as essential to safeguard information supply and opinion formation of the public to uphold a multiparty democracy. Particularly in Sweden and Finland, the plurality of the press has been associated with different newspapers reflecting the viewpoints of the different political parties.

However, in the context of South Africa, this plurality of viewpoints may not be sufficient to ensure diversity. As Duncan defines it: “Diversity is understood here as the existence of the greatest possible multiplicity of viewpoints in the media, and includes diversity on all levels of media production and consumption,

achieving a diversity of opinions, languages, styles, genres and formats, as well as a diversity of voices, including the voices of those who are often marginalised by commercial media, such as workers, the unemployed, youth, women, and aged” (Duncan, forthcoming).

It is precisely in this regard that markets will fail to ensure diversity – and why an argument has to be made for state intervention. Most social-democratic European governments have provided support to the media from the 1960s onwards. Even in the United States, where the First Amendment is the great protector of press freedom and there is a great belief in market self-regulation, the media has been generously supported by the government (Westphal, 2010).

An important debate that has been held in some European countries such as the Netherlands is the degree to which the state can save an industry in the name of media diversity. In other words, as Picard (2013) argues, intervention should not react to the needs of the news industry alone, but to the needs of society.

Despite good arguments for state intervention, the tension between ensuring “real freedom of the press” through state intervention – as is envisioned in the Netherlands and the instrumentalisation of support to media as a form of state control will always remain. This will greatly depend on the form of state, political culture, and the extent to which freedom of the press is legislated. For example, in Greece and in many Latin American countries, patron-client relationships between ruling elites and media owners have dominated state support to the media. Furthermore, as some studies have shown, the allocation of public funds to the media are no guarantee of healthy media markets (Murschetz, 2013: 7) or indeed for a rise in journalistic quality (Wellbrock and Leroch, 2013).

This brings us to another issue that is an important task of this study: the determination of effectiveness of different subsidy schemes. It is interesting to note that most of the recent studies looking at different European media-support schemes in a 2013 publication by Murschetz have not focused at all on the effectiveness of schemes. Rather, as the print media is considered to be operating in an environment of crisis, many subsidy schemes are being considered as outdated and in need of reconceptualisation. This does not imply, however, that all subsidy schemes have failed. For example, Sweden’s targeting of weaker newspapers is generally considered a success as the country features considerable press diversity.

Related to the question of effectiveness is the question of how diversity and plurality can be measured. In this regard, the EU has developed a monitoring tool that assesses the level of media pluralism and that also identifies threats to such pluralism from legal, economic and sociocultural perspectives (Valcke, 2009). It could be of interest for media policymakers in South Africa to consider monitoring media diversity and plurality over time.

A typology of subsidies and support: an overview

There have been many different types of support offered to media, particularly in Northern Europe, where it is not only community media or minority newspapers that are eligible to benefit from subsidies. Indirect subsidies, such as tax alleviation, have benefited the sector at large. In some cases of direct operational or distribution support, so called “secondary” newspapers – that is, the second strongest in a region or town – could qualify for support, even though it may be stronger than a primary paper in another region. In his recent publication, Murschetz (2013: 23) alludes to different categories of subsidies that need to be taken into account:

- General (applying to all papers); or specific (intended to help weak papers or certain types of paper with a social, political or cultural role).
- Indirect (e.g. tax concessions); or direct (e.g. grants and loans).
- Intended for existing papers; or designed to help new entrants into the market.
- Aimed at local or national markets.
- Governed by selective or mandated allocation.

A typology of grants has been assembled here for the studied regions. The countries implementing the schemes have been attributed to these overall categories. Yet there may be substantial differences within categories of support schemes, which will be explained more specifically in the regional sections.

Type of support	Rationale of support	Remarks issues	Countries
<i>Direct</i>			
Operational support in form of funding schemes for selected newspapers (usually upon receiving applications)	Operational support in form of funding schemes for selected newspapers (usually upon receiving applications)	Depending on context, management of schemes, political influence and amounts disbursed, this type of support shows varying degrees of effectiveness. The practices vary from disbursement on the basis of very set criteria to more selective processes, the latter being more vulnerable to political influence	South Africa, West Africa, Netherlands, Finland, Argentina (community radio sector)

Type of support	Rationale of support	Remarks issues	Countries
Support to market entrants, or low periodicity newspapers	To increase pluralism and diversity in the market	Effectiveness of this type of support are very diverse. Context and management of disbursement need to be considered. In the Netherlands and Denmark, this type of support experienced low levels of applications. The Netherlands reported low levels of effectiveness. In Denmark the scheme was revised to attract more applicants. In Sweden support for low periodicity papers is considered successful	Sweden, Finland
Development support such as training or placements of journalists or research	To improve overall quality of journalism	In the Netherlands, the placement of young journalists in newsrooms is considered very effective	Norway, Netherlands
Support of innovation	Focus on finding structural answers to the crisis of newspapers, mainly through focusing on content and opening up the schemes to different technologies. Not restricted to print	There is an increasing focus on how to improve content and promote diversity of content rather than a focus on the economy of newspapers	Netherlands, Denmark
General distribution support	Available to all newspapers, to help reduce the costs for the consumer	This support was stopped in Finland. In Denmark the scheme was abandoned in favour of editorial production support	Denmark, Finland
Distribution support in co-operation schemes	To assist smaller newspapers with alleviations in distribution costs	Considered effective but have been stopped in Norway and will be stopped in Sweden	Norway, Sweden
<i>Indirect</i>			
Government advertising	This is not necessarily a measure to support media diversity	In Mexico it was shown that government advertising could be abused to install patron-client relationships and exert political influence. However, this may depend on how advertising is allocated and the overall state of democracy in a country	Mexico, Norway

Type of support	Rationale of support	Remarks issues	Countries
Tax concessions	Overall general support to the press to alleviate the cost of newspapers to the press	In Denmark this amounts to more than €130-million annually. One study shows it may decrease journalistic quality (Wellbrock and Leroch, 2013). This could not be confirmed here by any of the interviewed experts	Finland, Denmark
Anti-trust legislation	More of a regulatory action to avoid market concentration and promote plurality in the media	If not regulated adequately, it bears the danger of state control and instituting patron-client relationships. However, it can be highly effective to avoid market concentration	Argentina, Europe
Reduced postal delivery costs	Overall general support to the press	No information on effectiveness could be obtained. In Finland this support was abandoned as part of the general decline of media support in the country	Finland

Regulations and subsidies: Africa, Latin America and Scandinavia

The three regions examined herein are at very different stages of freedom of press, regulation of the media, and practices of state support. They are also at very different points in their depth of democracy and democratic culture.

In Northern Europe, state subsidies to the press have been a fixture in social-democratic policy making for decades. They have been underscored by the values of a diverse press in democracies and the conviction that the market cannot guarantee press diversity without state intervention. In most Northern European countries these subsidy schemes have come under critical scrutiny in recent years, mainly in the face of a struggling print sector, and have either been reconceptualised, adjusted or closed down.

In Latin America during the 1980s and 1990s, many countries emerged from decades of authoritarian rule. This was followed by conservative regimes promoting the unfettered workings of the market. As a consequence, the media has historically been highly concentrated, with only a few family-led media conglomerates dominating the market. There are little experiences with state subsidies to a free media.

Only in the last decade, with the rise to power of more left wing, socialist and/or “indigenous”-led regimes, such as in Bolivia and Ecuador, have there been attempts to regulate and deconcentrate the market. In particular, there have been efforts by some governments, such as those of Argentina, Venezuela and Bolivia, to increase support grassroots and indigenous media, especially community radio. In the absence of sound legislation on freedom of information, these attempts still expose some fragility in their intentions and outcomes.

In Africa, it should be noted that South Africa is considered as the most advanced country in relation to state support to independent media. Yet, there has also been a widely accepted culture of support to independent media in West Africa, which will be the main focus of this study. As this support generally involves very little funding and the criteria for support are not always transparent, it has been regarded as insufficient by international and local observers alike.

Scandinavia

The main focus of the study is on the Nordic countries of Denmark, Norway, Sweden and Finland. While the Netherlands falls outside of the geographic scope of this study, it was also included as it has focused most explicitly on exploring ideas to support innovation in the media sector.

Scandinavia has a long history of governments supportive of their press, believing that states should ensure that citizens have access to information, are accurately informed, have access to a diversity of opinion and, as such, are able to participate in the political process. Particularly in Sweden and Finland, the press reflects historical affiliations to different political parties. It was seen as necessary that the diversity in supply should be kept alive, such that “readers could select their news sources from a range of options with different political flavours” thus leading to choice for the reader and “opportunities for a diverse debate and formation of public opinion” (Ots, 2013: 310-311).

This became more pertinent when most countries experienced a marked drop in the number of publications in the 1960s. In Sweden, for example, the number of daily publications dropped from 231 in 1946 to 108 in 1970 (Ots, 2013: 310). Subsidies were devised to balance out the negative impact that the competitive situation in the market had on weaker newspapers. The subsidies that were handed out to the press included both direct and indirect forms of support and amounted to millions of Euros annually per country.

For the past decade, the Nordic countries, just as the rest of Europe, have seen a transformation in the media market – and a crisis in their print media economies. The development and expansion of digital media is undermining the financial basis of print media, especially given that advertising is migrating to electronic media. This has contributed to lay-offs and slimming of editorial offices. This trend has been reinforced by the general global economic downturn and declining readership numbers, especially among young people. Furthermore, some studies have shown a depoliticisation of the press (Ots, 2013: 310), in favour of a more commercial, market-oriented news journalism.

All taken together, these developments may have a detrimental effect on the diversity of content and the quality of journalism. As Picard (2013: 54) notes, the newspapers’ newsrooms have always been much larger than those of broadcasters. Bloggers, digital journalists, social media users and so on rely heavily on news and information provided by newspaper organisations.

These changing times have sparked diverse reactions in the Northern European countries under review. In Finland, the once-leading subsidy scheme was stopped altogether within a wider process of societal shifts away from a “social contract” towards a prioritisation of the market economy (Nieminen et al., 2013).

Denmark and the Netherlands have gone through a process to rethink support to the press, moving from the “conservative” position of more-or-less permanent support with clear criteria to more “progressive” policies that support innovation and opening up to the digital market. In the case of the Netherlands, there has also been a shift to more temporary forms of support.

There has been increasing support, especially in the Netherlands, of the idea for the state to take on a caring role “that, like in other fields of policy such as health care or education, government should be intervening more actively by creating the conditions for a ‘real’ freedom of the press” (Lichtenberg and d’Haenens, 2013: 280).

In Sweden, no major changes have been introduced yet to the existing subsidy scheme. The table below lists and comments most subsidy schemes of the Nordic countries over the past decades. While some have been discontinued, others have started operating only recently.

As mentioned previously, it is difficult to obtain information on the outcomes and “effects” of subsidies in the Nordic countries since the print-media sector has been in decline in Europe over the past few decades and threatened by digitalisation.

Sweden occupies one of the top positions in readership in Europe (Ots, 2013: 309). As such, the subsidies over the past decades can be regarded as generally a success. They could, however, not halt the concentration of media ownership. Although in 2013 there are still 74 newspaper companies, eight media houses control 87% of the total newspaper circulation. Those receiving subsidies need to ensure 55% unique content (Ots, 2013: 317).

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
Direct operational subsidies to secondary newspapers, awarded to papers with medium to high periodicity	To help second largest newspapers in specific areas to improve their market position, reducing risks of monopolies	Introduced in 1969 in Norway and in 1972 in Sweden, direct production subsidies are calculated on the basis of coverage (not to exceed 30% in the area of publication). In Norway in 1995 support amounted to around €25- million for 10 titles; in Sweden it amounted to € 47-million for more than 77 titles. By 2010 this had risen to € 56-million.	Subsidies are considered successful. But they could not stop trends of declining circulation and an increase in concentration of the media market. Economic changes may lead to change in criteria (e.g. circulation of all papers has dropped, making even primary papers eligible for subsidies). The EU intervened in Sweden’s scheme as it was considered to be distorting market competition (Swedish Ministry of Culture, 1990)	Norway, Sweden,

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
Operational subsidies to low periodicity newspapers	Targeted at newspapers publishing only once or twice a week, this subsidy seeks to strengthen smaller newspapers to increase diversity	Criteria for support include: the newspaper must publish at least 1 500 copies, paid advertising share is not to exceed 50% per year. The paper may not have coverage that exceeds 30% in a specific area	This scheme is considered successful and is much less cost-intensive than the scheme for papers with high periodicity	Sweden
Direct selective subsidies to market entrants	Lowers entry barriers and restores competition with the aim of preserving multiplicity and editorial diversity	Introduced in Sweden 1976/77, this subsidy was given mainly in form of a loan for a maximum of two years	It helped to create 25 new newspapers in Sweden, but the subsidy was stopped in 1987 due to a perceived lack of success in helping to create more sustainable papers. In Denmark, the scheme received very few applications. The criteria were opened up with a new scheme that started in 2014	Sweden, Denmark
General support for distribution	To reduce the cost of newspapers to the consumer, helping to retain plurality of the printed press	In Denmark this scheme amounted to more than €50-million annually until 2013	Abandoned in Finland as part of a general scaling down of subsidy schemes. In Denmark, the scheme was considered successful but changing consumer behaviour has seen it revised in favour of support of editorial production	Finland, Denmark
Support for co-operation in distribution and printing	To lower entry barriers for newspapers with lower household coverage to get the paper delivered to homes	All papers that are part of a distribution scheme receive a small subsidy per distributed copy	In Norway this subsidy scheme collapsed in 1994, due to lack of willingness of papers to co-operate. In Sweden this scheme has functioned very well for decades and has not been as cost intensive. It could be used for joint printing schemes as well	Norway, Sweden

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
			(Ots, 2014). However, due to the changing market, experts advise changes to this system as well	
Direct support for editorial production	To improve content in print and digital media	The criteria for distribution are set: beneficiaries have to offer at least 50% of editorial content; content must cover political, socio-economic and cultural subjects; 1/6 of content has to be produced in-house; at least three full-time journalists need to produce the content (European Commission, 2013)	This scheme, introduced in 2014, distributes €55-million annually. This subsidy focuses on supporting the production of content and it is not restricted to print media but also includes digital	Denmark
Training of journalists and research on the press. Journalism placements	Sector development and improvement of content	Norwegian government supports its Institute for Journalism. The support for this is not as extensive as operational support schemes	In the Netherlands, the support of placements of young journalists was considered very successful in rejuvenating and bringing fresh ideas into newsrooms. About 50% of the placements were transformed into proper positions.	Norway, Sweden, Netherlands as part of innovation fund
Subsidies for newspapers targeting minority groups or minority languages or start-up funds	For start-ups or newspapers with lower frequencies than once a month. To safeguard the interests of minority languages and groups	Usually these funds are small and receive few applications with a lower success rate. In Finland only €0.5-million are allocated to this annually. The sum is divided between the Swedish minority's news agency and a regional newspaper in Lapland	This was discontinued in the Netherlands because there has been a sharp drop in applications from newspapers aimed at minority groups in the past few years and most projects supported under this scheme did not manage to professionalise. According to one board member, the	Netherlands from 2002 to 2010 Finland, Denmark (revised in 2013)

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
			main problem was the fund's "unconditionality". The Danish scheme for start-ups failed to receive enough applications	
Temporary stimulation fund for internet information products	To anticipate new developments in the press industry	Funding for projects; not restricted to the printed press	This fund was considered a success, and was later integrated into the innovation fund. (See case study below)	Netherlands (2002-2010)
Innovation fund	To stimulate innovation aimed at overcoming the structural crisis of the press	Support of innovative projects of print and digital, as well as research into media. Projects must concern products that contain news, analyses, commentaries or background information	This fund is seen as a stepping stone rather than a safety net. It is endowed with €2.4-million a year. (See case study below)	Netherlands (since 2010)
The innovation pool	To increase media diversity through the establishment of new media, development of existing ones, or restructuring of existing ones	The fund is not limited to print. Important criteria are the project's ability to increase media diversity and to provide societal and cultural information. Also supports feasibility studies	This fund is endowed with around €3-million. It started operating in 2014 and is a more flexible fund than the prior fund for start-ups. The length of support has been extended from two to three years	Denmark
Targeted subsidies for cultural or opinion journals	To support cultural and opinion periodicals	This subsidy comprises €1-million annually for 150 journals	Given that the fund is small for a large range of journals, its impact is estimated to be small	Finland
<i>Indirect support</i>				
Reduction of postal tariffs	This form of indirect support targeted the print sector generally	Amounted to more than €17-million a year	It was discontinued as part of Finland's overall reduction of state support to the print media	Finland

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
Zero VAT for newspapers	To alleviate the burden of costs for the consumer	This support means a saving of 25% VAT. It amounts to an indirect support of around €134-million a year to print media	This scheme has been upheld even though the direct press subsidy scheme was revised	Denmark
Government insertions/ advertising	Main aim is not to support the media, but to place government advertising	No information available	No information available	Norway

One issue that has not yet been discussed is how governments finance these expensive subsidy schemes. Information was not available for all the countries. In Sweden, 4% advertising tax on the press generates significantly more income than the cost of the press subsidies (Murschetz, 2013: 298). However, the advertising tax is not officially linked to the press subsidy scheme. In all of these countries, the funds come directly from their respective treasuries.

Some preliminary conclusions can be drawn from looking at the development of media support systems in the Nordic countries. Firstly, there is a great variety in the responses to the changing media landscape and the crisis of the printed press. While Finland has abandoned its support almost entirely, Sweden has retained its system thus far without significant change. Denmark has revised its system but holds on to large-scale support of journalism. The Netherlands, on the other hand, has moved away from large-scale support to more flexible models.

Secondly, countries such as Denmark or the Netherlands are moving away from supporting “purely print” towards helping to ensure journalistic quality that is independent of technology, thus also including digital media in their support. These schemes will be looked at in more detail below.

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Case study 1: The Dutch innovation fund for journalism

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Since the turn of the century, the Dutch support system to the media has gone through a continual process of rethinking and transformation. From 2002 to 2010, two temporary support measures for internet information products and newspapers for minorities were implemented. In 2008, a “temporary innovation commission” was set up to discuss the future of state support to the press, coming up with concrete recommendations a year later.

The main result of this process was increasing support for the idea that government should intervene more actively by creating the conditions for a true freedom of the press. However, policy was to change from

permanent support to more temporary help and the focus broadened to “stimulate publishers and editors to deliver news across diverse media platforms” (Lichtenberg and d’Haenens, 2013: 280). This indicates a clear shift away from supporting or keeping specific print media alive towards bringing innovation to newsrooms with the aim to improve the quality of journalism.

In line with this thinking, the Dutch support fund recently changed its name from Stimuleringsfonds voor de Pers – the “innovation fund for the press” – to Stimuleringsfonds voor de Journalistiek, the “innovation fund for journalism”. Some of the main rationales upon which the fund is based, are:

- Smaller companies need to be helped along in innovation. They don’t have the same opportunities as larger companies to solve problems through experimenting with new markets.
- Society needs to take into account that different groups have different ways of accessing information and, because of that, a diverse information supply needs to be fostered.
- Given that print media are genuinely in the public interest, leaving their problems for them to solve is “too risky for a free and diverse information supply to the press” (Lichtenberg and d’Haenens, 2013: 279).

Despite these ambitious goals, the fund is endowed with relatively little money: concretely the fund works with €2.3-million (around R33-million) a year. Additionally, the fund received once-off cash injections from the state of €8-million for innovation and €4-million for editorial rooms to rejuvenate journalism teams. The fund works on the principle of “matching” funds, with projects always having to match at least 30% of the grant given. Sometimes these grants also function as loans. The fund never speaks of supporting specific newspapers, but rather of supporting “projects”.

The fund works in great distance from the Dutch government and, as a board member confirmed, there is no political interference. The main areas of support of the fund are based on recommendations by the press innovations commission:

1. To assist the daily press by reorganising its graphic branch and by restructuring distribution. An example of support is to introduce journalists to skills and software that aim to improve the quality of reporting.
2. To expand options for papers and news magazines to co-operate with public broadcasting stations, mainly in the development of online services. This was termed as “mixing and matching” by the interviewed board member. The fund tries to bring together diverse players, as well as smaller and larger players in the print sector.
3. To pay specific attention to the quality of journalistic infrastructure. For example, with €4-million earmarked to rejuvenate journalism, newsrooms could apply for funds to pay young journalists. The thinking was that bringing young people into newsrooms would also bring in fresh ideas and innovation. More than half the young journalists were employed by the newspapers even after the funding had stopped.

4. To pay attention to the regional situation and to look into reorganising regional journalism, such as through the founding of regional centres through which public and commercial, regional and local media could inventively co-operate. These regional hubs could also be collaborations between newsrooms, libraries and regional educational institutions.

The fund is thus not focused on supporting minority or the weakest papers. Rather, it aims at increasing freedom and diversity of the press by assisting journalism with its reorganisation and restructuring plans, helping them to become profitable again in the future (Lichtenberg and d'Haenens, 2013). The fund regards itself as a service-oriented organisation, rather than as a funding institution. Its focus is also increasingly on giving advice and organising workshops or events that aim to inspire people and bring different experts together. It focuses increasingly on sharing knowledge and ideas on its website, www.persinnovatie.nl.

In conclusion, the Dutch example points to new ways of thinking about supporting and growing media diversity. They have moved from the traditional idea of diversity as support of wide range of print media towards thinking about how to supply media diversity and quality journalism in an age where digital media are growing and where information needs are diversifying. The conceptual involvement of the state in thinking about media diversity while keeping its distance from its implementation is laudable. However, the actual availability of funding may put the Dutch political will and the overall effectiveness of the funding scheme into question.

Case study 2: From distribution to production support in Denmark

Danish media policy has historically been based on a consensus among the country's main political parties to stimulate media pluralism, freedom of expression and the Danish-language media sector in the face of increasing international competition. The Danish support scheme hands out more than €53-million (around R750-million) to the press annually (Preisler, 2012). In addition, a "zero-VAT policy" worth €134-million (nearly R2-billion) alleviates cost burdens of the Danish media (European Commission, 2013). In fact, most of the Danish media sector is dependent on state support in some way, either as public broadcasters or as print media receiving operational support.

Over the last decades, the main form of direct support has been to aid distribution of the written press, such as daily newspapers and comparable publications. The main aim of this subsidy has been to help secure a wide range of news by lowering the cost to the consumer. This goal has been achieved over the years, according to a Danish media specialist (Berg, 2014). However, changes in citizens' media consumption have triggered a rethink of the government's media subsidy policy.

With more and more citizens getting their information digitally, the printed press has faced increasing competition. Like elsewhere, Danish users were not willing to pay for digital news and many of the traditional papers were too slow to adapt to digitisation, creating serious crises for print media. More than 500 journalists have been laid off in Denmark since 2006.

The state subsidy scheme responded by shifting the focus of support from distribution to the production of content. One of the main principles of the new scheme is that the support is “technology neutral and thereby more appropriate for the promotion of creativity and innovation in the media market, including promotion and exploitation of new technologies and distribution platforms” (Berg, 2013).

At the same time, the scheme aims to secure high-quality media content. Some of the main criteria to be eligible for support are:

- The medium must have an editor-in-chief and at least three fulltime editorial staff.
- It must not be owned by a public institution.
- It must be available to everyone in Denmark.
- At least 50% of content must be editorial – not advertising – covering a wide range of primarily political, socioeconomic and cultural subjects.
- The medium must be published at least 10 times a year.

There is, however, a provision for smaller papers to still receive supplementary distribution aid (European Commission, 2013: 4). With these set criteria it appears that the danger of state control is minimised, given that all media fulfilling these criteria are eligible for support.

Another smaller funding scheme is called the “innovation pool”. This pool grants subsidies to firstly, the establishment of new media; secondly, to the development of existing media; and, thirdly, to feasibility studies. This innovation pool is managed by an independent media board. The main goal of this pool is “to increase media pluralism and the dissemination of information of general interest to society as well as cultural views to the benefit of democratic debate” (European Commission, 2013: 5).

According to Berg, this new pool takes greater risks and is open to a greater range of news outlets than the previous scheme that, although aimed at supporting market entrants, received very few applications. The new scheme can support media outlets for up to three years. The funds for this pool were increased and stand at around €2.7-million (20-million Danish Kroner) annually (Berg, 2014). So far, it appears that this innovation pool is receiving considerably more applications than the former scheme (Berg, 2014).

It should be noted that ownership is not considered a criterion for support or non-support. The Danish media market is highly concentrated in terms of ownership, with two main media companies dominating the national market and a few companies dominating the more regional markets. According to Berg (2014), there is no necessary correlation between ownership and media diversity in the Danish media context.

Latin America

In many Latin American countries, media freedom and diversity were strongly restricted by authoritarian governments until around the 1980s. Despite democratisation, the transformation toward more democratic media legislation has taken a long time and, in fact, is still in the process of being devised and implemented.

In the meantime, uncontrolled market forces have played in favour of large media conglomerates in the hands of a few wealthy families, dominating a highly concentrated media market. Generally speaking, these media oligarchies are prone to sympathise with conservative regimes. Even though there are voices coming from the left that argue for the need of state support for independent, community and indigenous media, there is a fear among many media practitioners that state support of the media will come with more state control.

In Mexico, for example, state support is associated with the "dictatorship" of the PRI (Institutional Revolutionary Party), which ruled the country until 2000. Media outlets existed under the shadow of state sponsorship and censorship. The PRI controlled media content through various mechanisms: people sympathetic to the party owned media outlets; the government awarded friendly media with official advertising and economic advantages; and journalists were added to official government payrolls, receiving bribes known as "chayote" (Dupuy, 2014).

Paid content disguised as news, could be bought by anyone willing to pay. Although most of these practices have disappeared since the advent of democracy, government advertising is still used to exert soft censorship. Opaque and arbitrary allocation of official advertising constrains pluralism and a diversity of voices by selectively funding media outlets that support officials and their policies. Many Mexican media outlets have become addicted to public money, corrupting basic journalistic ethics (Dupuy, 2014).

Alternative grassroots media played an important role in the democratisation process, but later struggled for legal recognition. For example, again in Mexico, grassroots community radio stations were mostly ignored under the authoritarian rule of the PRI, but over the course of democratisation, they were more harshly repressed and many were shut down under the presidency of the PAN party, elected into power in 2000 (Mauersberger, 2011).

Over the past decade several Latin American governments have made substantial changes to their media laws redefining communication from being a commodity to a people's right (Hall, 2012: 56).

One of the most notable and indicative cases of developments in the region was the introduction in 2009 of the Argentinian “law of the 30%”. The Audiovisual Services Law (ACSL), which was conceived with extensive civil society input, tried to break up the concentration of media ownership in the country. The law foresees that 33% of the airwaves goes to public broadcasting, 33% to private and 33% to community broadcasting. This law has been fiercely contested in the courts by the Clarin group, one of the biggest media conglomerates in the country. However, in late 2013, Clarin lost the case, with the Supreme court upholding the law with the explanation that it “favors freedom of speech by limiting market concentration” (Ellis, 2013).

Interestingly, while UNESCO officials have heralded the law as a model of media democratisation, Wan-Ifra supported the Clarin group in its court action with the argument that the law allowed government interference in the press in the name of maintaining media diversity. In the community radio sector itself, which contributed significantly to the development of the law with a 21-point position paper, the court’s ruling is seen as a step forward. Says Mariela Pugliese, president of the Argentine Community Radio association (FARCO): “It has changed the way we think about communication, a change from the capitalist way of thinking” (Potheary, 2014). There are, however, also critical voices – indigenous groups, especially, see the state’s allocation of licenses as a tool for state control (Muniz, 2014).

There are also new laws being drafted for which no more detailed information could be obtained, such as a law in Argentina to provide public support for cultural media, currently under discussion by congress. Ecuador’s communications law says community media should have equal access to state advertising, but the law is still in the process of being discussed (Burch, 2013).

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
Audiovisual Communication Services Law (LCSA). Since 2009. Prescribes 33% share of ownership to private, public and community radio	To restrict influence of the main media conglomerates; to develop non-profit and public sectors	In Argentina: implementation is overseen by the Federal Administration of Audiovisual Communication (AFSCA). The airwaves are still oversaturated and community radio hasn’t yet taken full control of 33%. In Bolivia: the 33% for non-profits must be shared equally by indigenous, peasant and rural organisations and urban civil society	The law in Argentina was strongly influenced by a 21-point paper put forward by a civil society coalition. While hailed by Unesco as a milestone towards achieving media diversity, Wan-Ifra condemned the law as it said it gave the state too much control over licensing	Argentina, Ecuador, Bolivia

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
FOMECA (part of the LCSA), collects 10% of taxes from media advertising, which is then redistributed to non-profit radio stations	To support the establishment of the non-profit sector in broadcasting	No money was disbursed for the first three years. On request by the stations, small amounts were handed out and an increase has been promised	It appears that this fund has not been properly institutionalised yet and funds will only be disbursed upon pressure of the Argentine community radio forum	Argentina
Government advertising	This is not aimed at supporting press diversity in its current form	There are no clear rules or regulations	In Mexico this is marked by strong patron-client relationships. In Argentina and other more progressive countries, such as Brazil, advertising with the bigger media companies is still favoured	Mexico, other Latin American countries

There is much discussion within Latin American civil society about how to support more media diversity, in particular “anti-hegemonic” points of view (Moraes and Ramonet, 2013). Academics and civil society movements have been advocating for more institutionalised state support of alternative and community media. They criticise that even progressive governments, such as the Dilma Roussef government in Brazil, favour advertising with the large media houses. One proposition has been to reserve 30% of advertising for alternative media (Moraes and Ramonet, 2013). Another proposal has been to strengthen the organisms of regional integration such as ALBA (Alianza Bolivariana para los Pueblos de Nuestra América) and Mercosur, the “common market of the South”, to think about financing programmes and legal protection for non-profit media. This would alleviate the dangers of control of the media by individual states (ibid.).

In conclusion, the media environment in Latin America is in a process of transformation, characterised by attempts at democratising and diversifying the media, supported by a civil society movement advocating for greater media diversity. Yet it is also marked by tendencies of authoritarian control, the persistence of old client-patron relationships, and neo-liberal impulses. As such there are relatively few institutionalised mechanisms for state support of media diversity.

Africa

In Africa, post-liberation transformations are fragile and although many countries have freedom of expression enshrined in their constitutions and boast a fairly diversified media “the threat of state re-regulation looms large” (Duncan, forthcoming: 6).

The threat of authoritarian intervention into the media creates an ambivalence concerning the notion and practice of state support to media. This ambivalence is exemplified in the different values that two of the main media indexes or barometers for Africa attach to them. Both indexes/barometers work with set criteria that are rated by panels of experts. The African Media Barometer, in its section on media diversity, independence and sustainability has one criterion that reads: “Government promotes a diverse media landscape with economically viable and independent media outlets”. IREX’s Media Sustainability Index, on the other hand, has one indicator for measuring newspapers’ business management, which reads: “Independent media do not receive government subsidies”.

In West Africa, where most subsidy schemes are found, the media are regarded generally as diverse and fairly free. However, despite most countries having freedom of expression inscribed in their constitution, a number of countries have clauses that override freedom of speech when it comes to “respect for public order”, as is the case in Benin (African Media Barometer Benin, 2011), or “l’injure” and “l’offense” – abuse and offence – of the head of state, as is the case in Senegal (African Media Barometer: Senegal 2013, 2013).

Media regulation is often opaque, such as in Senegal where the National Audiovisual Regulatory Board (CNRA) was set up without consultation of the media and civil society. The CNRA reports only to the president (African Media Barometer: Senegal 2013, 2013). Most West African countries do not have anti-concentration laws for the media.

Regarding the media itself, the medium of choice is radio, even though there is a fairly diverse print media:

- In Senegal, for example, there are 18 private commercial radio stations and 50 community radio stations while there are 18 daily newspapers, 15 periodicals and five online newspapers (Media Sustainability Report Senegal, 2012).
- In Côte d’Ivoire, there are 150 radio stations, 20 daily newspapers and 40 weeklies (African Media Barometer Ivory Coast, 2012).
- In Burkina Faso, there are 77 radio stations (commercial, community as well as religious) but only five daily newspapers, 10 weekly publications as well as 17 newspapers in national languages (Media Sustainability Report: Burkina Faso, 2012).

The print media is generally reserved for an elite, mainly due to its high cost. In Ghana, for example, a newspaper costs half of a daily wage of a formal worker. Radio stations do read and even translate full newspaper articles to their audiences. While this generates greater diversity in the accessibility of news for a wider audience, it negatively affects newspaper sales.

Interestingly, there is a societal consensus in many West African countries that the state provides subsidies to independent print media. As Abdoulaye Diallo, director of the National Press Centre Norbert Zongo in Burkina Faso, explains:

“The money does not create dependencies on the state. The newspapers have understood that they receive a state subsidy because they have assumed a public responsibility. Pluralism and freedom are as such upheld. This is not a ‘gift’ from government that seeks to influence the press. It was a demand by the press which was approved at some point” (Diallo, 2013) (own translation).

In Burkina Faso the scheme appears to be working well. All newspapers are eligible for support if they have fulfilled their tax obligations. However, this practice was frowned upon by some panel members of the IREX sustainability index, who asserted that “the state gives with one hand and takes with the other” (Media Sustainability Report: Burkina Faso, 2012). In addition, the amount that is available for all newspapers annually is approximately R6-million, which is too little to make a substantial difference to the running of a newspaper (but actually more than in South Africa).

In other countries, such as Senegal, the press fund is more arbitrary in its operations. Abdoulaye Wade, who was the president of Senegal from 2000 to 2012, said he would not allow the funding of media outlets that spent their time insulting him while he was in power. This led him to withhold assistance until 2012, when the Ministry of Communications paid XOF700-million (around R15-million) to the private media. This was just before elections – and about XOF400-million more than what was usually earmarked for the fund. As such this can be seen as an effort by the president to influence the press in his favour prior to Senegal’s election in 2012 (Media Sustainability Report Senegal, 2012).

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
Direct subsidies	To support print media generally	The amounts given to the print sector in each country range between R7- and R15- million annually. In most countries, all newspapers that have paid up their taxes are eligible for support	The amounts per newspaper are considered too small to make a difference to media diversity and sustainability; yet they are also too small to create dependency on governments. In some countries the allocation of funds is considered arbitrary	Burkina Faso, Senegal, Benin, Ivory Coast

Type of subsidy	Rationale	Implementation	Outcomes/ remarks	Countries
Tax amnesty for all national media	To take the financial burden off national media	This was a once-off measure and media practitioners complain that debts are again accumulating	This was not a sustainable intervention	Senegal
Waiver on import tax for radio equipment	Alleviation of costs for radio broadcasters	Not applicable.	This is a very small contribution and can as such not be considered a measure to increase sustainability significantly	Ghana
Reduction of annual broadcasting fees	Support sustainability of radio broadcasting	The amount of XOF500 000 was reduced to XOF200 000, which represents a reduction of around R7 000	This is mainly seen as a sign of the state's support of radio diversity, but the actual amount is negligible	Benin
Thematic partnerships between state and rural radios	Diversification of content	Partnerships have included issues on health and education	This is regarded as positive by the AMB panel, but always bears the danger of state influence	Benin

In conclusion, there is a remarkable tradition and recognition in West Africa that the media and the press need to be supported to promote diversity of access to information and public debate. However, these mechanisms are on the whole underfunded and are in some countries volatile as they can be revoked by presidents, which was what occurred in Senegal.

Conclusion: Findings and implications for South Africa

One of the main conclusions of this study is that the idea of state support for media diversity and for enhancing democratic debate is not a thing of the past. Despite global neo-liberal trends, both civil society and government officials across Europe, Latin America and Africa are putting a lot of thought into how to foster greater media pluralism and diversity, how to increase journalistic quality, and how to improve access to information and opinion by all citizens.

More specifically, the study has shown that there are no one-size-fits-all solutions. The practicability and effectiveness of state support schemes would have to be assessed on the basis of the economic and sociopolitical context in which the different types of support and subsidies are implemented. The expansive press subsidy schemes of Northern Europe cannot be directly compared to the West African support schemes or the recent Latin American efforts to deconcentrate the media landscape and support to community media.

There is no automatic relationship between the economic crisis and the scaling down of state support to media. The development and implementation of support schemes depend on political will. For example, in Northern Europe, in the face of the crisis faced by the print media, states have reacted very differently. While Finland has practically shut down its media subsidy system, the Netherlands have invested much thought in revising their subsidy system – albeit with a small annual financial commitment. Denmark has significantly reformed its system of media support, yet continues to provide vast sums to subsidise their newspaper industry directly or indirectly. Even though Sweden currently lacks the political will for reform, it maintains its extensive subsidy scheme.

The development of political will also depends on pressure from civil society. The Argentinian case has shown that civil society contributed significantly to the development of the Audio Visual Service Law (ACSL), and the integrated funding mechanism for community radio.

State support mechanisms do bear the danger of political interference and state control. This could be seen in both Latin America and West Africa, where systems still appear fragile in the face of authoritarian impulses. Political interference has not been reported at all for Northern Europe. It should be noted though that most of the mechanisms, particularly those in Denmark and Sweden work along very “objective”

criteria. The same can be said when it comes to support of the production of content – both of which minimise the possibility of political interference.

This study has found very few analyses concerned with the determination of effectiveness of different types of support. Such studies would have to relate to the specific goals of the different schemes. They would also have to take into account the economic and political environment. For example, in Northern Europe, state subsidies could not avert the overall crisis of the print sector – but perhaps they softened the impact of the crisis on media diversity. Generally, it can be concluded that policy decisions about the implementation of subsidy schemes were not made on the basis of effectiveness of existing subsidy schemes, but rather as a response to changing markets.

The expansive subsidy schemes of the Scandinavian countries have been able to maintain a significant degree of diversity in newspapers. However, they have not been able to halt the process of increasing concentration of media ownership. While some experts have argued that this is not necessarily relevant for media diversity, others have seen a connection. To halt concentration, it appears that regulatory mechanisms need to be put in place.

The research has shown that even though South Africa's MDDA is heralded as a path-breaking instrument for supporting the media, in international comparison the amounts disbursed to the printed press are minimal, even when compared to some of the West African schemes. While the annual MDDA support accounts for approximately R30-million, the actual support to the print sector is minimal at R4.4-million (around €300 000) per year.

Concerning the functioning of specific subsidy schemes in view of their potential for transferability to South Africa, following preliminary conclusions can be drawn:

There is a trend in Denmark and the Netherlands of shifting support from exclusive support of the printed press industry to support of the production of news content, irrespective of the media technology or platform. Thinking around these issues is relevant in all contexts where readership is increasingly moving from print to digital, where different types of consumers are using different technologies – and where quality journalism still predominantly comes out of print newsrooms.

The Swedish example showed that distribution co-operations have worked well over decades to alleviate the burden of distribution costs for smaller or weaker newspapers, and they have been considered to be very cost-effective. These kinds of co-operations could also work for printing co-operations in countries such as South Africa, where distribution is organised differently.

Models of supporting start-ups, minority newspapers or low-periodicity papers have had varying degrees of success. While support of minority papers in the Netherlands did not yield the desired degree of profes-

sionalisation of minority papers, in Denmark, the scheme failed to receive sufficient applications. Denmark has subsequently changed its funding criteria to include more potential applicants, to provide longer support and to take greater risk. In Sweden, the support to low-periodicity papers was considered cost-effective and successful in fostering media diversity. These examples have shown that the criteria of support have to be adapted to contexts, the potential applicants and their specific needs.

Limitations

This study was intended to give an overview of media support mechanisms in the three designated regions. It was not intended to provide an in-depth analysis of any of the mechanisms or a comparison of the different subsidy schemes. It was also outside the scope of this study to do a more in-depth analysis of the South African media sector in terms of diversity, concentration and its economic and political environment or an evaluation of the MDDA. Furthermore, while it could provide ideas, suggestions and general conclusions on state support to the printed media, it was not intended to provide concrete recommendations for South Africa.

Way forward

South Africa is not fully comparable to any of the regions discussed herein. Rather, it features elements of the different regions. As Pillay (2003) formulates it, “the South African environment ... is a complex of neoliberal, authoritarian nationalist and social democratic impulses”. The existence of these impulses and their interplay with other social and economic factors and actors need to be considered for a discussion on state support for media diversity.

Looking at the South African media landscape specifically, it exposes some key features similar to other regions, mainly the increasing concentration of media houses owning a multiplicity of newspapers and other media channels. Although there exists no in-depth study on their (anti-)competitive behavior, smaller grassroots newspapers have reported that the larger media houses demonstrate anti-competitive behaviour by, for example, elevating printing costs where they have the only available printing press in the region.

Print media readership continues to decline among the upper- to middle-classes in South Africa, similar to developments in Europe. However, “newspaper readership continues to grow amongst the working class” (Duncan, forthcoming). These developments in the South African media landscape should be explored further as basis for a discussion on potential state media support.

An evaluation of the current functioning of the MDDA, successes, lessons learned and challenges will have to constitute the basis for a discussion on the revision of the current scheme.

Furthermore, it is recommended that some of the mechanisms discussed herein, such as co-operations for distribution or print, or support for low periodicity, should be explored in further detail and examined for their potential transferability.

Finally, cross-continental discussion and information exchange between Latin America, South Africa and Scandinavia as well as other potential regions would help mutual learning and assist South African media activists in formulating ideas to foster greater media diversity in South Africa.

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Developing Media Diversity

**Baseline Study of State Support for Independent Print Media in West Africa,
South America and Scandinavia**

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Developing Media Diversity

Baseline Study of State Support for Independent Print Media in West Africa,
South America and Scandinavia



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