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a whole seminar was devoted to other possible pay TV technologies (see report in CU 75), and the suggestion that MDS could be the first service provider off the mark should have been clear to everyone, including the DOTAC representatives present.

Media commentators were not slow to pick up on the inference from the Government's change of heart that it had responded to pressure from its 'media mates' (the accepted euphemism for Kerry Packer and/or Rupert Murdoch) who had not had the foresight shown by Steve Cosser's Australis Media in buying up MDS licences. Under this interpretation, the mates had woken up to the fact that either they were going to have to do a deal with Cosser - and Cosser, sitting in the box seat, did not appear too interested - or they were going to have to bring out their lobbying power in Canberra. Many felt that the latter course of action prevailed.

The timing of the announcement - on the very day that the tenders for remaining MDS licences were to close - was, to say the least, suspect. Its contents suggested either breathtaking cynicism or mind-boggling incompetence on the part of a Government which has devoted so much of its own and DOTAC's time to the technological and regulatory issues associated with pay TV.

What's more, there are grounds for believing that the Minister has no power under the Act to direct the ABA not to issue pay TV licences using MDS, as he has done, and this is to be tested in the courts by aspiring MDS operators.

CU Comment: History Repeating Itself?

The main media in Australia have traditionally been owned by a small number of commercial interests which thereby gained a virtual stranglehold on sources of news and information.

The ownership of Australian media was widely regarded as the most highly concentrated and vertically integrated in the world. While cross-media ownership has diminished after changes to government policy in the 1980s, between them two individual owners - Rupert Murdoch and Kerry Packer - continue to dominate Australia's print and electronic media.

Media proprietors have historically been treated with considerable deference by Australian politicians. Examples of Australian politicians doing the bidding - or, more subtly, divining the will - of their media masters are legion, and are well documented in books like Paul Chadwick's *Media Mates* and David Bowman's *The Captive Press*. An example was when the Menzies Government in the 1950s, having decided to favour the establishment of both public and private television stations, then permitted existing media proprietors to obtain television licences. The long-term effects of this in terms of program diversity and information sources on Australian television have been incalculable.

For their part, media proprietors have been only too ready to exploit the willingness of politicians to be duchessed by men they perceive as rich and famous as well as powerful. William Shawcross's recent biography of Murdoch provides testimony to Murdoch's capacity to charm and captivate politicians, to make them feel they are in the big league and convince them that, by concurring with his wishes, they have the opportunity to make press or broadcasting history.

Remember Malcolm Fraser's amendments to the ownership provisions of the Broadcasting Act, which were so universally perceived as serving the interests of Murdoch that they were known as the 'Murdoch amendments'? Who can forget the image of the long line of Commonwealth cars carrying Labor Ministers arriving at a function held by Rupert Murdoch? Or of Paul Keating spending New Year on Alan Bond's yacht at the America's Cup races in Fremantle? Or of Bob Hawke proclaiming that Kerry Packer was a great Australian and that he was proud to call him a friend?

Regrettably, the perception that Governments do favours for media magnates is so integral to the Australian political landscape that the general public rarely gets indignant. This is no doubt due in part to the fact that the issues in question are often unfamiliar and involve complex technological questions; though the public response to the proposed sale of Fairfax to foreign interests in 1991 shows that people will revolt when they are fully aware of the implications.

Along with their traditional eagerness to appear on intimate terms with media magnates, politicians also appear to have an unshakeable belief in the power of the media - particularly the power of television, as evidenced among other things by their willingness to spend enormous amounts on election advertising, despite the paucity of reliable evidence that voters are influenced by it. The extent of the influence of print media on electoral behaviour is even more dubious, yet it is an article of political faith in Australia that the Fairfaxes and Frank Packer kept the Coalition in power through the 1950s and 1960s; and that Rupert Murdoch's support for Whitlam played a crucial role in the election of his government in 1972 - and his withdrawal of that support, in Whitlam's loss of power.

The Australian public is not as gullible as these simplistic analyses would tend to suggest. Moreover, it is a mark of how remote politicians become from the real world that the Government appears to have been surprised by the scepticism which greeted its turnaround on MDS. Some commentators are now suggesting that the issue - not of pay TV, to which most electors are probably fairly indifferent, but of the government's relationship to its media mates - could become a central one in the upcoming election.

Who knows? An Australian political party which had the guts to question the conventional wisdom about the power of the media, and to break the nexus between politics and media proprietors, might just find itself on a winning streak with voters. □