

Public Service Faces a Change of Climate

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The discussion of public service broadcasting in Denmark has changed character in recent years, and we see clear indications that new interpretations of the purpose and proper roles of public service broadcasting are in the offing. Where those in power in the 1990s saw it as their duty to defend and promote public service institutions – Danmarks Radio (DR) and TV 2 – in competition with commercial channels, the present Government’s media policies aim to limit and reduce the public channels’ sphere of activity. When public service broadcasters were alone on the air waves and in early years after the monopoly was broken, it was commonly held that public service broadcasting channels were important, but not particularly robust; they could not be expected to survive in free competition. Consequently, they needed protection so they would not become marginalized. Today, both DR and TV 2 have attained such strong market positions that fears of marginalization have lost all relevance. Whereas public service channels are still considered important elements in the media system, there is growing concern that the two channels may have become too dominant. As there is nothing to suggest that the market itself will change this state of affairs, the balance between public service and commercial channels will have to be righted through political measures, namely, by altering the terms that apply to public service media.

Clearly, the question of the proper role and character of public service channels has become more directly political, and the favor that public service broadcasters once enjoyed among national policy-makers is no longer. This change of climate coincides with what has been termed a major ideological shift in Danish politics, when a Social Democrat-led government was succeeded by a center-right coalition that campaigned (among other things) on reform of the media sector. The prime objective in this area is the privatization of TV 2 – which has meant that the character of public service channels has been in focus from the start.

As we shall see, the pressure currently being brought to bear on public service television is not solely a consequence of the change of government in Denmark. Nor is it necessarily an expression of neo-liberal skepticism vis-à-vis public sector institutions, albeit such skepticism does play in. Even so, the pressures have their roots in some fundamental issues relating to the role of public service broadcasting in an increasingly

complex and diverse media system, in which market conditions have come to play a greater role, and cultural policy objectives, traditionally a mainstay of public service media, have receded into the background (Syvertsen 2004). Commercial television is relatively new in Denmark, but over time demands have been raised that public regulation of public service channels take account of the publicly financed media's impact on the market. This sentiment has come to the fore in recent years in a European context, where powerful media interests have filed numerous complaints with the European Commission that seriously challenge the legality of public service service broadcasting as practiced today (Jakubowicz 2004). As a consequence of EU policy, member states have been compelled to specify their definitions of 'public service' more closely than was previously deemed necessary, which in turn leads to more comprehensive and more detailed regulation. Regardless of which parties are in power in the respective member states, the political system now has both more, and more direct influence over the public service institutions (Bardoel 2005). In Denmark, this development is even more disturbing inasmuch as it coincides with a strongly ideologically motivated disavowal of media and cultural policies of the Social Democrats in the 1990s and a desire on the part of the new Government to boost the commercial media sector.

Taking my point of departure in the Danish media landscape I shall try to explain the factors behind the change in political climate for public service broadcasting and discuss some of the principal strategic challenges these media now face in a situation where technological developments, e.g., digitization and media convergence, already have put the media system under pressure. I shall argue that the public service media have contracted a new form of *political vulnerability* that, paradoxically, arises out of the market dominance they have achieved.

New Media Policies

Media policy in Denmark since the new Government took office in 2001 has mainly focused on DR and TV 2, both of which companies have long been objects of controversy. Shortly after the center-right coalition assumed power, they announced a reform program for the media sector: "Quality, clarity and competition" (Kulturministeriet 2002a). The program contains a long list of proposals designed to alter the balance between public and private media. One central point is that the program not only emphasizes competition as the high road to quality, but it features liberalization of the rules applying to commercial channels' operations by removing a number of policy-motivated restrictions.

The rules pertaining to commercial messages on television have been relaxed (channels may now advertise alcoholic beverages and over-the-counter pharmaceuticals; they need no longer observe restraint in advertisements directed to children); the concession fee for network television (TvDanmark) has been abolished; and the minimum quota of news and public affairs programming has been halved (from 60 to 30 minutes a day). In addition, DR is now required to commission 20 per cent of its production from independent producers, in itself a sizable subsidy to the private media sector (DKK 170 million in 2006). Furthermore, the Government cancelled a planned rise in the receiver license fee totalling DKK 100 million. The biggest reform on the list – not yet enacted – is the conversion of TV 2 into a privately owned company, a move that would change the balance between public and private media quite drastically.

The other side of the government's media policy relates more directly to the proper roles of public service media in the media system and seeks to delimit and define what public service broadcasting consists of. As stated in the agreement on the media, "DR's and TV 2's public service obligations will be simplified, but at the same time be specified more clearly so that viewers and listeners can better see what they are getting for their money" (Kulturministeriet 2002b:1). This goal has been achieved through the introduction of so-called 'public service contracts' that in detail set out goals and criteria that the institutions shall fulfill. In relation to earlier practices, where the public service mandate was regulated via rather broadly phrased paragraphs in laws and statutes, steering of the companies by contract has, as we shall see, a more binding character, while it also gives politicians and bureaucrats more influence. As a step in the reform process, the composition of DR's Board of Governors was altered in a way that reduced the influence of the political parties, while the Board's authority in questions of program policy is emphasized in the law: "The Board of Governors bears ultimate responsibility for programming" (Lov om radio- og fjernsynsvirksomhed 2002).

Taken together, these reforms amount to a veritable attack on the public service media, as their consequences (1) represent a limitation of their autonomy regarding program policy, (2) call for closer steering and policing of the companies activities on the part of the state, and (3) benefit the companies' competitors. It is important, nonetheless, to recognize that the amendments to the law in themselves do not constitute any 'attack' on the idea of public service broadcasting, but they aim to redefine public service broadcasting in a new context, in which free and fair competition is as important as traditional cultural policy objectives.

When we examine some of the recent controversies about DR and TV 2, it becomes apparent that the issue of the proper status and function of public service is more than a question of regulation, but is animated by an ideological repudiation of public media's program output as well as their autonomy. This is particular apparent in the case of the turbulence around both companies' top management, which in both cases led changes at the top. TV 2's CEO, Cristina Lage was fired in 2003 when she took a stand against the idea of privatizing TV 2, and in 2005 DR's Director-General Christian Nissen was let go due to friction between the Director-General's office and the Board of Governors. It should be noted that the Chairman of the Board was also forced to leave the chair as a direct consequence of the conflict with the Director-General. A more principle-based conflict over the media's autonomy took place in 2001, when the legal foundation for DR was amended to confer ultimate authority over program policy on the Governors. The amendment gave the newly appointed board a *carte blanche* to intervene in programming, which they promptly used to castigate the DR news department for its coverage of the war in Iraq, specifying individual journalists. In the same vein a violent conflict occurred again in 2003 between top management and the Board of Governors over a proposal to reorganize the news department. As part of its strategy to facilitate multimedia production, DR had integrated the news staff for radio, television and the web. The Governors opposed the move on the grounds that it reduced diversity and forced the company to de-integrate.

The substance of these interventions in editorial policy-making is hardly earth-shaking; nonetheless, they clearly demonstrate how vulnerable to political pressuring the public service institutions have become. Their ability to maintain their editorial integrity and credibility has been impaired. The interventions also demonstrate a desire on the

part of at least some politicians to exert their influence over the public media according to the principle that public financing implies a right to (detailed) political control. A factor that surely has some part in this development is a successive thinning out of the informal channels that politicians once could use to influence editorial policy due to an overall professionalization of journalism. Journalists nowadays follow professional criteria of newsworthiness and guard their independence. They are not as receptive to politicians, even those of their own persuasion, as once was the case.

The Dilemma of Adapting to the Market

As indicated above, the change of political course toward a more critical and restrictive attitude toward public service media in Denmark has its roots in a political struggle, but it also has to do with how the public service media have adapted to competition. DR's development since the mid-1990s may serve as an illustration of some of the problems that increasing adaptation to the market gives rise to. The problems mainly relate to DR's legitimacy and reflect a growing need to defend public service media as the political pressure on the media increases, and they increasingly find themselves having to justify their existence.

When DR was alone on the airwaves, the company's political legitimacy was conferred by politicians, who felt duty-bound to defend the institutions vis-à-vis the public. But, in a competition-based television system, the situation changes. In competition, DR has to seek its legitimacy directly from the viewing audience, whose satisfaction with programming has become crucial; the company's legitimacy in politicians' eyes is now secondary. At the same time, the need for legitimacy has broadened inasmuch as it has become necessary for the public service channels also to legitimize themselves vis-à-vis their competitors, the privately owned commercial channels. Legitimacy in this case is essentially economic, a proof that the value of public service media to society is greater than the market distortions that they entail.

DR has taken steps in several areas to adapt to the new competitive situation. Most important is a revision of program policy in 1996 and the establishment of a two-channel system (DR 1 and DR 2). Next-most important are organizational changes, whereby production is now separate from program scheduling, and the introduction of a new internal resource allocation scheme based on the principle of a customer-provider relationship. On the one hand, the changes have resulted in more efficient use of resources which, in turn, has increased productivity; on the other hand, procedures have been developed that enable the company to steer its program schedule more effectively, which, in turn, has greatly enhanced the company's capacity to set and fulfill strategic objectives (Søndergaard 2003:7ff).

These developments should be seen in their historical context. In the years immediately following the break-up of the monopoly, DR's market shares fell sharply. In the mid-1990s the situation had deteriorated to the point that the company's *raison d'être* as a public institution could be called into question. The principal problem was not so much that viewers to an ever-lesser degree watched DR's programs, but that DR was losing touch with some audience segments, so that it looked as though the channels might end up as niche channels with little social significance to speak of. The main challenge for DR was to re-establish contact with the audience, which in technical terms meant formulating and following a strategy to maintain and expand the channels' *weekly reach*, i.e.,

the share of the population who in the course of the week watch one or more DR programs. Whenever reach becomes the principal strategic objective, the focus of program policy necessarily shifts from the composition of program output to the programs, which in turn implies a greater emphasis on the marketing and distribution aspects of programming.

The goal of maintaining a high level of reach is, in itself, hardly controversial. Clearly, a public service channel's programs have to be watched. But, in practice, high reach can only be obtained if the channel can maintain a sizable *market share*, which from the point of view of public service ideology, is less easily defended.

It has been demonstrated that a channel's market share is closely related to its reach. If the market share is around 25 per cent, reach is more or less constant at about 80 per cent, and it rises only slightly if market shares rise. But, if market shares should fall to around 20 per cent, weekly reach falls rather sharply (to around 50 per cent). Thus, if a channel wishes to maintain a high level of reach, there are limits to how low its market share can be allowed to fall. In practice, though, reach cannot be operationalized in program policy, but market shares can; consequently, sheer market goals are the principal steering parameters used in programming. Thus, whereas DR's strategic planning specifies objectives in terms of reach, the parameters applied to steer programming are purely commercial. At the same time, the strategy presumes that the program schedule features enough popular programs to jack ratings up. This hardly means that specialty programs will disappear from the program schedule, but it does mean that programs of broad appeal assume a key role in the company's strivings to fulfill overall strategic objectives regarding weekly reach.

The strategy has been a recipe for success for DR, but it has at the same time caused problems regarding political legitimacy. The company has come under fire for having "too commercial" a program profile, with its most popular programs drawing the most heated criticism. The criticism springs out of the fact that it is difficult in a multichannel system to justify license-financed channels' airing the same kinds of programs as commercial competitors offer. The agreement on media policy from 2002 makes it clear that the parties to the agreement wish to make the public service channels' programming more distinct; it outlines a number of areas in which the public service media should be market leaders: "The goal is that public service channels shall be best in the areas of news, public affairs, education, Danish Arts and cultural expression, including drama and film" (Kulturministeriet 2002b). Newspapers most closely affiliated with the Government were more forthright. *Berlingske Tidende* (Copenhagen) commented, for example: "It is high time the Folketing summoned the courage to deal with the version of public service broadcasting that includes mandatory payment for all the marzipan and sugar plums that Danmarks Radio serves up" (*Berlingske Tidende*, 8 Sep 2004).

When criticized for having too many entertaining programs in its tableaux, DR faces a dilemma. Present program policy largely corresponds to viewers' wishes; any change in the direction of more informative/educational programs will therefore cause some dissatisfaction among viewers. An analysis of popular attitudes toward DR and TV 2's public service programming from 1999 led to the conclusion that "the people want to be informed and feel that public service television largely lives up to this," but that "particularly DR1 and DR2 should be more entertaining than they are today" (ACNielsen-AIM 2000:17). Although the analysis is not entirely new, nothing suggests that viewers' preferences have changed. Thus, DR faces a true dilemma, forced as it is to choose

between two mutually exclusive alternatives: satisfying popular demand or accommodating politicians' desires for a more distinct program profile.

Of course, there is more to DR's program policy than the proportion of information to entertainment, but nonetheless, this is the main theme in public discussion of public service broadcasting, and it is closely bound up with ideas about quality and how public service broadcasting should be defined. As Meijer, among others, has pointed out, it is in many ways both fruitless and misleading to contrast quality with commercial success (Meijer 2004), but in media policy contexts it has long been the custom; consequently, the polarization is almost unavoidable in the discussion of public service, where the degree of 'public service' is generally reduced to a question of the assortment of programs the company offers.

Thus, in Denmark political discussion of DR has largely focused on whether DR shall continue to offer programs of all categories, i.e., a *full-scale public service model*, or concentrate on the kinds of programs that commercial television cannot deliver, i.e., a *complementary model*. The discussion of these alternative versions of the public service concept is largely confined to programming and the kinds of demands that are made of the public service companies, whereas the societal functions and influences of public service broadcasting are seldom mentioned. The current political ambitions to distinguish more clearly between public service and commercial television mainly revolve around the principle that the public service channels should be more *distinct*, and that their distinction is mainly a consequence of the extent and character of the programming tasks they are required to fulfill. From the regulator's point of view this makes sense, as it makes it possible to define public service more precisely; at the same time, however, it complicates the situation regarding some of the other goals public service broadcasting is expected to achieve, particularly the goal of maintaining regular contact with the Danish people on a broad front, for the simple reason that programming that distinctly differs from commercial programming is not likely to reach the great majority of the public.

The central importance of 'reach' in DR's program strategy is a motor force behind the company's program policy, but is also part of the reason for DR's initiatives in the realm of multimedia, since the new media platforms help to augment the company's total reach. These initiatives are particularly important with regard to regular contact with the demographic groups that DR has had trouble reaching with its two television channels. Young people, whose use of television has declined overall in recent years, are a particularly elusive group; consequently, DR has developed a rich assortment of on-line services for young users as a means of maintaining contact.

For the Good of Society

The question of how distinct DR's profile should be stretches beyond purely market considerations, however, as it clearly has bearing on the company's political legitimacy. DR management has expressed growing concern in the last couple of years that an institutional focus on competitive strength might blot out the company's public service identity. In 2004, the Board of Governors instituted a so-called "public service review" with a view to putting greater emphasis on DR's cultural political mission, a move that in part responds to current sentiment within the European Union which is expected to result in demands for more precise definitions of public service. Another motive is to be found in the findings of survey research regarding DR's image, which indicate that

viewers steadily less and less perceive a difference between DR 1 and the other channels. In a newspaper interview (*Berlingske Tidende* 11 May 2005), Acting Director-General Lars Vesterlørkke: “Whereas we have worked hard to be more media business-oriented – that is, more customer-oriented – we are now shifting our weight from having stood on one foot to standing on the other foot, as well, namely, that we exist for the good of society.” In terms of program policy, the adjustment means, among other things, a more complex definition of quality, which besides stressing that programs must uphold a professional standard of production and quality in the eyes of the individual viewer, also emphasizes the programs’ value to society.

It should be noted that DR’s reflections on public service as a societal concern comes at a point when the institution occupies a strong market position, but experiences an ebb in political support. Whatever the case, the move is recognition of the nature of public service broadcasting as a political project that requires legitimacy based on other principles than those that apply on the market and a need to make DR’s status as a cultural institution more apparent to viewers. The latter need has inspired a comprehensive campaign based on the above-mentioned ‘public service review’ and otherwise serves as an exhibit to be used in the coming negotiations on a new charter (for a four-year period starting in 2007). The main slogan in the campaign, “DR, not like the others” spells out the nature of public service broadcasting and why it is important to society. According to DR’s campaign brochure (DR 2005b), the company strives “to create value for society, cultural life and the individual”; a larger publication, entitled “DR for everyone: A magazine about public service” (2005a) develops the reasoning more fully.

DR’s new approach echoes the arguments put forward by the BBC in connection with its charter renewal process, viz. the strategy document, *Building Public Value: Renewing the BBC for a Digital World* (2004), which focuses directly on the value of the institution to society. The BBC, too, has recognized that public service broadcasting’s *raison d’être* cannot be understood sheerly in terms of the institution’s program output, even if it is a salutary complement to the programming provided by commercial actors. It has to be made clear that it is a question of a composite structure, defined by a specific social purpose and mandate. Whereas previously the BBC stressed the importance of providing a greater diversity of programs than the market can deliver – the argument the company puts forward in, for example, *Extending Choice in the Digital Age* from 1996 – the new strategy is based on a different source of legitimacy. In a mature digital environment that “contains the potential for limitless individual consumer choice” (BBC 2004:3) the company’s purpose cannot consist of filling the gaps in the market-based menu on offer, but is instead to maintain vital functions in society that commercial media cannot, or can to but a limited degree, fulfill. These functions, which include helping to maintain a well-informed, well-educated and tolerant society, are expressed in the concept of “public value”, i.e., value to society as a whole: “While commercial broadcasters aim to return value to their shareholders or owners, the BBC exists to create *public value*. In other words, it aims to serve its audience not just as consumers, but as members of a wider society” (BBC 2004:7). The interesting point in the present context is not how the BBC specifies the ways in which it creates public value, but that the company seeks legitimacy by referring to societal functions.

The policy statements of both DR and the BBC may be seen as attempts to shift the focus from market considerations, which have been a source of criticism, toward less

controversial social and cultural mandates. The extent to which the policy documents actually affect the companies' program policy, their programming, remains to be seen.

On the other hand, it is fairly clearly a case of political opportunism, and there is little doubt that it might have very far-reaching consequences, should the public service broadcasters, in their strivings for legitimacy, find themselves bound to adjust their programming in ways that deviate from audience preferences. What appears to be a return to traditional virtues – more “public” and less “service” – may well lead to commercial marginalization, which would be most unfortunate when the companies face a redefinition of their role in digital multichannel systems.

Steering by Contract

If there is reason for worry about how Danish public service broadcasting may develop as a consequence of changes in the political climate, one reason is a de facto increase in political influence over the companies' program policy, which has been fairly substantial over the past few years. Direct political influence of the kind that politicians, acting via the Radio Board, exerted over DR in the monopoly era ended when the Board was dissolved and replaced by a Board of Governors, but in 2001 a system of regularly renegotiated contracts was instituted, which has given politicians new opportunities to bring their power to bear.

The system involves contracts between the Ministry of Culture and the public service broadcasters that specify the responsibilities the contracting broadcaster shall undertake during the period of the contract. The introduction of the contracts is an extension of a general tendency toward *more detailed regulation of the public service media* that started in the 1990s with complementary specifications in DR's and TV 2's statutes concerning their public service duties. In 1996, both institutions were required to draw up annual ‘balance sheets’ that showed their performance in relation to what was expected of them, and in 2000, they were required to draw up ‘public service budgets’ against which the subsequent accounting reports would be measured.

Compared to the system of detailed statutes, budgets and balance sheets, the introduction of contracts per se does not represent any major change, nor does it in principle exert any greater influence over program policy. In practice, however, the situation has changed, but not so much due to the contracts as to new agents of control that were introduced at the same time. What is new is a much tighter control of the companies' compliance with the terms of their contracts¹, first through Public Service Council, until the body was dissolved in 2001, and subsequently through Radio and Television Council, the regulatory agency for all Danish broadcasting (Banke et al. 2004:141ff).

In part, the trend toward more detailed steering of public service media has to do with so-called ‘new public management’, according to which public agencies are regulated through periodic contracts specifying what they are expected to achieve. Such contracts have, for example, been introduced in the Danish university system. But the trend also has to do with changed conditions for public service broadcasters operating in market-based media systems, where the need to document the value of public service channels assumes importance. This need is also a consequence of a growing interest in the broadcasting sector on the part of the EU Commission, which polices market competition, with a special eye to illicit forms of state support. The public service contracts and the control of the companies' compliance enables Denmark to live up to the the criteria the Com-

mission applies regarding legitimate state support, namely, that it be proportional to the extent of the duties required of public service broadcasters and, secondly, that the duties are so well defined as to permit independent assessments of compliance (cf. the Commission Communication on the application of state aid rules to public service broadcasting, EU Commission, 2001).

Thus, the new form of regulation of public service broadcasting in Denmark may be seen as a measure ‘in defense of’ public service, a safeguard against possible intervention on the part of the Commission and against criticism of publicly owned media per se. In these senses, the contract system boosts the legitimacy of the public service media, as it does for other public institutions that are subject to similar contracts. On the other hand, it represents a more detailed specification of the requirements public service broadcasters must live up to and a reduction of the media’s autonomy², which is a function not only of the detailed nature of the contracts, but of the magnitude of the requirements and the character of the control, as well. extensive and detailed requirements will reduce the public service media’s freedom of maneuver and ultimately may mean that its total program output is dedicated to satisfying the terms of the contract.

When it comes to control, one of the most important aspects is which ‘performance indicators’ are applied in the evaluation of the media’s performance and whether measuring instruments that measure more than sheer quantity can be developed. The present contracts contain quite many qualitative dimensions that are difficult to ‘measure’, but it is not unlikely that increasing emphasis may be put on more objectively quantifiable dimensions as the pressure on public service media’s legitimacy increases. There is a risk that the contracts may degenerate into rigid quotas that will undermine the idea of public service while placing the broadcasters in a program political straitjacket that seriously hampers their further development. The British regulator, Ofcom, appears to have recognized the problem and advises against program quotas in favor of regulation on the basis of the aims of public service broadcasting: “PSB should in future be defined in terms of its purposes and its characteristics rather than by specific genres (programme types). ... It must be free to respond to the challenge of providing accessible and popular programming. This suggests that regulation should break away from narrow obligations specifying hours of certain types of programming across the schedule” (Ofcom 2004:10).

As Ofcom points out, one of the purposes of public service broadcasting is to make available programming that the market cannot deliver on its own. But behind that purpose looms a much higher ambition, namely, *to steer the public’s media consumption*³ in a direction that benefits society, that is, the public service broadcaster has reason to make an ‘impact’. In this context detailed quotas will not suffice, and there is therefore a need to continue to try to find ways whereby some of the more overarching societal goals can be expressed in contractual terms. It is no easy task inasmuch as programming requirements and the goal of making an impact ultimately boil down to the same dilemma as DR’s strategists have to wrestle with today: a distinct profile is not easily reconcilable with a big ‘impact’. Nor is the problem solved by introducing ‘public value’ as a criterion, because, among other things, the public or societal value of any given program output will depend on the number of viewers who watch it, even more so since at least some measure of the value of public service media to society, according to the BBC’s definitions, lies in creating “shared experiences” – i.e., in delivering programs that are able to attract large audiences (BBC 2004). Further development of the contract system may have a positive effect if the contracts include more of the various parameters. This would

call attention, more than is the case today, to some of the mutually contradictory requirements and expectations that public service broadcasters currently face. At best, it might help to improve people's understanding of what public service broadcasting is all about.

One risk factor that should be mentioned is the opportunity for political pressures when contracts are negotiated and are up for renewal. Clearly, it is the task of politicians to stake out the overall framework for public service broadcasting, but politicians who are involved in negotiating the contracts are tempted to go a bit further and to set out more detailed guidelines that are not always beneficial to public service broadcasting or to the individual companies. This tendency has been apparent for a number of years in Denmark, where politicians have earmarked portions of the license fee revenue for specific purposes, first and foremost for film subsidies, which, despite their good intentions, make it difficult for the public service media to fulfill their obligations. The same may be said of requiring DR to commission a good share of their own production from independent producers so as to stimulate the private production sector. It would be worrying indeed were the contract system to become a 'front' for subsidies to industry that have nothing to do with the public service mandate.

One cannot say with any certainty whether or not contract steering of public service media makes them any more vulnerable to political pressures than they have been under previous forms of regulation; it all depends on the substance of the contracts.⁴ What is clear, however, is that the stricter control that the contract system has introduced will mean that the *consequences* of inappropriate contracts will be much greater than would otherwise be the case. To put it differently: the damage that politicians are able to inflict on public service broadcasting has grown considerably, a circumstance that should inspire the greatest caution among media policy-makers. A crucial prerequisite for such a precautionary approach is the presence in the political system of not only a general benevolence toward public service media, but also an understanding of where the boundary line runs between political influence and editorial integrity.

The regulatory logic that imbues the steering of DR by contract, which EU's proactive policy on competition reinforces, clearly indicates the central role politicians will play in deciding the form public service broadcasting will assume. In Denmark, as in other European countries, politicians are under pressure to define the public service mandate narrowly enough to allow the commercial media sector to grow, and there is a real risk that such considerations may weigh heavier than thoughts about the developmental potential of public service media. As Jakubowicz points out, there are numerous indications that this may already be the case: "Just at the time when public service broadcasting needs to redefine its mission, it may be forced into a Procrustean bed of an ideologically motivated concept of public service broadcasting that has the major virtue of not competing with commercial broadcasters, but does nothing to help public broadcasters adjust to new realities" (Jakubowicz 2003:59).

Challenges

Public discussion of public service broadcasting in Denmark, including the debate on its regulation, has contributed rather little to solving the problems these media face in the transition from a relatively comprehensible analogue television system to a vast digital multimedia system. To some extent this may be put down to the fact that the discussion,

presumably for ideological reasons, has narrowmindedly focused on issues like political bias in DR newscasts, the amount of entertainment in Friday-evening tableaux, and the proper composition of a public media's Boards of Governors. Together with the present Government's cool, if not frankly antagonistic, attitude to public service media, the debate has instead obstructed the kind of innovative thinking that is needed if the public service media are to continue to have a role in the Danish media landscape.

DR's request for a rise in the receiver license fee and permission to establish new digital theme channels was denied out of hand, and for the time being there is little that suggests that DR will have any opportunity for expansion, despite the fact that such expansion is crucial to the company's future in a digital media system. It is hard to find any explanation to the Government's position other than spite, or ideological antipathy toward DR.

Although the conditions applying to DR are important, they are hardly the greatest challenge facing Danish media policy today. Far more important is the question of how to maintain the quality of the public service programming TV 2 delivers today. TV 2 is not yet privatized, to be sure, but when it is, a situation will arise where a good share of public service programming is subject to the market. The quality and volume of this "public service for private money" will depend entirely on the ability of the government to grant TV 2 sufficiently attractive terms so that TV 2 can maintain its standards and yet stay in business. In the analogue television system, where TV 2 has had the privilege of being the sole channel to be able to transmit nationwide advertising, the government can make fairly far-reaching demands concerning the nature and quality of programming, but in a digital system, in which TV 2 no longer is privileged, it is far from certain that such demands can be made. There is clearly a risk that TV 2's contribution to public service programming will be diluted – at worst, disappear entirely. This would leave DR to shoulder the public service mandate alone. This scenario is totally in line with prognoses that Ofcom has made for the British public service system. Ofcom warns not only of marginalization of public service programming, but that the absence of present competition between public service channels will lead to a decline in program quality. Ofcom's idea of establishing a Public Service Publisher to compensate for the reduction in public service programming may become relevant in Denmark, as well. Be that as it may, it is high time that we began to consider what can be done.

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Notes

1. Only DR's two nationwide channels and TV 2's regional services are steered by contract today. Since its conversion to a share company in 2003, TV 2 is regulated by charter, compliance with which is controlled by the Radio and Television Council.
2. Georgina Born (2004) shows how a proliferation of performance measures and 'balance sheets' created internal problems in the BBC in the 1990s. Among other things, management's focus was distracted from the creative aspects of program production.
3. A quantitative analysis undertaken by Media Secretariat in 2005 in conjunction with its statement on DR's and TV 2's public service accounts clearly documents the effects the two public service channels have on Danish viewing habits (cf. www.mediesekretariatet.dk).

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4. There is not room here to describe the background of contract steering. The literature offers several views on the advantages and disadvantages of the contract approach (cf. Jakubowicz 2005, Svendsen 2004, Bardoel 2005).

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