Ekonomi Media, Session 03

GLOBALISASI DALAM INDUSTRI MEDIA

TUJUAN INSTRUKSIONAL KHUSUS:
Agar setelah mempelajari bab ini, mahasiswa dapat memahami, mendiskusikan dan terampil dalam:

1. Acting Globally, Regionally, and Nationally
2. The Global Media
3. International Regulation

REFERENCE:

Ekonomi Media, Session 04

ACTING CLOBALLY, REGIONALLY, AND NATIONALLY

• The global aspect of media is very striking.
• Australian media magnate Rupert Murdoch’s various companies reach about three-fourths of the globe with satellite TV signals and even more countries with movies and TV programs.
• Global media are not just a Hollywood monopoly anymore, because in fact, some major US media companies are or have recently been owned by Japanese (Sony), Canadian (Warner Records) and French (Vivendi-Universal) companies; Mexican and Brazilian soap operas (telenovelas) reach as many countries as Friends and are far more popular in some places such as Latin America, Eastern Europe, Central Asia and South-east Asia.
• When SBC (Southwest Bell Communication) invests in or starts foreign telecommunication companies, it has to compete closely with British Telecom (Great Britain), France Telecom (France), and Telefonica (Spain) both abroad and in USA.
• Although American-made programs remain attractive to world audiences, we are seeing the emergence of global, regional, national, and local communication industries, audiences, and regulatory bodies, with a wide variety of ideas, genres, and agendas.

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Globalization of media is probably most persuasive at the level of media industry models—ways of organizing and creating media. The world is becoming a much more integrated market based in capitalist, that is, marketplace economics.

If they produce programs by drawing on US, British, or Japanese models and genre ideas, these “national” media products are still at least somewhat globalized. Roland Robertson (1995) calls such combinations glocal—local production done with global forms and ideas. Glocal is combining global ideas or forces with local ones.

1865 ITU (International Telecommunication Union) started as the International Telegraph Union
1914 World War I permits the US to pull ahead of other film producers and distribution
1948 UN founded, ITC incorporated into it
1970s Corporate trans-border data flow begins to connect global operations even before Internet
1972 UNESCO study finds that most countries import a large percentage of their TV from the US
1976 UNESCO hosts critical discussion for proposals for a New World Information Order
1983 US pulls out of UNESCO to protest its critique of the global media irregularities across borders
1990 Satellite TV begins to compete with national control of television
1994 The Zapatista revolt issues its communiqués by fax and Internet to bypass the Mexican government and reach sympathizers around the world
2003 ITU hosts World Summits on the Information Society to promote use of Internet in poorer countries

Regionalization of media is growing as well. In several regions of the world (such as Europe, North America, and the Middle East), magazines, newspapers, and books have transported easily across borders for centuries. Today, radio, television, and satellite television signals also spill directly from one country to its neighbor.

Regionalization links nations together based on geographic, cultural, linguistic, and historical commodities.

In ASEAN, APEC, EU and NAFTA (North American Free Trade Agreement) regions, many agreements have negotiated to handle such media border crossings.

Cultural Proximity

Cultural proximity is the desire for cultural products as similar as possible to one’s own language, culture, history, and values. Now, the people there and elsewhere tend to look for television programming, Internet sites, and music that are more culturally proximate.

Cultural proximity is the preference of audiences for media in their own language and culture.

Besides language, other aspects of culture are important in defining audiences such as jokes, slang, historical references, political references, gossip about stars, and remarks about current people and events are often culture specific.

In many cases, cultural-linguistic markets are emerging at a level smaller than global but larger than national. The market build on common languages and common cultures that span borders.
National Production

• Although global and cultural linguistic markets for media are all increasingly important, the main point at which media are created, regulated, and consumed remains the nation state.

• However, nations very considerably in what they can or will do to create more media content than small, poorer nations. National governments can help media grow or can hinder them. National goals for media, reflected in government policies, are often very different, and they significantly affect how media are structured and what they create.

THE GLOBAL MEDIA

• A handful of firms dominate the globalized part of the media system. The six largest are Time Warner (US), Disney (US), Bertelsmann (German), Viacom (US), Rupert Murdoch’s News Corporation (Australian), and Sony/Columbia/TriStar (Japanese). The other five main global firms are Comcast (US), Microsoft (US), and two media groups that are part of larger industrial corporation: General Electric/NBC/Universal (US) and Seagram-Universal (Canadian). Of the top 10 global media firms, then, six are American.

• Behind the top global firms is a second tier of three of four dozen media firms that do between $1 billion and $8 billion yearly in media-related business. These firms tend to have national or cultural-linguistic strongholds or to specialize in specific global niches, as the BBC specializes in news. Some are American (including Gannett, Advanced, and Cox). Most of the rest come from Europe (Hachette, Havas, EMI, Reuters, TF1, Mediaset, RTL, RTL, BBC) or Canada (Rogers, Shaw), and a handful are based in East Asia (NHK, TVBB, Fuji, Nippon TV, Asahi, Chinese Central TV) and Latin America (TV Globo, Televisa, Clarin/Argentina).

• It is no stretch to add computer media, and telecommunications so we should as Google, Yahoo!, game companies Nintendo and Electronic Arts, and SBC, Verizon, Deutsche Telecom, France Telecom, and Telefonica.

• Some media industries, such as the Hollywood film and TV studios represented by the Motion Picture Association of America, have long been global in their operation and scope. They have controlled a number of companies in other countries that distributed and exhibited (in theaters) the films produced in the US.
• Record companies are similarly structured except that they have a more diverse set of origins and an even more international ownership. More of the big five are officially based in the US; the main firms are: Warner-EMI (Canada), Sony Music Group (Japan), Vivendi-Universal (France), and Bertelsmann’s BMG Entertainment (Germany). Major recording companies are also based in Great Britain (Thorn) and the Netherlands (Philips). These companies have consolidated across borders. Philips now owns PolyGram (formerly of the united Kingdom), Bertelsmann now owns RCA (formerly of Matsushita-Japan, originally US).

News Agencies

• News has been flowing across borders in one medium or another for a long time. Many early newspapers and newsletters installed correspondents in other countries so that they could publish foreign news for their readers.

• International news flow took a significant step forward in speed and volume with the development, in the 1980s, of newswire services based on the then-new technology of the telegraph. The Associated Press (AP) developed as a cooperative of American newspapers. Reuters grew to cover international news for the British Empire. Agence France Presse (AFP) was a joint government-private agency that served primarily France and its former colonies but also grew into third primary international news source.

• As radio and television became the dominant news media in many countries, the wire services developed material for them, and, later, so did satellite news channels like CNN. Now, news agencies, particularly Reuters, are beginning to bypass the middleman, like newspapers and TV networks, and reach readers directly via the Internet.

Radio Broadcasting

• Broadcast media take on increased importance, because the print media’s reach is limited in many countries by low literacy and income levels, such as in Asia and Africa.

International radio

• In some of poorest countries, where domestic radio stations don’t cover all the country, people in remote area listen to international broadcasters. Such international radio is usually on shortwave frequencies that can carry across thousands of miles, compared to the limited range of FM and AM radio such Africa One, Voice of America (VoA), Radio France, and the BBC.

• Most international radio has been broadcast by governments over shortwave for largely political and public relations purposes—what has sometimes been called public diplomacy—trying to reach and influence public opinion in other countries. The main examples historically were VoA, Radio Moscow, and Radio Havana. Some international radio also has been broadcast for religious reasons (by Vatican Radio and several American Protestant groups, for instance) and for commercial entertainment, news, and advertising (such as Radio Monte Carlo, run in the Middle East by the French company Sofirad).

National radio

• In More developed countries, national and local radio becomes much more important than international radio. However, radio in most places is tending to become more local. Radio is a good local medium because its production costs are only fraction of those for television. Audience desire local news, local weather and information, local talk shows, and local music. In Wales, England, some radio stations try to attract people to listening in Welsh in order to help keep the language alive, and sell ads to the locals. In Jakarta and other big cities, we find the Radio Dangdut TPI network as a special local music.
Music

• The strength of national & local radio has a great deal to do with a revival in national and local music around the globe. Music around the world seems to be both the most globalized and the most localized of media. Travelers to almost any country will hear a great deal of American and European music, but they will also hear an astonishing variety of local music—nearly all cultures (and economies) have a musical tradition (and market niche).

• There is a truly global music industry, based primarily in the US, that speaks to a globalized youth culture. But there are also thriving national and regional music industries, with a wide variety of genres and audiences, that also remain popular in most countries.

• The international music trade is dominated by several major international companies. These are Seagram-Warner, Universal, Sony, EMI, and Philips. They import and sell dominantly American and European pop music around the world. In many countries and region, however, they also record and sell works by national or cultural-linguistic market artists. So global firms end up selling both global and local music.

Film

• Films are perhaps the most globalized and the most difficult to produce on a sustained national basis. First, film is a relatively expensive medium to produce. Second, the economic success of a film is never guaranteed, so it represents an expensive, risky investment to the producer, investors, and other funding sources. Third, the distribution channels that enable a film to make money have been globalized to a degree unlike that of any other medium.

• The US dominated international film production and distribution since World War I (1914-1918). Both world wars disrupted a number of the other major international film producers (Italy, Germany, Japan, France, and Great Britain) and cut off their industries from world trade in films.

Video

• In many countries, films are now most commonly seen on video or on television, rather than in cinema houses. In the more affluent parts of most countries, increasing numbers of the middle class and economic elite have VCRs, DVDs, and satellite or cable TV as well, since they are supplied by the same Hollywood firms that dominate theatrical distribution.

Television

• Compared to print media, television broadcasting in many countries is far more divided among public, governmental, and private ownership. Because most broadcasters use the scarce of VHF of the radio spectrum, relatively radio channels are available and fewer people or groups can be involved. Television is also very expensive, too expensive for private media to make it profitable in some small, poor countries. Almost all governments get involved in planning who goes to own or operate radio or television stations, which also leads them to get involved in controlling content.

• In many countries, including most of Western Europe, either governments or not-profit public corporations have tended to operate television broadcasting, with little or no private competition. The goal of public broadcasters has been to use broadcasting to promote education and culture. An example is the BBC in Great Britain. The public broadcasters in Europe, Japan, and in USA by Public Broadcasting System (PBS) and National Public Radio in creating more educational, informational, and cultural programming. However in some countries, such as Italy, public broadcasters sometimes have let political parties control their news and information programs.

• State broadcasters are usually supported from government funds. Public radio and television networks are often supported by audience license fees. In Canada, Central America, and South America broadcasting has mostly been privately owned, in part because of the strong influence of US media corporations and advertisers, who promoted commercial approaches in the 1930-1940s.
INTERNATIONAL REGULATION

- **International media and telecommunications** systems are regulated differently from national media systems. As with most aspects of international law, there is no direct enforcement power, and regulation requires a consensus among nations that the proposed regulations or changes serve their various interests. The **International Telecommunication Union (ITU)** is one of the organizations that have established technical standards, so that users of telegraph, telephone, fax, and electronic mail equipment in various countries can communicate with each other across borders.

- **The ITU faces some of the same crucial regulatory problems** that individual nations must solve within their borders. For example, radio spectrum frequencies have to be allocated to different uses in various nations to avoid interference between users.

- **The Internet has posed interesting challenges to international regulation.** It has required some new regulatory mechanisms for basic tasks like setting standards and assigning domain names, such as ICANN, ISOC, and IETF. Other tough regulatory issues for the global Internet like setting and collecting taxes in Internet commerce.

- **The Internet is challenging not only global rules but regional ones like the privacy rules of the European Union.** It is perhaps even more challenging to the internal rules of a number of countries. Nations as varied as Saudi Arabia, China, and Malaysia have tried to create restrictions on access to and use of the Internet in order to protect political control, national cultures, and religious.

- **China has been much observed and commented-on example of a country that has tried to embrace the Internet for electronic commerce, while restricting its use to the flow of political information into china.** In contrast, **Saudi Arabia** has been more concentrated with the affront to **Islamic values** created by easy access to pornography over the Internet—an issue that also vexes many in the US Congress.