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chapter 3

The Collection and Flow of World News

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The collection of news around the world has come a long way since James Gordon Bennett, founder of the *New York Herald* in May 1835, retained Daniel Craig's carrier pigeon service to fly in news reports from distant points. Although faster than any other mode of news collection used earlier, this service was not always reliable, even though Bennett provided his own pigeons to Craig. The aggressive penny newspapers of the 1830s, each wanting to be the first in providing news and more of it, turned to pony express runs to transport news stories between cities. By 1836, the express pony service provided by the postal authorities could transport important news stories between New York and New Orleans in less than seven days. Today, news agencies using state-of-the-art telecommunications facilities—telephone, computer, cable, radio, mobile antennas, and satellite circuits—can transmit up to 12,000 words per minute between any two points on the globe. On a typical day, the Associated Press (AP), for example, is said to deliver 20 million words and hundreds of photos and graphics.

The dissemination of such a heavy volume of news and information with an incredible speed might suggest that all parts of the world are well represented in the flow of news, but that is not the reality, as this chapter will explain. An ongoing debate since the early 1970s has revolved around complaints of developing countries that there is an inequity in the quantity and quality of news flowing between the North (the rich, industrialized, developed countries) and the South (the poor, developing countries). Studies have also found that even among the advanced industrialized countries of the world, some receive more attention on a consistent basis than others in the coverage of news. Systematic investigation of the patterns of news flow around the world and factors that influence them has received much scholarly attention for several years.

Before addressing the issues related to the flow of news, this chapter will focus on the big players in the area of news collection and the emergence of regional news

agencies around the world. First the need for news agencies is briefly discussed and the origins of the major international news agencies are traced to understand the circumstances and forces that have shaped their contemporary operations.

NEED FOR NEWS AGENCIES

Something of a revolution in journalism occurred when inexpensive newspapers made their appearance on both sides of the Atlantic in the first half of the nineteenth century, starting with the penny press of New York City in the 1830s. The French saw their own versions of the so-called "cheap press" in 1836, and 19 years later, following the final abolition of the newspaper stamp tax, British publishers ushered in the penny press era. Until the introduction of the penny press, newspapers had been concerned more with principles and polemics out of loyalties to political parties or special interests than with "news" for its own sake.

The market for "news," however, was ripe by the 1830s. In America, it was attributed to the emergence of what sociologist Michael Schudson (1978) calls a "democratic market society." More Americans were interested in business and politics than ever before. In business, this movement was expressed in the growth of a capitalistic middle class; in politics, it was known as the Jacksonian or "mass" democracy. The penny press in America, Schudson argued, was the product of this new spirit of individualism in business enterprise and independence in politics. In France, the growing middle class began to resent the fact that only 200,000 people could vote under the limited monarchy of Louis Philippe. Newspapers became a vehicle to push the public's demand for more democracy. In Britain, lowered newspaper production costs, as a result of the removal of the stamp tax, enabled the penny press to emerge in the 1850s to cater to a large, urban middle class.

As demand for news grew, it became clear to newspaper publishers in America and Europe that no publication in any country had the financial and technical means to gather, transmit, and ensure the rapid reception of all the news demanded by its readers, whose curiosity was expanding with their education. Thus, the birth of the mass-oriented penny press was a very important factor in the development of news agencies. By selling their product to an increasing number of newspapers, news agencies could supply a large amount of news at less expense than a newspaper would have to incur if it were to gather such an amount of news on its own. News agencies also had better financial resources to invest in technical facilities, such as the telegraph, than an average newspaper did to transmit the news as quickly as possible.

News agencies have evolved rapidly since their introduction just over 140 years ago, a process that has been greatly facilitated by the phenomenal improvement and general spread of telecommunications. Today, no news organization that aims to inform its consumers about world events can afford to be without the services of at least one major news agency. Even for domestic news, a news organization could not ensure that it has access to all the important news, regardless of the number of its own correspondents, unless it subscribed to at least one news agency. Most news organi-

zations, especially those aimed at people in large, urban areas, typically subscribe to more than one news agency.

When it comes to "foreign" news, only the great international news agencies have the financial and technical resources to establish the necessary infrastructure for gathering and transmitting all the essential news of the world in the shortest possible time. Indeed, in view of the prohibitive costs involved in maintaining correspondents abroad, it is difficult even for large news organizations, such as the *New York Times*, to be totally self-reliant in covering international news. And the greatly increased number of news centers throughout the world does not make matters easier. News agencies, therefore, have become indispensable for any news organization wanting to inform its consumers of all the key developments at home and abroad.

DEVELOPMENT OF NEWS AGENCIES

Five news agencies—AP, United Press International (UPI), Reuters, Agence France-Presse (AFP), and TASS—have been the major world agencies, although the status of UPI is increasingly in doubt, and TASS has lost its former status when it was a global news outlet of the Soviet Union. According to UNESCO, a truly international news agency maintains a network of correspondents to collect news in a great number of countries and a headquarters staff that edits these news items, as well as domestic news, and dispatches them to subscribers as quickly as possible. Such agencies use extensive telecommunications facilities to receive and transmit their services. The development of the international agencies is discussed next in the order of their creation.

Agence France-Presse

The origin of news agencies goes back to 1835. In that year, a young Frenchman, Charles-Louis Havas, created the Havas Agency in Paris, predecessor to the current AFP. Havas had organized a news distribution service 10 years earlier, which was used mostly by merchants and government officials. His success in getting newspapers to subscribe to the Havas Agency is attributed to the emergence of "cheap press" in France, with *La Presse* in 1836. The demand for news was up, and Havas moved to satisfy it. He increased the number of his correspondents, provided a speedy translation of foreign newspapers, and most of all, improved his communications by using the newly invented telegraph. By 1860, he had expanded his news network all over Europe and concluded agreements with the English Reuter agency and the German Wolff agency for cooperative news exchange. Speed of communications was one of the major factors that persuaded newspapers in most parts of Europe to subscribe to the Havas Agency.

In 1879, Havas Agency became a joint stock company, with separate news and advertising branches. The introduction of the advertising branch was a business strategy by Havas, who bartered his news service for free space from newspapers that could not afford to subscribe to the agency. He would sell this free space, in turn, to advertising clients.

Faced with Nazi aggression, the French government purchased the agency's news branch in 1940 to set up a propaganda office at Vichy. When the Germans came, they took over the agency and turned it into a part of the official Nazi news agency, DNB. In 1944, following liberation from occupying Nazi forces, the Havas Agency was given its present name of Agence France-Presse. In 1957, the French parliament passed legislation guaranteeing independence to the AFP.

The Associated Press

The AP grew out of the Harbor News Association formed by six New York City newspapers in 1848 to share the cost of collecting news by means of "news boats," which met incoming ships from Europe. Thus, the Harbor News Association was essentially a news-gathering cooperative, which continues to be the operational policy of today's AP. Following merger with another news agency, the Harbor News Association became the New York Associated Press in 1857. This news cooperative never had more than seven members, all of them New York City newspapers.

To cut telegraphic costs, the New York AP formed news exchange agreements with groups of newspapers in other parts of the country. It distributed the most important news to them, including news from Washington, D.C., and overseas. To this, each group added regional coverage. One such group, the Western Associated Press, withdrew from the cooperative in 1885 and went on to form the AP, incorporated in Illinois, in 1892. The New York AP, which had fought this reorganization, lost and went out of business the same year. The AP expanded rapidly, with 700 newspapers subscribing to its service by the mid-1890s. In 1900, the AP was reorganized and incorporated in New York, where its headquarters have been ever since.

Two changes have taken place in the AP organization since 1945. In a historic decision that year, the U.S. Supreme Court held illegal a clause in the AP bylaws under which members could block the effort of a competitor in the same city to obtain the AP news service through election to membership. As a result of the court ruling, the AP membership was opened to all qualified U.S. newspapers. In 1946, radio stations for the first time were granted associate membership of the AP, which allowed them to subscribe to its regular service. Previously, radio stations could subscribe only to a subsidiary service designed exclusively for them.

Reuters

Reuters's founder, Paul Julius Reuter, was a German immigrant to Britain who set up his telegraphic agency in London in 1851. From a two-room office just outside London Stock Exchange, he began his telegraphic transmission of stock market quotations between London and Paris using the first undersea cable. This followed the success of his pigeon post in delivering stock prices on the Continent.

Reuter soon extended his service to other European countries, expanding its content to include general and economic news. At first serving only financial institutions, Reuter was by 1859 supplying all leading British and many Continental European

newspapers with general news. The early Reuter business quickly spread. Branch offices sprang up throughout Europe and beyond as the international telegraph network developed. By 1861, Reuter agents were located in Asia, South Africa, and Australia. By 1872, Reuter had established a presence in Japan.

A family concern until 1915, the agency became a private company later that year with its current name of Reuters Limited. In 1941, following acquisition of a substantial amount of the Reuters stock by British press associations, the agency became cooperative property of the British press. In 1947, the Australian Associated Press and the New Zealand Press Association became partners in Reuters. Reuters share ownership is now spread around the world, with the most significant holdings in Britain and the United States. A 15-member Reuters board of directors oversees the agency's operations.

TASS

Shortly after the Bolshevik revolution of 1917, a news agency, ROSTA, was created to distribute official communiqués and news items, as well as send out propaganda material to the press in areas under Bolshevik control. The Telegrafnoe Aгенство Sovetskavo Soiuzu (TASS), with its headquarters in Moscow, replaced ROSTA on July 10, 1925. Under the Soviet media structure, TASS provided federal, state, and foreign news to national media and to each Soviet state's local news agency. Ever since its founding, TASS has been a government-controlled and financed news agency, although its status has changed with the fall of communism and disintegration of the Soviet Union.

After the breakup of the Soviet Union in the last days of 1991 and the forming of the Commonwealth of Independent States (CIS), TASS lost its affiliate news agencies in the ex-Soviet republics, which became independent agencies. In December 1991, the Russian Supreme Soviet adopted the "Law of the Press," which abolished censorship for the first time in Russian history and gave people the right to read any publications they desired. A number of media organizations, however, were classified as "official," to be financed by the state budget. TASS was identified as one such "official" organization, although its director-general, appointed by President Boris Yeltsin, expects it to operate in an objective and professional manner. In February 1992, the agency's name was changed to ITAR-TASS following its merger with the Russian Informational Telegraph Agency.

UPI

Edward Wyllis Scripps, who owned a chain of afternoon newspapers and could not gain membership in the AP, started his own news service in 1907 called the United Press Association (UP). Unlike the AP, the UP was started as a profit-making agency, so it began to compete fiercely with the AP and developed its foreign news service. In 1958, it merged with William Randolph Hearst's International News Service to become the UPI, which has been the AP's main U.S. rival.

As a result of huge losses, the UPI has changed hands several times since the early 1980s. It was sold to Media News Corporation, a group of American newspaper and television executives, in June 1982. Key news operations were shifted at that time from New York to Washington. The agency, however, continued to lose money and in 1985 filed for bankruptcy. In 1986, the agency was purchased by a Mexican publisher, Mario Vazquez Rana. Vazquez turned over control in early 1988 to an investor group, Info-technology, Inc., which also controlled Financial News Network. All three firms were plagued by insufficient cash flow. As a result of its 1991 declaration of bankruptcy, UPI was purchased by owners in Saudi Arabia in 1992.

RISE AND DEMISE OF NEWS CARTEL

An interesting phenomenon occurred in the collection of news in 1869, when Havas, Reuters, and the German Wolff news agencies signed a "Treaty of Alliance" to carve up the world into news zones, in each of which one of the three agencies had an exclusive right to gather and distribute news. They also agreed to exchange their services. The alliance was forced by the need to cover the greatest possible number of countries, which no single news agency could do at the time because of limited financial resources. Under the agreement, Reuters was assigned the nations in the British empire as well as those in the Far East; Havas, the French, Spanish, Italian, and Portuguese empires; and Wolff, the holdings of Germany, Austria, the Netherlands, Scandinavia, and Russia. As a result of this agreement, Havas ultimately assumed a dominant role throughout Latin America.

In 1893, the AP agreed to join the European cartel, thus receiving the right to distribute the dispatches of Reuters, Havas, and Wolff in the United States. The agreement prohibited the AP from selling its service outside the United States and restricted its news gathering operations outside the United States to Canada, Mexico, Central America, and the Antilles. The first challenge to the cartel came from the United Press, which soon after its establishment in 1907 moved independently to sell its service abroad, first to Britain and then to Japan. At the outbreak of World War I, its service also came in demand in South America. Not wanting to be left behind, the AP signed an agreement with Havas in late 1918 to sell its service in South America. In 1926, the AP concluded a similar agreement with Reuters to allow it to operate in Japan and China, although both agreements came after considerable resistance from Havas and Reuters. The Wolff agency ceased to exist in 1933. The closure of Wolff and operational disagreements among the remaining three members led to the formal breakup of the cartel in 1934.

The demise of the cartel has meant that in the new competitive environment only the fittest can survive. The competition has resulted in a greater choice of news stories on a given issue and a more comprehensive coverage of the world. It has also forced the news agencies to be innovative in providing news-related and specialized services, as may be seen from a review of the contemporary operations of the international news agencies.

INTERNATIONAL NEWS AGENCIES TODAY

AP

The AP continues to be a nonprofit news cooperative, owned by its 1,551 member daily newspapers and about 6,000 member broadcast outlets throughout the United States as of November 1993. The AP says it serves 98.8 percent of daily newspapers in the United States, representing 99 percent of the newspaper circulation. In addition, 230 nondaily newspapers subscribe to the agency. According to the AP, 1 billion people hear or read its news every day.

Member papers send copies of their stories to the AP, generally by computer; the AP rewrites many of these stories and transmits them to its members (and to subscriber news organizations abroad), along with stories and photos provided by the AP's own staff in the United States and abroad. The agency's photo service, offered since 1935, has been expanded to include a graphics service providing maps, illustrations, and charts related to breaking news stories. Its PhotoStream system links up with "electronic darkrooms" at many papers. This digital process enables newspaper editors to edit photos—adjust size, shape, contrast, and color—on a computer screen before sending them on to production.

The AP has offered a separate sports wire since 1946. A domestic business news wire provides specialized coverage of business, labor, economics, and finance. Supplementing this is AP-DJ, a specialized financial and economic news service distributed abroad by a partnership of AP and Dow Jones & Co. Press Association, an AP subsidiary, provides the AP news to more than 1,000 private subscribers. Another subsidiary, Wide World, makes the AP's photo library and specialized photo services available to non-member publications and clients.

The AP has 143 domestic and 91 international news bureaus in 71 countries and translates its service into five languages. It has a total of 8,500 foreign subscribers in 112 countries. Its total number of employees is 3,157, with 2,411 in the United States (including 160 in Washington, D.C.) and 746 overseas. In 1993, the agency had a budget of \$372.8 million. The AP membership elects its board of directors, which serves as the governing body of the company and oversees its budget.

UPI

Although the UPI has not turned a profit since 1963, it began to experience serious financial difficulties starting in the late 1970s. Owner Scripps Howard sold the agency to a group of American media executives in June 1982 and, as noted earlier, it has changed hands several times since then. Its current owner is a London-based media company, the Middle East Broadcasting Center (MBC), controlled by interests in Saudi Arabia. Although the UPI's Saudi owners have promised to rebuild it, the succession of owners over the past 12 years has resulted in a deterioration of the agency in terms of the size of its business, staff, and reputation.

Staff layoffs began in late 1987, with 350 positions cut by the end of 1988. In late 1991, the UPI drafted a business plan that called for a 51 percent further cut in staff

and the paring down of domestic news coverage to 16 states. In August 1993, the agency offered a voluntary employee buyout plan to 200 employees as it reported losses of as much as \$1 million a month. At the same time, the UPI placed help-wanted advertisements in several American newspapers seeking stringers for its new regional setup.

All the cutbacks and turmoil at the UPI have resulted in a steady loss of clients. When Scripps sold the agency in 1982, it served some 960 newspapers and 3,700 broadcasting stations in the United States. It also served approximately 2,200 media in 90 countries. In late 1990, the UPI was down to fewer than 400 newspaper clients in the United States, although the total number of media, business, and government subscribers was put at 3,000. By June 1992, the agency had only 2,000 clients around the world. No figures on the scope of its operations and the number of its clients were available from the UPI at the time of this writing in early 1994 because of "proprietary reasons." It should also be noted that the AP, Reuters, and Agence France-Presse no longer consider the UPI to be a major competitor.

Reuters

Unlike other major international news agencies, Reuters dedicates the bulk of its resources to serving banks, brokers, and other organizations involved in financial markets, although it is also heavily involved in supplying news services to the world's media. Reuters gathers information from around 180 exchanges and over-the-counter markets, from some 4,000 customers who contribute data directly to Reuters, and from a network of about 1,200 journalists, photographers, and cameramen. Most of the Reuters staff of 10,426 are employed in the financial and information products divisions.

As of June 1993, Reuters had 123 news bureaus in 75 countries, including 18 in the United States. Reuters has a greater presence in the United States now because it must gather its own news and photos after ending a long-standing cooperative agreement with the UPI, which has lost a number of clients because of operational difficulties. Reuters has customers in more than 130 countries; most are business clients receiving screen-based services. The total number of subscribers is 29,297.

The agency's news service, known as the Reuters World Service, is primarily an English-language service for newspapers, broadcasters, and nonmedia organizations throughout the world. In some countries, Reuters provides this service to national news agencies, which translate its contents into other languages for further distribution. Produced by editing desks in New York, London, Hong Kong, and Nicosia, the World Service contains international stories as well as regional and domestic news. About half of the 150,000 daily word count is filed to all customers, while the balance differs according to the news requirements of each region. Regional services are offered in French, German, Spanish, and Arabic. Reuters's other media services include news graphics, news pictures, and television news.

Because three-fourths of Reuters's revenue comes from services provided to financial markets, it has invested heavily in the development of computer technology and softwares to provide such services to traders, brokers, dealers, analysts, and in-

vestors. The systems in use include the Reuter Monitor Service, bringing computerized information to the foreign exchange markets; the Reuter Monitor Dealing Service, bringing transactions to the screen; Dealing 2000, personal computer-based "intelligent" work stations available to foreign exchange dealers; Instinet, offering screen-based transaction facilities to equities dealers; and GLOBEX and the second phase of Dealing 2000, introduced in 1992, offering international computerized matching systems for futures, options, and foreign exchange.

Agence France-Presse

The AFP continues to be a big player in international news dissemination. It provides news in English, French, German, Spanish, Portuguese, and Arabic. It has five news wires in English, targeted to different regions of the world, with each carrying 60,000-90,000 words daily. Five of the six French news wires are targeted similarly, ranging from 50,000 to 120,000 words daily. The agency also provides 250 photos, six news graphics in four languages, 15 audio spots in French, and a variety of special services on a daily basis.

The AFP says it has 12,500 subscribers worldwide, including 1,146 media clients, as of early 1994. The media clients are broken down as 650 newspaper and periodical publishers, 400 broadcasting stations, and 96 national news agencies. Financial institutions, governments, and public and private organizations form the rest of the subscribers. The agency's regional headquarters in Paris, Washington, Hong Kong, and Nicosia supervise news operations in Europe, the Americas, Asia, and the Middle East, respectively. It has 1,100 staff correspondents and photographers, and 2,000 stringers provide news from bureaus in 129 countries.

The AFP has built a unique niche among the international news agencies for its photo service, which is recognized in the industry for its unique angle on sports and general and international news. It claims to be the first such agency to design and install a complete system of digital photo transmission, which delivers the photo five times faster than with analog systems. The agency transmits 50,000 photos a year, all in color, to subscribers around the world by satellite. Major American media organizations subscribe to the AFP's photo services. The agency says that it reaches some 22 million people in the United States daily through its photos alone.

The AFP's special services include the AFP-ECO news wire, which carries 50,000 words daily of economic news from around the world. AFP-FINANCE news wire carries 15,000 words daily on international share prices, trends, and exchange rates. AFX, a joint venture between the AFP and Exel News Limited of London, provides economic and financial news in English. A separate sports news service provides 25,000 words of coverage of the French and international sports scene.

ITAR-TASS

Ever since its founding, TASS was considered a key arm of the Soviet propaganda machine, always portraying national and international developments from the Marxist-Leninist perspective. Speed, timeliness, and objectivity were not critical criteria in news

coverage, as they were to its Western counterparts. Often, it "sold" its service free of charge to media in developing countries that had socialistic political systems or were possible candidates for conversion to such a political philosophy. Author Theodore Kruglak (1962) wrote that a number of TASS correspondents overseas worked as intelligence operatives on behalf of the Soviet intelligence agency, the KGB.

The collapse of communism and the Soviet empire, and the emergence of democracy in Russia, should have given ITAR-TASS the necessary freedom to operate as an independent, reliable news gathering service, but that has not been the case so far. It continues to be classified as an "official" organization by the Russian government, receiving most of its finances from the state. ITAR-TASS's Director-General, Vitali Ignatenko, appointed by President Boris Yeltsin, said in an interview with the London-based International Press Institute in 1993 that Yeltsin did not make any "visible effort" to censor any of its material. Ignatenko also complained, however, that despite the abolition of censorship and other official restraints over the media in Russia, there was still a political desire to make use of the media because "[t]he feeling remains very strong that those who control the media control the country." Ignatenko noted that the new Russia does not need a news agency like the old TASS, adding, however, that "bad habits die hard" (International Press Institute 1993, p. 50).

Ignatenko wants ITAR-TASS to inform people of all important events in a professional manner and to exclude any manipulation of opinion. The agency has the necessary potential to compete with other wire services with its 1,300 reporters, editors, and photographers in 113 countries, 1,200 foreign subscribers, and an annual budget of \$160 million. It remains to be seen whether it will live up to Ignatenko's expectations.

Meanwhile, ITAR-TASS has faced stiff competition from two agencies, *Interfax* and *Postfactum*, formed in late 1989. *Interfax* established its credibility during the attempted coup in August 1991, when it became a major source of accurate and reliable information to subscribers via FAX machines. The leadership of TASS, on the other hand, was said to have willingly cooperated with the plotters of the coup in carrying out their orders.

SUPPLEMENTAL NEWS AGENCIES

Supplemental wire services have fulfilled a need in American journalism normally not met by the conventional news agencies such as the AP and the UPI, and have been excellent in providing spot news. David Shaw (1988) of the *Los Angeles Times*, who has been covering the American media for years, says that reporters who like to write investigative stories or other stories that challenge the establishment generally complain the most about traditional wire services such as the AP or UPI. One reason these agencies do not encourage controversial stories, especially investigative stories, is that they serve customers with so many political perspectives. Newspapers needing more specialized fare—such as hard news exclusives, investigative reporting, political commentary, and concentrated business coverage—turn to supplemental wire services.

The major supplemental services in the United States are the New York Times

News Service, the *Los Angeles Times-Washington Post News Service*, and *Dow Jones News Service*. Founded in 1917, the *New York Times News Service* has more than 500 subscribers in 54 countries. Most of the copy for this service is provided by the *New York Times's* 30 foreign correspondents, 40 Washington bureau staffers, and the city room. The *Los Angeles Times-Washington Post News Service*, which began in 1962, has more than 600 clients in 56 countries and is served by 65 foreign correspondents of the *Times* and the *Post*, their Washington bureaus and local staffs, their other U.S. bureaus, and the news services of the AFP and the *Guardian* of London.

Introduced in the 1890s, the *Dow Jones News Service* continues to be recognized as the premier business and financial news wire for brokerage firms, banks, investment companies, and other businesses. AP-Dow Jones, a joint venture with the AP that provides international economic, business, and financial news, distributes its services to more than 26,000 terminals in 63 countries. Other important supplementals include *Copley News Service*, *Cox News Service*, *Gannett News Service*, *Scripps-Howard News Service*, *Knight News Tribune*, *Field News Service*, and *Newhouse News Service*.

VIDEO AND AUDIO NEWS SERVICES

Visnews and *World Television News (WTN)* have been the key players in the international television news agency business, although there are several others suppliers of footage to end-users. *Visnews* was established in 1957 with the aim of providing independent news coverage to television broadcasters worldwide. Acquired outright by *Reuters* in 1992, *Visnews* claims to be the largest television news agency in the world. Its daily coverage, provided by more than 500 staff members, is estimated to reach some half-billion households worldwide, via more than 650 broadcasters in over 80 countries. News coverage is sent to subscribers by a series of daily satellite news feeds. In Europe, *Reuters Television* operates the only news-dedicated satellite service that delivers to broadcasters regular news feeds and news flashes throughout the day, often live from the story.

WTN is 80 percent owned by *Capital Cities/ABC*, with 10 percent belonging to *Britain's Independent Television News*, and the remaining 10 percent to *Channel 9* in *Australia*. WTN serves as the video wire service for over 1,000 clients worldwide. CBS operates a profitable foreign operation called *Newsnet*, which is classified as a news agency by the *European Broadcasting Union*. By mid-1993, *Newsnet* had established business relations with some 30 European broadcasters and several others around the world. *Cable News Network (CNN)* and the *British Broadcasting Corporation (BBC)* also sell news footage to clients in many countries. Television news is also supplied by *National Broadcasting Company (NBC)*, *American Broadcasting Company (ABC)*, and the *Japanese and German news agencies*. The AP had plans to offer a separately staffed video news agency before the end of 1994. The UPI was considering a joint venture with its parent company, *Middle East Broadcasting Co.*, which produces and supplies general television entertainment and news programming targeted to Arab populations in Europe, the Middle East, and Africa.

In radio, the AP operates the AP Network News, the largest single radio network in the United States. This audio service, which provides voice feeds and actualities to supplement the broadcast wire, was created in 1974 and reaches nearly 1,000 AP broadcast members. As of early 1994, the UPI was also continuing to provide voice feeds and actualities in addition to its broadcast wire, but the number of subscribers was not available. Dow Jones's two radio networks offer "The Wall Street Journal Report," sold primarily to AM stations, and "The Dow Jones Report," heard primarily on FM stations. Together, these programs are carried on more than 160 stations for a combined coverage of nearly 90 percent of the United States, including all of the top 50 markets. "The Enterprising Manager," a new series of three weekly programs designed to assist small-business owners, is now heard on more than 40 stations.

INTERNATIONAL NEWSPAPERS, MAGAZINES, AND BROADCASTERS

Besides news agencies, several international newspapers, magazines, and broadcasting organizations play an important role as purveyors of news globally. Three newspapers that are believed to be especially important among opinion leaders around the world are the *New York Times*, the *Times* of London, and the *Guardian*, also from England. *The International Herald Tribune*, based in Paris, is printed simultaneously via satellite at ten locations worldwide and distributed globally. It had a circulation of 178,002 in 1993. Much of its copy comes from the *New York Times* and the *Washington Post*, which, along with Whitney Communications, own this newspaper. *The Wall Street Journal*, the flagship publication of Dow Jones and Company, is the global business daily. With the *Wall Street Journal Europe*, published in Brussels, and the *Asian Wall Street Journal*, published in Hong Kong, worldwide circulation is more than 1.9 million. Another prestigious global business newspaper is the *Financial Times* of London, which also publishes a North American edition via satellite. In 1993, it had a total circulation of 248,015. A *USA Today*-style newspaper, established in 1990 in London for readers across Europe, is the *European*. It had a weekly circulation of 151,270 in 1993.

Among newsmagazines, three stand out for their global reach—*Time*, *Newsweek*, and Britain's *Economist*. *Time*, with its 1993 circulation of 4.25 million in the United States alone, sold an additional million-plus copies to readers overseas. It publishes editions for Canada, Europe, the Middle East, Asia, Africa, and Latin America. *Newsweek*, whose 1993 U.S. circulation was just over 3 million, sold about a million copies internationally through its editions for Europe, Japan, Latin America, the Pacific, and South-east Asia. *The Economist*, reputed for its comprehensive coverage of global issues and good writing, is increasingly becoming an important newsmagazine in the United States, where it sold 142,000 copies in 1993. It had a total circulation of 450,737.

In international television news broadcasting, CNN has been a major player, particularly in view of the credibility it established in covering Iraq's invasion of Kuwait in August 1990 and the resulting Gulf War. Launched in 1980, CNN provides news coverage 24 hours a day to 136 million viewers in the United States via satellite and cable distribution. In 1985, owner Ted Turner launched CNN International, which in 1993

served 70 million homes outside the United States. Faced with criticism that CNN International had too much emphasis on U.S. news, it is taking steps to provide greater regionalized coverage of world events. In 1991, the venerable BBC, which has operated a highly credible international radio service for over six decades, launched a 24-hour international television news service, which is increasingly seen as a competitor to CNN International. Called BBC World Service Television, it was available to more than 17 million homes in Asia, the Middle East, Africa, Europe, and Canada as of mid-1993. The Japanese are also eyeing the international news market, having already established "Japan Business Today," a half-hour, English-language business news program. It is seen widely in the Asia-Pacific countries. As more countries take advantage of the satellite communication technology, additional sources of television news will be available for international audiences. For example, in late 1993 China began a daily 18-hour transmission of news and entertainment programming to the United States via satellite. The three television networks in Taiwan have also been sending their news programming via satellite to American viewers. Special-interest channels, such as *Scola in the United States*, are offering a replay of news programs broadcast from various countries.

Flow of news internationally through radio has been a reality for several decades, although it has generally been viewed as propaganda because international radio broadcasting has been done primarily by government-run stations. Two government-sponsored stations, however, have established their credibility as reliable sources of news to listeners worldwide. They are the BBC World Service and the Voice of America. The BBC, which went on the air in 1932, broadcasts to an international audience of 130 million in 36 languages for 768 hours weekly. Studies have shown that in several countries, BBC news is held in greater credibility than the native radio newscasts. The Voice of America, established as the international broadcasting service of the U.S. government in 1942, reaches 127 million listeners worldwide. The Voice of America broadcasts for 1,050 hours on a weekly basis in 44 languages. It has some 17 million listeners in China alone, but during the 1989 Tiananmen prodemocracy movement, its audience shot up to an estimated 100 million because of its extensive and reliable coverage of the movement. Other major international broadcasters include Radio Moscow, Radio Beijing, German radio Deutsche Welle, Radio France International, Radio Nederland, and Radio Cairo.

PROBLEMS AND PATTERNS IN THE FLOW OF NEWS

The dominance of news collection and dissemination by Western news agencies and other media organizations has caused quite a friction between developed and developing countries since the 1970s. Four areas have been of special concern to developing countries. First, several studies since the 1960s have shown that more than 75 percent of the nonlocal news contents in developing countries' media comes from Western news agencies. Developing countries say that they, therefore, are forced to see practically all issues, including themselves, through Western eyes. Second, the Western information monopoly has resulted in a heavy imbalance in the flow of news, with information moving predominantly from advanced Western countries to developing

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countries. Third, what little coverage developing countries do receive in the Western media is often tainted by stereotypical portrayals of such nations, with a focus on violence, pestilence, murders, and other catastrophes. The fourth area of concern is that the West continues to maintain "cultural imperialism" through its dominant position as supplier of news, information, and cultural fare to the developing world.

Several studies cited by Mowlana (1986) support developing countries' claim of an imbalanced news flow. Three of the conclusions of the studies are important to note here. First, the majority of international news flows vertically from the developed to the developing nations by way of the dominant Western news agencies. Second, the United States and Western Europe receive the greater amount of coverage in the media while the socialist countries and the developing nations receive the least. Third, although horizontal news flows do exist within the developing as well as the developed world, this type of flow constitutes a substantially smaller portion of the overall coverage than does vertical flow.

Several news flow studies have also lent validity to developing countries' concern that they are often portrayed in a stereotypical manner. The studies indicate that the quality of international flow of news remains poor, with intensifying focus on third world violent conflict and crisis. For example, a content analysis study of U.S. wire service coverage by Giffard (1982) found that developing countries are depicted as relatively more prone to internal conflicts and crisis; more likely to be the setting of armed conflict; more frequently the recipients of disaster relief or economic and military aid; and more often the location of criminal activities.

In an attempt to address these problems, developing countries pushed for a New World Information Order (NWIO) in the late 1970s through UNESCO. Among a variety of actions proposed to address problems associated with international news flow, one called for regulating collection, processing, and transmission of news and data across national frontiers. Western countries strongly rejected such a move. The proposed NWIO was extensively discussed by a 16-member commission appointed by UNESCO, known as the MacBride Commission, whose members came from all ideologies and parts of the world. The commission's report, *Many Voices One World*, published in 1980, acknowledged developing countries' concerns about international information flow but rejected their proposal to regulate free flow of news.

The MacBride Commission encouraged developing countries to lessen their dependence on Western news agencies by developing their own strong national and regional news agencies to cover international news. The developing countries, to the extent that it was feasible given their inadequate financial resources, had already begun moving in that direction. The nonaligned countries, for example, had established the Non-Aligned News Agencies Pool in 1976 under the aegis of Tanjug, the Yugoslav news agency. Its aims were to promote mutual understanding among the developing countries and to reduce dependence on the Western news agencies for international news. It languished, however, because much of its material was colored by ideological rhetoric. A more successful third-world news agency has been the Inter Press Service, which was founded in 1964 by a group of Latin American and European journalists to provide news supporting political and social reform in Latin America. In the 1970s, it abandoned its political activism in favor of focusing on development-oriented

issues in developing countries at large. It has since extended its operations to Africa, Asia, and Europe. A U.S.-based Interlink Press Service uses Inter Press Service information for distribution in the United States. Other regional news agencies established by developing countries include DEPTH, operated by the Manila-based Press Foundation of Asia; the Latin American News Agency; Egypt's Middle East News Agency; Pan-African News Agency, developed by the Organization of African Unity; and the Caribbean News Agency, developed by the region's 13 English-speaking countries.

The imbalance of news flow is not just a developed-developing countries phenomenon, however. Studies have shown that such an imbalance exists even among the developed countries of the West. Semmel (1976) found that Scandinavian countries, as well as developing regions of the world, were mostly ignored in the American media. Larson (1984) also found Scandinavia to be among the least covered nations on U.S. network television news. A 1993 study by Professor Lianne Fridriksson of coverage of Scandinavia in the elite American media supports the earlier findings. In this comprehensive content analysis study of the *New York Times*, *Washington Post*, the three major newsmagazines, and the commercial network news, Fridriksson found that Scandinavian coverage was mostly crisis oriented, "enough so as to conclude that the Third World has no exclusive right to complaints that the U.S. media largely overlook developmental stories in favor of spot crisis-oriented news." The study also found that were it not for the reporting of various, isolated crises, overall coverage of Scandinavia in the American media would be so scant as to be practically nonexistent.

The news flow studies on developing countries and Scandinavia indicate that the quantity or quality of international news flow is not necessarily correlated with the economic level of a nation or a region, because Scandinavia has been a part of the developed first world for many years. Several studies have been done to determine factors that influence the flow of news globally. Galtung (1971) hypothesized that there is a "center-periphery" pattern in the flow of international news. News, he noted, flows mostly from the "center" or dominant countries, to the "periphery" or dependent areas. A study by Kariel and Rosenvall (1984) supported this hypothesis by finding that the "eliteness" of a nation as a news source was the most important criterion for news selection. Hester (1973) said that at any given time, the nations of the world have designated places in an international pecking order. Perceptions of positions in that order partially determine the flow, direction, and volume of information. Hester also hypothesized that strong economic relations or cultural affinities will increase the flow of news among nations, as will the perception of threat between any two nations.

THE OUTLOOK

Political, economic, and technological progress in several parts of the world appear to bode well for the collection and free flow of news. The rise of democracy in Eastern Europe and Russia, as well as in a number of developing countries, has considerably lessened, if not eliminated, the obstacles encountered by news agencies and foreign correspondents in covering news. Totalitarian holdovers and authoritarian governments in many countries, however, will continue to create several obstacles in the cov-

erage of news, including restricted access, explicit or implicit censorship, and pressure against correspondents, extending as far as expulsion.

Restricted access results in incomplete and unreliable information because information must be obtained from radio broadcasts and visitors. Explicit censorship results in deletions or refusal to transmit correspondents' copy. Implicit censorship is less obvious but nearly as inhibiting to balanced news coverage. An example is the inaccessibility in some countries of key government officials. Often the most difficult official sources for the foreign correspondent to reach are those who can best explain the story of their countries to the world. Also, when the local press is restricted to publication of only government-approved news, foreign correspondents' access to balanced local information suffers. This makes more difficult the foreign correspondents' efforts to understand and explain the country to readers in distant places. Direct action against foreign correspondents is the most extreme and dangerous obstacle to free news coverage. Wire services correspondents are often expelled by various countries because the government involved objected to the reporting of specific news. It is hoped that the trend against such restrictions will continue to grow.

Economic growth in many developing countries is allowing them to expand their news gathering and news dissemination operations, which should increasingly reduce their dependence on the services of Western news agencies. The Malaysian news agency, Bernama, for example, has expanded its reach into the member countries of the Association of Southeast Asian Nations. India, China, Indonesia, Mexico, and countries in the Arab League already have their own communication satellite systems in place, which are bound to improve their abilities to both collect and disseminate news globally. This prospect also looks good in view of the fact that developing countries are increasingly stationing their own correspondents in the Western news capitals and elsewhere in the world. Many other developing countries in the world, especially in Africa, are likely to take longer to break out of the media dependency situation because of lack of financial resources to develop their media infrastructures.

In the advanced, technologically sophisticated countries of the world, news flow will increasingly acquire new dimensions. On-line interactive news services, such as the ones provided by Nexus, VU/TEXT, Data Times, Dow Jones, NewsNet, and DIA-LOG in the United States, are likely to be in increasing demand as countries build and expand their information superhighways. Such services allow comprehensive, retrospective searches for newspaper and news agency coverage. Dow Jones News/Retrieval, for example, is already widely recognized as the nation's leading on-line supplier of business and financial news and information. As of early 1993, the service provided 68 data bases drawn from more than 1,300 sources—including the full text of 37 of the top 50 U.S. newspapers—to subscribers.

Another group of on-line services that gives access to news, specifically news wire stories, also promises to be in increasing demand. These consumer- or business-oriented systems include CompuServe, Delphi, DIALCOM, GENIE, and Prodigy. News coverage on these systems ranges from an edited version of today's news only to one or two weeks' transmission from the AP, the UPI, Reuters, and the Business Wire. The Australian-born media baron, Rupert Murdoch, who acquired Delphi in 1993, is planning to offer an electronic newspaper on this on-line service.

Thus, the prospects for news collection and flow look better than ever before as the twentieth century draws to a close. The confluence of an increasingly open political climate, growing economies in many developing countries, and the marvels of technology points to a free flow of information at a greater scale than the world has experienced until recent years.

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Communications and the 'Third World'

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Chapter 5

The new international information order

Until the mid-1960s the emphasis in the United Nations, and in UNESCO in particular, was on both the 'free flow of information' and the use of mass media in building 'modern' societies in the 'Third World'. By the mid-1960s, however, widespread, increasingly shrill criticism had developed of what appeared to be the overwhelming dominance of western mass media and news agencies over the 'Third World'. The shift was a reflection of both the changing composition of the membership of the United Nations, with the almost dramatic influx of new member countries from independent Africa, and the call for the creation of a 'New World Economic Order' (NWEO) in which many of the obstacles to 'Third World' economic development would be removed. The call for a New World Information Order, issued almost simultaneously with that for the new economic order, amounted to a demand for the more equitable distribution of resources between the advanced countries and those of the 'Third World' very much along the lines of NWEO proposals.

Several key issues have dominated the debate about the New International Information Order (NIIO). One has been the flow of information between western capitalist societies and the former socialist societies of Eastern Europe and the Soviet Union. A second has been the imbalance in flow between North, understood as the industrialized, predominantly capitalist, information-rich, and South, understood as 'Third World' countries. Within these two major areas of contention there have been three principal areas of complaint: first, the imbalance of flow between East and West, and North and South; second, the content of the flow in each direction; and third, the control of the flow of information. The complaints have invariably been couched in cultural and media imperialist

terms, with the United States domination of media and communications production under attack. Anglo-American news agencies – AP, UPI, Reuters – along with the largest suppliers of news film – Visnews, UPITN, and CBS – which are also Anglo-American, have been identified as of fundamental importance to the imbalance, content, and control of international information flow (Masmoudi 1979: 172–3) and thus central to cultural imperialism.

Critics of the old international information order have condemned the dominant role western media have played in news definition, which has been seen by them as distorting and excluding authentic cultural values and expression in 'Third World' countries. The cultures of such countries have been presented to the rest of the world through western filters which have effectively excluded much of the world not of immediate interest to them (Stevenson and Cole 1984: 7–8). The information from 'Third World' countries which does get into the world news system emphasizes their fragility, instability and corruption, and serves to provide the erroneous view that their economic backwardness is due to internal failure rather than their subjection to European colonialism and neo-colonial forces. The distorted, negative treatment of 'Third World' countries which appears in western media is ultimately transferred to them through their dependence on the major western news agencies; in other words, for images of their own societies, people in 'Third World' countries are dependent on the news agencies and mass media of the advanced capitalist countries especially. The distorted, negative treatment fosters the neglect of 'development news' which may provide a more accurate indication of the various programmes designed to produce economic and social change. Whereas in advanced capitalist societies such as the United States it is possible to have media institutions which are frequently, if only mildly, critical of government, and which are so enmeshed in the basic institutions of economy and society that they contribute in major ways to their reproduction, in 'Third World' countries governments have to control the media for basic development purposes, including the definition of what that development is.

development
press
theory

By the mid-1970s the governments and major media interests of most of the advanced capitalist countries were actively opposed to the gathering momentum of the call for a new information order.

Both the 1974 and 1976 UNESCO General Conferences avoided a definitive declaration on the role of the mass media because

most of the western nations . . . would not accept language that incorporated the idea of state responsibility for the mass media.

(Stevenson and Cole 1984: 5)

This partly expressed the continuing influence of the United States, which had previously been dominant in the determination of UNESCO policy, as well as the deeply ingrained, historically founded opposition to greater state intervention in the mass media.

The MacBride Commission report (International Commission for the Study of Communication Problems; MacBride 1980) recognized the need for improving the balance of international communications while at the same time endorsing traditional principles such as a 'free flow of information'.

According to Pendakur,

the energy, the vitality, and the confrontational character of the NIIO debates have been redefined by the US and its supporters into IPDC (International Program for the Development of Communication) as 'a mechanism', selling 'practical solutions to information and communications imbalance'.

(Pendakur 1983: 398)

Unable to win support for an autonomous body independent of UNESCO, the United States, working through its western allies and some moderates of the non-aligned group, was able to restrict emphasis to communications infrastructural development, involving technical assistance, while preserving the 'free-flow' principle (Pendakur 1983: 399). United States policy towards IPDC was designed to weaken the position of the 'Third World' countries which formed the majority of its Intergovernmental Council and to ensure that United States corporations had access to communications development and markets in 'Third World' countries. In addition, there was concern that IPDC funds should be made available to capitalist interests in 'Third World' countries who wanted to build private and not state monopoly media in them. The United States push for the funding of bilateral 'aid' projects was designed to keep them under direct control, in sharp contrast to IPDC projects which were multilateral.

Under the Reagan administration the United States pushed for 'a bigger role for the private sector at the financing end as well as at the receiving end'. This policy, Pendakur notes, was consistent with both the increased provision of opportunities for American transnational corporation exploitation of 'Third World' markets, and the

weakening of the power of 'Third World' countries in multilateral agencies such as UNESCO and the IPDC by reducing financial participation – indeed the United States ultimately withdrawing from UNESCO (Pendakur 1983: 401). The former could be seen in the context of strong pressures for the deregulation of both domestic and international communications markets, as well as part of a much longer-term pressure on public broadcasting and telecommunications authorities to privatize (Greenberg 1985; Roach 1987).

The international information trade is characterized by its dual economic and cultural impact (Collins *et al.* 1988: 50). Frequently this duality is blurred, with the cultural impact seen as having major implications for the economic: particular types of information flows carry with them models of economic development, including consumption preferences, which critics contend help produce further subordination of the weaker or 'dependent' economies. Local or national cultural and information production is often facilitated by state intervention on a combination of cultural and economic grounds (Brazil, for example). The development of a local film or television production industry is necessary to preserve, or to construct, national cultural identity and to represent it internationally; the state assistance which facilitates this – import quotas, tariffs, taxation concessions, subsidies, direct state intervention in production – is often justified on economic rather than cultural grounds, that is, a fledgling industry will be allowed to mature under protected conditions so that it will be able to compete nationally with imports and 'compete internationally unprotected by subsidy or quota and make a return to investors' (Collins *et al.* 1988: 52). The intervention of cultural and linguistic factors, for example the concern of the non-Anglophones for the survival of their languages, as well as state support for the development of local programme production which may serve indigenous capitalist interests, poses problems for the application of absolute and comparative advantage concepts to cultural production. On strict economic criteria it would be advantageous for most countries to rely on imported television programmes and not engage in domestic production where costs could not be amortised in the domestic market.

While much of the 'Third World' preoccupation has been with the cultural ramifications of the international information trade, more recently it has shifted to the economic implications of trans-border data flows in particular. This shift reflects not only implications for employment in the information/data processing

industries (information production, storage, retrieval, distribution), but also the recognition of the centrality of information to production, distribution, marketing, accounting, administration, financing, research and development.

The growth of the international information economy for many represents a challenge to, and places limits on, national sovereignty.

The threat to communications sovereignty latent since the beginning of the twentieth century has, with the triple impact of new distribution technologies, new ideologies of deregulation and the accelerating demand for high-budget but low-cost software become a matter for general concern.

(Collins *et al.* 1988: 56)

The expansion of capital accumulation on a global scale has increasingly challenged the ability of national governments to control economies which are subject to constant shifts in the flow of capital, fluctuations in exchange rates, and alterations in demand and price for commodities on international markets. Legislation defining national ownership and control in the economic sphere is constantly challenged when corporations legally defined as 'national' accumulate capital through international circuits and often raise their funds for 'national investment' through international financial institutions. Certainly the shift towards an international information economy has made national boundaries largely irrelevant, with nation-states generally unable to control information movements and the types of information being disseminated effectively (Langdale 1987: 140). In relation to this Collins *et al.* (1988: 81–2) note that 'culture and cultural production are international phenomena, and the political institutions of the nation-state are highly imperfect tools through which these practices and activities can be controlled and regulated'.

National sovereignty is usually understood in two broad senses.

- 1 In the legal sense it refers to the legal powers which a state has to exercise legal jurisdiction over a specific tract of territory and to control national policies. In the second, and broader sense, it refers
- 2 to a country's ability to influence the direction of its political, economic, social and cultural change (Langdale 1987: 140). This involves attempts to restrict citizens from undesirable, negative external influence, as well as more positively allowing national economic, cultural and social policies to be formulated and implemented. For many 'Third World' countries the issue of national

sovereignty tends to be much more pressing than it is for the older states of the advanced capitalist world. Some critics concede that 'the impact of western culture on other societies is often disturbing' but view much of the opposition to it on religious, moral, and cultural grounds as essentially conservative. They suggest that underlying the critique of the loss of national sovereignty through the internationalization of communications is a qualitative assumption that somehow 'the new order and its products are inferior to the old' (Collins *et al.* 1988: 58). It may be the case that internationalization represents a progressive and liberating force: 'At the micro level there are many cases in which the freedom, welfare and contentment of individuals are sustained and extended by the contestation of the authority and hegemony of the nation-state and the national culture' (Collins *et al.* 1988: 58).

In Africa in particular, many countries represent a somewhat fragile association of peoples with quite distinct histories, ethnic origins, and languages, brought together under a single administration by European colonial powers. The post-colonial period has often been marked by fragmentary tendencies and secessionist movements exacerbated by the uneven nature of change throughout the colonial and post-colonial periods, state policies which have been seen as disadvantaging, even disenfranchising particular ethnic, religious, and language groups, and the often desperate struggle for control of the state apparatus. In some countries, secessionist movements, or movements for national self-determination, have been fostered and encouraged by external powers (for example Angola and Mozambique), or civil insurrection aimed at producing regimes more amenable to foreign powers. Such problems are exacerbated by the fact that independence from European colonial powers has been quite recent and yet has done little to reduce the vulnerability to external economic, political, military and cultural forces which seem to undermine the very basis of the claims for independence and national sovereignty. Development is 'dependent' on incorporation into economic relations with, and the flow of information from, advanced capitalist economies which only seems to deepen their subordination to them.

EUROPEAN COLONIALISM AND INTERNATIONAL COMMUNICATIONS

European colonialism during the nineteenth century and the first decades of the twentieth century was crucial in the establishment of the international lines of communication: these lines included trans-oceanic cables and the European wire service cartels, and subsequently radio broadcasts. More generally the basic international and national communications routes established throughout this period (sea and air routes, as well as roads and railways in colonial countries) served to facilitate the flow of manufactured goods to colonies and markets in Africa, Asia, and Latin America, and raw materials and agricultural commodities from them to the metropolitan powers in Europe and North America. Although their development was often quite haphazard, the communications systems were designed to link metropolitan centres such as Britain and France with their colonies (useful for political, administrative, trade and military purposes) and those areas which were important for trade and capital investment purposes (various parts of Latin America, for example). At a much later stage, certainly after formal decolonization, satellite communications were added to the international lines of communication, reflecting in part the desire of the United States to break some of the dominance established by the European colonial powers, and Britain in particular, in terrestrial and oceanic communications.

The evolution of the major international news agencies (AP, UPI, Reuters, AFP – formerly Havas, and Tass) is inextricably linked with imperial and post-imperial competition in the nineteenth century (Smith 1980: 73). The great powers – Britain, France, Germany, the United States, Russia – sought to 'spread their news networks throughout the areas of their economic and political suzerainty'. The expansion of agencies such as Reuters was clearly driven by the need to spread networks of information into as many politically and economically important regions as possible, even when this involved the supervision of the construction of cable systems. While driven by commercial competition, the agencies were also constrained by government control and pressure and generally acted in accordance with imperial interests.

The development of the international news agencies, as well as the overall network of international information flows, was not simply the outcome of capital expansion; it was also an important part of that expansion. As a mode of production with particular

financial and productive arrangements, capitalism's development required internationalization and the integration of previously unexploited regions into a single market in which companies, financial institutions, transportation methods, social classes, and stock markets were locked into complicated, contradictory, and interdependent relationships. At the heart of capitalism

there had to be information, for the central concept of capitalism is the market and, in a global system, physical markets have to be replaced by national or vicarious markets in which prices and values are assessed through the distribution of regular reliable information. The communications network which grew up in the nineteenth century was one outcome of the imperial system, by which competing capitalist powers fought for more of the world in which to operate a privileged trading system; at the same time, the information network was a fundamental support for the development of international capitalism itself – it was, that is, both the cause and result of capitalism.

(Smith 1980: 74)

Tunstall (1977: 44) notes that 'international arrangements for contracting the trade in news had been established long before 1920'.

★ The international news agency was the principal instrument of international news trading. By 1870 the British agency Reuters and the French agency Havas were the dominant exporters, with all other countries essentially being their customers. The newspapers of South America were completely dependent on Havas until the 1920s for 'the whole flow of news from the outside world' (Smith 1980: 70). Importers were of course most likely to be national agencies which could be controlled by governments through a variety of indirect means so that the news which reached the domestic press was highly selective. It was hardly surprising that great financial, diplomatic, and imperial nations such as Britain and France 'should dominate the world wholesaling of news'. Germany, as a rapidly rising industrial and political power, was able to break into the cartel with 'its own special area in Scandinavia and Russia' (Tunstall 1977: 44).

★ Early British and French domination of the international dissemination of news meant that it acquired 'a strong flavour of free trade' (Tunstall 1977: 44). The rise of American agencies in the early twentieth century introduced greater competition and helped break down the basic imperialist pattern which had predominated.

The Havas monopoly in South America was broken in 1920 by the American United Press Association (which became UPI in 1939 after merging with another agency), which started to provide news about the United States direct to *La Prensa* of Buenos Aires and soon to other Latin American newspapers. Gradually United Press, together with its major American competitor AP (owned by the principal clients among American metropolitan dailies), established control over the Latin American news market, although Reuters remained important and the French linkage has persisted.

The Latin American press continues to draw an enormous amount of its news content from the two United States agencies (about 50 per cent), and about 10 per cent from Reuters and Agence France-Presse, the successor to Havas. News originating from 'Third World' agencies represents only a tiny percentage of the total. While there are many national news agencies in Latin America, they lack the resources to develop a continental, much less an international service of their own. LATIN operates in a number of Latin American countries, 'but it has been created by Reuters and obtains its material through Reuters' (Smith 1980: 71). Generally Latin American newspapers do not even have foreign correspondents in the capitals of neighbouring countries and rely almost completely for coverage of them on international news agencies.

★ Analysts note that international news agencies have developed a particular style of news, although one that necessarily reflects the demands of different national markets. Certainly critics of the agencies, and of western news media more generally, argue that the western concept of news emphasizes, in its chief selection criterion, information of 'war, crime, corruption, disorder, fire, famine and flood' (Smith 1980: 70). This serves to 'systematically distort' international knowledge of the cultural, political and economic progress of the Third World and emphasize its negative aspects. What makes this even more galling or vexatious is that 'Third World' countries are obliged to receive news of themselves through the 'distorting mechanism' of the four major western news agencies. They can turn to news agencies in the socialist world such as Tass and Novosti, Hsin Hua and Ceteka, but such agencies are hardly major sources of information about the advanced capitalist or industrialized world and operate according to political ideological criteria which are not necessarily acceptable to some 'Third World' governments (Smith 1980: 70).

The major 'Third World' initiatives have been in the setting up of alternative news exchange mechanisms (Samarajiwa 1984: 119). A clear manifestation of this was the establishment in 1975 of the Non-Aligned News Agencies Pool on the basis of the Yugoslav Tanjug pool. The News Pool was brought into existence by a decision of the Fifth Non-Aligned Summit Conference in Colombo in August 1976 in which the eighty-five nations agreed to share information from their respective agencies in order to

achieve the broad and free circulation among themselves of news, information, reports, features and photographs about each other, and also provide objective and authentic information relating to non-aligned countries and to the rest of the world.

(Quoted in Smith 1980: 105)

The expressed intention was to break down the dependence of 'Third World' countries on 'biased, inadequate and distorted information' produced in countries which dominated international news collection and flows.

Smith (1980: 105-6) wryly observes that such a declaration revealed a little insincerity when it is considered that in many countries, certainly those outside Latin America, the news from the transnational news agencies is usually thoroughly vetted by government agencies before it reaches the newspapers or radio stations of their countries.

Transnational news agencies are essentially commodity (that commodity being news) -producing and -distributing companies operating on a worldwide basis. The news with which they deal is a commodity whose significance for many 'Third World' countries derives from its political and cultural nature rather than from its commodity status. Such agencies specialize in the 'production, transmission and marketing of spot news' which ultimately flows into domestic and worldwide outlets - newspapers, radio, and television. Transnational agencies such as Reuters and UPI are characterized by maintenance of extensive worldwide communications systems which move news reports from the outer centres of their news production to processing centres and ultimately to media and other buyers throughout the world. Such agencies have high volumes of news flow, generally employ large numbers of journalists and other personnel, have high revenues, and, with the exception of Reuters, serve as domestic news agencies in their home markets as well (Samarajiwa 1984: 120-1).

News is sold to other news agencies (national as well as regional), newspapers, broadcasters, and government agencies and corporations on a continuous service rather than a news item-by-item basis.

Two main types of news dominate the output of the agencies: general news items which are used as producers' goods by media organizations and specialized news reports which are usually purchased by corporations, financial institutions, foreign exchange and commodity dealers, and government agencies.

The production and distribution of information by news agencies involves a distinction between the costs of initially producing information, and getting it to the theoretical first buyer, and replication costs involving the storing, reproduction, and distribution of information. The initial, or 'first copy costs', account for between 80 and 90 per cent of the total costs of a transnational news agency (Samarajiwa 1984: 123).

AP, UPI, AFP, and Tass serve as domestic news agencies while Reuters, with its substantial ownership by the domestic news agencies of Britain, has a major indirect access to the British domestic market. The affluent domestic media markets represent the principal source of revenue for the agencies, with revenues from foreign general news sales quite small in relation to the total. This ability substantially to recoup the costs of production in large domestic markets provides the transnational agencies with considerable pricing flexibility in international markets - a situation somewhat akin to the international marketing of many American television programmes whose basic production costs have been met in the domestic market.

It is possible for transnational news agencies to provide services to newspapers in 'Third World' countries at a fraction of the cost of major domestic provision of services. The relatively low cost of the service does not represent a loss to the agency since costs have been recouped in other markets. Without such pricing discrimination many newspapers in 'Third World' countries could not afford such services. For the agencies provision of low-cost services not only contributes to overall generation of revenue, but also serves to 'shut out present or potential competition' (Samarajiwa 1984: 125). This amounts to 'dumping' of news services in many markets, including some in the advanced capitalist world. Given the nature of media funding through advertising in the advanced capitalist countries, media companies in them are generally able to expend far higher

outlays on world news reports than their counterparts in 'Third World' countries.

Attempts by 'Third World' newspapers, broadcasting organizations, and governments to 'break' the dominance of the transnational news agencies essentially founder on economic grounds. The market structure and conditions of entry into world-wide production and distribution of news are such that under present conditions they have little chance of challenging this dominance successfully. The first principal barrier to entry by a newcomer in the world news market is the capital cost of establishing the production and distribution system.¹ This is dependent on substantial investment in a basic infrastructure of bureaux, correspondents and stringers, and on the development of 'an efficient, fast and reliable telecommunications system to move information from the bureaux and correspondents to the processing centre'. There is also the need for computer-based information storage and retrieval facilities at the processing centre, and an efficient system for moving processed news to buyers. On top of these costs there is the need for investment in necessary buildings and administration. The second principal economic barrier is the problem of meeting recurrent expenditure on personnel. Unlike the major news agencies – with the partial exception of Reuters – any new news agency would not be able to rely on a national market capable of providing a sustainable financial base. Samarajiwa notes that

This market is the one with the least buying power. The extreme heterogeneity of this home market will impose additional burdens on its modest resources. If this political, cultural and linguistic heterogeneity is not catered to, the new mechanism will lose whatever hold it has on its base. In addition, dumping by established TNAs will seriously affect its ability to set realistic prices.

(Samarajiwa 1984: 127)

Further, the association of new 'Third World' agencies with 'Third World' governments, whether imagined or real, would serve to discredit such a newcomer trying to break into the major news markets (the United States, for example); news emanating from such an agency would invariably be touched by a 'bias' not their own. However, it is the vertical integration of the major news agencies with their home buyers which represents the principal structural barrier to entry to the major news market. To a substan-

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tial extent the major agencies are owned and 'controlled' by these buyers. Such vertical integration basically serves to keep prices low and enable profitability at the newspaper production or broadcasting organization end to be maximized (Samarajiwa 1984: 128).

The first international news agencies, Reuters and Agence Havas, were originally specialized agencies concerned with the gathering and distribution of commercial intelligence. General news business was added as a response to the expansion of mass media production. Although specialized news gathering has continued to be an important part of the operation of the major agencies (with the exception of AFP), its importance has been reaffirmed as part of the global expansion of information industries, and especially industries specializing in the production and distribution of information commodities for business, administration, and economic and political policy-making purposes. The introduction of computer-based techniques of information production, storage, and retrieval has encouraged agencies such as Reuters to establish different types of specialist financial information services, including networking-type ones where users of the services are at the same time producers of information for the service. Such a 'diversification' into the specialized news and information business provides an additional, even lucrative source of revenue, which requires no substantial additional capital investment in production. Advanced information technology link-ups with stock markets and commodity exchanges are required but do not represent great additional costs. The greatest costs are incurred in the distribution phase where investment in computer hardware and software has to be made. Essentially, however, in the provision of these specialized services agencies such as Reuters are able to make use of the same news production structure and telecommunications system required for their general news production.²

'Third World' agencies could venture into the specialized field, especially through provision of news originating in the 'Third World'. There are, predicably, numerous stumbling blocks in this path: much of this type of information is already gathered and distributed through the internal international communications networks of transnational corporations (transborder data flows), through transnational advertising agencies and market research organizations, and through specialist transnational research and information distribution companies. Further, most of the key decisions regarding the world economy are taken in the advanced

capitalist economies where the major specialized agencies have already established market dominance and 'tied up' the principal sources of information. 'Third World' buyers would generally be few in number and would most probably prefer to continue to use a transnational agency service on the grounds that it provides a better, more comprehensive range of information (Samarajiwa 1984: 129).

Samarajiwa notes that the negative-sanctions type stance adopted by governments and media in many 'Third World' countries, and expressed through the United Nations and its agencies such as UNESCO, does little to address the basic problem of the development of alternative news suppliers. Positive action would hinge on the establishment of higher levels of co-operation between governments and the media of different states to allow both a pooling of resources and the formation of a sufficiently large market to give them leverage in their dealings with the major transnational news agencies. Such a high level of co-operation would be difficult, if not impossible to achieve, since it is predicated on co-operation between states with quite different media systems and relations between the media and the state. In some instances the only common denominator, apart from some hostility to the major agencies and the unequal international flow of information, would be a basic suppression of the media in conformity with dominant or ruling interests. Taking as an example East Africa, it would be difficult to see how a sufficient level of co-operation and collective action on the part of the Kenyan, Tanzanian and Ugandan governments could be achieved. The notion of collective and co-operative action by governments and media in 'Third World' countries is also predicated on the assumption that they have essentially the same set of problems with regard to transnational news agencies and media from the advanced capitalist countries. This, as we have seen, is definitely not the case.

During the decade of the 1970s the role of communications in the relationship between the industrial and 'developing' worlds moved to centre stage in international conference debates (Boyd-Barrett 1981: 247). While from the 1950s concern about the international news agencies was voiced, it was relatively subdued and did not form part of a more general and coherent critique of neo-imperialism or dependency. In the 1970s, however, the criticism became more strident and theoretically informed. The critique was partly the product of the 'radicalization' of the social sciences in Europe and

North America, as well as of the development of a collective self-interest in the 'Third World'. Boyd-Barrett suggests that

This political consolidation was achieved mainly in the non-aligned movement and the headquarters of UNESCO secretariat in Paris. It found important practical expression through the genesis of the concept of 'new information order', the establishment of the nonaligned countries news agencies' pool, and the setting up of UNESCO's International Commission for the study of Communication Problems.

(Boyd-Barrett 1981: 247-8)

By the beginning of the 1980s the critical preoccupation with the international news agencies and the international flow of news had largely fizzled out. This is clearly illustrated by the report of the MacBride Commission (MacBride 1980) which did not dwell on the news agencies. The issue by this time had largely been overshadowed by the more complex and 'colourful' ones involving transborder data flows and direct broadcast transmission. As part of media imperialism and cultural dependency analysis, critical attention was directed much more at the whole context of information production and distribution. The issue of news agencies and news flow became part of a much wider discourse about information and relations between the advanced capitalist countries and those of the 'Third World'. In addition, a reassessment of the nature and role of the major international news agencies had occurred; they 'could no longer be depicted as the unambiguously wicked villains of existing imbalances in the flow of international news' (Boyd-Barrett 1981: 248).

Much of the criticism of the international news agencies has been based on the premise that the content of their services is somehow politically, culturally, and morally alien to the values of 'Third World' governments, media organizations, and media publics. Such content supposedly conflicts with ill-defined national interests and the struggle for national cultural autonomy. Hamelink, whose views have been influential in intellectual and media quarters in a number of African countries, argues that

the role of international news in transferring values should not be underestimated. The selection of news by the few large international news agencies undoubtedly reflects the values of metropolitan countries. Most developing countries are dependent on this choice of their information on events outside their

country. They receive international news about themselves via the news centres in New York, Paris, or London.

(Hamelink 1983: 9)

More specifically the criticism is that, first, the agencies are basically preoccupied with the affairs of the developed world to the neglect of the 'Third World'; second, that the particular 'western bias' of the news emphasizes the news of the exceptional (famine, war, tribalism, disorder, corruption) rather than 'development news'; and third, that the general western bias associated with the news agencies 'corresponds with the policy objectives of the governments of those countries in which the major Western agencies are based (Boyd-Barrett 1981: 255).

Empirical studies certainly do not provide any conclusive support for the three-pronged criticism. Tracey (1985), along with other critics, has questioned a number of the basic assumptions upon which rests the case for a NIIO, certainly as it applies to international news flow and the role of the international news agencies in them. Stevenson, after reviewing the *World of the News* study, concluded that 'too much of the NWIO debate has focused on assertions that were probably never true and certainly are no longer true. This study helps clear the air of pseudo debate' (Stevenson 1984: 137). The *World of the News* study found that despite substantial differences in levels of development and a variety of political perspectives and institutional arrangements, 'the overall pattern of attention paid to certain kinds of events was remarkably similar' (Tracey 1985: 31). Although politics dominated international news 'everywhere', regional news coverage occupied a dominant position; in most cases the region to which a service is directed gets more coverage than any other region (Boyd-Barrett 1981: 253). Thus, in the flow of news stories directed to Latin America, Latin America is normally the single most important source of such news.

According to Tracey (1985: 31) the frequently made assertion that western news agencies and mass media ignore the 'Third World' is 'simply untrue': 'about a third of foreign news stories in northern media systems originate in the Third World; in the Third World, about 60 to 75 per cent of all foreign news is from other Third World countries' (see also Boyd-Barrett 1981: 255-6). Where major gaps in news coverage occur is in the relative dearth of non-regional 'Third World' news (Latin American media have little coverage of African affairs, for example) and the lack of coverage given to Eastern Europe (Tracey 1985: 32).

Throughout the 1960s and 1970s the major western news agencies increased their regional coverage, including that of the 'Third World' (Boyd-Barrett 1981: 256). In the case of Reuters this was partly a result of a high-level directive to give more attention to a 'regionalization' for the markets of the 'Third World'. Reuters established more specialized African services, an Arabic service for the Middle East, a Caribbean service, and provided assistance with the setting-up of a co-operative Latin American agency, LATIN. This 'regionalization' has met with only limited success principally because the major clients in the United States in particular, and elsewhere throughout the advanced capitalist world, are reluctant to relinquish their reliance on the 'Big Four' agencies for an international news dependence on news agencies based in non-western countries (Boyd-Barrett 1981: 256).

Musa argues that much of the debate about the NWICO has been constrained by its location in dependency theory (Musa 1990: 330). Continued reliance on a centre-periphery model ultimately only obfuscates analysis by diverting attention from the basic internal dynamics of news and information production, selection, distribution, and control in 'Third World' countries (Musa 1990: 331). Undue emphasis on dependence 'underplays the domestication of the capitalist institutions and relations of production' in them and leads to the neglect of domestic pressures for a new information and communications order.

Ruling classes in 'Third World' countries have a vested interest in producing some reconstruction of the international information and communications order which will allow them and their policies to be positively portrayed in western media,³ while providing them with the 'exclusive right and access to better information' (Musa 1990: 331). This does not involve addressing internal contradictions, especially vigorous, often ruthless suppression of dissent and tight control over the flow of information. In 'Third World' countries, just as in those of the advanced capitalist world, governments and corporations constantly interfere with the final news products that go out for public consumption,⁴ as well as with information activities which could work against their interests (Musa 1990: 328).

Increasingly alternative news agencies in Africa and elsewhere are being forced into the financial data area as a way of survival where state subsidies are being cut and pressure exerted to privatize them (such as in the case of the News Agency of Nigeria). Increasing interest in financial data services on the part of executives of

alternative agencies also reflects the extent to which the principal new agencies are the major agenda-setters for other agencies (Musa 1990: 335). The development of news agencies into big businesses exhibiting structures similar to other corporations, and their major role in the provision of financial data and business services, increasingly locks them into the corporate sector and a basic role in the internationalization of capital (Musa 1990: 340). This development tends to give rise to an information hierarchy where the public 'is offered some kind of concoction of news, entertainment, advertisements and some government image making products in the form of public relations' while financial and business information is fed into more exclusive publications and subscription services (Musa 1990: 340-41). In Nigeria and some other African countries, as well as throughout Asia and Latin America, this information goes into financial pages and supplements, and specialist publications, which for reasons of cost, literacy levels and language, are generally inaccessible to the wider public. As news agencies and mass media in 'Third World' countries increasingly perform such a dual role, and provide services for both local and international capital, the call for a NWICO either loses some of its urgency, or else becomes one where local agencies, media, and government have an expanded role in the provision and receipt of information of vital relevance to the conduct of business and private capital accumulation.

TRANSBORDER DATA FLOWS

The development of largely unregulated transborder data flows represents a strong challenge to older notions of cultural, economic and political sovereignty. Informatics, rather than being neutral, 'bears within itself the culture that produced it'. The language, in its synthetic and semantic aspects, will receive extraordinary influence from the automatic retrieval systems and information services' (Joubert de Oliveira Brizida, quoted in Wigand *et al.* 1984: 159). For 'Third World' countries in particular this concern about the challenge to sovereignty embraces a contradiction: on the one hand they are anxious to have a greater exchange of information resources, if necessary as part of a free flow of information doctrine; but on the other hand, that greater exchange runs up against the superior capacity of the information-'rich' to produce and distribute information.

Governments throughout the industrialized world, as well as the industrializing such as Brazil and India, have expressed some apprehension about the expatriation of information about natural resources (perhaps secured by remote sensing), agricultural yields, and economically important and relevant data, being sent through private international communications networks for use in decision-making by transnational corporations. In Brazil state concern to control access to strategic information resources has led to the implementation of policy designed to eliminate the 'geographic separation between the decision-making process and the productive process' (Joubert de Oliveira Brizida, quoted in Wigand *et al.* 1984: 161).⁵

Some critics, such as Hilary Ng'weno in Kenya, have argued that while the freeing-up of the international flow of communications is necessary, even more urgent is the task of establishing an internal free flow of information in many countries. This is not simply a case where foreign transnational corporations, or others, have monopolized the production, storage, selection, retrieval, and distribution of information, but where governments restrict the flow of information for political and other reasons. This often assumes the form of the denial and suppression of public policy debate – about communications, including mass media policies, as well as more generally about the nature of economic policies to be implemented. Schiller (1979) suggested that the existing international flow of communications, by exacerbating information or communications gaps, contributed to growing inequality in 'developing' countries. The new computer-based information technologies and telecommunications both reinforced existing class divisions, and encouraged new ones (for Schiller they were actually a source of class division). Certainly there is little doubt that initially the principal beneficiaries of such technologies are the manufacturers and suppliers (invariably foreign transnationals, except in countries such as India and Brazil), national and transnational business users, and privileged, urban-based strata which have private uses for them.

The principal economic issues for 'Third World' countries regarding transborder data flows relate to the consequences of computer communications for economic productivity, investment, and structural change, as well as for balance of payments, employment levels, and threat to the growth and survival of fledgling local information industries. For the transnational corporations engaged

in substantial use of such flows, the principal economic issues revolve around restriction of competition and market entry through tariffs, prohibitive pricing, monitoring, and other enforcement of privacy legislation. The economic issue of increasing concern to many countries, or at least potential concern for some, is the protection of information industries at a time when production and employment have undergone major restructuring. The importation of substantial remote processing and data storage services is likely to have serious implications for the job market, with some jobs lost to locations elsewhere. This is the case with Canada, where proximity to the United States and a 'dependence' on data bases there, is seen to have serious implications for the Canadian economy and expansion of employment in the information sector (Rada 1981: 55).

The economic analysis of transborder data flows poses major difficulties, mainly because most are of an intracorporate nature.⁶ Transnational corporations are both large-scale, intensive users of transborder data flows, and the principal producers of the information technologies employed in them (hardware, telecommunications networks and data flows).⁷ The decentralization of information-intensive industries such as banking and finance, insurance, tourism and transportation, has increased the demand for information facilitated by instantaneous transmission channels available at decreasing cost. Transborder data flows also take place through the commercial marketing of computing power and information contained in data bases. The growth of enterprises specializing in the sale of financial, accounting, inventory control, procurement, marketing, and scientific-technical research, and offering remote computing services on a global scale, has contributed to the formation of an expanding data industry and data market.

ALLOCATION OF THE RADIO SPECTRUM AND SATELLITE PARKING

A key issue which has become increasingly important in debate about the NIIO is the struggle for access to the natural resources required for efficient satellite communications; that is, access to effective slots or parking positions in the equatorial or geostationary orbits. This issue has been added to the earlier and continuing one of the allocation of space on the radio spectrum. Both are ultimately concerned with the immense advantages which the advanced capitalist economies have been able to obtain through their virtual

monopoly over the development of modern communications systems, and thus, their restriction of opportunities for others to gain entry.

The electro-magnetic spectrum: is 'the resource upon which the exploitation of all information resources (or almost all) depends' (Smith 1980: 118). Throughout the twentieth century more and more of the spectrum has been used for sending information and entertainment either through broadcasting to general audiences or from point to point. Different communications technologies make use of different quantities of spectrum or different amounts of 'bandwidth'. New developments in communication technologies have involved the use of more available frequencies (as well as the abandonment of others which are no longer required) with the result that there is a need for international regulation to avoid the squandering of spectrum space. This has been accomplished through the International Telecommunication Union (ITU), the world's oldest international organization which began in 1865. The ITU, unlike other international agencies, 'exists only through its members' and makes unanimous decisions 'from decade to decade on how to govern the use of this flexible resource of nature' (Smith 1980: 118).

In addition to the allocation of different quantities of the electro-magnetic spectrum, there is the issue of the parking of geostationary satellites. Such satellites have to be 'parked' in a way that enables them to send signals to the entire world – or at least to the national and regional markets being served. This type of technology, and certainly the capacity to launch satellites, has been restricted to a relatively small number of countries. Despite this, the number of satellites launched poses some problems as far as the cluttering-up of the orbit is concerned. In the case of satellite communications/telecommunications the allocation of a space in the orbit has to be accompanied by the right to use a frequency along which data can be sent to the satellite and another frequency to transmit that data back to a receiving station located in a suitable place on the ground.

The allocation of the spectrum through the ITU has become an intensely politicized process and expresses the way in which controversies surrounding information rights and creation of a NIIO have penetrated the ITU. The politicization is bound up with substantial inequalities between countries – and their corporations – in the ability to develop and exploit new communications technologies, and thus to make use of the electro-magnetic spectrum. Apart from the implications for economic domination, and fears of further

social and cultural subordination, there is the fear that by the time that many 'Third World' countries are in a position to use the advanced technologies either the best locations will have been taken, or they will not be available. Further, the dominance of a few countries and their corporations enables them to set the basic parameters of the international communications system, forcing others to fit in with their arrangements, whether their 'national' economic or other policies determine so or not.

The response of many 'Third World' countries has been to demand spectrum rights even where they are not in a position to use them (Smith 1980: 122). Although a number of 'Third World' countries now have domestic communications satellites (Brazil, China, India, Indonesia, Mexico) it will be decades before others have them – especially African countries. While the United States government and communications interests have opposed this, the concern of 'Third World' governments has been that of trying to restrict the technological advantages which accrue to countries which develop early the economic and industrial capacity to exploit a world resource' (Smith 1980: 122).

A significant development occurred in 1988 with the convening of Space WARC* to consider and achieve the equitable access by all countries to the geostationary satellite orbit (Rones 1989: 26). Space WARC was requested by 'Third World' governments basically as a way of ensuring access to suitable parking spots. Generally the 'developed' countries were opposed to Space WARC on the grounds that rigid planning of the orbit was unnecessary; few 'Third World' countries had the immediate capacity to own and operate satellite systems, with some possibly never having that capacity (Rones 1989: 26).

In the 1985 Space WARC segment 'Third World' countries sought to wrest control from INTELSAT and the advanced capitalist countries by abolishing the first-come, first-served principle which had always favoured the economically and technologically advanced countries (Rones 1989: 26).

That session decided which space services and frequency bands would be planned; established principles, technical parameters and criteria for planning; and established guidelines for regulatory procedures with respect to services and frequency bands not brought under planning.

(Rones 1989: 26)

At the 1988 Space WARC an Allotment Plan emerged which created 480 national slot allotments. Provision was also made in the Plan for the development of sub-regional systems that would enable countries to bypass INTELSAT and to have the opportunity to own and control a satellite jointly (Rones 1989: 27).

Critics of INTELSAT have argued that its ownership by western governments has basically served the interests of western transnational corporations. INTELSAT services have discriminated in 'favour of the western countries who hold major shares in the organization'. With membership of the board of directors of INTELSAT tied to levels of capital investment, African and other governments have been denied any role in the management of the organization (Ya'u 1987: 129–30). For such critics INTELSAT is part of the control exerted by western countries and their transnationals over international communications; it contributes to the perpetuation of the global imbalance of information and the tying of 'Third World' communications systems to those of the imperialists (Ya'u 1987: 130). While satellite communications may contribute to 'national development', they have represented part of the drive by transnational electronic corporations, in conjunction with educational foundations, and American university centres, for the transfer of new communications technologies (Mattelart 1983: 5–7). For example, from the late 1960s there was a strong American push for the expansion of satellite telecommunications in Latin America, supposedly as a way of solving many of the basic educational problems, but also to provide a communications system indispensable for the operation of government and business. American efforts in Latin America foundered in the late 1960s when a number of governments recognized that an American-controlled regional satellite system, relying very much on American programmes, would undermine their cultural and educational self-determination (Mattelart 1983: 6–7).

INTELSAT's entrenched position makes a challenge to its services very difficult. It is used extensively by countries for domestic and regional services, as well as typical international applications (Rones 1989: 27). In many instances the introduction of sub-regional systems would simply duplicate existing services at greater cost. Available evidence would suggest a likely under-utilization of transponders at least in the short term (McAnany 1989: 8). The social, educational, and cultural benefits which have always been used to justify the introduction of domestic or sub-regional satellites

DIRECTION OF INTELSAT

have rarely, if ever, been a major priority after their introduction.⁹ In Brazil (Mody 1989), India (Fernandes 1989), Indonesia (Lent 1982), and Mexico, the principal beneficiaries have been television (whether commercial or commercialized 'state'), urban telephone users, and national and transnational corporations. This is scarcely surprising, McAnany (1989: 8) notes, when such technologies reinforce existing power structures. Additionally, in many countries the very structures of development ministries 'do not allow for significant applications of communications technologies (McAnany 1989: 8). The costs of social applications are likely to be more expensive than originally projected. In Mexico, for example, national budgetary cuts in 1986 and 1987 led to the cancellation of plans for educational applications.

The carefully worked out regulatory net devised by the United Nations to ensure that nations control television signals within their borders is under challenge. This challenge comes not just from communications corporations in the advanced capitalist economies, but also from corporations based in the 'Third World' as well. The introduction by the Hong Kong company Hutchison Whampoa of an Asian regional satellite system, with amongst others channels for international news, music and entertainment, sports, and Japanese-language programmes, clearly poses threats to national sovereignty, at least in any state's claim to control television within a nation's borders, as well as to establish television monopolies in them (Scott 1990a: 34). The jamming of satellites is difficult, and the banning of satellite dishes poses real problems for government policing. While satellite television, especially news services, may serve as a catalyst as well as a chronicler of events, the principal concern of those associated with the establishment of an Asian television network is to build a viable commercial enterprise (Scott 1990: 35).

CONCLUSION

Since the 1970s when the issues of the NWICO were first articulated, the complexity of international and national economic and communications relations has challenged the theoretical assumptions and analytical frameworks within which much of the debate occurred. Any presentation of the advanced capitalist countries on the one hand, and the 'Third World' on the other, as monolithic blocs with similar communications systems and problems and concerns has been effectively undermined. Countries such as Brazil,

Mexico, and India, clearly have quite different communications capabilities and concerns than most others in the 'Third World'. The internationalization of capital, with the transnational corporation its most conspicuous manifestation, has exposed the extent to which there are conflicts between national regulatory frameworks and transnational corporations. Problems of cultural imperialism and domination once thought peculiar to 'Third World' countries have been given greater attention in advanced capitalist countries as a result of shifts in ownership and investment, including a greater role for international capital, and the development of satellite communications/telecommunications systems and international data storage, processing, and retrieval systems which render older notions of national sovereignty problematic. Recognition has increased that while the international dimension of communications flow is still of basic importance, and inextricably linked with international movements of capital, the state and dominant classes in 'Third World' countries are both capable of modifying relations with international capital, and at the same time having strong interests in existing communications and information flows whether at the international or national levels.