

broadcasting for digital citizenship

A seminar held on
Wednesday 11th July 2000
11 Downing Street, London

Edited by John Wilson



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Preface

The Smith Institute has been set up to look at issues which flow from the changing relationship between social values and economic imperatives. The Institute takes its lead from the belief of the late John Smith MP that social justice and economic progress can go hand in hand, and it currently centres its work on these themes.

This booklet is based on the presentation made by Rt. Hon. Chris Smith MP during a seminar held on 11th July 2000 at 11 Downing Street. We have tried to reflect the debate which followed. Inevitably, in transforming a live event into print, some of the colour and the texture of the original have been lost. We hope, however, that those who attended the seminar will recognise much of what is included here, and that those who read it fresh will respond to the flow of good ideas which emerged during the morning.

Introduction

Wilf Stevenson

Good morning and welcome to this special seminar. The Smith Institute have been doing a project for about a year with Granada on the concept of “Digital Citizenship”. This was essentially about rethinking what public service broadcasting might provide, as and when the new channels became available, and as and when Government, across its various activities, could identify and perhaps work through ways of developing its public services for television delivery. We have also been working over the last year on a series of seminars on Equality, focusing mainly on social inclusion issues. We have been concerned with what were the best mechanisms for trying to promote equality and with how policy could be organised around that. And we have held other seminars on Enterprise, particularly with reference to the cultural industries. Indeed, we had the Secretary of State for Culture, Media and Sport here a few months ago talking about “Music and the New Economy”.

What has been striking to me about a lot of the debates we have had in this room is the way broadcasting (and television in particular) has been taken as read as a complement to and a supporter and underpinner of many of the policy initiatives. That is a tribute to the way television has developed over the years in Britain and to the way the industry and Government have been partners in that. But it is also, I think, taking quite a lot on trust as technology changes and as other pressures on public service begin to mount up.

This, then, is the background to this seminar: the chance to debate these issues in the context of the forthcoming White Paper and other recent discussions.

Stephen Timms MP

Financial Secretary to the Treasury

I am delighted to welcome you all on behalf of the Treasury to No. 11 Downing Street. I think that the interaction between broadcasting and the web is going to be an extremely fruitful and creative process. I thought I would begin by relaying three incidents in the last few weeks that have reinforced that view for me.

The first was an email message that I received from a very bright young constituent. He is just leaving one of the most difficult schools in my constituency, having finished his GCSEs. He asked me to visit his new website, which he has developed within a local project called Newham Online. So I did. One of things I found there was that he has placed a radio play on his site, which you can listen to as a broadcast. This is what he says about it on his website (which can be found at www.youth.newham.org.uk under the name of Frankie Roberts):

“Junk is a novel by Melvyn Burgess about heroin addicts. Our aim was to turn this into a radio play which teenagers can enjoy. Radio plays may seem to be an abandoned medium with only the odd play broadcast on BBC Radio 4, but they are making a comeback on the web and across the world as they are easy to produce with no filming required. They can also produce a much truer 3D perspective, as sound travels around a room whereas a TV image remains on a flat screen. The production involved researching the medium, finding a suitable book, writing the script, casting, recording and editing the play. The finished project can be found on the Junk Radio Play web page which I designed”.

I thought that was fascinating for what it indicates about the way the new technology can open up broadcasting for people who have never been able to

contribute to it before.

The second incident was illuminating about opening up broadcasts to people who haven't been able to listen to them before. I visited the BBC World Service at Bush House and heard about a recent discussion between World Service staff and a senior aide in the office of President Mohammed Khatami of Iran. There has apparently been a longstanding problem of World Service transmissions being routinely jammed by the authorities in Iran. So since this particular meeting hadn't been too hostile, they thought it might be an opportunity to raise this problem with a very senior figure in the Iranian Government. They asked him, "Are you still blocking our transmissions?" He replied, "It's no good asking me, I listen to you on the internet."

And the third is about digital broadcasting extending opportunities. Six weeks ago Chris Hopson came in to show me a demonstration of the Result Learning Channel concept, which has been developed by Granada Media for the DfEE. I find that very impressive as an illustration of how new broadcasting technology can give access to very high quality opportunities, in that case for learning, to people who haven't been able to access them in the past.

Before the election, Chris Smith led the preparation of the Labour Party's "Communicating Britain's Future" report, which identified a very optimistic message about the impact of the digital economy, but recognised as well the challenges, specifically to inclusion, which will result. Building on that, the Government has set three targets to meet the challenges which we are confronted with across the economy as a result of the huge change these technologies will usher in: first, to make the UK the best place in the world to trade electronically by 2002; secondly, to aim for universal internet access by 2005; and thirdly, to put all government services on-line by 2005. The second and third targets, on access and electronic government, will be significant themes in the spending review announcement when it is made in

the next couple of weeks.

The three targets complement each other. Making sure that everybody has access to the net will improve our business competitiveness and create a more cohesive knowledge society. Putting all government services on-line will cut unnecessary burdens on business and individuals alike. It will also potentially save millions of pounds on government procurement. Alex Allan, our E-Envoy, will be speaking about the prospects for E-Government at the CBI E-Business Summit later on this morning. Speaking of Alex, I received a chastening email message over the weekend from a dot.com entrepreneur of my acquaintance. He was complaining that I had recently sent him a letter on paper. He claimed that everybody he now deals with contacts him solely by email and that he had only received two paper letters in the past six months. One was the one from me and the other was from Alex! So I suppose it underlines that we still have some way to go.

Last week, new figures showed that over half the population of the UK now own mobile phones. Yesterday morning, the Office for National Statistics released figures showing that a quarter of all households in the UK now have access to the internet in their home. That is the figure for January to March this year. It represents a doubling of UK homes on-line in the past year and it's a very encouraging change. But we need to go further and we need to do so quickly because those on lower incomes, those in the least well-off communities, make less use of information technology than others. The new figures show that those in the highest income groups are around ten times more likely to have access to the net than those in the lowest income groups. Use in the lowest income decile was 6% (up from 3% a year previously), while in the highest decile it was 48% (up from 32%), so it is a huge gulf. There are some quite striking regional variations as well.

That picture needs to change. We need to be creative in addressing the imbalance. I picked up a strong message from the last Smith Institute seminar that I attended on this subject that digital TV is a very promising vehicle for spreading on-line access quickly into the groups that are faring so badly in those figures. I should say that the ONS figures exclude new forms of access like digital TV, although ONS plans to include them in the next release (due in three months' time) relating to the period April to June. It will be very interesting to see what the impact will be. In round terms, the penetration of digital TV services of all kinds, as I understand it, was about 10% in the period which those statistics refer to.

Let me finally attempt to provide, very briefly, a context for the discussion this morning by setting out some of the practical steps we are taking in a bid to ensure that digital citizenship is inclusive – that it promotes inclusion rather than reinforcing the exclusion that too many people experience already. We have made a start by investing £1.7 billion in our national IT strategy. We are connecting all schools and libraries to the net. Existing teachers and new teachers are being trained in the new technologies. We are creating, this year, a network of 700 UK on-line centres in low income communities. We are working with the private sector to deliver individual learning accounts. A million people can receive £150 to set up their own individual learning accounts, and for all adults signing up to improve on their basic computer literacy, there will be a discount of 80% on course fees. And for those in the workforce there is Learn Direct, our new University for Industry using the latest technology, to do in this decade for lifelong learning what in the 1970s the Open University did on TV for university study.

There is a huge amount of activity under way. The target that everybody should have access is key. It seems pretty clear to me that digital broadcasting is going to be a critical element in achieving it.

Rt. Hon. Chris Smith MP

Secretary of State for Culture, Media and Sport

Broadcasting Under Debate

I am very pleased to have an opportunity to speak at this seminar. This is an important time to develop ideas about the role of broadcasting in society and the economy because of course the forthcoming Communications White Paper will spell out how the Government would like to see the future of this sector being shaped over the next five to ten years. We are trying to encourage the widest possible debate in the run-up to the summer recess. Then we will have the task of producing a White Paper this autumn to guide the legislation which I hope will appear early in a new Parliament. The debate is ongoing, so it is too early to say specifically what the White Paper will contain. Nothing has yet been ruled in or out. We have received 129 responses to our formal request for views. Many of them are on the Communications Paper website; most of the rest will follow in due course. We shall consider everybody's contributions over the summer.

Seven experts recently contributed to the Communications White Paper debate at a small seminar last week for communications stakeholders, organised jointly by my department and the DTI. Their papers, and the report drawn up by the seminar chairman, Sir Quentin Thomas, will also be posted on the website very soon. Today it is my turn to contribute some early personal thoughts. These do not constitute settled Government policy, because an event like this one allows me to try out some ideas and perhaps face challenges to my thoughts. All of that goes into the policy-making pot.

The theme that I want to explore with you this morning is the future of public service broadcasting in a multi-channel and on-line world. Public service broadcasting is difficult to define (though I am going to make an attempt at doing so), but it is both recognisable and vitally important.

Although in many people's minds it is synonymous with the output of the BBC, and indeed the BBC is our premier public service broadcaster, it is certainly not confined to one broadcaster. Most obviously, Channel 4 is a public service broadcaster with a very specific remit. ITV has substantial public service broadcasting obligations. Channel 5 too is, to a certain extent, a provider of public services.

A Continuing Case for Public Service Broadcasting

Three phrases have tended to dominate descriptions of public service broadcasting hitherto: first, that it is a mixture of entertainment, information and education; second, that the correction of market failure in purely commercial approaches to broadcasting is necessary; and third, that it holds the concept of making the good popular and the popular good. These definitions all still hold good, but I want to develop the ideas further, to explore what they really mean in a twenty-first century world and to look to the future when we can all be interactive citizens faced with a multitude of different media sources. I believe that public service broadcasting will still be vitally important for the digital citizen. Indeed, I believe that it will be more important in the digital world than it has been up to now.

Of course it is true that there are more and more broadcast channels, on TV and radio and through the internet. Increasingly, those with access to the gadgets will be able to gain access to media on the move, through palmtops and mobile phones, as well as through a multiplicity of bits of receiving equipment in the home. Each family member will be able to have access to something different at any one time. The choices available will mean that consumers will be able to tailor their viewing, listening and tuning in to their own particular tastes. The communications and broadcasting markets will more and more resemble those for books, video and CDs. It is argued, therefore, that there is no need for the Government to intervene in the broadcasting market since, provided the suppliers of content (those who

collect it together and those who transmit it) don't abuse their market power, then the market will provide what consumers want.

Now of course the problem with this argument is that the communications and broadcasting market at present does not have a direct relationship with individual citizens. The connection between consumer and producer of content is mediated through advertisers for all the free-to-air channels except the BBC's, whose own economic relationship with viewers and listeners is also indirect, through their payment of a licence fee. Even where a subscription or pay-for-view option is on offer, the market relationship is still filtered through the selection of available material made by the broadcaster or the particular steer given by an electronic programme guide.

Even when we reach the point at which a majority of consumers have the post-digitalised riches of information and content sources at their disposal, I would argue that this will strengthen rather than weaken the need for public service broadcasting. The increase in the quantity of information could make the provision of reliable, high quality information more important, not less. The role of Government is surely to ensure that access to information remains a democratic right, in a world where the market may provide less of some sorts of content and reserve more content for subscription. This strengthens the importance of public service broadcasting as a tool to prevent the growth of the divide between the information-poor and the information-rich.

My point is that we can't leave this to the market, for much of the same reasons that we can't actually leave books, records, videos and non-print reference sources to bookshops, the record shops, the video stores and the internet cafes alone. Public service broadcasting is to the multi-channel on-line world what public libraries are to the non-electronic world. (That is not to imply that public libraries have no future in the electronic world, far from it, but that's another story.)

The public library provides a mixed diet of entertainment, education, enjoyment and reference, through books, magazines, newspapers, films on video, music on vinyl, tape and CD. This cultural and educational wealth can be sampled at virtually zero cost at the point of access. Libraries are now adding electronic media to their range. Libraries continue their tradition of giving everyone the opportunity to sample what is new. They help to grow the market for books and music, rather than competing with bookshops and the rest. In the same way, public service broadcasting provides a mixed diet of entertainment, education, reference, films and music, which can be sampled at zero or at very low cost at the point of access.

Five Sources of Public Benefit

But this does not of course come for free. Public service broadcasting is publicly funded directly through the licence fee and indirectly through the provision of spectrum, so we need to be clear about the public benefit that it provides. That is why it is important for us to be clear what it is that public service broadcasting does that is special and distinctive. What are its characteristics and its benefits that make it justifiable to levy a licence fee on citizens or to place requirements on commercial broadcasters?

I would suggest five such characteristics. First, democracy needs well-informed active citizens to prosper, so it requires impartial news and current affairs, or at least news based on a hard core of journalistic integrity. Secondly, education needs back-up from the broadcasters and on-line facilities to support the curriculum, the University for Industry and the National Grid for Learning. Thirdly, the human spirit needs nourishment from accessible cultural activity, from religious experience or humanist standards. It needs the opportunity to be challenged, the possibility of being entertained, all without elitism, but recognising excellence. Fourthly, the economy needs a showcase for creative industries and talent. The best that we have in a wide range of creative activities needs a platform which can both

enable them to thrive and audiences to be enthralled.

Most importantly, all of these four elements provide us not just with essential tools, but with fun, a source of surprise and enjoyment that we share with family, friends and colleagues. A showcase for creative industries sounds worthy, but it is more enjoyable than that. The shared experience of “Eastenders”, “Pride and Prejudice”, “Coronation Street”, “The Royle Family” or the Proms can be simply understood as providing enormous amounts of pleasure for millions – or as a vital ingredient of the glue that helps to ensure our appreciation that there is such a thing as society.

My political philosophy has always been founded in an understanding that there are some things we do better and provide better when we do so collectively, when we share responsibilities and experiences. And that brings me to the fifth characteristic. The nation needs to understand itself in all its cultural, ethnic, local, regional and national variety. All of Britain’s components need to recognise themselves and each other within a British framework, portrayed and examined and brought to life in our public service media. I shall return to this point in a moment.

What society as a whole wants from broadcasting may be different from what individuals one by one are prepared to pay for, but society wants more from public service broadcasting than just what people are not prepared to pay for. So public service broadcasting should not just be confined to whatever the market won’t provide. The concept of market failure has been a useful tool for understanding why we have public service broadcasting, as it illuminates thinking on any public services such as health and education. But of course our motives for subsidy move beyond concepts of the market into the basic entitlements of citizens, from the liberating effects of the introduction of public libraries to the amazing challenges of the knowledge economy.

Informing and Educating in an Interactive Setting

So what is this public library of broadcasting? Impartial news and current affairs can best be assured by having plural sources and by freedom from vested interests combined with high standards of journalistic ethics. A regulatory requirement for impartiality is not enough, in my view, because partiality is impossible to spot except from an advantage point informed by alternative sources of information. That is why public service broadcasters must promote better understanding of current affairs and greater participation in the processes of parliamentary democracy through news and current affairs programmes. The pure delivery of factual news is not enough.

One of the main objectives of public service broadcasting is the provision of and access to core information about society – or as some have described it, access to common knowledge, what everyone knows that everyone knows. Without this knowledge, it is not possible to make informed choices. This is crucial to our sense of citizenship and community and is vital to the functioning of democracy. Most people obtain this information from broadcasting and will continue to do so for the foreseeable future.

We must also ensure that public service broadcasters develop this role in the on-line and interactive environment, so that they continue to serve the digital citizen as they served the analogue one. Consider the huge success of the licence fee funded BBC On-Line, which extends the value licence fee payers derive from BBC programmes and services. During the past year, usage grew at double the rate of the UK market as a whole. By the end of 1999, more than a quarter of UK internet users were visiting BBC On-Line every month. The eclipse site in July drew over 3 million page impressions in 48 hours. Page impressions of BBC News On-Line increased from 50 million in April 1999 to 77 million in March of this year.

Public service internet sites are increasingly becoming the way people obtain

their core information. On-line technology also presents the opportunity to turn all of us into questioning, interactive participants in the news process. Non-linear broadcasting will also certainly become a reality, where we can all be editors, digging vertically through news stories to find the research and analysis we need, rather than simply consuming news and current affairs as horizontal narratives. Imagine a nation full of Jeremy Paxmans! But think of how important the public service role models will be, to ensure that we are equipped to ask the right questions. Increasingly, we are coming to realise that in the digital on-line world, it is not so much the straight provision of information that matters, but the interpretation and the ability to interpret that is provided alongside it.

Interaction is especially valuable for educational purposes. The BBC, Channel 4 and the ITV companies are taking important steps in this direction. There have been some notable successes. The BBC's GCSE Bitesize site was used by 65% of all GCSE students. Channel 4 are piloting a new on-line homework service, which offers students who are struggling with their homework access to help from qualified teachers, four nights each week in term time. Channel 4 are also working on various on-line ventures, including a series of linked educational sites, encouraging people to participate in the creative economy. And there are also important pilot projects which the DfEE is pioneering with a wide range of broadcasters.

We will have failed if the digital citizen of tomorrow has not got a wide range of educational programming available to them at every stage of their lives, from school to interactive learning for life. The range of educational programming must provide not just the basics of the curriculum at school but also the full range of subjects, from the most popular and profitable (such as "Walking with Dinosaurs") to the most innovative and challenging.

Fostering Creativity

We should also be acquiring more skills in understanding the creative ways in which film and new media can work. It may start with digital citizens choosing the camera angles themselves to replay their favourite goals, but I hope media literacy will become as sophisticated and widespread in this century as paper literacy has on the whole been in the twentieth.

Governments are rightly cautious about talking about nurturing the human spirit. Governments cannot after all create art. On the whole, those regimes (with the possible exception of Medici Florence) that have tried to do so have produced execrable art. But fostering and helping those who can create wonderful, moving things surely is the proper role of public policy.

Public broadcasting is one of our greatest British success stories, following in a tradition of supporting British talent through the performing and literary arts, where public investment is an accepted route to enable communities to enjoy live theatre, dance and music and to experience writing of all sorts through libraries. Public broadcasting has been brilliant in spotting and developing some of our greatest creative talent, from Alan Bleasdale to Victoria Wood, from the world of theatre and live entertainment – and, of course, in creating an equally wonderful roll-call of talent directly out of television training and development, from Dennis Potter to Richard Curtis. The interaction between radio and television and the broader world of the performing arts is one of its most important contributions. This must continue to be a service that public service broadcasters provide – the investment in high quality British content, drama, music, discussion and entertainment, permed in as many ways as possible.

Diversity is the key, since public service broadcasters should not only provide for the mainline interests of the many but should develop innovative content which may sometimes appeal only to a few people. For then there is a chance

that a vital spark will encourage new people to look at or listen to new things, which they might not have thought of without this chance. Broadcasting should challenge and form taste, as well as just satisfy demand. Strange new lines of enquiry may be opened up after a broadcast opens a door. The market cannot do this, since the consumer cannot demand to go through a door that he or she does not even know exists in advance.

This quality of surprise in the rich mix of radio or television cannot be overestimated in its importance. This is one of the reasons why I felt that Richard Eyre, in last year's MacTaggart Lecture, did not give enough credit to the continuing role of public service broadcasting. I do believe that from time to time all public service broadcasters should aim slightly above our sightlines, should lift our eyes up, should enable us to experience something new and different and perhaps at times a little difficult. In a world of niche channels and almost infinite choice, this role of surprising us and uplifting us will remain a vital one.

Celebrating the Richness of a Diverse Nation

I spoke earlier about how the sense of being a nation together is something which can derive sustenance from strong and popular public service broadcasting. The shared national experience of Michael Owen's goal against Argentina, the discovery of Trevor Jordache's body in "Brookside", the final great Dennis Potter interview, "going out for an English" in "Goodness Gracious Me", even the shower scene in "The Archers" – these are moments that are talked about, analysed, relived and become part of a common national understanding.

I would argue, too, that part of what draws us together as a nation is a full appreciation of the rich diversity of cultures that goes to make up this strange but wonderful thing called Britishness. Someone once famously said that being British was about warm beer and the sound of leather on willow and

bicycling through the mists to early morning communion. It is of course partly about that, but it's about a lot more. And that full, colourful, eclectic, uproarious and immensely varied patchwork of life that makes up British society today is best brought home to us and best understood by us through the medium of television and radio.

The broadcast media at their public service best help us to celebrate the rich diversity of our Britishness. That is why broadcasting must reflect the different cultural traditions and histories that we have inherited. It is why the regional content and flavour of ITV, one of the great glories of ITV ever since its formation, must be conserved and developed, whatever happens to the individual companies.

Regional strengths are part of our diversity and must be nurtured by all public service broadcasters, including those with a primarily commercial remit. It is why the nations of Scotland, Wales and Northern Ireland must be given their full recognition across the broadcasting spectrum. Developing regional talent and regional voices, together with geographic, gender and cultural diversity, will be of increasing importance if we are to release the full creative potential of this country. In London by 2020 ethnic minorities will be 40% of the community, which begins to make a nonsense of the word "minority". The strength of talent is too good not to be shared and celebrated.

Regional production centres have the potential to be the engines of skills and talent development at local level, developing and using new digital techniques to offer media, education and training to their communities. The links they can make with clusters of independent and new media providers, with the wider creative industries in their areas, as well as with educators, could lead to a new vision for the duty to serve regions. The role of Channel 4 in Glasgow within the community of cultural entrepreneurs is only one model just beginning to make an impact.

The digital citizen of course should be entitled to programmes and services not just at regional but in the future also at local level, giving them a sense of community voices, of the distinctive strengths of where they live and the local and regional issues they face. But also, the digital citizen is not just a consumer or even an increasingly interactive consumer. They and their regional communities are part of the knowledge economy, in which the creative industries are a major engine of job creation and skills development.

The creative industries now contribute almost £60 billion to the GDP and provide 1.4 million people with employment. They are growing at over 5% a year and are a major source of high quality job creation. The skills which are essential for the creative industries provide some of the most popular courses in education and lifelong learning. Those skills are useful for empowering and developing employees and potential employees in a much wider range of industries and services than simply the creative industries themselves.

The Pattern of Future Delivery

I want to say something, finally, about how we might deliver public service broadcasting in the future. Of course these are questions that we will try to answer in the White Paper later this year, but there are questions, vital questions, about the role of commercial players like the Channel 3 companies, or a publicly owned commercial channel like Channel 4, in the public service broadcasting universe. They clearly have a public service remit and responsibilities that come from access to the airwaves. But how specifically should their remits be fashioned in a dramatically changing world? And, particularly, how generalist or specialist should these channels and those of the BBC be?

This is an issue of increasing salience as we move into a world where sequential programming may gradually become a thing of the past. The development of TiVO machines and intelligent programme selector devices

poses major challenges to the traditional conceptions of broadcasting. We need to have a proper public debate about this. I am pleased that the debate has begun, but I would venture a word of caution about changing the world overnight in response. In real life, there is not an absolute choice between the development of specialist niche channels and the sustaining of generalist channels. Research in America, for example, seems to demonstrate that most people can still only hold seven channels in their mind as providing them with the majority of their viewing, despite the huge range of choices available to them. As one participant remarked at our recent seminar, the lack of impact the video has had on viewing patterns for television (accounting for only 24 minutes a week on average viewing time) might lead us to be cautious about the impact of the TiVO and the timescale for that impact.

I have no doubt that this is a debate we need to have, but there is a danger that we could get too far ahead of ourselves. Yes, there will be room for niche channels and specific enclave broadcasting. Yes, there will be far more interactivity going on gradually. But we should hold fast also to the security of the known brand, which has the capacity to surprise and inform as well as to entertain. To jettison every aspect of non-entertainment programming out of a mainstream channel, be it ITV or BBC1, would surely be foolish. To me, mixed channels, which aim to expand people's horizons by providing a mix of information, education and entertainment, exemplify what public service broadcasting is or should be about.

Provided that public service broadcasters continue to invest in quality and innovation, and continue to live up to and exceed the public expectation of quality and innovation, I believe they will continue to be the way a majority of people choose to watch television for the foreseeable future.

We must not forget those viewers whose preferences will not catered be for by the specialist genre channels, or indeed those who cannot afford to pay for the

genre channels that provide what they want to watch. Such people need to be able to rely on the eclecticism of public service channels.

So I return to where we started. We need public libraries of the airwaves, inclusive channels which provide variety and high quality, distinctive programming, which inform, entertain, educate and challenge, and which support and stimulate the diversity of the United Kingdom in a way that underpins and provides a unifying voice for the nation. The new breed of digital channel surfers can dip into them if they wish, and they will be available as a programming stream for those who prefer to go with the flow. That will, I suspect, be many of us for some time to come, and by having these libraries at our disposal, we can surely seize the chance more readily to become fully-fledged digital citizens.

Discussion

A View from ITV

Steve Morrison

It's very good to be here at the continuing series of seminars run by The Smith Institute and it's wonderful to hear the 'digital citizen' term become part of the everyday language of public life. It was one of those terms, when I first thought of it in the bath, that I thought might be subject to a bit of ridicule by the cynical British press. It is very good to hear it just becoming part of everyday conversation and part of Chris Smith's speech this morning. I thought a lot of what Chris said was very stimulating and I agreed with much of it. The main two or three things that I would like to challenge are these.

The idea that public service broadcasting cannot be left to the market, and indeed we must protect it from market failure, is a little bit historic. I think that in the future we will find, much to our surprise, that the market is much more interested in public service broadcasting than it was in the past. I find this very interesting – a sort of transformation in our conventional thinking. In the past, we considered television channels as largely entertaining, dramatic and factually stimulating, and we made sure that the Cinderellas of public service were regulated for inclusion. Religion, education, arts and other things had to have their quantity to place on what were seen to be general entertainment and dramatic channels – so that they were like country cousins of the main diet and we had to legislate quantitatively to see that they were included.

I think that is changing and that the advent of new media technology now creates an opportunity for these so-called Cinderellas to come to the front of the stage and to be much more interesting to broadcasters and producers, commercial or public. Therefore we must be careful that we don't continue

to see public service broadcasting as something that just needs protecting (which it does), but only protecting in its current place in our mass channels.

What I mean by that is that I think public service broadcasting is evolving into the broadcasting of public services. I think this is the essential point. This is not a substitution for public service broadcasting; this is an addition to the conventional idea of public service broadcasting. So I am not arguing that classic public service broadcasting on mixed channels should disappear. In fact, I agree with Chris Smith's view that mixed channels of entertainment, drama and fact are part of, and should continue to be part of, our public service diet. I would be amazed if ITV became the last major channel in Britain that continued with this mixed diet. It would be a huge irony if the smoke signals from Banff meant that the BBC deserted this mixed and diverse brief and ITV was the only general entertainment public service broadcasting channel left in the UK.

But I am not arguing that those elements of public service that Chris laid out very well should disappear. I think they should continue and flourish. As far as I am aware, everyone in ITV wants to see us play a continuing role in public service broadcasting – perhaps not as statistically defined but certainly as healthy and vital as in the past. The point I am making is an additional point, an incremental point.

I think that the technology is now available, through the advent of more bandwidth and interactivity, to allow us in the media to aid and implement the provision of public services to the digital citizen in a way that we were not able to do in the past. It's an incremental gift we have been given by the technology and how we manage it is terribly important. I don't think that it is the province of specifically traditional public service broadcasters. I think it is something that any proponent, whether they be broadcaster or producer or indeed group of citizens, should be able to bring about. And I think if we get

this right and stimulate it, it will play a significant role in what Chris described as the continuation and development, particularly at local level, of the knowledge economy.

The danger is that if we ghetto this new possibility to those that we have earmarked for public service broadcasting, we will not stimulate the rest of the market to participate. I believe the rest of the market is very keen to participate. Just to take one example that Chris mentioned, that of education, every day one reads of a new educational initiative by a new company or broadcaster. There is no absence of public and private businesses wishing to get into mediated education; it is not something that has to be protected from market failure; the market is actually bursting to get into it. Therefore, to allow that pluralistic development of market initiatives is a way of stimulating our knowledge economy.

So my main point is not to deny traditional public service broadcasting, but to find ways to evolve it from just public service broadcasting to the broadcasting of public services.

This also has funding implications. These new services that I am describing, perhaps in education, perhaps in a televised health service, perhaps in job matching (so that people can find more easily the available vacancies to meet their aspirations and their qualifications), perhaps to provide a Citizens' Advice Bureau of the air, perhaps to provide a wider form of electronic democracy than we currently have (with the Parliament channel perhaps extending our ambitions more towards C-Span in America), all these developments which are all possible will complement the existing public service broadcasting that we already have. We therefore need to think more ambitiously about how they might be funded, so that anyone who develops such an idea, who is not perhaps part of the privileged elite of publicly funded broadcasters, might be able to have access to developing their

contribution, either nationally or locally.

My thought on this is that we should consider a Public Broadcasting Service Fund. I know that this was considered whilst Peacock was doing his report. A public service broadcasting fund of the air, which I think was developed at that time, was rejected on the grounds that it might dilute or weaken the strength of BBC funding - that the universal licence fee might in some way be damaged if there was such a fund. Therefore I would be very careful to present this as not a replacement or a substitute for the licence fee. For me and for everybody else I have ever met (apart from David Elstein, who I am sure will take the opportunity of making his case this morning), the licence fee was a great British invention which has worked very well to support the BBC to provide a very high quality service.

So I am not suggesting that we should weaken or dilute the licence fee whatsoever but rather that the provision of televised or multi-media public services, beyond the provision of public service broadcasting on television, is perhaps something that we need to innovate some funding solutions in order to address. Currently, it is addressed within departments. As we know, both the DfEE and the Department of Health are considering media experiments and providing part of their government service through media. But this process has been incredibly slow. Obviously, everyone has to consider it within departments very carefully and that is why it has taken so long to develop. It may be that the opportunity that is provided with Chris Smith's White Paper and then his Communications Act allows us to consider whether a public service broadcasting fund, which people could apply for in order to provide elements of existing public services, could be an incremental addition to the role that the licence fee provides. Also it could help stimulate, through the provision of some of the goods and spirits that Chris suggested, the development of a knowledge economy around the country.

So, in a sense, one could get a double benefit – the benefit of those services being more easily funded and also the benefit of what would happen within local economies if this kind of activity were more easily accessed. Having been involved in this for at least three and a half years since I first started contributing ideas to it, I would be keen for some more fast-tracking way for these services to grow in the UK. It would seem a great tragedy if, as ever happens in Britain, we had invented these ideas earlier than many other civilised democracies, but through lack of the right vehicles we had not transferred their invention to innovation quickly enough, and they were imitated and copied and overtaken by other economies and other countries because of faster state help than we are getting in this country. So I just contribute that idea to the debate.

A View from the BBC

Dominic Morris

Following on from Chris Smith's tour de force on what public service broadcasting is all about, can I just pick up two or three points?

On citizenship, I strongly agree on both the elements of democratic news in its widest sense and education and social action. In relation to news, something I saw at the weekend struck me about both the risks that we face and almost what public broadcasting ought to be about. In the United States, the main networks, the commercial networks, are simply withdrawing from coverage of the Presidential election campaign. It is being left to the new technologies – jolly wonderful, an internet site which will be providing immense detail, but for the lobbyists, the journalists, etc. It is the political class beginning to talk to themselves. One of the core things public service broadcasting absolutely has to do is to reach out through news in all its ways, so as to engage the citizens of Britain in the wider democratic debate.

It isn't just about elections; it is about the whole gambit.

Among the challenges that all of us face is using the new media against social change – because it's not just the poor who can be disenfranchised, it's the switched off, the younger people in society, who can be disenfranchised. Being able to get to and engage with them is, I think, again core BBC – trying with our core news service, with schools and with on-line. And finding the right media – with Radio 1, trying with things like “Newsbeat” to get a series of engagements with young people at all levels.

On education, I was really interested in what Steve had to say about the market being more interested in providing public service genres. If the marketplace modernises and extends its reach, that can only be a good thing. I think your analogy, Secretary of State, with the public libraries is a good one, because public libraries have modernised as well; they have moved into new technologies; the two work very well together. I think one of the best things that we have (and I hope one of the things we will keep out of the White Paper process) is continuing strong competition in the public service broadcasting arena. It has been certainly been good for the BBC. I think it has been good for ITV and good for Channels 4 and 5 that we compete with one another. I think that mixed ecology in linear probably has a parallel requirement for a range of mixed streams of both funding and competition in the new technologies and non-linear broadcasting.

On competition and complementarity, you can't, I think, say, here is a library that can just do books and now the market will go on with other streams to do videos, the internet, etc. I think there is room in the new world and ways of addressing the digital citizen both for the traditional public services broadcasters to do things in new ways and for the market to be developing new and interesting ideas. As Stephen Timms mentioned, Chris Hopson has a competitor to GCSE Bitesize, but at the same time there exists a Channel 4

homework service and the market throwing out revision guides nineteen to the dozen. Each one of those fulfils different needs across different sections, both of the market and of society. I come back to the point that the market can be terrifically good at providing things, but can it always have different routes to reach those that may not have the money or the inclination to get it? So it is not just a supply question, it is also addressing the demand question, getting in behind people.

On culture, the third of your things, we are doing very well in the digital economy. Whatever it is, four million homes, 35% to 40% on-line penetration, etc., that's great. What I suppose, in a sense, is the cloud on the horizon is £80 billion worth of mid to big mergers going on across the world, a lot of US content, and content which has a large single market which can go round Europe and here at marginal cost. You still need, and I think will still need over the coming years (whether there is spectrum scarcity or not), investment engines for British content, both in linear and in broadband. You will still need a motive for the wider cultural industries.

It is fascinating to hear about new groups being able to launch themselves on MP3 direct onto the internet, but it is still a case of getting the marketing and the rest of it. Radio 1 launches and discovers new bands and can give them instant access. It's like Jeff Bezos at Amazon who keeps saying, "Of course I'm in bookselling, it's just that I'm spending 90% of all my turnover on marketing". You need somebody who will be behind the small, the new, and the innovative, to drive those forward.

On the Nations, I strongly agree with what Chris said about a public service role in reflecting and continuing to reflect Britain to itself. There is a modest risk of fragmentation. Society is probably more differentiated now, and certainly more diverse, both ethnically and in attitude and inclination, than it has ever been. The public service broadcasters have a role in reflecting that,

but also in beginning to create more common experience. One of the things we have sought to do (and I know Channel 4 have sought to do) is not just to reflect the political process in the nations that have gone through devolution, but also to get more of their output on network screens, so that everybody in the United Kingdom sees stuff coming from Scotland and so on. It is also about developing those cultural motors in Glasgow, in Cardiff, etc.

Finally, on Banff, this is a debate that has only just started. The new technology is different. Establishing how people will react is not something that can be done overnight. You are quite right, there isn't an overnight; we are here today; we are going to be there tomorrow. However, there are a few things that one can say. As far as the BBC is concerned, a BBC1 without news, without current affairs and without factual (in its broader sense) would not be recognisable. It's not what the BBC wants to do or thinks it should be doing. I think what you have to do (and that's part of what Mark Thompson and Greg Dyke have been talking about) is think about new ways of reaching licence payers, reaching viewers, reaching audiences. The traditional approach, where you sit and watch Euro 2000 and then you get a whacking great news after it, fine - but when you get that every night of the week, where people have all this choice, probably not. You therefore have to think about a BBC1 that covers those genres, that covers them big. It's about landmarks, it's about a series of programming that is, each one of them, an event in itself. This is about making people sit back, as we have done with "Walking with Dinosaurs", as we want to do with other big factual programmes, big arts programmes, big cultural programmes, big drama. It is about creating that sense, when there is a plethora around of non-originated content, that this is something I have not seen before, but by gosh, it looks good, I will, I must try it. It is partly, if you like, moving from choice and serendipity by just what you happen to watch, to serendipity by brand. It is a BBC1 which has said, it's big – we have stuff that you have to watch.

So would we withdraw and leave ITV entirely to be the mixed genre channel? No. Do we need to think of ways of being inventive, about maintaining that common experience that you talked about? Absolutely, yes.

A View from Channel 4

Tim Gardam

What woke me up about Chris Smith's comment was the shift from a debate which is so often dominated by means of distribution to talking specifically about content and value. I was very struck by the public library analogy because, to be honest, public libraries have been ahead of the game. They have trail-blazed moving towards a multi-platform definition of themselves, but in doing so, they have been very clear in keeping their values to the fore and their values remaining the same – essentially, to meet the hunger of a public which is not particularly interested in debates about high or low brow, but wants access to fresh ideas and to know what they are getting.

I think that a public service broadcasting must now define which of its values remain constant, in a world where the distribution and dissemination of those values is going to change and where the culture is unrecognisable to the culture that brought it into being.

I agree with Steve that there is a danger that, with the best intentions, the public service advocates might allow themselves to argue for some sort of protective heritage site - the rare butterfly that's about to be sprayed by some dangerous media chemical. I think that is a risk, because actually public service has to engage its values in the marketplace if it is going to prove that it is still worthwhile. Its role is to define that marketplace; to define television not just as a commodity and digital content not just as a commodity but as having a role in the social and the cultural market; and to define the

relationship between the two. How they interrelate, but how they are fundamentally different, is, I think, its key challenge.

The way it will be resilient in facing that challenge is, as Dominic was saying, to maintain the principle of public service competition. I think (and the BBC have recognised this) that if public service became synonymous with BBC brand values, it would be a completely diminished thing. Although it is easy to wave a Channel 4 flag in this competition, ITV's role is actually fundamental. Documentaries such as "Malcolm and Barbara" or the Stephen Lawrence trial documentary are programmes that make the BBC and Channel 4 consistently jealous – and it's a good thing that they do. Though I think the digital citizen idea is genuinely a big idea, it would be dangerous if it became the way that ITV could shuffle off its public service obligations into a series of digital system channels, as opposed to keeping them to the fore in the broad multi-dimensional channels which will be at the core of people's viewings for a long time to come.

Channel 4's role in this is of course to provide competition for the commercial and the publicly funded broadcaster alike – both, I would say, in programme content but also in business models. I think the innovation in business models which led to the growth of the independent production sector will still be vital in maintaining the diversity of content which is a key to public service.

Obviously, the role of the BBC in this is fundamental. We wouldn't be here if it wasn't for the BBC. But I think the BBC, by the very nature of its licence fee funding, is inevitably seen by the audience as the institutional broadcaster – and that brings it a lot of strengths. One academic put it to me (so I stole it from him) that the BBC is there to put the community into the individual. Channel 4, I think, is a genuinely non-conformist counterpart to that – we're there for a certain individual within the community. I think that that

dichotomy will remain as relevant in a multi-platform world as it does in the present, because that basic difference in culture is recognised by the audience and gives complementary strengths to the different broadcasters.

I also think that you can see that in education programming particularly, where the BBC's magisterial comprehensiveness is a genuine thing of great value, but where Channel 4's reputation, if you like, for the unofficial and the unauthorised gives it a licence to get to audiences which wouldn't necessarily respond in the same way to that information coming through the BBC. There is no doubt that those educational campaigns which are at the core of public service broadcasting (I think of some recent things on sex education, or adoption, or eating disorders, deploying a powerful interrelationship between on-line and on-screen) are going to be the more effective because they come with a different idiom from different broadcasters.

Those programmes I mentioned are important for the future. They point to the enduring role of the public service, recognising its responsibilities over and above those of the market. That's where we collide head on with the social inclusion agenda. I think that that agenda is going to become more important in an increasingly fragmented and individualistic society. The key for this is that although we like to trade the words 'innovation' and 'creativity' a lot, they are not themselves enough if they are not used for a social purpose. I would define that as provoking that rational, sceptical intelligence that marks out the viewer as citizen from the viewer as merely consumer. That is a precondition - that cohesive knowledge society that was talked about earlier.

In that sense, too, I think public service, and Channel 4 in particular, will continue to have a role as an emancipatory catalyst. If you look at the way the minority is brought into the mainstream, in a world where the terms of social cohesion are going to be increasingly debated and increasingly unclear, that is going to be a more important role than it was in the past. The move, for

instance, for multi-cultural programming, from being seen as minority programmes to being a reflection on modern cosmopolitan society, is a model which, I think, will continue to be very important.

As I said, the key to the diversity that the Secretary of State was outlining as fundamental to the public service contribution to the market will be underwritten by a diversity of funding and business models. The thing that strikes me as continually relevant to Channel 4 is that it has a clear remit. How remits will be quantified in the future is a matter of debate, but the key there is clarity, and the key there is a sense of accountable responsibility for the delivering of them.

The essential difference is that if, like Channel 4, you have to compete in the market but you are not answerable to shareholders, your dividend is directed at the viewer. It is your responsibility to take those risks which a pure commercial broadcaster cannot take. Essentially, the need to maximise revenue in every slot (which is inevitably the role of the shareholder broadcaster) doesn't in any way diminish the quality of the programmes, but what it does do is diminish the range and the risk. The key to Channel 4 is that, by being able to take those risks, it can sometimes identify an idea which is shown to be incredibly popular. That is picked up by the market and benefits the market. So, in that sense, one can see an emergence of public service, not from the narrow definition of market failure, but to be a catalyst to the market, a provoker of the market, pushing the market into areas which otherwise it might not go into.

That, I think, leads to the other fundamental role of public service and the business model. Channel 4 can contribute to public service by being there to grow and not to own. One sees small independent companies of yesteryear now being bought up by big players, becoming significant players in their own right. The regulatory system which is actually acting as, if you like, a

cultural venture capitalist, will be a role as vital in the multi-channel world as it has been in the conventional world that we are leaving.

So when one asks how far the system will be made redundant by the advent of digital convergence, quite a robust answer can be made. The greatest misconception will be if we try and divide on-the-screen television as the old and on-line media as the new, because actually, if you conceive of public service television as a site, it is the dream site. It is a site that takes more hits than any other site can dream of – where you’ve got 85% to 90% reach of the UK audience. They are much stickier sites. People spend much longer on the terrestrial television channels than they would spend surfing the net, coming in for 27 to 29 minutes in the hour to a particular site. The great opportunity for public service, it seems to me, is that now, for the first time, instead of saying to that audience, “Thank you very much for coming, look what we’ve got”, you can send them in different directions. That is why I think the residual power of public service is there to be tapped.

The key to it is this. Television has always been and continues to be rich in its culture content. The new media are content hungry. The key role for the public service in the digital age is to make those connections that encourage risk and diversity in content. I think public service will therefore be able to move beyond a product endangered, if you like, by the market, to stimulate the market, to galvanise creativity and to prove the potential popularity of what is imaginatively and intellectually ambitious. It will be able to do that more easily precisely because it can engage that audience, not just in watching the programmes, but in interrogating them and interacting with them.

So, in that sense, I can see a Channel 4 of the future almost as a virtual campus connecting the most exciting minds in Britain with an audience hungry for fresh ideas – and attracting those exciting minds precisely because content creators will be striving for impact in a world spoilt by choice. The

role of the public service broadcaster is that it envalues by selecting across its platforms and therefore allowing those small new production entities to forge new partnerships and attract investment elsewhere; and so it envalues the creative economy.

I would make one point about regional production. I think this is going to be the most important role in terms of the public services contribution to the social market. One of the effects of the ITV consolidation in the 1990s has been a noticeable sucking of creative talent out of the English regions (and even to an extent from Scotland) to the centre. One of the most productive areas of regulation has been the setting of targets for regional production. Channel 4 has grown in cash terms by 160% over five years and, to be honest, we have done that because it was a regulatory requirement to do so. That, I think, has been beneficial.

So I can see a role for public service investing in those small to medium enterprises and being the point of contact between those areas of the country that are hot with new on-line media enterprises but are not connecting with the more traditional on-screen television enterprises. In that interconnection you will get the new generation of broadband content, where I think the new creative revolution is going to come in British television. Being the cultural venture capitalists connecting those two things together is going to be a really important role.

So essentially, I think public service remains salient if it champions the commercial potential of creative diversity. Even if the terrain that we are going into will be unrecognisable as that of ten years ago, you will be able still to see in public service the catalyst for the most independently minded of creative talent. In that sense, the burgeoning digital market will be able to make most use of that content and create value on an unprecedented scale. That's why I think today's shift towards content – What are you going to offer on these

platforms? What is it that matters here? Don't just see it as something you can cut up and segment, think of what value the material is that you are cutting up and segmenting – is the key to making sure that public service adds value in the broadcasting terrain of the future.

The Consumer Perspective

David Elstein

The one thing I missed from this (and it may just be a design fault) is the consumer's perspective. There are about 21 people here from various broadcasting organisations and none from consumer representatives. To talk about public service broadcasting in the digital age and about digital citizenship without that perspective is to miss a very vital dimension. Because we have all been conditioned to think of broadcasting as a public good and public service broadcasting as a particular public good, with the implication that you can't have too much of it and it doesn't require any other disciplines than just to be there.

I've used the phrase 'public disservice broadcasting' to describe that aspect of this whole enterprise which declines to be accountable, declines to be transparent, declines to be cost effective, declines to answer to a very simple test. Indeed I've also differentiated between public sector broadcasting and public service broadcasting. There are good arguments for public sector broadcasting, but I think it is even more important with public sector broadcasting to apply those critical tests of effectiveness, because there is such a powerful institutional tendency, not so much to inefficiency, but to squander. The money is there to be spent, it therefore will be spent, because there is no real check on how much we should be spending.

I don't want to be a curmudgeon, and I don't want in any way to criticise the concepts that we are bringing to bear, because I sign on, like all good citizens, to the notion that, whether or not there has ever been market failure (and I doubt if there has, because we've never tested the market), there is a legitimate role, and it's absolutely legitimate for Governments to trade spectrum value for content requirements and certain ways of behaving.

What Tim just described in terms of regional production is a case in point, because on the whole in the end probably it isn't a cost for Channel 4, but it is a discipline. We should address those, and I hope the White Paper does address those. I hope that in making the case for public service and public sector broadcasting, we describe how we are going to ensure, not just transparency, accountability and cost effectiveness, but fair dealing and demonstrably acting in a pro-viewer, pro-consumer fashion – and not acting in the converse fashion in an anti-viewer way. I think those are just as important tests of the public service concept as, for example, “Is it ‘Walking with Dinosaurs?’” and “Is it genre broadcasting?”

Critical Mass

Huw Jones

I would just like to echo some of Tim's comments and the importance of the existence of organisations which have as their *raison d'être* a public service function and the ability as a result of that to bring to bear a critical mass. For example, in our case, in Wales, our very existence enables an industry to exist and we have an ability to give a lead to that industry.

But we also, in the educational sphere (which we have been touching on this morning), have an ability and a need to work with other public organisations who have a similar need, just by their very existence in terms of public service.

An example of that is what we are developing at the moment, called the Welsh Digital College, where we are working with educational institutions in Wales, with further education colleges and with the National Assembly. Take away the public broadcaster and its remit, and you don't have that critical mass, and you don't have that ability to combine remits and function.

Internet Kitemarks

Paula Carter

One of the things I was struck by in Chris Smith's speech was his description of public service internet sites, which I think is an interesting concept. Arguably, the site of the Newham constituent could be described as public service. Indeed a great many sites could be described as public service. I think there is an issue about the guidance that digital citizens need, to identify those sites that are prepared in ways that ensure that the information is accurate and reliable and impartial. One of the issues I am particularly encountering in the health field is that there are very, very many sources of health information on the internet and many of them are very unreliable. I am trying to work with the Centre for Health Information Quality to see whether there are appropriate guidelines on how we prepare information, as well as perhaps kitemarks to ensure that there is guidance for the digital citizens.